

QUARTERLY REPORT
Olive/Graeser Transportation Development District

To: Mark Perkins, Creve Coeur City Administrator
cc: Credit Union (First Community Credit Union)
Hutkin (Adkins Farms, Inc.; D Hutkin Family Investors, LLC; ORA Properties, LLC;
10923 Olive Partners, L.L.C.)
Stern (Forsyth Investments LLC)
Gershman Trust (Bettie Gershman, Trustee of the Bettie Gershman Revocable Trust
dated 08-29-95, as amended)
Wolff (Creve Coeur Real Estate Venture IV, LLC)
Carl J. Lumley, Esq., Creve Coeur City Attorney
Olive/Graeser Transportation Development District Board of Directors
From: Steve Heitz on behalf of Pace-Creve Coeur Associates, L.L.C.
Date: January 15, 2011
Re: Quarterly report required by section 4.15 of District Development Agreement

Please consider this memorandum as the quarterly report of the Developer, Pace-Creve Coeur Associates, L.L.C., required by section 4.15 of the District Development Agreement entered into among the District, the City of Creve Coeur, and the District's property owners and dated August 31, 2009, as amended (the "***District Development Agreement***").

1. Status of Construction. We ran into a few snags since our last update. We had to relocate a fiber optic line, a gas line and a water line in order to complete some of the work. We also experienced significant delays by utility companies in the relocation of utility lines and poles and by our traffic signal subcontractor in the installation of the traffic signals and related equipment. Unfortunately, these delays pushed us into December and January and the inclement weather that has plagued these months so far.

According to our contractor we have approximately 14 working days left to complete the remaining work, which includes installation of a couple of sections of storm sewer, completion of various entrances to properties along Olive Boulevard (primarily on the north side of Olive) and the installation of sidewalks. Since all of this work is weather dependant it is hard to estimate a completion date at this point. The laying of concrete and asphalt require temperatures of 40 degrees and rising in order obtain the required compaction and testing requirements. Some of this work must be completed at night (due to MoDOT requirements) which exacerbates the temperature requirements further. In addition, the ground is frozen to an extent which can affect the ability to lay concrete and asphalt.

Therefore, timing of completion of the work is, at this point, very much dependant upon the weather.