

# ANNUAL DEVELOPMENT ACTIVITY AND DISCLOSURE REPORT

For the Period Ending December 31, 2017

*\$23,585,000 Redevelopment Authority of the County of Washington, Pennsylvania  
Victory Centre Project-Tanger Outlet Development  
Series A of 2006 Redevelopment Bonds*

CUSIP Number:  
938618AA3



Prepared by:

**MUNICAP, INC.**

February 13, 2018

**ANNUAL DEVELOPMENT ACTIVITY AND  
DISCLOSURE REPORT**

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## ***I. UPDATED INFORMATION***

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Information updated from the Annual Development Activity and Disclosure Report dated February 15, 2017, is as follows:

- As of December 31, 2017, the Developer reports that leases have been signed with 79 tenants totaling 371,958 square feet and representing 99.73 percent of the leasable space within Phase I of the outlet center.
- The 2017 ad valorem tax rates for Washington County, South Strabane Township and Trinity Area School District are 0.00243 mills, 0.000749 mills and 0.0136 mills, respectively. Accordingly, the total 2017 ad valorem tax rate on the property in the development was 0.016779 mills per \$100 of assessed value.
- According to the treasurer's office for Washington County, the 2016 assessed value of the property in the development was \$5,604,914. A County-wide assessment occurred in 2015 and these values became effective January 1, 2017. The assessed values prior to re-assessment represented 25% of the market value (based on 1981 market value). The reassessment value for 2015 represents 100% of the market value due to the County-wide reassessment. The 2017 assessed value of the property in the development was \$78,725.00. As a result, the total assessed value of the development increased by 1,355% from tax year 2016 to 2017.
- Special assessments in the amount of \$1,062,000 were to be collected on the parcels in Improvement Area A in 2017. The trustee reports that special assessments in the amount of \$1,062,000 were received from the township on December 8, 2017. As a result, there are no delinquent tax year 2017 special assessments outstanding at this time.
- According to the treasurer's office for Washington County, 2017 Washington County ad valorem real estate taxes in the amount of \$187,476 had been collected on the taxable property within the development, representing 100.0 percent of the total amount to be collected in 2017.
- According to the tax collector for South Strabane Township, 2017 South Strabane Township ad valorem taxes in the amount of \$57,786 had been collected on the taxable property within the development, representing 100.0 percent of the total amount to be collected in 2017.
- According to the tax collector for South Strabane Township, 2017 Trinity Area School District ad valorem taxes in the amount of \$1,049,247 had been collected on the taxable property within the development, representing 100.0 percent of the total amount to be collected in 2017.

## ***II. INTRODUCTION***

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The Redevelopment Authority of the County of Washington, Pennsylvania issued the \$23,585,000 Series A of 2006 Bonds pursuant to the provisions of the Pennsylvania Tax Increment Financing Act, the Pennsylvania Neighborhood Improvement District Act, the Pennsylvania Urban Redevelopment Law, as amended, and an Indenture of Trust, dated as of December 1, 2006, by and between the Redevelopment Authority of the County of Washington and the Bank of New York Mellon (formerly the Bank of New York Trust Company), as trustee.

The Victory Center Neighborhood Improvement District (the "District") consists of approximately 333 acres located within South Strabane Township of Washington County, Pennsylvania, near the intersection of Racetrack Road and Interstate 79. The site is approximately 35 miles southwest of Pittsburgh, Pennsylvania. The District is composed of two improvement areas: Improvement Area A and Improvement Area B.

Improvement Area A was developed by Tanger Properties Limited Partnership (the "Developer") and Improvement Area B was expected to be developed by Bass Pro World, LLC. Tanger Outlet-Victory Centre, located in Improvement Area A, is an approximately 122-acre retail and entertainment destination campus. At the time the Series 2006A Bonds were issued, at completion, the development was expected to contain: (i) Tanger Outlet-Victory Centre, an open-air mall and entertainment center which was expected to total approximately 419,000 square feet gross leasable area on approximately 45 developable acres of land; and (ii) approximately nine developable acres of land expected to be sold or leased for retail and other uses. Improvement Area B is located on approximately 210 acres and was expected to be developed by Bass Pro, an outdoor recreation products retailer. At completion, the area was expected to include a Bass Pro Shops store and two hotel facilities, indoor/outdoor shooting ranges, indoor/outdoor archery ranges, and supporting retail stores, restaurants, attractions, and exhibits to compliment the outdoor attraction.

The proceeds of the Series 2006A Bonds were expected to fund certain infrastructure improvements for the development, including roads, power line relocation, water and sewage facilities and related improvements.

The information provided herein is not intended to supplement or otherwise relate to the information provided in the Limited Offering Memorandum and any such intent is expressly disavowed. Rather, this report responds to the specific requirements of the continuing disclosure agreement.

**No representation is made as to the materiality or completeness of the information provided herein or as to whether other relevant information exists with respect to the period covered by this report. Other matters or events may have occurred or become known during or since that period that may be material. All information is provided as of December 31, 2017, unless otherwise stated, and no representation is made that the information contained in this report is indicative of information that may pertain since the end of the period covered by this report or in the future.**

### **III. DEVELOPMENT ACTIVITY**

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#### **A. OVERVIEW**

Improvement Area A was developed by Tanger Properties Limited Partnership and Improvement Area B was to be developed by Bass Pro World, LLC. At completion, the District was expected to have approximately 100 stores including an estimated ten anchor and magnet stores and approximately 90 in-line retailers consisting of an upscale merchant mix of authentic brand name manufacturers with merchandise sold direct from manufacturers at an average 40 percent discount from full retail prices, plus a mix of specialty stores and restaurants. The design featured a pedestrian-friendly racetrack layout that functions as an open-air mall with covered and uncovered landscaped courtyards and a park-like setting throughout the complex.

The Developer selected C70 Builders, Inc., of Blaine, Minnesota as the general contractor for the project. Construction of the District was expected to occur in two phases. Tanger's development policy was to commence construction after leases representing 51 percent of the gross leasable area for each particular phase are executed. At the time the bonds were issued, Phase I of the development was anticipated to open in the spring of 2008. The pad sites were expected to be developed simultaneously with the outlet center. The pad sites were expected to include financial institutions, hotels and restaurants.

#### **B. GOVERNMENTAL APPROVALS AND PERMITS**

According to the Official Statement, dated December 15, 2006, Land Development Plan Approval was received from South Strabane Township in February 2006, which contained many of the conditions that apply to the development. The Developer has received all zoning approvals necessary in connection with the development. Additionally, most major permits in connection with the development have been received. Certain permits needed to be obtained in the ordinary course of development, but the Developer expects such permits to be routine and reasonably obtainable.

