NEW ISSUE
Book-Entry-Only

Programmatic Rating: S&P Global Ratings "AA+"
Underlying Rating: S&P Global Ratings "A"

This Preliminary Official Statement is deemed "nearly final"
and is dated September 16, 2016

In the opinion of Ice Miller LLP, Indianapolis, Indiana, under federal statutes, decisions, regulations and rulings, interest on the 2016 Bonds (hereinafter defined) is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended, for federal income tax purposes. Such exclusion is conditioned on continuing compliance with the Tax Covenants (hereinafter defined). In the opinion of Ice Miller LLP, Indianapolis, Indiana, under existing laws, regulations, judicial decisions and rulings, interest on the 2016 Bonds is exempt from income taxation in the State of Indiana. See "TAX MATTERS" herein.

$22,000,000**
WA-NEE COMMUNITY SCHOOL BUILDING CORPORATION
Nappanee, Indiana
AD VALOREM PROPERTY TAX FIRST MORTGAGE BONDS, SERIES 2016

Original Date: Date of Delivery (Anticipated to be October 18, 2016) Due: January 15 and July 15 as shown below

The Wa-Nee Community School Building Corporation (the "Building Corporation") is issuing $22,000,000** of Ad Valorem Property Tax First Mortgage Bonds, Series 2016 (the "2016 Bonds") for the purpose of paying the costs of the renovation of and improvements to NorthWood High School, NorthWood Middle School, Wakarusa Elementary School, Nappanee Elementary School and Woodview Elementary School (the "Project"), and to pay issuance expenses. Funding for a portion of the Project will be provided by proceeds from the Building Corporation's purchase of the Leased Premises (hereinafter defined). The Building Corporation anticipates issuing approximately $7,500,000 of Ad Valorem Property Tax First Mortgage Bonds, Series 2017 (the "2017 Bonds") in the first quarter of 2017 to fund the remaining portion of the Project.

The 2016 Bonds are secured by and payable from fixed, semiannual lease rental payments (the "Lease Rentals") to be paid by Wa-Nee Community Schools (the "School Corporation") directly to U.S. Bank National Association, in Indianapolis, Indiana (the "Trustee") under a Trust Indenture between the Building Corporation and the Trustee dated as of October 1, 2016 (the "Trust Indenture") and a Lease (hereinafter defined) between the School Corporation and the Building Corporation, and in accordance with Indiana Code Title 20, Article 47, Chapter 3. Such Lease Rentals are payable from ad valorem property taxes levied on all taxable property within the School Corporation in an amount sufficient to pay the Lease Rentals as they become due. The levy of taxes by the School Corporation to pay the Lease Rentals is mandatory under Indiana law. The 2016 Bonds are additionally secured by a first mortgage lien on the Leased Property (hereinafter defined). The 2016 Bonds shall not constitute an indebtedness of the School Corporation within the meaning of the provisions and limitations of the constitution of the State of Indiana.

The 2016 Bonds will be issued only as fully registered bonds, and when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"). Purchases of beneficial interests in the 2016 Bonds will be made in book-entry-only form in the denomination of $5,000 or any integral multiples thereof. Purchasers of beneficial interests in the 2016 Bonds (the "Beneficial Owners") will not receive physical delivery of certificates representing their interests in the 2016 Bonds. Interest on the 2016 Bonds will be payable semiannually on January 15 and July 15 of each year, beginning July 15, 2017. Principal and interest will be disbursed on behalf of the Building Corporation by U.S. Bank National Association, in Indianapolis, Indiana (the "Registrar" and "Paying Agent"). Interest on the 2016 Bonds will be paid by check, mailed one business day prior to the interest payment date or by wire transfer to depositories. The principal of and premium, if any, on the 2016 Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Paying Agent. Interest on, together with the principal of, the 2016 Bonds will be paid directly to DTC by the Paying Agent so long as DTC or its nominee is the registered owner of the 2016 Bonds. The final disbursement of such payments to the Beneficial Owners of the 2016 Bonds will be the responsibility of the DTC Participants and the Indirect Participants. See "BOOK-ENTRY-ONLY SYSTEM". The 2016 Bonds will be subject to optional redemption prior to maturity, as more fully described herein. The 2016 Bonds may be issued as "Term Bonds" at the Underwriter's (hereinafter defined) discretion and subject to mandatory sinking fund redemption as more fully described herein.

MATURITY SCHEDULE
(Base CUSIP* _________)

Maturity	Principal**	Interest Rate	Yield	CUSIP	Maturity	Principal**	Interest Rate	Yield	CUSIP
July 15, 2017	$345,000				July 15, 2024	$850,000			
January 15, 2018	490,000				January 15, 2025	860,000			
July 15, 2018	495,000				July 15, 2025	870,000			
January 15, 2019	500,000				January 15, 2026	875,000			
July 15, 2019	505,000				July 15, 2026	890,000			
January 15, 2020	510,000				January 15, 2027	905,000			
July 15, 2020	615,000				July 15, 2027	920,000			
January 15, 2021	620,000				January 15, 2028	930,000			
July 15, 2021	800,000				July 15, 2028	945,000			
January 15, 2022	810,000				January 15, 2029	960,000			
July 15, 2022	820,000				July 15, 2029	975,000			
January 15, 2023	825,000				January 15, 2030	985,000			
July 15, 2023	835,000				July 15, 2030	1,000,000			
January 15, 2024	845,000				January 15, 2031	1,020,000			

**Preliminary, subject to change.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

INFORMATION FOR BIDDING

Date and Time of Sale: Upon 24 hours' notice. Anticipated to take place on September 27, 2016 at 11:00AM (EDT)
Place of Sale: Umbaugh, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240
Maximum Interest Rate: 5.0% **Maximum Discount:** 0.50% ($110,000*)
Multiples: 1/8 or 1/100 of 1%, non-descending **Anticipated Closing Date:** October 18, 2016
Good Faith Deposit: $220,000* certified or cashier's check or wire transfer submitted by the winning bidder no later than 3:30 p.m. (EDT) on the business day following the award
Method of Bidding: Electronic bidding by PARITY® or traditional bidding
Basis of Award: True Interest Cost (TIC)

For a complete description of terms and conditions for bidding, please refer to the next section of this Official Statement (Appendix i) for the Notice of Intent to Sell Bonds.

*The Building Corporation reserves the right to adjust the maturity schedule following the sale in order to accomplish the Building Corporation's financial objectives by reallocating debt service based upon the rates bid by the successful bidder.

The 2016 Bonds are being offered for delivery when, as and if issued and received by the Underwriter (hereinafter defined) and subject to the approval of legality by Ice Miller LLP, Indianapolis, Indiana, Bond Counsel. Certain legal matters will be passed on by Randall G. Hesser, Warrick & Boyn, LLP as Attorney for the School Corporation and Building Corporation. The 2016 Bonds are expected to be available for delivery to DTC in New York, New York, on or about October 18, 2016.

IN CONNECTION WITH THIS OFFERING THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2016 BONDS OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET, AND SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

No dealer, broker, salesman or other person has been authorized by the Building Corporation or School Corporation to give any information or to make any representations, other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the Building Corporation or School Corporation. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities described herein by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the School Corporation, and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale of the securities described herein shall, under any circumstances, create any implication that there has been no change in the affairs of the Building Corporation or School Corporation since the date of delivery of the securities described herein to the initial purchaser thereof. However, upon delivery of the securities, the Building Corporation and School Corporation will provide a certificate stating that there have been no material changes in the information contained in the Final Official Statement since its delivery.

