



## SPECIAL URBAN RENEWAL AUTHORITY AGENDA

City Hall - Midwest City Council Chambers, 100 N. Midwest Boulevard

June 10, 2026 – 8:15 AM

A. CALL TO ORDER.

B. DISCUSSION ITEMS.

1. Discussion, consideration, and possible action to approve the February 27, 2026, special meeting minutes. (R. Coleman - Economic Development)
2. Discussion and consideration for adoption, including any possible amendments, of the Fiscal Year 2026 – 2027 Operating Budget. (R. Coleman - Economic Development)
3. Discussion, consideration, and possible action to approve the management representation letter to Grant Thornton LLP and the draft of the Final Report Associated Combined Finance Statements of Sooner Town Center IV for calendar years ending December 31, 2024, and December 31, 2025. (R. Coleman - Economic Development)

C. PUBLIC DISCUSSION. In accordance with State Statute Title 25 Section 311. Public bodies - Notice. A-9, The purpose of the "Public Discussion" section of the agenda is for members of the public to speak to the Authority on any subject not scheduled on the regular agenda. The Authority shall make no decision or take any action, except to direct the City Manager to take action, or to schedule the matter for discussion at a later date. Pursuant to the Oklahoma Open Meeting Act, the Authority will not engage in any discussion on the matter until that matter has been placed on an agenda for discussion. **THOSE ADDRESSING THE AUTHORITY ARE REQUESTED TO STATE THEIR NAME AND ADDRESS PRIOR TO SPEAKING TO THE AUTHORITY.**

D. EXECUTIVE SESSION.

1. Discussion, consideration, and possible action to 1) enter into executive session, as allowed under Title 25 Section 307 (B)(4) to discuss confidential communications between a public body and its attorney concerning a pending investigation, claim, or action of the public body to process the claim or conduct a pending litigation, or proceeding in the public interest regarding review of various litigation matters concerning the Heritage Park Mall Area Urban Renewal Plan; and 2) authorizing the General Manager/Administrator to take action as appropriate based on discussion. (City Attorney – D. Maisch)

E. ADJOURNMENT.



**City Manager**  
100 N. Midwest Boulevard  
Midwest City, OK 73110  
office 405.739.1204

**MEMORANDUM**

TO: Urban Renewal Authority Board Members

FROM: Tim Lyon, General Manager/Administrator

DATE: June 10, 2026

SUBJECT: Discussion, consideration, and possible action to approve the February 27, 2026, special meeting minutes.

Attached for your review and approval are the minutes from the last meeting of the URA.

Staff recommends approving as presented.

Respectfully,

A handwritten signature in black ink, appearing to read "Tim Lyon", is written over a horizontal line.

Tim Lyon  
General Manager/Administrator

Attachments: 02/27/2026 URA Special Meeting Minutes

Notice of this special Midwest City Urban Renewal Authority meeting was filed with the City Clerk of Midwest City more than 48 hours prior to the meeting and copies of the agenda for this special meeting were posted at City Hall and on the City’s website, accessible to the public for at least 24 hours in advance of the meeting.

## **MINUTES OF THE SPECIAL**

### **MIDWEST CITY URBAN RENEWAL AUTHORITY SPECIAL MEETING**

City Hall - Midwest City Council Chambers, 100 N. Midwest Boulevard  
Friday, February 27, 2026 – 8:15 AM

A special meeting of the Midwest City Urban Renewal Authority was held on February 27, 2026, at 8:15 AM in the Council Chambers, Midwest City Hall, 100 N. Midwest BL, Midwest City, OK 73110.

Present were Chairman Wade Moore, Vice-Chairman Aaron Budd, Secretary/Treasurer Sherry Beard and Commissioner Jacob Hussain. Commissioner Ted Nugent was absent. General Manager Tim Lyon, Counselor Don Maisch and Economic Development Director Robert Coleman represented the City of Midwest City.

#### **A. CALL TO ORDER.**

Chairman Moore called the meeting to order at 8:16 AM.