As of December 31, 2017, the Developer reports that the zoning classification for the parcels in the District was changed from C-2 (General Commercial Development) to C-3 (Regional Commercial Development). According to the Developer, the classification change became effective on June 23, 2009.

#### **C. STATUS OF DEVELOPMENT**

##### *Mall Construction and Leasing Status*

As of December 31, 2017, the Developer reports that 371,958 square feet of leasable space has been constructed in the first phase of the development. The first phase of the development opened on August 29, 2008. The Developer also reports that leases have been signed with 79 tenants totaling 371,958 square feet, representing 99.73 percent of the leasable space within Phase I of the outlet center. The Developer reports that Phase II of the outlet center construction is expected to have 46,028 square feet of leasable space, none of which is currently subject to lease agreements or negotiations.

Table III-1 on the following page provides the leasing status of the outlet center, the number of tenants and the square footage as reported by the Developer as of December 31, 2017.

**Table III-1**  
**Status of Outlet center**

Leasing Status	Number of Tenants	Square Footage	Percent of Phase	Percent of Total
<b>Phase I</b>				
Leases-Signed	79	371,958	99.73%	88.78%
Leases Negotiating Letter of Intent	0	0	0.00%	0.00%
Lease Negotiation in Progress	0	0	0.00%	0.00%
Remaining Leasable Space	0	1,000	0.27%	0.24%
<i>Subtotal Phase I</i>		372,958	100.0%	89.1%
<b>Phase II</b>				
Remaining Leasable Space	TBD	46,028	100.0%	10.99%
<i>Subtotal Phase II</i>		46,028	100.0%	10.99%
<b>Total Outlet Center Leasable Space Built</b>		<b>418,986</b>		<b>100.0%</b>

Table III-2 below provides a list of tenants in the outlet center as reported by the Developer as of December 31, 2017.

**Table III-2**  
**Outlet center Tenant List**

Tenant Name	Type	SQF Leased
Adidas	Footwear	6,000
American Eagle	Apparel	5,600
Ann Tayer	Apparel	6,194
Auntie Anne's	Food	1,436
Banana Republic	Apparel	9,000
Bass	Apparel	4,000
Bath & Body	Specialty	3,200
Book Warehouse	Specialty	5,293
Bose	Specialty	2,435
Brooks Brothers	Apparel	8,500
Carter's	Children's Apparel	4,500
Casual Male	Apparel	3,000
Chicken Now	Food Court	625
Chico's	Apparel	3,250
Children's Place	Children's Apparel	7,500
Christopher & Banks	Apparel	4,000
Claire's Boutique	Accessories	1,000
Clarks/Bostonian	Footwear	3,000
Coach	Accessories	5,894
Coffee Express	Food	625
Cosmetics Company Store	Specialty	2,000
Columbia Sportswear	Apparel	8,796
Crocs	Footwear	2,300
Direct Tools	Specialty	3,500
Dress Barn	Apparel	8,000
Easy Spirit	Footwear	2,589
Eddie Bauer	Apparel	6,285
Express Factory	Apparel	9,004
Famous Footwear	Footwear	5,913
Fragrance Outlet	Specialty	1,045

<b>Tenant Name</b>	<b>Type</b>	<b>SQF Leased</b>
Gap	Apparel	13,367
Francesca's	Specialty	2,400
Gold Toe	Specialty	1,436
Guess	Apparel	4,500
Gymboree	Children's Apparel	2,500
H&M	Apparel	18,056
Haggar	Apparel	2,776
Harry & David	Food	2,500
Hot Topic	Specialty	2,500
J. Crew	Apparel	5,000
Janie & Jack	Children's Apparel	1,500
Jared Vault	Jewelry	1,500
Journeys	Footwear	2,100
Justice	Children's Apparel	4,000
Kay Outlet	Jewelry	2,007
Kirklands	Specialty	5,500
Kitchen Collection	Housewares	3,200
Lane Bryant	Apparel	5,000
Leggs Hanes Bali Playtex	Apparel	5,105
Levi's Outlet	Apparel	5,000
Lids	Specialty	800
Loft Outlet Store	Apparel	5,900
Michael Kors	Specialty	5,168
New York & Company	Apparel	4,389
Nike	Apparel	15,000
Nine West	Footwear	2,500
Old Navy	Apparel	15,000
OshKosh	Children's Apparel	4,008
Pandora	Jewelry	1,436
Polo	Apparel	12,810
Rack Room Shoes	Footwear	5,000
Saks	Apparel	25,440
SAS Shoes	Footwear	2,000
Skechers	Footwear	3,500
Steeler's Pro Shop	Specialty	3,000
Subway	Food Court	625
Sunglass Hut	Accessories	843
Talbots	Apparel	3,640
Tommy Hilfiger	Apparel	7,000
Torrid	Apparel	2,500
Under Armour	Apparel	8,739
Under Armour Kids	Apparel	3,250
Villa Pizza	Food Court	625
White House/Black Market	Apparel	2,400
Wilsons Leather	Accessories	3,800
Wok & Roll	Food Court	625
Yankee Candle	Accessories	2,029
Zales	Jewelry	3,000
Zumiez	Apparel	2,500
<b><i>Occupied Square Feet</i></b>		<b><i>371,958</i></b>
Vacant	N/A	1,000
<b>Total Square Feet</b>		<b>372,958</b>

*Pad Sites Construction and Leasing Status*

According to the Limited Offering Memorandum, the Developer proposed to develop the pad sites simultaneously with the outlet center. The pad sites were expected to include financial institutions, hotels and restaurants. As of December 31, 2017, the Developer reports that on August 3, 2009, a 4.3 acre outparcel was sold to a hotel Developer. The sale closed on August 3, 2009. As of December 31, 2017, the Developer reports that a 124-suite, LEED-designed Courtyard by Marriott was completed and opened for business on June 14, 2011. According to the Developer, the hotel includes a meeting room and a bistro that is open for breakfast and dinner plus a bar/coffee bar. In April 2014, Concord Sierra Racetrack Associates LP sold the property as part of a portfolio sale to Black Sapphire C Meadowlands 2014, a Delaware based company. Concord Hospitality Enterprises continues to manage the hotel. The Developer continues the evaluation process to determine pad size and number of pad sites to be offered out of the remaining approximately six acres of land to be sold or leased. The Developer continues to show the pad sites to interested parties.