TABLE OF CONTENTS

*Preliminary, subject to change.

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PROJECT PERSONNEL

Names and positions of officials and professionals who have taken part in the planning of the project and bond issue are:

Building Corporation Directors

Larry Andrews, President
Tom Roeder, Vice-President
Wayne Klotz, Secretary/Treasurer
Randall G. Hesser, Assistant Secretary

Board of School Trustees

Don Lehman, President
Lou Bonacorsi, Vice-President
Eric Brown, Secretary
Christina Eshelman
Curt Flickinger
Terry Graber
Shawn Johnson

Superintendent

Joe Sabo

Business Manager

Roger Zentz

Building Corporation and
School Corporation Attorney

Randall G. Hesser, Esq.
Warrick & Boyn, LLP
121 West Franklin Street, Suite 400
Elkhart, Indiana 46516

Bond Counsel

Jane N. Herndon, Esq.
Erik B. Long, Esq.
Ice Miller LLP
One American Square, Suite 2900
Indianapolis, Indiana 46282

Financial Advisor

Curt W. Pletcher
H.J. Umbaugh & Associates
Certified Public Accountants, LLP
112 IronWorks Avenue, Suite C
Mishawaka, Indiana 46544

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This introduction to the Official Statement contains certain information for quick reference only. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

PRELIMINARY OFFICIAL STATEMENT

$22,000,000*

WA-NEE COMMUNITY SCHOOL BUILDING CORPORATION
Nappanee, Indiana
AD VALOREM PROPERTY TAX FIRST MORTGAGE BONDS, SERIES 2016

INTRODUCTION TO THE OFFICIAL STATEMENT

The Wa-Nee Community School Building Corporation (the "Building Corporation") is issuing $22,000,000* of Ad Valorem Property Tax First Mortgage Bonds, Series 2016 (the "2016 Bonds"). The Building Corporation was organized to issue bonds pursuant to Indiana Code Title 20, Article 47, Chapter 3 to finance the construction of and renovation to school buildings and lease them to Wa-Nee Community Schools (the "School Corporation").

SECURITY AND SOURCES OF PAYMENT

Pursuant to a Lease executed on June 13, 2016, between the Building Corporation and the School Corporation (the "Lease"), the 2016 Bonds are payable from semiannual lease rental payments (the "Lease Rentals") to be paid by the School Corporation directly to U.S. Bank National Association, Indianapolis, Indiana (the "Trustee"). Such Lease Rentals are payable from ad valorem property taxes to be levied against all taxable property within the School Corporation. Pursuant to the Lease, the School Corporation will pay interim Lease Rentals of $990,000 semiannually starting June 30, 2017 until the Project (herein defined) is completed and is ready for occupancy. Full Lease Rentals will begin on the day the Project (herein defined) is completed and ready for occupancy or June 30, 2019, whichever is later.

The 2016 Bonds are additionally secured by a first mortgage lien on the Leased Property (hereinafter defined). See page 7 for a description of Lease Rental Payments by the State of Indiana.

CIRCUIT BREAKER TAX CREDIT

Indiana Code Title 6, Article 1.1, Chapter 20.6 provides taxpayers with a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property eligible for the credit ("Circuit Breaker Tax Credit"). If applicable, the Circuit Breaker Tax Credit will result in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied. The legislation requires local governments to fund their debt service obligations regardless of any property tax revenue shortfalls due to the Circuit Breaker Tax Credit. The State may intercept funds to pay debt service. (See "LEASE RENTAL PAYMENTS BY THE STATE OF INDIANA" and "CIRCUIT BREAKER TAX CREDIT" herein).

PURPOSE

The 2016 Bonds are being issued for the purpose of paying the costs of the renovation of and improvements to NorthWood High School, NorthWood Middle School, Wakarusa Elementary School, Nappanee Elementary School and Woodview Elementary School (the "Project"), and to pay issuance expenses. Funding for a portion of the Project will be provided by proceeds from the Building Corporation's purchase of the Leased Premises (hereinafter defined). The Building Corporation anticipates issuing approximately $7,500,000 of Ad Valorem Property Tax First Mortgage Bonds, Series 2017 (the "2017 Bonds") in the first quarter of 2017 to fund the remaining portion of the Project.

REDEMPTION PROVISIONS

The 2016 Bonds are subject to optional redemption beginning July 15, 2026 as more fully described herein. The 2016 Bonds may be issued as Term Bonds at the discretion of the Underwriter (as hereinafter defined) and in that case, would be subject to mandatory sinking fund redemption as more fully described herein.

*Preliminary, subject to change.

Denominations

The 2016 Bonds are being issued in the denomination of $5,000 or integral multiples thereof.

Registration and Exchange Features

The Trustee shall keep at its designated corporate trust office, a record for the registration of the 2016 Bonds. Each registered 2016 Bond shall be transferable or exchangeable only on such record at the designated corporate trust office of the Trustee at the written request of the registered owner thereof or his attorney duly authorized in writing upon surrender thereof, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney.

Book-Entry-Only System

The 2016 Bonds shall initially be issued and held in book-entry form on the books of the central depository system. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the 2016 Bonds. The 2016 Bonds will be issued as fully-registered in the name of Cede & Co. (DTC's partnership nominee). One fully registered 2016 Bond certificate will be issued for the 2016 Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC. The Building Corporation and the Registrar and Paying Agent may deem and treat the Clearing Agency (Cede & Co.) as the absolute owner and holder of such 2016 Bond for all purposes including, without limitation, the receiving of payment of the principal of, premium, if any, and interest on such 2016 Bonds, the receiving of notice and the giving of consent. Interest payable July 15, 2017, and semiannually thereafter, will be paid by check mailed one business day prior to the interest payment date to the registered owner or by wire transfer on the interest payment date to the depository shown as the registered owner (Refer to "Book-Entry-Only System" herein).

Provisions for Payment

The principal on the 2016 Bonds shall be payable at the designated corporate trust office of the Registrar and Paying Agent, or by wire transfer to DTC or any successor depository. All payments of interest on the 2016 Bonds shall be paid by check, mailed one business day prior to the interest payment date to the registered owners as the names appear as of the fifteenth day immediately preceding the interest payment date and at the addresses as they appear on the registration books kept by the Registrar or at such other address as is provided to the Registrar or by wire transfer to DTC or any successor depository. If payment of principal or interest is made to DTC or any successor depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall be instructed to wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time). Payments on the 2016 Bonds shall be made in lawful money of the United States of America, which, on the date of such payment, shall be legal tender.

So long as DTC or its nominee is the registered owner of the 2016 Bonds, principal and interest on the 2016 Bonds will be paid directly to DTC by the Paying Agent. (The final disbursement of such payments to the Beneficial Owners of the 2016 Bonds will be the responsibility of the DTC Participants and Indirect Participants, as defined and more fully described herein.)

Notices

If the office location at which principal is payable changes, the Trustee will give notice of such change by first-class mail to registered owners at least 15 days prior to the first principal payment date following the date of such change in location.