#### **B. DISCUSSION ITEMS.**

##### **1. Discussion, consideration, and possible action of approving a Resolution concerning the future of Heritage Park Mall.**

Mr. Maisch spoke concerning the proposed resolution, noting he had appeared before the same Authority three (3) years ago outlining the need to take action to address blighted conditions at Heritage Park Mall (“HPM”). He explained yesterday (THR 26 FEB 2026) that the Judge (Amy Polumbo) signed the order giving the Authority legal possession of HPM, and her signature appears in lieu of the Owner’s, who refused to sign. Maisch reminded the Authority that it had formally adopted a Relocation Policy allowing the Owner no more than ninety (90) days to remove personal possessions from the property, despite the Owner’s plea to be given a total of six (6) months to move.

Mr. Maisch said the Authority has not taken physical possession of HPM but was taking the steps necessary to do so, beginning with a walk-through inspection following the meeting. Thereafter, measures would be taken to properly secure the only three (3) functional entrances. He reminded the Authority HPM remained the only structure in the entire city on the Fire Department’s list where access was forbidden unless it was known to be occupied. Maisch urged the Authority to approve the proposed Resolution based on a November hearing where the Midwest City Council also recommended demolition.

There was brief discussion between Staff and the Authority concerning the options to secure HPM, to inventory any remaining contents and to dispose of same via auction.

Vice-Chairman Budd then moved to “Adopt the Resolution as written,” seconded by Commissioner Hussain and approved 4-0.

**2. Discussion, consideration, and possible action to approve the July 21, 2025, special meeting minutes.**

Chairman Moore asked commissioners if there were any edits or corrections. Commissioner Hussain noted one correction. Secretary Beaird moved to approve the corrected minutes, which was seconded by Commissioner Hussain and approved 4 – 0.

- B. PUBLIC DISCUSSION.** In accordance with State Statute Title 25 Section 311. Public bodies - Notice. A-9 The purpose of the "Public Discussion" section of the agenda is for members of the public to speak to the Authority on any subject not scheduled on the regular agenda. The Authority shall make no decision or take any action, except to direct the General Manager to take action, or to schedule the matter for discussion at a later date. Pursuant to the Oklahoma Open Meeting Act, the Authority will not engage in any discussion on the matter until the matter has been placed on an agenda for discussion. **THOSE ADDRESSING THE AUTHORITY ARE REQUEST TO STATE THEIR NAME AND ADDRESS PRIOR TO SPEAKING TO THE AUTHORITY.**

Mr. Jeff Harrison, editor of the *Midwest City Beacon* was the only audience member, and he did not address the Authority.

**E. ADJOURNMENT.**

Chairman Moore adjourned the meeting at 8:34 AM.

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WADE MOORE, Chairman

ATTEST:

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SHERRY BEAIRD, Secretary



**City Manager**  
100 N. Midwest Boulevard  
Midwest City, OK 73110  
office 405.739.1204

**MEMORANDUM**

TO: Urban Renewal Authority Board Members

FROM: Tim Lyon, General Manager/Administrator

DATE: June 10, 2026

SUBJECT: Discussion and consideration for adoption, including any possible amendments, of the Fiscal Year 2026 – 2027 Operating Budget. (R. Coleman - Economic Development)

Attached for your review and approval is the proposed budget for FY 2026 – 2027.

Staff recommends approval.

A handwritten signature in black ink, appearing to read "Tim Lyon", is written over a horizontal line.

