



U.S. BANK NATIONAL ASSOCIATION  
GLOBAL DOCUMENTARY SERVICES, BC-MN-H20G  
800 NICOLLET MALL  
MINNEAPOLIS, MN 55402

SWIFT: USBKUS44  
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**IRREVOCABLE LETTER OF CREDIT  
NUMBER SLCMMSP09360**

JANUARY 25, 2019

**BENEFICIARY:**

CITY OF LEE'S SUMMIT  
FINANCE DEPARTMENT  
ATTN: BETTE WORDELMAN, FINANCE DIRECTOR  
220 SE GREEN STREET  
LEE'S SUMMIT, MO 64063

**APPLICANT:**

CLAYTON PROPERTIES GROUP, INC  
DBA SUMMIT HOMES  
5000 CLAYTON RD  
ALCOA TN, 37804

**AMOUNT:**

\$856,816.90

**EXPIRATION DATE:**

JANUARY 31, 2020,  
OR AS EXTENDED

WE HEREBY ISSUE OUR IRREVOCABLE STANDBY LETTER OF CREDIT ("LETTER OF CREDIT") IN YOUR FAVOR FOR THE ACCOUNT OF CLAYTON PROPERTIES GROUP, INC, DBA SUMMIT HOMES, 5000 CLAYTON RD, ALCONA, TN 37804 ("OBLIGEE") FOR A MAXIMUM AGGREGATE AMOUNT NOT EXCEEDING 856,816.90 REPRESENTING THE FOLLOWING:

THIS LETTER OF CREDIT COVERS: ADA RAMPS, EROSION CONTROL, GRADING, ONSITE AND OFFSITE SANITARY SEWER, SEEDING, STREET SIGNS, STEP REPLACEMENT IN STORM BOXES ("IMPROVEMENTS"), REQUIRED FOR HAWHORN RIDGE 1<sup>ST</sup> PLAT ("PROJECT") AND ACCORDING TO ENGINEERS ESTIMATE OF PROBABLE COSTS TO CONSTRUCT.

THE CITY MAY DRAW UPON THIS LETTER OF CREDIT UPON WRITTEN NOTIFICATION TO THE BANK THAT THE OBLIGEE HAS DEFAULTED IN ITS OBLIGATION TO THE CITY TO CONSTRUCT, INSTALL AND / OR COMPLETE THE DEVELOPMENT RELATED IMPROVEMENTS REQUIRED FOR THE PROJECT BY JANUARY 31, 2020 OR IF THE OBLIGEE HAS FAILED TO POST A NEW LETTER OF CREDIT OR OTHER SUFFICIENT SECURITY APPROVED BY THE CITY'S DIRECTOR OF FINANCE, PRIOR TO INITIAL EXPIRATION DATE, SECURING THE CONSTRUCTION, INSTALLATION AND / OR COMPLETION OF THE IMPROVEMENTS.


THE WRITTEN NOTIFICATION SHALL BE ON OFFICIAL CITY LETTERHEAD, SIGNED BY THE CITY MANAGER, THE CITY'S FINANCE DIRECTOR, OR OTHER AUTHORIZED OFFICIAL OF THE CITY. THE AMOUNT OF THE LETTER OF CREDIT SHALL BE REDUCED AUTOMATICALLY BY THE AMOUNT OF ANY DRAW HEREUNDER. A COPY OF THIS LETTER OF CREDIT MUST ACCOMPANY ANY PRESENTED DOCUMENTS.

WE HEREBY AGREE WITH YOU THAT ALL DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT WILL BE DULY HONORED UPON THE PRESENTATION AND DELIVERY OF DOCUMENTS AS SPECIFIED TO US AT THE ADDRESS SPECIFIED ABOVE, NO LATER THAN THE INITIAL EXPIRATION DATE.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE DEEMED AUTOMATICALLY EXTENDED, WITHOUT AMENDMENT, FOR ONE YEAR FROM THE INITIAL EXPIRATION DATE HEREOF, UNLESS AT LEAST 60 DAYS PRIOR TO SUCH DATE, WE SHALL SEND YOU WRITTEN NOTICE, VIA CERTIFIED MAIL, THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT RENEWED FOR SUCH ADDITIONAL ONE-YEAR PERIOD.

THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (2007 REVISION) FOR THE INTERNATIONAL CHAMBER OF COMMERCE, ICC PUBLICATION NO. 500, AND TO THE EXTENT NOT INCONSISTENT THEREWITH THE LAWS OF THE STATE OF MISSOURI, INCLUDING WITHOUT LIMITATION THE UNIFORM COMMERCIAL CODE IN EFFECT THEREIN.

U.S. BANK NATIONAL ASSOCIATION

  
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AUTHORIZED SIGNATURE



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 Global Documentary Services      EMAIL: Minneapolis.Standby@usbank.com  
 800 Nicollet Mall, BC-MN-H20G      Phone: 612-303-7475  
 Minneapolis, Minnesota 55402      Fax: 612-303-5226

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DEBIT ADVICE

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01/25/19

CLAYTON HOMES INC  
 5000 CLAYTON ROAD  
 MARYVILLE, TN 37804

STEVE COOK

RE: Standby Letter of Credit Number SLCMMSP09360  
 (Please refer to this number when calling with questions)

In favor of: CITY OF LEE'S SUMMIT  
 FINANCE DEPARTMENT  
 ATTN: BETTE WORDELMAN  
 FINANCE DIRECTOR  
 220 SE GREEN STREET  
 LEE'S SUMMIT, MO 64063

Thank you for choosing U.S. Bank N.A. to meet your Letter of Credit needs. Below please find the applicable fees associated with this request.

Please be advised we have debited your account per your instructions.

Letter of Credit Amount:	USD	856,816.90
Commission Rate:		0.0035
Period Covered:		From 01/25/19 to 01/25/20 (365/360)
Commission:	USD	3,040.51 (ON ISSUANCE)
Administrative Fee:		300.00
Courier Fee:		25.00
Total Debit:	USD	3,365.51

We value the trust you have placed in us and we look forward to continuing to serve you. If you have any questions, please contact us at the number above.