Table III-3 below provides the leasing status of the pad sites as reported by the Developer as of December 31, 2017.

**Table III-3  
Status of Pad Sites**

<b>Status</b>	<b>Tenant/Buyer</b>	<b>Development Type</b>	<b>Acreage</b>	<b>Percent of Total</b>
<b><i>Pad Site Leases</i></b>				
Signed	0		0	0.0%
Negotiating Letter of Intent	0		0	0.0%
Negotiations in Progress	0		0	0.0%
<b><i>Pad Site Sales</i></b>				
Parcel - Sold	Black Sapphire CM 2014 Assoc. LP	Hotel	4.3	41.7%
Remaining Available Space		TBD	6.0	58.3%
<b>Total Pad Site Area</b>			<b>10.3</b>	<b>100.0%</b>

**D. PUBLIC IMPROVEMENTS**

According to the Limited Offering Memorandum, the proceeds of the Series 2006A Bonds were expected to fund certain infrastructure improvements for the development, including the acquisition of land, roads, power line relocation, water and sewage facilities and related improvements. The majority of the construction was expected to begin in the first quarter of 2007 and certain engineering and, at the time the Series 2006A Bonds were issued, other work had commenced. The relocation of the power lines was completed by Allegheny Power in November 2006. The remainder of the public improvements were expected to be constructed at the same time as the Phase I buildings.

As of December 31, 2017, the Developer reports that additional funds totaling \$807,948, representing investment income earned on the Series 2006A Bond proceeds through October 15, 2009, have been added to the public improvement budget to be funded by the Series 2006A Bonds. As of December 31, 2017, the Developer reports that \$17,625,522 had been expended for the construction of the public improvements, representing 100.0 percent of the amount to be funded with the Series 2006A Bonds.

Table III-4 on the following page shows the public improvements, the original budget, budget changes, the revised budget and the amount spent by line item as reported by the Developer as of December 31, 2017. Budget revisions include shifting funds from Engineering and Offsite Road Improvements into Public Road Improvements and Sewer due to timing and expenses. Future costs which exceed the Revised Budget are expected to be funded by the Developer.



**Table III-4**  
**Status of Public Infrastructure Construction**

<b>Public Improvement</b>	<b>Original Budget per Closing Certificate</b>	<b>Budget Revisions since Closing</b>	<b>Revised Budget</b>	<b>Spent to Date</b>	<b>Percent Complete</b>
Offsite Road Improvements	\$8,500,000	(\$742,312)	\$7,757,688	\$7,757,688	100%
Power Line Relocation	\$4,050,000	(\$112,955)	\$3,937,046	\$3,937,046	100%
Engineering	\$803,000	(\$344,680)	\$458,320	\$458,320	100%
Public Road Improvements	\$1,186,401	\$1,753,936	\$2,940,337	\$2,940,337	100%
Sewer	\$2,000,000	\$347,487	\$2,347,487	\$2,347,487	100%
Legal	\$0	\$180,705	\$180,705	\$180,705	100%
Other	\$278,174	(\$274,234)	\$3,939	\$3,939	100%
<b>Total Improvements</b>	<b>\$16,817,575</b>	<b>\$807,948</b>	<b>\$17,625,522</b>	<b>\$17,625,522</b>	<b>100%</b>

## IV. TRUSTEE ACCOUNTS

The trustee for the Series 2006A Bonds is Bank of New York Mellon (formerly the Bank of New York Trust Company). The following table shows the balance as of December 31, 2016, interest paid, disbursements, additional proceeds, and account balances for each fund as of December 31, 2017.

**Table IV-1**  
**Trustee Accounts**

Fund	Balance 12/31/16	Interest Paid	Additional Proceeds	Disburse- ments	Balance 12/31/17
Reserve Fund	\$2,036,123	\$13,242	\$2,013,023	\$2,013,023	\$2,049,365
Debt Service Fund	\$561,896	\$11	\$1,231,895	\$1,793,790	\$12
Revenue Fund	\$561,847	\$1,124	\$194,984	\$561,895	\$196,060
Assessment Account	\$757,296	\$1,378	\$1,062,042	\$739,864	\$1,080,852
Township Payment Fund	\$1	\$0	\$0	\$0	\$1
Administrative Expense Fund	\$12	\$149	\$69,864	\$39,719	\$30,306
TIF County Tax Fund	\$12	\$121	\$187,476	\$187,476	\$133
TIF Township Tax Fund	\$71	\$13	\$57,786	\$57,811	\$58
TIF School District Tax Fund	\$4	\$0	\$0	\$4	\$0
<b>Total</b>	<b>\$3,917,262</b>	<b>\$16,038</b>	<b>\$4,817,069</b>	<b>\$5,393,582</b>	<b>\$3,356,787</b>

- Additional proceeds to the Reserve Fund are receipts of reserve funds proceeds previously invested in a GIC with BBT following the maturity of GIC on July 1, 2017.
- Additional proceeds to the Debt Service Fund were transfers from the Revenue Fund and the Assessment Account for the payment of debt service.
- Additional proceeds to the Revenue Fund represent the authority share of tax increment revenues collected by the taxing bodies.
- Additional proceeds to the Assessment Account represent the receipt of special assessments collected by the township for the payment of debt service and administrative expenses.
- Additional proceeds to the Administrative Expense Fund represent transfers of investment income in excess of the reserve requirement and transfers from the Assessment Account for the payment of administrative expenses.
- Additional proceeds to the County Tax Fund and Township Tax Fund were receipts of tax revenues levied by the two taxing authorities.

Bond proceeds are invested in government money market funds currently earning interest of 0.68 percent. Bond proceeds in the Reserve Fund were previously invested in a BB&T GIC earning 0.61 percent per annum and matured on July 1, 2017. These proceeds are currently held in government money market funds. Table IV-2 shows the rate of return on the funds and accounts held by the trustee as of December 31, 2017.

**Table IV-2**  
**Rate of Return**

Account	Rate of Return
Reserve Fund	0.61%
Revenue Fund	0.68%
Assessment Account	0.68%
Township Payment Fund	0.68%
Administrative Expense Fund	0.68%
TIF County Tax Fund	0.68%
TIF School District Tax Fund	0.68%

According to the Trust Indenture for the Series 2006 Bonds, dated as of December 1, 2006, investment income on the Reserve Fund in excess of the reserve requirement will be transferred to the Administrative Expense Fund. Investment income on the Debt Service Fund will be applied exclusively to the payment of debt service. Investment income on the Administrative Expense fund will remain in the fund and will be used to pay administrative expenses.