Tim Lyon  
General Manager/Administrator

Attachments: FY 2026 – 207 Proposed Budget

FUND: URBAN RENEWAL (201)  
 DEPARTMENT: URBAN RENEWAL  
 DEPARTMENT HEAD: TIM LYON

EXPENDITURES	ACTUAL	AMENDED	ESTIMATED	
	2024-25	BUDGET	ACTUAL	BUDGET
		2025-26	2025-26	2026-27
OTHER SERVICES	14,395	55,000	12,511	200,000
CAPITAL OUTLAY	6,927,300	2,320,855	2,320,855	-
<b>TOTAL</b>	<b>6,941,695</b>	<b>2,375,855</b>	<b>2,333,366</b>	<b>200,000</b>

REVENUES	ACTUAL	AMENDED	ESTIMATED	
	2024-25	BUDGET	ACTUAL	BUDGET
		2025-26	2025-26	2026-27
CHARGES FOR SERVICES	57,321	55,066	58,500	58,651
INVESTMENT INTEREST	26,408	5,655	88,783	68,010
TRANSFERS IN	9,248,155	-	-	-
<b>TOTAL</b>	<b>9,331,884</b>	<b>60,721</b>	<b>147,283</b>	<b>126,661</b>

BUDGETARY	BUDGET			FUND	
FUND BALANCE:	FUND BAL.	REVENUES	EXPENSES	BALANCE	
6/30/2023	98,591	65,298	-	163,889	6/30/2024
6/30/2024	163,889	9,331,884	6,941,695	2,554,079	6/30/2025
6/30/2025	2,554,079	147,283	2,333,366	367,997	6/30/2026 - EST
6/30/2026	367,997	126,661	200,000	294,657	6/30/2027 - EST

FINAL BUDGET 2026-2027

OTHER SERVICES	
30-44 ADMIN/PROFESSIONAL SVCS	200,000
<b>TOTAL OTHER SERVICES &amp; CHARGES</b>	<b>200,000</b>

<b>TOTAL DEPARTMENT REQUEST</b>	<b>200,000</b>
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CAPITAL OUTLAY PRIOR YEAR ESTIMATED ACTUAL	
Sunrise Project	2,320,855
<b>TOTAL</b>	<b>2,320,855</b>



**City Manager**  
100 N. Midwest Boulevard  
Midwest City, OK 73110  
office 405.739.1204

**MEMORANDUM**

TO: Urban Renewal Authority Board Members

FROM: Tim Lyon, General Manager/Administrator

DATE: June 10, 2026

SUBJECT: Discussion, consideration, and possible action to approve the management representation letter to Grant Thornton LLP and the draft of the Final Report Associated Combined Finance Statements of Sooner Town Center IV for calendar years ending December 31, 2024, and December 31, 2025.

Attached for your review and possible approval are the management representation letters and financial statements for the entity leasing property associated with STC IV for calendar years 2025 and 2025.

Staff recommends approval.

A handwritten signature in black ink, appearing to read "T. Lyon", is written over a horizontal line.

Tim Lyon  
General Manager/Administrator

Attachments: Management Representation Letter  
Combined Statements for CY 2024, 2025



100 N. Midwest Boulevard  
Midwest City, OK 73110  
Office: 405-739-1245

June 11, 2026

Grant Thornton LLP  
1415 Vantage Park Dr.  
Suite 500  
Charlotte, NC 28203

We are providing this letter in connection with your audits of the consolidated financial statements of Sooner Town Center, LLC and subsidiaries (collectively, the "Entity"), which comprise the consolidated balance sheets as of December 31, 2025 and December 31, 2024 and the related consolidated statements of operations, changes in members' deficit, and cash flows for the years then ended, and the related notes to the consolidated financial statements. We understand that your audits were made for the purpose of expressing an opinion as to whether the consolidated financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America ("US GAAP") and whether the supplementary information is fairly presented, in all material respects, in relation to the consolidated financial statements as a whole.

We have fulfilled our responsibility, as set out in the terms of the Engagement Letter, for the preparation and fair presentation of the consolidated financial statements in accordance with US GAAP. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud, including programs and controls to prevent and detect fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered to be material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of the surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves, as of June 11, 2026, the following representations made to you during your audits.