If the Trustee resigns, notice shall be given to the registered owners by mail at least 20 days prior to the date when such resignation shall take effect.

Notice of redemption shall be mailed to the registered owners of all 2016 Bonds, not less than 30 nor more than 60 days prior to the date fixed for redemption.

TAX MATTERS

In the opinion of Ice Miller LLP, Indianapolis, Indiana, under federal statutes, decisions, regulations and rulings, interest on the 2016 Bonds is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended, for federal income tax purposes. Such exclusion is conditioned on continuing compliance with the Tax Covenants (hereinafter defined). In the opinion of Ice Miller LLP, Indianapolis, Indiana, under existing laws, regulations, judicial decisions and rulings, interest on the 2016 Bonds is exempt from income taxation in the State of Indiana. See "TAX MATTERS" herein.

MISCELLANEOUS

The information contained in this Official Statement has been compiled from School Corporation officials and other sources deemed to be reliable, and while not guaranteed as to completeness or accuracy, it is believed to be correct as of this date. However, the Official Statement speaks only as of its date, and the information contained herein is subject to change.

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters of fact relating to the 2016 Bonds, the security for the payment of the 2016 Bonds and the rights and obligations of the owners thereof. A complete text of the Trust Indenture will be provided upon request. Additional information may be requested from the Business Manager, Wa-Nee Community Schools, 1300 North Main Street, Nappanee, Indiana 46550, phone (574) 773-3131.

Any statements made in this Official Statement involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the owners of the 2016 Bonds.

THE PROJECT

PROJECT DESCRIPTION

The 2016 Bonds are being issued for the purpose of paying the costs of the renovation of and improvements to NorthWood High School, NorthWood Middle School, Wakarusa Elementary School, Nappanee Elementary School and Woodview Elementary School, and to pay issuance expenses. Funding for a portion of the Project will be provided by proceeds from the Building Corporation's purchase of the Leased Premises (hereinafter defined). The Building Corporation anticipates issuing approximately $7,500,000 of 2017 Bonds in the first quarter of 2017 to fund the remaining portion of the Project.

CONSTRUCTION PROGRAM

Construction bids for the Project are anticipated to be received in January of 2017. Construction of the Project will begin in Spring of 2017 and is anticipated to be completed Summer of 2018.

ESTIMATED SOURCES AND USES OF FUNDS

Estimated Sources of Funds:	Building Corporation 2016 Bonds	Building Corporation 2017 Bonds	School Corporation	Totals
Proposed First Mortgage Bonds, Series 2016	$22,000,000.00 *			$22,000,000.00
Proposed First Mortgage Bonds, Series 2017		$7,500,000.00 *		7,500,000.00
Total Estimated Sources of Funds	$22,000,000.00	$7,500,000.00	$0.00	$29,500,000.00

Estimated Uses of Funds:	2016 Bonds	2017 Bonds	School Corporation	Totals
Estimated Construction Related Costs	$14,725,000.00	$7,181,739.17	$7,000,000.00	$28,906,739.17
Purchase of Leased Property	7,000,000.00		(7,000,000.00)	0.00
Estimated Capitalized Interest Expense (1)		160,760.83		160,760.83
Allowance for Underwriter's Discount (0.50%)	110,000.00	37,500.00		147,500.00
Estimated Costs of Issuance (2)	165,000.00	120,000.00		285,000.00
Total Estimated Uses of Funds	$22,000,000.00	$7,500,000.00	$0.00	$29,500,000.00

(1) Assumes interest expense through and including January 15, 2018. Subject to change depending upon timing and scope of Project.
(2) Includes fee allowances for Local Counsel, Bond Counsel, Financial Advisor, Trustee, rating, title insurance, appraisals, printing and other miscellaneous costs.

*Preliminary, subject to change.

SCHEDULE OF AMORTIZATION OF $22,000,000* PRINCIPAL AMOUNT OF
AD VALOREM PROPERTY TAX FIRST MORTGAGE BONDS, SERIES 2016

Payment Date	Principal Outstanding*	Principal*	Interest Rates (%)	Interest	Total	Budget Year Total
	(-------In Thousands------)					
7/15/2017	$22,000	$345				
1/15/2018	21,655	490				
7/15/2018	21,165	495				
1/15/2019	20,670	500				
7/15/2019	20,170	505				
1/15/2020	19,665	510				
7/15/2020	19,155	615				
1/15/2021	18,540	620				
7/15/2021	17,920	800				
1/15/2022	17,120	810				
7/15/2022	16,310	820				
1/15/2023	15,490	825				
7/15/2023	14,665	835				
1/15/2024	13,830	845				
7/15/2024	12,985	850				
1/15/2025	12,135	860				
7/15/2025	11,275	870				
1/15/2026	10,405	875				
7/15/2026	9,530	890				
1/15/2027	8,640	905				
7/15/2027	7,735	920				
1/15/2028	6,815	930				
7/15/2028	5,885	945				
1/15/2029	4,940	960				
7/15/2029	3,980	975				
1/15/2030	3,005	985				
7/15/2030	2,020	1,000				
1/15/2031	1,020	1,020				
		$22,000				

*Preliminary, subject to change.

SECURITIES BEING OFFERED

AUTHORIZATION AND APPROVAL PROCESS

The 2016 Bonds are to be issued under the authority of Indiana law, including, without limitation, Indiana Code Title 20, Article 47, Chapter 3, as in effect on the date of delivery of the 2016 Bonds and pursuant to the Trust Indenture between the Building Corporation and the Trustee.

Pursuant to Indiana Code 6-1.1-20, with certain exceptions listed below, when property taxes are pledged to the repayment of bonds or leases to finance a project, a determination must be made as to whether the project is a "controlled project". Projects classified as controlled projects are subject to certain public approval procedures. A controlled project is one that is financed by a bond or lease, is payable by property taxes and costs more than the lesser of (a) $2 million or (b) the greater of 1% of gross assessed value, if that amount is at least $1 million. The exceptions for a controlled project are (a) when property taxes are used only as a back-up to enhance credit, (b) when a project is being refinanced to generate taxpayer savings, (c) when the project is mandated by federal law, and (d) when the project is in response to a natural disaster, emergency or accident that is approved by the county council.

Controlled projects are subject to either a petition and remonstrance process or a referenda process. . Controlled projects are subject to the petition and remonstrance process when the project will cost greater than the lesser of (a) $2 million or (b) the greater of 1% of gross assessed value (if that amount is at least $1 million), but less than the cost of a project for which the referenda process would apply (as described below). Under the petition and remonstrance process, taxpayers and voters may sign a petition in favor of the project (petitioners) or against the project (remonstrators). At the end of the signature gathering period, if the petitioners have more signatures, the project may proceed. Controlled projects are subject to the referenda process rather than the petition and remonstrance process when the project will cost the lesser of (a) $12 million (except for a school building for academic instruction, in which case the amount is $10 million) or (b) 1% of the total gross assessed value of the political subdivision, if the amount is at least $1 million. Once the referenda process is initiated, the public question regarding the controlled project will go on the ballot. If the majority of voters approve of the project, the project may proceed. Projects approved by the referenda process are outside the Circuit Breaker Tax Credit calculations.