## V. DISTRICT OPERATIONS

The information provided in this section is taken from the annual assessment report for the Victory Centre Neighborhood Improvement District dated May 12, 2017 and revised on August 1, 2017. The information herein reflects information available as of the same date and may not contain the most updated information regarding tax increment and assessment collections, delinquencies, changes to the assessed value of the property within the district or other updates to anticipated debt service on the Series 2006A Bonds as of the dated of this annual continuing disclosure report.

### A. ANNUAL REVENUE REQUIREMENT

The Special Assessments on all of the Parcels were set to equal the principal amount of the Bonds, interest payable on the Bonds for each year, and Administrative Expenses. The Special Assessment Roll previously adopted by the Special Assessment Ordinance had estimated the issuance of \$31,710,000 in bonds for Improvement Area A. However, the Series 2006 Bonds for Improvement A were issued in the aggregate amount of \$23,585,000. Additional bonds are not anticipated to be issued for Improvement A. Pursuant to Section C(3) of the Rate and Method of Apportionment of Special Assessments (the RMA), the Special Assessment Roll for Improvement A has been updated to reflect the current Special Assessments on all of the Parcels, based on the Series 2006 Bonds. The aggregate Special Assessments equal the outstanding principal amount of the Series 2006 Bonds, interest payable on the Bonds for each year, and Administrative Expenses.

#### *Annual Revenue Requirement*

The Annual Revenue Requirement is defined as follows:

For any tax year, the sum of the following, (1) regularly scheduled debt service on the Bonds to be paid from the Annual Payments except for principal and interest on the bonds to be paid from Special Assessment Prepayments on deposit with the trustee; (2) periodic costs associated with such bonds, including but not limited to rebate payments and credit enhancements on the bonds; and (3) administrative expenses; less (a) tax increment revenues, (b) any credits applied under the bond indenture, such as interest earnings on any account balances, and (c) any other funds available to the bonds that may be applied to the Annual Revenue Requirement.

Table V-1 below provides a summary of the Annual Revenue Requirement for the 2017 tax year. Each of these numbers is explained in the following sections.

**Table V-1**  
**Annual Revenue Requirement**

<b>Debt Service Requirements For Series 2006 Bonds</b>	
Interest on 2006A Bonds January 1, 2018	\$543,638
Interest on 2006A Bonds July 1, 2018	\$543,638
Principal on 2006A Bonds July 1, 2018	\$745,000
<i>Sub-total debt service</i>	<i>\$1,832,275</i>
Administrative expenses	\$48,760
Contingency	\$38,300
<i>Total debt service and administrative requirements</i>	<i>\$1,919,335</i>
<i>Total available revenues</i>	
Surplus from prior year	(\$30,856)
Reserve fund investment income	(\$12,182)
2017 estimated net TIF revenues	(\$814,296)
<i>Estimated total available revenues</i>	<i>(\$857,335)</i>
<b>Annual Revenue Requirement</b>	<b>\$1,062,000</b>

### *Debt Service*

Debt service includes interest on the bonds payable on January 1, 2018 and July 1, 2018. The \$543,638 interest payments due on January 1, 2018 and July 1, 2018 are equal to six months of interest on the term bonds as shown below.

Term 2035 Bonds of \$19,950,000 at 5.45%	\$543,638
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A principal payment of \$745,000 is due on the bonds on July 1, 2018. As a result, total debt service is \$1,832,275.

### *Administrative Expenses*

Administrative expenses for 2017 are estimated to be \$48,760. Administrative expenses include payments to the trustee, the administrator, and the expenses of the RWAC related to the administration of the District.

### *Contingency*

A contingency equal to approximately one percent has been added in the event of special assessment delinquencies, unanticipated expenses or if investment income is less than estimated. This contingency will also offset the two percent discount to be provided for the early payment of regular real property taxes.

### *Reserve Fund Interest Income*

As of March 31, 2017, the balance in the Series 2006 Reserve Fund was \$2,039,302.43, which is equal to the reserve requirement for the Series 2006 Bonds in the amount of \$2,028,426.25 and investment income of \$10,875.18. A portion of Reserve Fund bond proceeds in the amount \$1,997,097.50 are invested in a BB&T GIC earning 0.61 percent per annum and will mature on July 1, 2017. The balance of Reserve Fund is invested in a Goldman Sachs Financial Sq Government Portfolio money market fund earning 0.01 percent per annum. At these rates of return, \$2,030.38 in interest income is estimated to be earned by the next debt service payment of July 1, 2017. These funds together with interest income in the amount of \$10,875.18 currently posted in the reserve fund will be made available to pay debt service and administrative expenses on July 1, 2017. An additional, \$12,182 in annual investment income will be earned and made available to pay debt service and administrative expenses on the Series 2006 Bonds in 2018.

### *Surplus from Prior Year*

Aggregate total property taxes collected in 2016 were equal to \$817,794. Pursuant to the terms of the Cooperation Agreement, the base tax, TIF Revenues and interest income realized by these tax revenues should be distributed by the trustee periodically. After deduction of base tax, each taxing body shall receive a certain percentage of the TIF revenue. The township, school district and the county will each receive 20% of the total TIF Revenues collected each year.

The taxes collected in 2016 by the township and the county were distributed in July 2016. Taxes collected by the school district were remitted to the trustee on February 2017 and will be distributed during the month of March. The township, school district and the county share of 2016 real property taxes was equal to \$14,319, \$200,471, and \$41,261, respectively. The total amount distributed to the Authority was equal to \$623,754. Table V-2 below shows the distribution of 2016 taxes revenues.

**Table V-2**  
**2016 Tax Revenue Distribution**

Taxing Authority	Township of South Strabane	School District	Washington County	Total
Total property taxes collected for 2016	\$39,776	\$645,962	\$132,056	\$817,794
Disbursement to taxing body	\$14,319	\$200,471	\$41,261	\$256,051
<b>Disbursement to TIF Revenue Fund</b>	<b>\$25,457</b>	<b>\$445,491</b>	<b>\$90,795</b>	<b>\$561,743</b>

<sup>1</sup>Amount includes 20% share of net TIF Revenues together with TIF Revenues due to the increase in township, school district and county millage rates from the Base Date millage rate.