1. We have disclosed to you the results of our assessment of the risk that the consolidated financial statements may be materially misstated as a result of fraud. We have no knowledge of fraud or suspected fraud affecting the Entity involving:
  - a. Management
  - b. Employees who have significant roles in internal control, or
  - c. Others where the fraud could have a material effect on the consolidated financial statements.
2. We have no knowledge of any allegations of fraud or suspected fraud affecting the Entity's consolidated financial statements received in communications from employees, former employees, analysts, regulators, short sellers, or others.
3. There are no known violations or possible violations of, or no known instances of noncompliance or suspected noncompliance with, laws and regulations whose effects should be considered by management when preparing the consolidated financial statements, as a basis for recording a loss contingency or for disclosure.
4. The Entity has complied with all aspects of contractual agreements that would have a material effect on the consolidated financial statements in the event of a noncompliance.
5. The Entity has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
6. We have disclosed to you the identity of all the Entity's related parties and all related party relationships and transactions of which we are aware. Related party relationships and transactions and related amounts receivable from or payable to related parties (including sales, purchases, loans, transfers, leasing arrangements, and guarantees) have been properly accounted for and disclosed in the consolidated financial statements in accordance with US GAAP.

We understand that "related parties" include (1) affiliates of the Entity; (2) entities for which investments in their equity securities would be required to be accounted for by the equity method by the investing entity; (3) trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; (4)

principal owners of the Entity and members of their immediate families; and (5) management of the Entity and members of their immediate families.

Related parties also include (1) other parties with which the Entity may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and (2) other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

7. We have no knowledge of any business relationships, financial relationships, or other relationships that the Entity or its downstream affiliates (subsidiaries or investees) has with New Mountain Capital or its affiliates. We also acknowledge our responsibility for communicating to you all relationships, including business relationships, financial relationships, or other relationships, that the Entity or its downstream affiliates (subsidiaries or investees) are considering with New Mountain Capital or its affiliates. We have not identified any such relationships.

We understand that "business relationships" include (1) teaming arrangements, (2) alliances, (3) joint investments or joint ventures, and (4) vendor in the ordinary course arrangements. We also understand that "financial relationships" include (1) direct financial investments, (2) material, indirect financial investments, and (3) lending relationships.

8. We have no knowledge of any participation in, investment in, purchase of, or ownership of the debt of Grant Thornton Advisors LLC by the Entity or its downstream affiliates (subsidiaries or investees). We have informed the appropriate individuals that make investment decisions for the Entity and its downstream affiliates (subsidiaries or investees), including any investment committee and third-party investment advisors, if applicable, that participating in, investing in, purchasing, or owning the debt of Grant Thornton Advisors LLC may impair your independence. We also acknowledge that, if it comes to our attention that the Entity or its downstream affiliates (subsidiaries or investees) are considering participating in, investing in, purchasing, or otherwise owning the debt of Grant Thornton Advisors LLC, we will bring such matters to your attention immediately for further discussion and evaluation.
9. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments whose effects should be considered by management when preparing the consolidated financial statements and that should be accounted for and disclosed in accordance with US GAAP (ASC 450, *Contingencies*), and we have not consulted legal counsel concerning such litigation, claims, or assessments.
10. The calculation of participation rent for the year ended December 31, 2025, as determined in the supplementary information including net operating income, debt service, net cash flow, and subtenant rents is prepared in accordance with the terms as defined in the Midwest City Downtown Redevelopment General Ground Lease (Agreement). We have reviewed the supplementary information and believe the information presented is consistent with and accurately reflects the provision contained in the Agreement.
11. Based on the Promissory Note Agreement with the City, the Entity is able to factor in a cash reserve to the Net Operating Income section of the Participation Rent Expense calculation. Per the agreement, both parties must agree to any cash reserve amounts. The Entity did not reserve a cash balance in 2025 or 2024 related to the Participation Rent Expense calculation.
12. The information included in the Leases footnote to the consolidated financial statements, which describes the participation rent calculation, is consistent with our understanding of the Agreement.
13. Participation rent expense incurred totaled \$726,338 for the year ended December 31, 2025 and is properly recorded in the consolidated statement of operations.
14. On June 25, 2024, the Entity entered into an Ancillary Agreement (Ancillary Agreement) with the City. The Ancillary Agreement allows for cash transfers to Sooner Town Center II, LLC (STC II) from the Entity to cover any of STC II's excess expenses over available cash required to maintain and operate the project. The agreement was effective May 1, 2024 and is in effect until December 31, 2025 unless extended by mutual agreement of all parties, in writing. Advances to STC II are payable to the Entity based on available cash flow or on demand. The Ancillary Agreement was necessitated by the fact that a large anchor space at STC II remains vacant, resulting in expected cash flow deficits for STC II. Per the Ancillary Agreement, the advances are deducted from the Entity's participation rent calculation. As of December 31, 2024, \$775,220 had been advanced from the Entity to STC II. This balance is included in advances to affiliate on the accompanying consolidated balance sheets.
15. All events subsequent to the date of the consolidated financial statements through the date of this letter and for which US GAAP requires recognition or disclosure have been recognized or disclosed.