The Project funded by the 2016 Bonds and 2017 Bonds is subject to the referenda controlled project procedures; however, the referenda process was not initiated by real property owners or registered voters. Therefore, the issuance of the 2016 Bonds and 2017 Bonds was able to continue without additional approval procedures. Because the Project funded by the 2016 Bonds and 2017 Bonds was not approved through the referenda process, the ad valorem property tax to be levied on all taxable property within the School Corporation to repay the 2016 Bonds and 2017 Bonds will be included in the Circuit Breaker Tax Credit calculation.

THE BUILDING CORPORATION

The Building Corporation was organized as a not-for-profit corporation pursuant to the Indiana Code Title 23, Article 17, for the sole purpose of acquiring land and constructing, renovating and improving school facilities to be leased to the School Corporation.

During its existence, the Building Corporation will operate entirely without profit to the Building Corporation, its officers or directors.

LEASED PROPERTY

The leased property consists of NorthWood High School and the real estate on which the improvements are to be constructed with proceeds of the 2016 Bonds (the "Leased Property").

SECURITY AND SOURCES OF PAYMENT

The 2016 Bonds shall constitute an indebtedness of the Building Corporation payable in accordance with the terms of the Trust Indenture and secured by the pledge and assignment to the Trustee of the funds and accounts defined and described therein, including the Lease Rental and other funds as defined in the Trust Indenture. The Trust Indenture creates a continuing pledge by the Building Corporation to the bondholders to pay principal and interest on the 2016 Bonds, until the principal sum shall be fully paid. Funds for the Lease Rentals will be paid by or on behalf of the School Corporation directly to the Trustee (for the account of the Building Corporation) pursuant to the terms of the Lease. The 2016 Bonds are additionally secured by a lien on the Leased Property as described in the Trust Indenture.

Interim Lease Rental payments will due starting June 30, 2017 and paid semiannually until the Project (herein defined) is completed and is ready for occupancy. The first full Lease Rental for the 2016 Bonds is to begin on the day the Project is completed and ready for occupancy or June 30, 2019, whichever is later. See the Summary of the Lease (Appendix C).

If, for any reason, the Leased Property is partially or totally destroyed or unfit for occupancy, the fixed annual rental shall be proportionately abated. The Building Corporation is required by the Lease to maintain rental value insurance, in an amount equal to the full rental value for a period of up to two years. In addition, the proceeds of any property or casualty insurance would be used either to repair and reconstruct the Leased Property or retire obligations issued to finance the Leased Property. To the extent the damaged or destroyed Leased Property is not restored or repaired or is unfit for occupancy and use beyond the period covered by rental value insurance, the Building Corporation could have insufficient funds to pay debt service on the 2016 Bonds.

The Lease Rentals to be paid by the School Corporation during the term of the Lease are required to be in amounts sufficient to pay the principal of and interest on the 2016 Bonds. The Lease Rental is secured by a pledge of ad valorem property taxes levied on all taxable property in the School Corporation.

The Building Corporation will acquire ownership of the real estate as described within the Lease. The ownership shall be for a term no less than the term of the Lease (22 years). (See the Summary of the Lease.)

LEASE RENTAL PAYMENTS BY THE STATE OF INDIANA

Indiana Code Title 20, Article 48, Chapter 1, Section 11 (the "Act") provides that the Department of Local Government Finance shall review levies and appropriations of school corporations for lease rental purposes. In the event a school corporation fails to levy and appropriate sufficient funds for such purpose, the Department of Local Government Finance shall establish levies and appropriations which are sufficient to pay such obligations.

The Act further provides that upon failure of any school corporation to make lease rental payments when due and upon notice and claim, the Treasurer of the State of Indiana shall make such payments from the funds of the State (the "State Intercept Program"). Such payments are limited to the amounts appropriated by the General Assembly for distribution to the school corporation from State funds in the calendar year. Such lease rental payments made by the State Treasurer would then be deducted from State distributions being made to the school corporation. The estimated State distributions for fiscal year 2016 and resulting debt service coverage levels are as follows:

Fiscal Year 2016 Basic Grant Distribution (all funds) (1)	$18,506,898
Estimated Combined Maximum Annual Debt Service (2)	$4,963,633*
State Distributions Required to Provide Two-Times Coverage	$9,927,266*
State Distributions Above Two-Times Coverage Amount	$8,579,632*

(1) Per the Indiana Department of Education, net of adjustments.
(2) Based on combined outstanding debt for the year 2016 including debt service on the 2016 Bonds.
*Preliminary, subject to change.

While the above description is based upon the Act, the General Assembly may make amendments to such statutes and therefore there is no assurance of future events.

RELATIONSHIP OF ANNUAL LEASE RENTAL PAYMENTS TO ANNUAL DEBT SERVICE REQUIREMENTS

The Lease Rentals to be paid by the School Corporation each June 30 and December 31 for the use and occupancy of the Leased Property will be equal to an amount which, when added to funds in the Sinking Fund, will be sufficient to pay unpaid principal of and interest on the 2016 Bonds which is due on or before the July 15 and January 15 following such June 30 and December 31, plus an amount sufficient to provide for the fees of the Trustee and incidental expenses of the Building Corporation.

All Lease Rentals shall be paid by or on behalf of the School Corporation to the Trustee under the Trust Indenture or to such other bank or trust company as may from time to time succeed the Trustee as provided thereunder. All payments so made by or on behalf of the School Corporation shall be considered as payment to the Building Corporation of the Lease Rentals payable under the Lease.

ADDITIONAL BONDS

Additional bonds may be issued on parity with the 2016 Bonds subject to the terms and limitations of the Trust Indenture. Except as permitted by the Trust Indenture, the Building Corporation covenants that it will not incur any indebtedness other than the 2016 Bonds unless such additional indebtedness is payable solely from income of the Building Corporation other than the rental payments provided for in the Lease. The Building Corporation anticipates issuing approximately $7,500,000 of 2017 Bonds to fund the remainder of the Project.

INVESTMENT OF FUNDS

Pursuant to the Trust Indenture, all funds of the Building Corporation shall be invested by the Trustee at the direction of the Building Corporation in "Qualified Investments."

"Qualified Investments" shall mean:

(i) direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America ("United States Treasury Obligations"),

(iii) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America,

(iv) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America,

(v) Federal Housing Administration debentures,

(vi) Federal Home Loan Mortgage Corporation participation certificates and senior debt obligations (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts),

(vii) Farm Credit Bank consolidated system-wide bonds and notes,

(viii) Federal Home Loan Banks consolidated debt obligations,

(ix) Federal National Mortgage Association senior debt obligations and mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts),

(x) commercial paper (having original maturities of not more than 270 days) rated "A-1" by Standard and Poor's and "Prime-1" by Moody's at the time of purchase,

(xi) unsecured deposits (including certificates of deposit, demand deposits and savings accounts) of any U.S. depository institution or trust company incorporated under the laws of the United States or any state thereof, provided that the short-term debt obligations of such depository institution or trust company at the date of purchase thereof have been rated at least "A-1" by Standard & Poor's and "P-1" by Moody's,

(xii) deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), including CDARS and negotiable certificates of deposit,

(xiii) State and Municipal Obligations, which means:

   a) Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated in the two highest rating categories by Standard & Poor's or Moody's at the time of purchase, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.

   b) Direct general short-term obligations of any state agency or subdivision or agency thereof described in (a) above and rated "A-1+" by Standard & Poor's or "MIG-1" by Moody's at the time of purchase.

   c) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (a) above and rated in the two highest rating categories by Standard & Poor's or Moody's at the time of purchase.