Special assessments in the amount of \$1,277,000.00 were to be collected during 2016. Special assessments in the amount \$1,277,000.00 were remitted to the trustee on November 15, 2016. As a result, there are no delinquent special assessments. The estimated surplus from the prior year that may be applied to pay the annual payment in 2017 is shown in Table F below. The balance in the debt service fund, revenue fund, and assessment account as of March 31, 2017 was \$12.19, \$562,019.69 and \$687,813.93, respectively. As mentioned above, reserve fund interest income in the amount \$12,905.56 (\$10,875.18 + \$2,030.38 = \$12,905.56) will be available by the next debt service payment on July 1, 2017. These funds will be applied to the debt service payment due on July 1, 2017, which includes the interest payment in the amount of \$561,895.00 and a principal payment in the amount of \$670,000.00.

Administrative services for 2016 were estimated to be \$47,804.00. As of March 31, 2017, 2016 special assessment revenues in the amount of \$47,804.00 have been transferred to the administrative expenses fund to fund 2016 administrative expenses and the balance of 2017 administrative expenses. As a result, the administrative expenses fund is fully funded with revenues collected during 2016 tax year. Accordingly, the surplus balance of the 2016 revenues that may be applied to the annual revenue requirement for 2017 is equal to \$30,856.37 as shown in the table below.

**Table V-3**  
**Surplus from Prior Year**

Available Funds as of March 31, 2017	
Debt service fund	\$12
TIF revenue fund	\$562,020
Assessment account	\$687,814
Reserve fund income	\$10,875
Reserve fund income thru June 30, 2017	\$2,030
<i>Subtotal available funds</i>	<i>\$1,262,751</i>
Debt Service:	
Interest payment on July 1, 2017	<i>(\$561,895)</i>
Principal payment on July 1, 2017	<i>(\$670,000)</i>
<i>Total debt service</i>	<i>(\$1,231,895)</i>
Administrative expenses	\$0
Total expenses	<i>(\$1,231,895)</i>
<b>Surplus from Prior Year</b>	<b>\$30,856</b>

*Estimated TIF Revenues*

Pursuant to a Cooperation Agreement regarding The Victory Centre Tax Increment Financing District dated as of December 1, 2006 (the "Cooperation Agreement"), the Authority, Washington County, South

Strabane Township, and the Trinity Area School District (the "School District") have agreed that certain incremental real estate tax revenues derived from real property located within the TIF District (the "TIF Revenues") from and after the date of creation of the TIF District will be used to pay debt service on the Bonds and certain related charges. The township, the county, and the school district are collectively referred to as the "Taxing Bodies."

Pursuant to the Cooperation Agreement and the Indenture, eighty percent of the net Tax Increment Revenues collected each year are pledged to secure the Bonds and shall be deposited into the Tax Increment Fund. These Tax Increment Revenues consist of a percentage of the real property taxes collected in the TIF District in excess of the base assessed value less the amount payable to the respective Taxing Bodies as provided for in the Cooperation Agreement.

The base value of the taxable property in the TIF District for the base year, which was March 15, 2006, was equal to \$193,216. The assessed value for all parcels in the District as of January 1, 2017 was equal to \$80,239,600. The incremental assessed value is, therefore, estimated to equal \$80,046,384 (\$80,239,600 – \$193,216 = \$80,046,384). Taxable property in the Washington County is subject to real property taxes imposed by three separate taxing bodies namely; the county, the local municipality and the local school district. The millage rates for each of the three taxing bodies and the estimated TIF Revenues resulting from the incremental value that is to be collected by the three taxing bodies for fiscal year 2017 is estimated to be \$1,204,844 as shown in the table below.

**Table V-4**  
**Estimated TIF Revenues Collected in 2017**

Taxing bodies	Township	School District	County	Total
2017 Real Property Tax Rate (mills)	0.0075	0.1077	0.0249	0.1401
Assessed Value at 01/01/16				\$5,604,914
Base Year Assessed Value				(\$193,216)
Incremental Value				\$5,411,698
Estimated TIF Revenues to be collected	\$39,776	\$571,183	\$132,056	\$743,015
<i>Less TIF Revenues due to increase in millage rates</i>	(\$7,955)	(\$14,319)	(\$18,562)	(\$40,837)
Net TIF Revenues	\$31,821	\$556,864	\$113,494	\$702,179
Estimated TIF Revenues to taxing bodies <sup>1</sup>	\$14,319	\$125,692	\$41,261	\$181,272
<b>Estimated TIF Revenues to Authority</b>	<b>\$25,457</b>	<b>\$445,491</b>	<b>\$90,795</b>	<b>\$561,743</b>

<sup>1</sup>Amount includes 20% share of net TIF Revenues together with TIF Revenues due to the increase in township and county millage rates from the Base Date millage rate.

The Cooperation Agreement provides for all tax revenues collected from parcels within the District to be deposited into the Tax Funds for each taxing body that is held by the trustee as the Escrow Agent. After deduction of base tax and any real estate tax payment attributed to increases in the taxing body's millage rate above the base date millage rate, each taxing body shall receive a certain percentage of the TIF revenue. The Base Date millage rate (adjusted by a factor of 10 due to the reassessment of property for 2017 tax year) for the township, school district and the county was 0.0006 mills, 0.0105 mills and 0.00214 mills, respectively. The township, school district and the county will each receive a share equal to 20 percent of the total TIF Revenues collected each year. The estimated TIF Revenues due to the taxing bodies and the Authority are shown in the table above. Accordingly, the estimated TIF Revenues that will be available for debt service and administrative requirements for fiscal year 2017 is equal to \$814,296.

*Summary*

Total District expenses to be paid from special incremental revenues and special assessments in 2018 are estimated to be \$1,919,335. Funds available to pay these expenses, other than special taxes, are estimated

to be \$857,335, resulting in a special tax requirement of \$1,062,000 ( $\$1,919,335 - \$857,335 = \$1,062,000$ ).

## **B. DELINQUENT SPECIAL ASSESSMENTS**

Special assessments in the amount of \$1,277,000 were to be collected on the parcels in Improvement Area A in 2016. The trustee reports that special assessments in the amount of \$1,277,000 were received from the township on November 15, 2016. As a result, there are no delinquent tax year 2016 special assessments outstanding at this time.

Special assessments in the amount of \$1,062,000 were to be collected on the parcels in Improvement Area A in 2017. The trustee reports that special assessments in the amount of \$1,062,000 were received from the township on December 8, 2017. As a result, there are no delinquent tax year 2017 special assessments outstanding at this time.

## **C. COLLECTION EFFORTS**

There are no delinquent special assessments outstanding for tax year 2017. As a result, there are no collection efforts underway at this time.

## ***VI. DISTRICT FINANCIAL INFORMATION***

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The information provided in this section is to meet the requirements for the annual report as provided for in Section 2(a) of the Continuing Disclosure Agreement. The items listed below are in the same format and order as the items required for the annual report as listed in the Continuing Disclosure Agreement.