SOONER TOWN CENTER, LLC

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Robert C. Collett, Managing Member

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John Cheek, Consultant to Collett as an agent for Sooner Town Center, LLC

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Katherine Fox, Chief Financial Officer of Collett as an agent for Sooner Town Center, LLC

MIDWEST CITY URBAN RENEWAL AUTHORITY

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Tim Lyon, General Manager/Administrator

Financial Statements and Report Title  
Here

**Sooner Town Center IV, LLC**

December 31, 2025 and 2024

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**GRANT THORNTON LLP**

Address 1  
Address 2  
City, State Zip

**D** +1 000 000 0000  
**F** +1 000 000 0000

**INSERT OPINION HEADER PROVIDED BY AUDIT TEAM HERE**

Audit Committees and Management  
ABC Company and XYZ Fund

**Heading 1 (apply this style only if this level is presented in original file (GEL Template))**

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**Subheading 1**

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**Subheading 2 (apply only when italicized subheading appears immediately after bolded subheading in original file (GEL template))**

*Subheading 3*

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*Subheading 3*

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GRANT THORNTON LLP (signed manually)

City, State  
Month XX, 20XX

**Sooner Town Center IV, LLC**

**BALANCE SHEETS**

**December 31,**

	<b>2025</b>	<b>2024</b>
<b>ASSETS</b>		
<b>Real property, at cost</b>		
Signage	\$ 18,527	\$ 18,527
	18,527	18,527
Less: accumulated depreciation	(12,509)	(11,416)
Real property, net	6,018	7,111
<b>Other assets</b>		
Cash and cash equivalents	17,926	53,072
Accounts receivable	200	200
Deferred charges, net	67,437	77,881
Deferred rents receivable	94,340	91,091
Total assets	\$ 185,921	\$ 229,355
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
<b>Liabilities</b>		
Unearned rent	\$ 9,075	\$ 8,250
Accounts payable and accrued expenses	3,377	20,950
Total liabilities	12,452	29,200
Members' equity	173,469	200,155
Total liabilities and members' equity	\$ 185,921	\$ 229,355

The accompanying notes are an integral part of these financial statements.

**Sooner Town Center IV, LLC**  
**STATEMENTS OF OPERATIONS**  
**Years ended December 31,**

	<b>2025</b>	<b>2024</b>
<b>Rental revenues</b>	\$ 159,089	\$ 159,089
<b>Operating expenses</b>		
Rent expense	58,248	58,512
Selling, general and administrative expense	40,169	38,817
Depreciation and amortization	11,537	11,539
Total operating expenses	109,954	108,868
<b>NET INCOME</b>	<b>\$ 49,135</b>	<b>\$ 50,221</b>

The accompanying notes are an integral part of these financial statements.

**Sooner Town Center IV, LLC**  
**STATEMENTS OF CHANGES IN MEMBERS' EQUITY**  
**Years ended December 31, 2025 and 2024**

<b>Members' equity, December 31, 2023</b>	\$ 214,934
Net income	50,221
Distributions	<u>(65,000)</u>
<b>Members' equity, December 31, 2024</b>	200,155
Net income	49,135
Distributions	<u>(75,821)</u>
<b>Members' equity, December 31, 2025</b>	<u><u>\$ 173,469</u></u>

The accompanying notes are an integral part of these financial statements.