(xiv) money market funds, which funds may be funds of the Trustee or its affiliates, including those for which the Trustee or an affiliate performs services for a fee, whether as a custodian, transfer agent, investment advisor or otherwise, and which funds are rated "AAAm" or "AAAm-G" by Standard & Poor's.

THE BONDS

INTEREST CALCULATION

Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

REDEMPTION PROVISIONS

Optional Redemption:

The 2016 Bonds maturing on or after January 15, 2027 are redeemable prior to maturity at the option of the Building

Corporation in whole or in part in any order of maturity as determined by the Building Corporation and by lot within maturities, on any date not earlier than July 15, 2026, at face value plus accrued interest to the date fixed for redemption and without any redemption premium.

Mandatory Sinking Fund Redemption:

If any 2016 Bonds are issued as Term Bonds, the Trustee shall credit against the mandatory sinking fund requirement for the Term Bonds, and corresponding mandatory redemption obligation, in the order determined by the Building Corporation, any Term Bonds which have previously been redeemed (otherwise than as a result of a previous mandatory redemption requirement) or delivered to the Trustee for cancellation or purchased for cancellation by the Trustee and not theretofore applied as a credit against any redemption obligation. Each Term Bond so delivered or canceled shall be credited by the Trustee at 100% of the principal amount thereof against the mandatory sinking fund obligation on such mandatory redemption date, and any excess of such amount shall be credited on future redemption obligations, and the principal amount of that Term Bond to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced; provided, however, the Trustee shall only credit such Term Bond to the extent received on or before 45 days preceding the applicable mandatory redemption date.

If fewer than all the 2016 Bonds are called for redemption at one time, the 2016 Bonds shall be redeemed in order of maturity determined by the Building Corporation and by lot within maturity. Each $5,000 principal amount shall be considered a separate bond for purposes of optional and mandatory redemption. If some 2016 Bonds are to be redeemed by optional and mandatory sinking redemption on the same date, the Trustee shall select by lot the 2016 Bonds for optional redemption before selecting the 2016 Bonds by lot for the mandatory sinking fund redemption.

Notice of Redemption:

Notice of redemption shall be mailed to the registered owners of all 2016 Bonds to be redeemed at least 30 days but not more than 60 days prior to the date fixed for such redemption. If any of the 2016 Bonds are so called for redemption, and payment therefore is made to the Trustee in accordance with the terms of the Trust Indenture, then such 2016 Bonds shall cease to bear interest from and after the date fixed for redemption in the call.

BOOK-ENTRY-ONLY SYSTEM

The 2016 Bonds will be available only in book-entry form in the principal amount of $5,000 or any integral multiple thereof. DTC will act as the initial securities depository for the 2016 Bonds. The ownership of one fully registered Bond will be registered in the name of Cede & Co., as nominee for DTC.

SO LONG AS CEDE & CO, AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE [BONDRU], REFERENCES IN THIS OFFICIAL STATEMENT TO THE REGISTERED OWNERS (OR THE OWNERS) WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the 2016 Bonds. The 2016 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for the 2016 Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of 2016 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2016 Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2016 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2016 Bonds, except in the event that use of the book-entry system for the 2016 Bonds is discontinued.

To facilitate subsequent transfers, all 2016 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2016 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2016 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2016 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2016 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2016 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of 2016 Bonds may wish to ascertain that the nominee holding the 2016 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2016 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2016 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Building Corporation as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2016 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal, interest and redemption amounts, if any, on the 2016 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Building Corporation or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), the Paying Agent, or the Building Corporation, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Building Corporation or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursements of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2016 Bonds at any time by giving reasonable notice to the Building Corporation or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The Building Corporation may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Building Corporation believes to be reliable, but neither the Building Corporation nor the Underwriter takes any responsibility for the accuracy thereof.

In the event that the book-entry-only system is discontinued, the Paying Agent will provide for the registration of the 2016 Bonds in the name of the Beneficial Owners thereof. The Building Corporation, the Registrar, the Paying Agent and any other Fiduciary would treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purposes of making and receiving payment of the principal thereof and interest thereon, and for all other purposes, and none of these parties would be bound by any notice or knowledge to the contrary.

Revision of Book-Entry-Only System:

In the event that either (1) the Building Corporation receives notice from DTC to the effect that DTC is unable or unwilling to discharge its responsibilities as a clearing agency for the 2016 Bonds or (2) the Building Corporation elects to discontinue its use of DTC as a clearing agency for the 2016 Bonds, then the Building Corporation and the Paying Agent will do or perform or cause to be done or performed all acts or things, not adverse to the rights of the holders of the 2016 Bonds, as are necessary or appropriate to discontinue use of DTC as a clearing agency for the 2016 Bonds and to transfer the ownership of each of the 2016 Bonds to such person or persons, including any other clearing agency, as the holder of such 2016 Bonds may direct in accordance with the Trust Indenture. Any expenses of such a discontinuation and transfer, including any expenses of printing new certificates to evidence the 2016 Bonds will be paid by the Building Corporation.

PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION

The Lease Rentals are payable from ad valorem property taxes required by law to be levied or on behalf of the School Corporation. Article 10, Section 1 of the Constitution of the State of Indiana ("Constitutional Provision") provides that, for property taxes first due and payable in 2012 and thereafter, the Indiana General Assembly shall, by law, limit a taxpayer's property tax liability to a specified percentage of the gross assessed value of the taxpayer's real and personal property. The Indiana General Assembly enacted legislation (Indiana Code Title 6, Article 1.1, Chapter 20.6), which implements the Constitutional Provision and provides taxpayers with a tax credit for all property taxes in an amount that exceeds a certain percentage of the gross assessed value of eligible property. See "CIRCUIT BREAKER TAX CREDIT" herein for further details on the levy and collection of property taxes.

Real and personal property in the State is assessed each year as of January 1. On or before August 1 of each year, the County Auditor must submit a certified statement of the assessed value of each taxing unit for the ensuing year to the Department of Local Government Finance ("DLGF"). The DLGF shall make the certified statement available on its gateway website located at https://gateway.ifionline.org/ ("Gateway"). The County Auditor may submit an amended certified statement at any time before February 15th of the ensuing year, the date by which the DLGF must certify the taxing units' budgets.

The certified statement of assessed value is used when the governing body of a local taxing unit meets to establish its budget for the next fiscal year (January 1 through December 31) and to set tax rates and levies. In preparing the taxing unit's estimated budget, the governing body must consider the net property tax revenue that will be collected by the taxing unit during the ensuing year, after taking into account the DLGF's estimate of the amount by which the taxing unit's distribution of property taxes will be reduced by the application of the Circuit Breaker Tax Credit (as defined in the summary of "CIRCUIT BREAKER TAX CREDIT" herein), and after taking into account the DLGF's estimate of the maximum amount of net property tax revenue and miscellaneous revenue that the taxing unit will receive in the ensuing year. Before August 1 of each year, the DLGF shall provide to each taxing unit an estimate of the amount by which the taxing unit's distribution of property taxes will be reduced.