All information in this section is provided as of December 31, 2017, unless otherwise stated.

### **A. FUND BALANCES**

The fund balances in all of the funds and accounts, as of December 31, 2017, provided for in the Indenture of Trust are included in Table IV-1 of Section IV, "Trustee Accounts," of this report.

### **B. CHANGES TO THE RATE AND METHOD OF APPORTIONMENT**

There have been no changes to the Rate and Method of Apportionment of Special Assessments by the county since the bonds were issued.

### **C. CHANGES IN THE AD VALOREM TAX RATES**

Taxable property in Washington County is subject to real property taxes imposed by three separate taxing bodies, namely, the county, the local municipality and the local school district. Because of the 2015 County-wide revaluation, the mill rate for each taxing body was adjusted downward to account for the increase in assessed value. Similar According to the assessment office for Washington County, the respective ad valorem aggregate millage rate for 2017 was 0.016779 mills, as compared to 0.1542 millage rate for the 2016 tax year. The 2017 ad valorem tax rates for Washington County, South Strabane Township and Trinity Area School District are 0.002430 mills, 0.000749 mills and 0.013600 mills, respectively.

Table VI-1 below depicts the millage rates for Trinity School District, South Strabane Township, and Washington County for tax years 2016 and 2017. Tax rates are expressed per \$100 of assessed value.

**Table VI-1**  
**Millage Rates**

<b>Area</b>	<b>2016</b>	<b>2017</b>
Washington County	0.0249	0.002430
South Strabane Township	0.0075	0.000749
Trinity Area School District	0.1218	0.013600
<b>Total</b>	<b>0.1542</b>	<b>0.016779</b>

### **D. ASSESSED VALUE OF REAL PROPERTY**

#### *Assessed Value*

Table VI-2 on the following page depicts the 2017 assessed values of the taxable parcels in Improvement Area A as reported by the treasurer's office for Washington County. Pursuant to Pennsylvania Law, properties can be assessed from 1% to 100% of market value. As of January 1, 2017, property is assessed based on its current condition using 100% of the 2015 market value, which is the year of the most recent County-wide reassessment conducted by the Assessment Office. Prior to the County-wide re-assessment to 100% of market value, property was assessed on its current condition using 25% of the 1981 market value. As of February 11, 2017, the treasurer's office for Washington County reports that the total assessed value for the taxable property in the District was \$78,725,000.



**Table VI-2**  
**Assessed Value of Property**

Parcel Number	Owner	Improvement Area	Acreage	2017 Assessed Value <sup>1</sup>
600-001-00-00-0013-02	Tanger Properties LP	A	107.856	\$61,532,000
600-001-00-00-0013-06	Tanger Properties LP	A	3.382	\$298,000
600-001-00-00-0013-05	Black Sapphire C Mlands 2014	A	4.312	\$16,895,000
<b>Total</b>			<b>115.55</b>	<b>\$78,725,000</b>

<sup>1</sup>Excludes aggregate assessed value of \$136,179 for two parcels in Improvement Area B.

*Changes in Assessed Value*

Table VI-3 below shows the change in assessed value of the taxable property within the District as of December 31, 2017. The 2016 assessed value of the property in the development was \$5,604,914. The 2017 assessed value of the property in the development was \$78,725,000. Accordingly, the assessed value of property in the District increased by 1,355% from tax year 2016 to tax year 2017. This increase can partially be attributed to the change in assessment methodology.

**Table VI-3**  
**Changes in Assessed Value**

2016 Assessed Value	2017 Assessed Value	Percent Change
\$5,604,914	\$78,725,000	1,355%

**E. DISTRICT SPECIAL ASSESSMENTS LEVIED**

Special assessments in the amount of \$1,277,000 were to be collected on the parcels in Improvement Area A in 2016. The trustee reports that special assessments in the amount of \$1,277,000 were received from the township on November 15, 2016. As a result, there are no delinquent tax year 2017 special assessments outstanding at this time.

Special assessments in the amount of \$1,062,000 were to be collected in Improvement Area A in 2017. The trustee reports that special assessments in the amount of \$1,062,000 were received from the township on December 8, 2017. As a result, there are no delinquent tax year 2017 special assessments outstanding at this time.

Table VI-4 below presents the amount of special assessments levied per parcel in 2017. A detailed discussion of the assessment calculation is outlined in Section V, "District Operations," of this report.

**Table VI-4**  
**Special Assessment**

Parcel Number	Special Assessment	Amount Collected	Percent Delinquent
600-001-00-00-0013-02	\$939,195	\$1,141,644	0.0%
600-001-00-00-0013-06	\$21,667	\$22,666	0.0%
600-001-00-00-0013-05	\$101,137	\$112,690	0.0%
<b>Total</b>	<b>\$1,062,000</b>	<b>\$1,062,000</b>	<b>0.0%</b>

**F. STATUS OF COLLECTION OF AD VALOREM AND SPECIAL ASSESSMENTS**

*Washington County*

According to the treasurer's office for Washington County, 2017 Washington County ad valorem real estate taxes in the amount of \$187,476 had been collected on the taxable property within the development, representing 100.0 percent of the total amount to be collected in 2017. Table VI-5 on the following page shows the amount of outstanding taxes collected from each parcel in the development.

**Table VI-5  
Washington County  
2017 Ad Valorem Tax Collections**

<b>Parcel Number</b>	<b>Owner</b>	<b>County Tax Levy</b>	<b>County Tax Collections</b>	<b>Percent Delinquent</b>
600-001-00-00-0013-02	Tanger Properties LP	\$149,523	\$146,532	0.00%
600-001-00-00-0013-06	Tanger Properties LP	\$724	\$710	0.00%
600-001-00-00-0013-05 <sup>1</sup>	Black Sapphire C. M. 2014	\$41,055	\$40,234	0.00%
<b>Total</b>		<b>\$191,302</b>	<b>\$187,476</b>	<b>0.00%</b>

<sup>1</sup>Amount collected prior to approval of assessed value appeal. Property owner will receive a refund in the amount of \$18,087.

*South Strabane Township*

According to the tax collector for South Strabane Township, a discount of two percent is allowed for South Strabane Township ad valorem real estate taxes paid in the two months following the mailing of the tax notice. South Strabane Township taxes are due on July 15 in the year in which the taxes were levied. As of February 9, 2018, according to the tax collector for South Strabane Township, 2017 South Strabane Township ad valorem taxes in the amount of \$57,786 had been collected on the taxable property within the development, representing 100.0 percent of the total amount to be collected in 2017.