**Sooner Town Center IV, LLC**

**STATEMENTS OF CASH FLOWS**

**Years ended December 31,**

	<b>2025</b>	<b>2024</b>
<b>Cash flows from operating activities:</b>		
Net income	\$ 49,135	\$ 50,221
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	1,093	1,095
Amortization	10,444	10,444
Deferred rents receivable	(3,249)	(3,249)
Changes in operating assets and liabilities:		
Unearned rent	825	-
Accounts payable and accrued expenses	(17,573)	(6,489)
Net cash provided by operating activities	40,675	52,022
<b>Cash flows from financing activities:</b>		
Distributions	(75,821)	(65,000)
Net cash used in financing activities	(75,821)	(65,000)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(35,146)</b>	<b>(12,978)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>53,072</b>	<b>66,050</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 17,926</b>	<b>\$ 53,072</b>

The accompanying notes are an integral part of these financial statements.

**Sooner Town Center IV, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2025 and 2024**

**NOTE 1 - SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

***Organization***

Sooner Town Center IV, LLC (an Oklahoma limited liability company) (the Company) was organized in February 2015 for the purpose of leasing land to commercial tenants in Oklahoma. The Company operates a retail center (the Project) located in Midwest City, Oklahoma. The Project is defined by a Ground Lease Agreement between Midwest City Urban Renewal Authority, an affiliate of Midwest City, Oklahoma (collectively, the City) and the Company. The City is considered to be a related party for financial reporting purposes. The Company is responsible for leasing and management of the Project. Income and loss will be allocated to members in accordance with the operating agreement.

***Cash and Cash Equivalents***

The Company classifies highly liquid investments with original maturity dates of three months or less as cash equivalents.

***Concentration of Credit Risk***

The Company's operating property is located in Midwest City, Oklahoma. The Company's ability to generate future revenues is dependent upon the economic conditions within this area.

As of December 31, 2025 and 2024, the Company had two tenants. Each tenant comprised more than 10% of total base rental revenue for the years ended December 31, 2025 and 2024.

The Company maintains its cash in a commercial bank. Regularly during the year, the Company maintained cash and cash equivalents in accounts in excess of the amount insured by the Federal Deposit Insurance Corporation. The Company's management regularly monitors the financial stability of these financial institutions.

***Revenue Recognition***

Rental revenue is generally recognized based on the terms of leases entered into with tenants. Rental revenue from leases with scheduled rent increases, abatements or other incentives is recognized on a straight-line basis over the noncancelable term of the respective leases. If it becomes probable that a tenant will fail to perform according to the terms of the lease, a loss equal to the deferred rents receivable unlikely to be received from that tenant would be charged to operations.

Rental revenue recognized on a straight-line basis over rents due amounted to \$3,249 and \$3,249 for the years ended December 31, 2025 and 2024, respectively.

The Project has two executed ground leases with tenants who own their restaurant buildings on the land, completed in 2015 and 2018. At December 31, 2025, these two tenants occupying the spaces were operating under noncancelable ground leases providing for future minimum rents of \$1,344,750 with the latest expiration date of December 31, 2038.

**Sooner Town Center IV, LLC**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**December 31, 2025 and 2024**

Future minimum rents receivable under noncancelable ground leases for all known tenants at December 31, 2025 is as follows. The leases have renewal options, which are not included below.

	Amount
2026	\$ 163,900
2027	163,900
2028	163,900
2029	169,400
2030	169,400
Thereafter	514,250
	\$ 1,344,750

Accounts receivable are reported at their estimated net realizable value. When necessary, the Company provides an allowance for expected credit losses based upon a review of outstanding receivables, historical collection information and existing economic conditions. Past due status is based on the contractual terms of the receivables. Accounts receivable are written off based on individual credit evaluation and specific circumstances of the customer. Management has concluded that all of the Company's accounts receivable amounts will be realizable and, accordingly, has not recorded an allowance for expected credit losses at December 31, 2025 and 2024.