The taxing unit must submit the following information to the DLGF via Gateway: (i) its estimated budget; (ii) the estimated maximum permissible tax levy, as determined by the DLGF; (iii) the current and proposed tax levies of each fund; (iv) the estimated amount, determined by the DLGF, by which the taxing unit's property taxes may be reduced by the Circuit Breaker Tax Credit; (v) the amount of excess levy appeals to be requested, if any; and (vi) the time and place at which the taxing unit will conduct a public hearing related to the information submitted to Gateway. The public hearing must be conducted at least ten days prior to the date the governing body establishes the budget, tax rate and levy, which by statute must each be established no later than November 1.

The budget, tax levy and tax rate of each taxing unit are subject to review by the DLGF, and the DLGF shall certify the tax rates and tax levies for all funds of taxing units subject to the DLGF's review. The DLGF may not increase a taxing district's budget by fund, tax rate or tax levy to an amount which exceeds the amount originally fixed by the taxing unit unless the taxing unit meets all of the following: (i) the increase is requested in writing by the taxing unit; (ii) the requested increase is published on the DLGF's advertising internet website; and (iii) notice is given to the county fiscal body of the DLGF's correction.

The DLGF may not approve a levy for lease payments by a school corporation to a building corporation if: (i) there are no bonds of the building corporation outstanding; and (ii) the building corporation has enough legally available funds on hand to redeem all outstanding bonds payable from the particular lease rental levy requested. However, the DLGF may increase the school corporation's tax rate and levy if the tax rate and levy proposed by the school corporation are not sufficient to make its lease rental payments**.**

Taxing units have until December 31 of the calendar year immediately preceding the ensuing calendar year to file a levy shortfall appeal. The DLGF must complete its review and certification of budgets, tax rates and levies on or before February 15.

On or before March 15, the County Auditor prepares the tax duplicate, which is a roll of property taxes payable in that year. The County Auditor publishes a notice of the tax rate in accordance with Indiana statutes. The County Treasurer mails tax statements at least 15 days prior to the date that the first installment is due (due dates may be delayed due to a general reassessment or other factors). Property taxes are due and payable to the County Treasurer in two installments on May 10 and November 10, unless the mailing of tax bills is delayed or a later due date is established by order of the DLGF. If an installment of property taxes is not completely paid on or before the due date, a penalty of 10% of the amount delinquent is added to the amount due; unless the installment is completely paid within thirty (30) days of the due date and the taxpayer is not liable for delinquent property taxes first due and payable in a previous year for the same parcel, the amount of the penalty is five percent (5%) of the amount of the delinquent taxes. On May 11 and November 11 of each year after one year of delinquency, an additional penalty equal to 10% of any taxes remaining unpaid is added. The penalties are imposed only on the principal amount of the delinquency. Property becomes subject to tax sale procedures after 15 months of delinquency. The County Auditor distributes property tax collections to the various taxing units on or about June 30 after the May 10 payment date and on or about December 31 after the November 10 payment date.

Pursuant to State law, personal property is assessed at its actual historical cost less depreciation, in accordance with 50 IAC 4.2, the DLGF's Rules for the Assessment of Tangible Personal Property. Effective January 1, 2016, state law annually exempts from property taxation new tangible business personal property with an acquisition cost of less than $20,000. Pursuant to State law, real property is valued for assessment purposes at its "true tax value" as defined in the Real Property Assessment Rule, 50 IAC 2.4, the 2011 Real Property Assessment Manual ("Manual"), as incorporated into 50 IAC 2.4 and the 2011 Real Property Assessment Guidelines, Version A ("Guidelines"), as adopted by the DLGF. P.L. 204-2016, SEC. 3, enacted in 2016, retroactive to January 1, 2016, amends State law to provide that "true tax value" for real property does <u>not</u> mean the value of the property to the user and that true tax value shall be determined under the rules of the DLGF. As a result of P.L. 204-2016, the DLGF has begun the process of amending the Manual. In the case of agricultural land, true tax value shall be the value determined in accordance with the Guidelines and IC 6-1.1-4, as amended by P.L. 180-2016. Except for agricultural land, as discussed below, the Manual permits assessing officials in each county to choose any acceptable mass appraisal method to determine true tax value, taking into consideration the ease of administration and the uniformity of the assessments produced by that method. The Guidelines were adopted to provide assessing officials with an acceptable appraisal method, although the Manual makes it clear that assessing officials are free to select from any number of appraisal methods, provided that they produce "accurate and uniform values throughout the jurisdiction and across all classes of property". The Manual specifies the standards for accuracy and validation that the DLGF uses to determine the acceptability of any alternative appraisal method. "Net Assessed Value" or "Taxable Value" represents the "Gross Assessed Value" less certain deductions for mortgages, veterans, the aged, the blind, economic revitalization areas, resource recovery systems, rehabilitated residential property, solar energy systems, wind power devices, hydroelectric systems, geothermal devices and tax-exempt property. The "Net Assessed Value" or

“Taxable Value” is the assessed value used to determine tax rates.

Changes in assessed values of real property occur periodically as a result of general reassessments scheduled by the State legislature, as well as when changes occur in the property value due to new construction or demolition of improvements. Before July 1, 2013, and before May 1 of every fourth year thereafter, the county assessor will prepare and submit to the DLGF a reassessment plan for each county. Beginning in 2016, the DLGF must complete its review and approval of the reassessment plan before January 1 of the year following the year in which the reassessment plan is submitted by the county. The reassessment plan must divide all parcels of real property in the county into four (4) different groups of parcels. Each group of parcels must contain approximately twenty-five percent (25%) of the parcels within each class of real property in the county. All real property in each group of parcels shall be reassessed under the county’s reassessment plan once during each four (4) year cycle. The reassessment of a group of parcels in a particular class of real property shall begin on May 1 of a year, and must be completed on or before January 1 of the year after the year in which the reassessment of the group of parcels begins. For real property included in a group of parcels that is reassessed, the reassessment is the basis for taxes payable in the year following the year in which the reassessment is to be completed. The county may submit a reassessment plan that provides for reassessing more than twenty-five percent (25%) of all parcels of real property in the county in a particular year. A plan may provide that all parcels are to be reassessed in one (1) year. However, a plan must cover a four (4) year period. All real property in each group of parcels shall be reassessed under the county’s reassessment plan once during each reassessment cycle. The reassessment of the first group of parcels under a county’s reassessment plan began on July 1, 2014, and was to be completed on or before January 1, 2016. Since 2007, all real property assessments are revalued annually to reflect market value based on comparable sales data (“Trending”). When a change in assessed value occurs, a written notification is sent to the affected property owner. If the owner wishes to appeal this action, the owner may file a petition requesting a review of the action. This petition must be filed with the county assessor in which the property is located within 45 days after the written notification is given to the taxpayer or May 10 of that year, whichever is later. While the appeal is pending, the taxpayer may pay taxes based on the current year’s tax rate and the previous or current year's assessed value.