Table VI-6 below shows the ad valorem tax levy and collections of South Strabane Township as of February 9, 2018. The township ad valorem tax collections are net of a two percent discount taken for early remittance.

**Table VI-6  
South Strabane Township  
2017 Ad Valorem Tax Collections**

<b>Parcel Number</b>	<b>Owner</b>	<b>Township Tax Levy</b>	<b>Township Tax Collections</b>	<b>Percent Delinquent</b>
600-001-00-00-0013-02	Tanger Properties LP	\$46,087	\$45,166	0.00%
600-001-00-00-0013-06	Tanger Properties LP	\$223	\$219	0.00%
600-001-00-00-0013-05 <sup>1</sup>	Black Sapphire C. M.	\$12,654	\$12,401	0.00%
<b>Total</b>		<b>\$58,965</b>	<b>\$57,786</b>	<b>0.00%</b>

<sup>1</sup>Amount collected prior to approval of assessed value appeal. Property owner will receive a refund in the amount of \$5,575.

*Trinity Area School District*

According to the tax collector for South Strabane Township, a discount of two percent is allowed for Trinity Area School District ad valorem real estate taxes paid in the two months following the mailing of the tax notice. Trinity School District taxes are due on December 15 in the year in which the taxes were levied. As of February 9, 2018, according to the tax collector for South Strabane Township, 2017 Trinity Area School

District ad valorem taxes in the amount of \$1,049,247 have been collected on the taxable property within the development, representing 100 percent of the total amount to be collected in 2017. Ad valorem taxes collected by Trinity Area School District were distributed during the month of January 2018.

Table VI-7 below presents the ad valorem tax levy and collections of Trinity Area School District as of February 9, 2018. The school district ad valorem tax collections are net of a two percent discount taken for early remittance.

**Table VI-7**  
**Trinity Area School District**  
**2017 Ad Valorem Tax Collections**

Parcel Number	Owner	School District Levy	School District Tax Collections	Percent Delinquent
600-001-00-00-0013-02	Tanger Properties LP	\$836,835	\$820,099	0.00%
600-001-00-00-0013-06	Tanger Properties LP	\$4,053	\$3,972	0.00%
600-001-00-00-0013-05 <sup>1</sup>	Black Sapphire C. M.	\$229,772	\$225,177	0.00%
<b>Total</b>		<b>\$1,070,660</b>	<b>\$1,049,247</b>	<b>0.00%</b>

<sup>1</sup>Amount collected prior to approval of assessed value appeal. Property owner will receive a refund in the amount of \$101,226.

#### G. ASSESSED VALUE APPEALS

Per a court stipulation dated January 4, 2018, Parcel 600-001-00-00-0013-05 owned by Black Sapphire C. M. 2014 has successfully appealed its assessed value. According to the Assessment Office, the newly appealed value will take effect for the 2017 tax year. Table VI-8 shows the assessed values for parcels within the Districts before and after appeals.

**Table VI-8**  
**Assessed Value of Property**

Parcel Number	Owner	2017 Assessed Value	Decreased Value	2017 Assessed Value <sup>1</sup>
600-001-00-00-0013-02	Tanger Properties LP	\$61,532,000	\$0	\$61,532,000
600-001-00-00-0013-06	Tanger Properties LP	\$298,000	\$0	\$298,000
600-001-00-00-0013-05	Black Sapphire C Mlands 2014	\$16,895,000	\$7,595,000	\$9,300,000
<b>Total</b>		<b>\$78,725,000</b>	<b>\$7,595,000</b>	<b>\$71,130,000</b>

#### H. PRINCIPAL DISTRICT TAXPAYERS

The following table provides a listing of the District taxpayers responsible for payment of more than five percent of the levy of ad valorem taxes and special assessments in tax year 2017, the amount of the levy of ad valorem taxes and special assessments against each taxpayer, and the percentage of such ad valorem real property taxes and special assessments relative to the entire levy within the District. Please note that the township and school district ad valorem tax collections are net of a two percent discount taken for early remittance.

**Table VI-9**  
**Principal District Taxpayers**  
**2017**

Taxpayer	Owner	Total Ad Valorem Taxes	Percentage	Total Special Assessment	Percentage
600-001-0013-02	Tanger Properties LP	\$1,011,797	78.2%	\$939,195	88.4%
600-001-0013-06	Tanger Properties LP	\$4,900	0.4%	\$21,667	2.0%
600-001-0013-05 <sup>1</sup>	Black Sapphire C. M.	\$277,812	21.5%	\$101,137	9.5%
<b>Total</b>		<b>\$1,294,508</b>	<b>100.0%</b>	<b>\$1,062,000</b>	<b>100.0%</b>

<sup>1</sup>Amount collected prior to approval of assessed value appeal. Property owner will receive a refund in the amount of \$124,888.

**I. LAND USE AMMENDMENTS**

The Developer reports that, as of December 31, 2017, no significant amendments to land use entitlements or legal challenges to the construction of the project have been made.

**J. PUBLIC IMPROVEMENTS**

As of December 31, 2017, the Developer reports that there have been no changes to the construction plan of development. The Developer reports that \$17,625,522 had been expended for the construction of the public improvements, representing 100.0 percent of the amount to be funded with the Series 2006A Bonds.

The status of the public improvements and a detailed description of the project are provided in Section III, "The Development," of this report.

**K. FINANCIAL UPDATES**

*Tax Increment Revenues*

Table VI-10 below shows the 2017 estimated tax increment revenues to be collected in 2017 as reported in the Annual Installment Report, dated May 12, 2017 and updated August 1, 2017 to reduce contingency. A detailed discussion of the table is provided in Section V, "District Operations," of this report.

**Table VI-10**  
**Estimated TIF Revenues Collected in 2017**

Taxing bodies	Township	School District	County	Total
2017 Real Property Tax Rate (mills)	0.000749	0.0136	0.00243	0.016779
Assessed Value at 01/01/17				\$78,725,000
Base Year Assessed Value				(\$193,216)
Incremental Value				\$78,531,784
Estimated TIF Revenues to be collected	\$57,786	\$1,049,247	\$187,476	\$1,294,508
Less Base Tax	(\$335)	(\$5,869)	(\$1,196)	(\$7,401)
Net TIF Revenues	\$57,450	\$1,043,378	\$186,280	\$1,287,108
Estimated TIF Revenues to taxing bodies <sup>1</sup>	\$11,490	\$208,676	\$37,256	\$257,422
<b>Estimated TIF Revenues to Authority</b>	<b>\$46,296</b>	<b>\$840,571</b>	<b>\$150,220</b>	<b>\$1,037,087</b>

<sup>1</sup>Amount includes 20% share of net TIF Revenues together with TIF Revenues due to the increase in township and county millage rates from the Base Date millage rate.