***Real Property***

Signage is depreciated using an accelerated method of depreciation over the useful life of the assets, usually 15 years.

Depreciation on real property charged to operations was \$1,093 and \$1,095 for the years ended December 31, 2025 and 2024, respectively.

Repairs are charged against operations. Renewals and betterments that materially extend the life of an asset are capitalized.

The Company reviews the real property for impairment whenever events or changes in circumstances indicate that the carrying amount of the real property may not be recoverable. Recoverability of the real property is measured by a comparison of the carrying amount of the real property to undiscounted future net cash flows expected to be generated by the real property. If the real property is considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the real property exceeds its fair value. No impairment was recorded during the years ended December 31, 2025 and 2024.

***Deferred Charges, Net***

Deferred charges consist of lease commissions and lease costs and are stated at cost net of accumulated amortization. At December 31, 2025 and 2024, total deferred charges capitalized were \$161,693, with accumulated amortization of \$99,256 and \$88,812, respectively. The lease commissions and lease costs are amortized on the straight-line method over the term of the respective lease. Lease commission and lease costs amortization expense of \$10,444 and \$10,444, respectively, is included in depreciation and amortization in the accompanying statements of operations for the years ended December 31, 2025 and 2024.

**Sooner Town Center IV, LLC**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2025 and 2024**

***Income Taxes***

The Company is a limited liability company treated as a partnership for federal and state income tax purposes. As a result, the Company's results of operations are included in the income tax returns of its individual members. Accordingly, no provision for federal or state income taxes has been recorded in the accompanying financial statements. The Company files income tax returns in the U.S. federal jurisdiction and in the Oklahoma state jurisdiction. The Company is no longer subject to examination by taxing authorities for years before 2022, and it is not aware of any audits by any taxing authority.

The Company follows applicable authoritative guidance on accounting for uncertainty in income taxes which, among other things, prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, and provides guidance on derecognition, classification, interest and penalties, accounting in interim periods and disclosure. The Company has no uncertain tax positions.

***Use of Accounting Estimates***

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP), which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingencies and the results of operations for the years ended December 31, 2025 and 2024. While management has based their assumptions and estimates on the facts and circumstances known at December 31, 2025 and 2024, actual results may differ from those estimates.

**NOTE 2 - LEASES**

The Company has a ground lease with the City, an affiliated entity, which provides for participation rent equivalent to 50% of net operating income in excess of debt service, measured on a cumulative basis. The lease commenced on June 2, 2015 and expires on October 31, 2062. In addition to participation rent, starting one year after the commencement date, annual rent is \$1. Participation rent is due and payable only to the extent that cumulative net cash flows are positive. Participation rent expense was \$58,248 and \$58,511 for the years ended December 31, 2025 and 2024, respectively. Participation rent, net operating income, and debt service are defined terms in the lease with the City.

**NOTE 3 - RELATED-PARTY TRANSACTIONS AND BALANCES**

John S. Cheek, Inc. (Cheek), an affiliated entity, provides tax and accounting services to the Company. The Company paid \$0 in fees to Cheek for the years ended December 31, 2025 and 2024, respectively, which are recorded as general and administrative expenses.

Collett & Associates, LLC (Collett), an affiliated entity, provides leasing, development and brokerage services to the Company. Collett receives a monthly fee of 4% of gross monthly collections or a minimum of \$500 per month for providing property management services. Such fees totaled \$6,234 and \$6,250 for the years ended December 31, 2025 and 2024, respectively, and are recorded as general and administrative expenses. The Company paid \$2,723 and \$3,546 for various expense reimbursements to Collett, which are recorded as general and administrative expenses, for the years ended December 31, 2025 and 2024, respectively.

**Sooner Town Center IV, LLC**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**December 31, 2025 and 2024**

**NOTE 4 - SUBSEQUENT EVENTS**

The Company has analyzed its operations subsequent to December 31, 2025 through **Month XX**, 2026, the date the financial statements were available to be issued. All subsequent events requiring recognition or disclosure have been incorporated into these financial statements.

