

EXA to  
DEPR

### East Hills Initiative Property Tax Calculation - Example

	Years									
	1	2	3	4	5	6	7	8	9	10

Schedule 1 Tax Rates	Build-out sf										
Total Square Feet	67,400										
Tax psf Start	\$ 1.30										
Tax psf Cap	\$ 1.78										
Property Tax Per Year	87,620	99,221	100,038	114,123	115,823	132,459	135,108	137,810	140,566	143,378	

Schedule 2 Tax Rates	Build-out sf										
Total Square Feet	67,400										
Tax psf Start	\$ 0.75										
Tax psf Cap	\$ 1.00										
Property Tax Per Year	50,550	56,625	57,084	64,554	65,509	74,415	75,903	77,421	78,970	80,549	

Anticipated Employment Milestones	26	43	60	77	94	111	128	145	162	179
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Deciphera shall pay property taxes at the assessed rate for the Premises. However, Deciphera shall receive a tax rebate within 45 days of each tax payment period to effectively reduce the total tax paid on the Premises to an amount calculated in accordance with the Schedule 2 Rates above based upon a rate of \$.75 per square foot for unimproved space, and an initial rate of \$1.00 per square foot for improved space within the Premises up to a maximum of 67,400 square feet. Such rate for improved space shall increase at the rate of two percent per year. Such tax rebates shall be contingent upon Deciphera achieving the Anticipated Employment Milestones outlined above. The first measurement period for compliance with the Anticipated Employment Milestones shall be December 31, 2010 and shall occur at the end of each subsequent year until December 31, 2017. In the event Deciphera is below such cumulative employment in any year beginning with the year ending December 31, 2010, the rebate to Deciphera shall be reduced by a percentage calculated by subtracting the actual employment at the end of such year from the Anticipated Employment Milestone (the "Shortfall") and dividing the Shortfall by the applicable Anticipated Employment Milestone. In the event Deciphera's employment shows a shortfall greater than 20% of the Anticipated Employment Milestone for three consecutive years subsequent to the year ending December 31, 2010, the effective total tax paid shall revert for that year to an amount calculated in accordance with the Schedule 1 Rates above based upon a rate of \$1.30 per square foot for unimproved space, and an initial rate of \$1.78 per square foot for improved space within the Premises up to a maximum of 67,400 square feet. Should Deciphera meet the Anticipated Employment Milestones in a later period, the effective total tax paid shall then revert for that year to an amount calculated in accordance with the Schedule 2 Rates above.

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