*Special Assessments on Improvement Area A*

Table VI-11 below presents the special assessments levied on each taxpayer for tax year 2017. A detailed discussion of the special assessment is provided in Section V, "District Operations," of this report.

**Table VI-11**  
**Special Assessments**

<b>Taxpayer</b>	<b>2017 Special Assessment</b>
600-001-00-00-0013-02	\$939,195
600-001-00-00-0013-06	\$21,667
600-001-00-00-0013-05	\$101,137
<b>Total</b>	<b>\$1,062,000</b>

*Debt Service Coverage*

As of December 31, 2017, the outstanding Series 2006 Bonds were equal to \$19,950,000. Table VI-12 shows the debt service coverage from TIF revenues and special assessments available in 2016 and 2017.

**Table VI-12**  
**Debt Service Coverage**

<b>Account/Type</b>	<b>Tax Year 2016</b>	<b>Tax Year 2017</b>
Debt Service: (Bond Year Ending July 1 <sup>st</sup> )		
Principal	\$670,000	\$745,000
Interest	\$1,123,790	\$1,087,276
Sub-total Debt Service	\$1,793,790	\$1,832,276
Administrative expenses	\$47,804	\$48,760
Contingency	\$19,380	\$38,300
Total Debt Service	\$1,860,974	\$1,919,336
Base Year Assessed Value (January 1, 2001)	\$193,216	\$193,217
Phased-in Assessed Value	\$5,604,914	\$78,725,000
Increase in Assessed Value	\$5,411,698	\$78,531,783
<i>County Tax Rate (mills)</i>	\$0.0249	\$0.0024
County Tax Property Increment	\$132,056	\$186,280
<i>Township Tax Rate (mills)</i>	\$0.00750	\$0.00075
Township Tax Property Increment	\$39,776	\$57,450
<i>School District Tax Rate (mills)</i>	\$0.1218	\$0.0136
School District Tax Property Increment	\$645,962	\$1,043,378
Tax Increment Revenues	\$817,794	\$1,287,108
Available surplus	\$10,048	\$30,856
Reserve Fund investment income	\$12,182	\$12,183
Tax Increment Revenues	\$561,743	\$814,296
Revenues Available for Debt Service	\$583,973	\$857,335
Debt Service Coverage	31.38%	44.67%
Annual Installment	\$1,841,594	\$1,881,035
Annual Credit A & B	(\$564,594)	(\$819,035)
Annual Payment Collected	\$1,277,000	\$1,062,000
Debt Service Coverage	68.62%	55.33%
Note: Annual payments may only be collected to the extent necessary to pay debt service after taking into account tax increment revenues.		

## L. PROPERTY OWNERSHIP

Table VI-13 below provides the parcel number and legal property owner for each of the parcels comprising the outlet center and the pad sites. As of December 31, 2017, the Developer reports that 79 tenants have signed leases within the outlet center. A detailed list of the tenants is shown in Section III, Table III-2 "Outlet center Tenant List" of this report.

**Table VI-13**  
**Property Ownership**

<b>Parcel Number</b>	<b>Owner</b>	<b>Acres</b>
600-001-00-00-0013-02	Tanger Properties LP	107.86
600-001-00-00-0013-06	Tanger Properties LP	3.38
600-001-00-00-0013-05	Black Sapphire C Meadows 2014	4.31
<b>Total</b>		<b>115.55</b>

## ***VII. SIGNIFICANT EVENTS***

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### **A. DEVELOPER SIGNIFICANT EVENTS**

According to the continuing disclosure agreement, Developer significant events include the following:

- (i) material damage to or destruction of any development or improvements within the District;
- (ii) material default by the Developer or any affiliate thereof on any loan with respect to the construction or permanent financing of the development or the public improvements;
- (iii) material default by the Developer or any affiliate thereof on any loan secured by property within the District owned by the Developer or any affiliate of the Developer;
- (iv) payment default by the Developer or any affiliate thereof on any loan to such party with respect to the construction or permanent financing of the development (whether or not such loan is secured by property within Improvement Area A);
- (v) the filing by or against the Developer or any affiliate thereof, the sole member of the Developer or any owners of more than 25 percent interest in the Developer of any petition or other proceeding under any bankruptcy, insolvency or similar law or any determination that the Developer or a subsidiary of the Developer or any affiliate thereof is unable to pay its debts as they come due;
- (vi) the filing of any lawsuit with a claim for damages in excess of \$1,000,000 against the Developer or which may adversely affect the completion of the development, the public improvements or litigation in excess of \$1,000,000 or which would materially adversely affect the financial condition of the Developer;
- (vii) the failure by the Developer or any affiliate thereof to pay any ad valorem taxes or special assessments with respect to property in the District owned by the Developer or any affiliate thereof;
- (viii) the filing by the Developer or any affiliate thereof of any appeal of assessed value determinations with respect to property in the District owned by the Developer or any affiliate thereof which appeal, if successful, would cause the tax liability owed on such property to decrease by more than five percent; and
- (ix) the sale or other transfer of the outlet center (other than retail leases executed in the ordinary course of business) by the Developer or any affiliate thereof.

The developer is not aware of the occurrence of any listed event as of the date of this report, February 13, 2018



## **B. LISTED EVENTS**

Pursuant to the Continuing Disclosure Agreement, listed events include the following:

- (i) Delinquency in payment when due of any principal of or interest on the Bonds;
- (ii) Occurrence of any material default under the Indenture (other than described in clause (i) above);
- (iii) Draws on the Reserve Fund;
- (iv) Substitution of a credit provider, or any failure of a credit provider to perform;
- (v) Adverse tax opinions or events affecting the tax-status of interest on the Bonds;
- (vi) Amendment to the Indenture modifying the rights of the Bondholders;
- (vii) Giving of notice of optional or unscheduled redemption or mandatory tender of Bonds;
- (viii) Defeasance of bonds or any portion thereof;
- (ix) The release or substitution of property securing repayment of the Bonds;
- (x) Any change in the rating, if any, on the Bonds; and
- (xi) The continuing disclosure event notices provided to the Administrator by the Developer as more particularly set forth in the Developer's Continuing Disclosure Agreement.

The administrator is not aware of the occurrence of any listed event as of the date of this report, February 13, 2018.