CIRCUIT BREAKER TAX CREDIT

Description of Circuit Breaker:

Article 10, Section 1 of the Constitution of the State of Indiana (the “Constitutional Provision”) provides that, for property taxes first due and payable in 2012 and thereafter, the Indiana General Assembly shall, by law, limit a taxpayer's property tax liability to a specified percentage of the gross assessed value of the taxpayer's real and personal property. Indiana Code § 6-1.1-20.6 (the “Statute”) authorizes such limits in the form of a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property eligible for the credit (the “Circuit Breaker Tax Credit”). For property assessed as a homestead (as defined in Indiana Code § 6-1.1-12-37), the Circuit Breaker Tax Credit is equal to the amount by which the property taxes attributable to the homestead exceed 1% of the gross assessed value of the homestead. Property taxes attributable to the gross assessed value of other residential property, agricultural property, and long-term care facilities are limited to 2% of the gross assessed value, property taxes attributable to other non-residential real property and personal property are limited to 3% of the gross assessed value. The Statute provides additional property tax limits for property taxes paid by certain senior citizens.

If applicable, the Circuit Breaker Tax Credit will result in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied. School corporations are authorized to impose a referendum tax levy, if approved by voters, to replace property tax revenue that the school corporation will not receive due to the application of the Circuit Breaker Tax Credit. Otherwise school corporations and other political subdivisions may not increase their property tax levy or borrow money to make up for any property tax revenue shortfall due to the application of the Circuit Breaker Tax Credit.

The Constitutional Provision excludes from the application of the Circuit Breaker Tax Credit property taxes first due and payable in 2012, and thereafter, that are imposed after being approved by the voters in a referendum. The Statute codifies this exception, providing that, with respect to property taxes first due and payable in 2012 and thereafter, property taxes imposed after being approved by the voters in a referendum will not be considered for purposes of calculating the limits to property tax liability under the provisions of the Statute. In accordance with the Constitutional Provision, the General Assembly has, in the Statute, designated Lake County and St. Joseph County as “eligible counties” and has provided that property taxes imposed in these eligible counties to pay debt service and make lease rental payments for bonds or leases issued or entered into before July 1, 2008 or on bonds issued or leases entered into after June 30, 2008 to refund those bonds or leases, will not be considered for purposes of calculating the limits to property tax liability under the provisions of the Statute, through and including December 31, 2019.

The Statute requires political subdivisions to fully fund the payment of outstanding debt service or lease rental obligations payable from property taxes ("Debt Service Obligations"), regardless of any reduction in property tax collections due to the application of the Circuit Breaker Tax Credit. For school corporations, any shortfall could also be funded through the State Intercept Program (herein defined); however, application of the State Intercept Program will result in a shortfall in distributions to the school corporation's general fund and school corporations are encouraged by the DLGF to fund any shortfall directly from the school corporation's general fund to avoid the application of the State Intercept Program. Upon: (i) the failure of a political subdivision to pay any of its Debt Service Obligations; and (ii) notification of that event to the treasurer of the State by a claimant; the treasurer of State is required to pay the unpaid Debt Service Obligations from money in the possession of the State that would otherwise be available to the political subdivision under any other law. A deduction must be made: (i) first, from local income tax distributions that would otherwise be distributed to the county; and (ii) second, from any other undistributed funds of the political subdivision in possession of the State.

Pursuant to IC 6-1.1-20.6-9.9, a school corporation that is expected to experience sufficient Circuit Breaker Tax Credit loss may, prior to May 1 of a year, request the DLGF, to certify the amount of Circuit Breaker Tax Credit loss, making the school corporation an eligible school corporation under IC 6-1.1-20.6-9.9 (an "Eligible School Corporation"). An Eligible School Corporation may allocate its Circuit Breaker Tax Credit loss, for 2016, 2017, and 2018 proportionately across all school corporation property tax funds, including the debt service fund, and is exempt from the protected taxes requirement described below. The School Corporation did qualify for this exemption for 2016, and plans to use the exemption in 2017 and 2018.

For 2017 and 2018, if a school corporation: (i) issues new bonds or enters into a new lease rental agreement for which the school corporation is imposing or will impose a debt service levy other than: (A) to refinance or renew prior bond or lease rental obligations existing before January 1, 2017; or (B) for indebtedness that is approved in a local public question or referendum under IC 6-1.1-20 or any other law; and (ii) the school corporation's total debt service levy in 2017 or 2018 is greater than the school corporation's debt service levy in 2016, the school corporation will not be eligible to allocate its Circuit Breaker Tax Credit loss proportionately.

Except for an Eligible School Corporation, the Statute categorizes property taxes levied to pay Debt Service Obligations as "protected taxes," regardless of whether the property taxes were approved at a referendum, and all other property taxes as "unprotected taxes." The total amount of revenue to be distributed to the fund for which the protected taxes were imposed shall be determined without applying the Circuit Breaker Tax Credit. The application of the Circuit Breaker Tax Credit must reduce only the amount of unprotected taxes distributed to a fund. The School Corporation may allocate the reduction by using a combination of unprotected taxes of the School Corporation in those taxing districts in which the Circuit Breaker Credit caused a reduction in protected taxes. The tax revenue and each fund of any other political subdivisions must not be affected by the reduction.

If the allocation of property tax reductions to funds receiving only unprotected taxes is insufficient to offset the amount of the Circuit Breaker Tax Credit, the revenue for a fund receiving protected taxes will also be reduced. If a fund receiving protected taxes is reduced, the Statute provides that a political subdivision may transfer money from any other available source in order to meet its Debt Service Obligations. The amount of this transfer is limited to the amount by which the protected taxes are insufficient to meet Debt Service Obligations.

The School Corporation cannot predict the timing, likelihood or impact on property tax collections of any future actions taken, amendments to the Constitution of the State of Indiana or legislation enacted, regulations or rulings promulgated or issued to implement any such regulations, statutes or the Constitutional Provision described above or of future property tax reform in general. There has been no judicial interpretation of this legislation. In addition, there can be no assurance as to future events or legislation that may affect the Circuit Breaker Tax Credit or the collection of property taxes by the School Corporation.

For example, in March, 2016, the Indiana General Assembly passed legislation which revises the factors used to calculate the assessed value of agricultural land. This legislation is retroactive to the January 1, 2016, assessment date and applies to each assessment date thereafter. The revised factors enacted in the legislation may reduce the total assessed value of agricultural land, which could shift property tax liability from agricultural property owners to other property owners. In addition, the reduction in the assessed value of agricultural land may result in a reduction of the total assessed value of a school corporation. A lower assessed value of a school corporation may result in higher tax rates in order for a school corporation to receive its approved property tax levy. *See* "PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION" herein.

Estimated Circuit Breaker Tax Credit for the School Corporation:

According to the Elkhart and Kosciusko County abstracts and the DLGF, the Circuit Breaker Tax Credit allocable to the School Corporation for budget year 2013, when the Circuit Breaker Tax Credit was fully implemented, was $618,868. In budget years 2014, 2015 and 2016, the Circuit Breaker Tax Credits are $701,450, $581,508 and $504,826, respectively. These estimates do not include the estimated debt service on the 2016 Bonds and Lease Rentals on the Lease securing the 2016 Bonds.

The Circuit Breaker Tax Credit amounts above do not reflect the potential effect of any further changes in the property tax system or methods of funding local government that may be enacted by the Indiana General Assembly in the future. The effects of these changes could affect the Circuit Breaker Tax Credit and the impact could be material. Other future events, such as the loss of a major taxpayer, reductions in assessed value, increases in property tax rates of overlapping taxing units or the reduction in local option income taxes applied to property tax relief could increase effective property tax rates and the amount of the lost revenue due to the Circuit Breaker Tax Credit, and the resulting increase could be material.