SUPPLEMENTARY INFORMATION

**Sooner Town Center IV, LLC**

**SCHEDULE I - NET OPERATING INCOME**

**Year ended December 31, 2025**

<b>Rental revenues per audited financial statements</b>	\$	159,089
Adjustments to cash basis		
Unearned revenue		825
Deferred rents receivable		<u>(3,249)</u>
Gross operating revenue (cash basis)		<u>156,665</u>
 <b>Allowable expenses</b>		
Total operating expenses		109,954
Adjustments for noncash expenses		
Depreciation and amortization		(11,537)
Other adjustments		
Participation rent, accrued or paid		<u>(58,248)</u>
<b>Allowable expenses, net</b>		<u>40,169</u>
Net operating income per Ground Lease Agreement <sup>(1)</sup>	\$	<u><u>116,496</u></u>

<sup>(1)</sup> The Ground Lease Agreement between the City and the Company defines Net Operating Income per the Redevelopment Agreement as the difference between Gross Operating Revenue and the actual Operating Expenses for the same period. The agreement specifically defines Gross Operating Revenue as all revenues derived from the project, determined in accordance with U.S. GAAP, computed on a cash basis, exclusive of subtenant security deposits and other refundable deposits and exclusive of proceeds derived from a sale, condemnation, financing, insurance settlement or other transaction that is capital in nature. Further, Operating Expenses are defined as those costs determined in accordance with U.S. GAAP, including all necessary and reasonable expenditures of any kind made with respect to the operations of the project typical of a Class A shopping center, without limitation, ad valorem taxes, insurance premiums, R&M expenses, management fees, leasing and advertising expenses, professional fees, wages and utility costs. Non-cash expenditures such as depreciation and amortization shall not be included in the computation of Operating Expenses. Operating Expenses shall include all project development costs incurred by the Company, that are not financed, in further developing and leasing available space within the Project including, without limitation, tenant upfitting costs, market rate brokerage commissions, tenant improvement allowances, building improvements and legal fees.

Sooner Town Center IV, LLC

SCHEDULE II - DEBT SERVICE

Year ended December 31, 2025

**Debt service**

Payments on notes payable	\$	-
Interest expense per audited financial statements		-
		<hr/>
Total debt service <sup>(2)</sup>	\$	-
		<hr/> <hr/>

<sup>(2)</sup> The Ground Lease Agreement defines Debt Service as the net principal paydown on all loans and accrued interest on all loans and all costs associated with obtaining the loans on the Project or any portion thereof for which a certificate of completion has been issued that are not and have not previously been accrued or paid as Operating Expenses.

**Sooner Town Center IV, LLC**  
**SCHEDULE III - NET CASH FLOW**  
**Year ended December 31, 2025**

<b>Net operating income per Ground Lease Agreement</b>	\$	116,496
Less: debt service		-
Net cash flow		116,496
Cash reserve		-
Net cash flow, after cash reserve		116,496
<b>Cumulative net cash flow, beginning of year</b>		-
<b>Cumulative net cash flow, end of year</b>		116,496
<b>Participation rent factor</b>		50%
Participation rent (minimum of \$0) <sup>(3)</sup>	\$	58,248

<sup>(3)</sup> For purposes of determining Participation Rent, the Ground Lease Agreement defines Net Cash Flow as Net Operating Income less Debt Service. Participation Rent shall be an amount equal to fifty percent (50%) of Net Cash Flow remaining after any additional cash reserve.

**Sooner Town Center IV, LLC**  
**SCHEDULE IV - SUBTENANT RENTS**  
**Year ended December 31, 2025**

<b>Tenants rents</b>	<u>\$ 156,665</u>
Gross operating revenue (cash basis) <sup>(4)</sup>	<u><u>\$ 156,665</u></u>

<sup>(4)</sup> Refer to page 15 for the calculation of Gross operating revenue (subtenant rents) which is computed on the cash basis.