MASTER CONTINUING DISCLOSURE UNDERTAKING

Pursuant to continuing disclosure requirements promulgated by the Securities and Exchange Commission in SEC Rule 15c2-12, as amended (the "SEC Rule"), the School Corporation will enter into a Master Continuing Disclosure Undertaking (the "Undertaking"). Pursuant to the terms of the Undertaking, the School Corporation will agree to provide the following information while any of the 2016 Bonds are outstanding:

- Audited Financial Statements. To the MSRB, the audited financial statements of the School Corporation as prepared and examined by the Indiana State Board of Accounts on a biennial basis for each period of two fiscal years, together with the opinion of such auditors and all notes thereto (collectively, the "Audited Information"), by the June 30 immediately following each biennial period. Such disclosure of Audited Information shall first occur by June 30, 2017, and shall be made by June 30 of every other year thereafter, if the Audited Information is delivered to the School Corporation by June 30 of each biennial period. If, however, the School Corporation has not received the Audited Information by such June 30 biennial date, the School Corporation agrees to (i) post a voluntary notice to the MSRB by June 30 of such biennial period that the Audited Information has not been received, and (ii) post the Audited Information within 60 days of the School Corporation's receipt thereof; and

- Financial Information in this Official Statement. To the MSRB, no later than June 30 of each year, beginning June 30, 2017, unaudited annual financial information for the School Corporation for such calendar year including (i) unaudited financial statements of the School Corporation and (ii) operating data (excluding any demographic information or forecast) of the general type provided under the following headings in this Official Statement (collectively, the "Annual Information") (which updated information may be provided in such format as the School Corporation deems appropriate):

APPENDIX A

WA-NEE COMMUNITY SCHOOLS
- Enrollment

GENERAL ECONOMIC AND FINANCIAL INFORMATION
- Schedule of Historical Net Assessed Valuation
- Detail of Net Assessed Valuation
- Comparative Schedule of Tax Rates
- Property Taxes Levied and Collected
- Large Taxpayers
- Summary of Revenues and Expenditures by Fund

● Reportable Events. Within ten business days, to the MSRB, notice of the following events, if material, with respect to the 2016 Bonds (which determination of materiality shall be made by the School Corporation):

1. non-payment related defaults;
2. modifications to rights of Bondholders;
3. bond calls;
4. release, substitution or sale of property securing repayment of the 2016 Bonds;
5. the consummation of a merger, consolidation, or acquisition, or certain asset sales, involving the obligated person, or entry into or termination of a definitive agreement relating to the foregoing; and
6. appointment of a successor or additional trustee or the change of name of a trustee.

Within ten business days, to the MSRB, notice of the following events, regardless of materiality:

1. principal and interest payment delinquencies;
2. unscheduled draws on debt service reserves reflecting financial difficulties;
3. unscheduled draws on credit enhancements reflecting financial difficulties;
4. substitution of credit or liquidity providers, or their failure to perform;
5. defeasances;
6. rating changes;
7. adverse tax opinions or other material events affecting the tax-exempt status of the 2016 Bonds; the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material events, notices or determinations with respect to the tax status of the securities;
8. tender offers; and
9. bankruptcy, insolvency, receivership or similar event of the obligated person.

● Failure to Disclose. In a timely manner, to the MSRB, notice of the School Corporation failing to provide the Annual Information and Audited Information as described above.

The School Corporation may, from time to time, amend or modify the Undertaking without the consent of or notice to the owners of the 2016 Bonds if either (a)(i) such amendment or modification is made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the School Corporation, or type of business conducted; (ii) the Undertaking, as so amended or modified, would have complied with the requirements of the SEC Rule on the date of execution of the Undertaking, after taking into account any amendments or interpretations of the SEC Rule, as well as any change in circumstances; and (iii) such amendment or modification does not materially impair the interests of the holders of the 2016 Bonds, as determined either by (A) nationally recognized bond counsel or (B) an approving vote of the holders of the 2016 Bonds pursuant to the terms of the Trust Indenture at the time of such amendment or modification; or (b) such amendment or modification (including an amendment or modification which rescinds the Undertaking) is permitted by the SEC Rule, then in effect.

The School Corporation may, at its sole discretion, utilize an agent in connection with the dissemination of any annual financial information required to be provided by the School Corporation pursuant to the terms of the Undertaking.

The purpose of the Undertaking is to enable the Underwriters to purchase the 2016 Bonds by providing for an undertaking by the School Corporation in satisfaction of the SEC Rule. The Undertaking is solely for the benefit of the owners of the 2016 Bonds and creates no new contractual or other rights for the SEC, underwriters, brokers, dealers, municipal securities dealers, potential customers, other obligated persons or any other third party. The sole remedy against the School Corporation for any failure to carry out any provision of the Undertaking shall be for specific performance of the School Corporation's disclosure obligations under the Undertaking and not for money damages of any kind or in any amount or any other remedy. The School Corporation's failure to honor its covenants under the Undertaking shall not constitute a breach or default of the 2016 Bonds, the Trust Indenture, the Lease or any other agreement.

In order to assist the Underwriter in complying with the Underwriter's obligations pursuant to SEC Rule 15c2-12, the School Corporation represents that in the previous five years it has not fully complied with its previous undertakings including, but not limited to, the following instances: the December 31, 2011 unaudited financial information was not filed in a timely manner; the June 30, 2012 audit was not filed in a timely manner; operating data for the year ended December 31, 2012 was not filed in a timely manner; and certain rating changes were not filed in a timely manner. The School Corporation makes no representation as to any potential materiality of such prior instances, as materiality is dependent upon individual facts and circumstances. The School Corporation has contracted the assistance of a dissemination agent to assist with compliance for future filings.

BOND RATING

S&P Global Ratings ("S&P Global") has assigned a programmatic bond rating of "AA+" to the 2016 Bonds based upon the Indiana State Intercept Program (see page 7 for a description of Lease Rental Payments by the State of Indiana). S&P Global has also assigned an underlying rating of "A" to the 2016 Bonds. Such ratings reflect only the view of S&P Global and any explanation of the significance of such ratings may only be obtained from S&P Global.

The ratings are not a recommendation to buy, sell or hold the 2016 Bonds, and such ratings may be subject to revision or withdrawal at any time by S&P Global. Any downward revision or withdrawal of the ratings may have an adverse effect upon the market price of the 2016 Bonds.

The School Corporation did not apply to any other rating service for a rating on the 2016 Bonds.

UNDERWRITING

The 2016 Bonds are being purchased by ____________________________ (the "Underwriter") at a purchase price of $_______, which is the par amount of the 2016 Bonds of $________ less the underwriter's discount of $_____ plus the original issue premium of $_________. The Notice of Intent to Sell Bonds provides that all of the 2016 Bonds will be purchased by the Underwriter if any of such 2016 Bonds are purchased.

The Underwriter intends to offer the 2016 Bonds to the public at the offering prices set forth on the cover page of this Official Statement. The Underwriter may allow concessions to certain dealers (including dealers in a selling group of the Underwriter and other dealers depositing the 2016 Bonds into investment trusts), who may reallow concessions to other dealers. After the initial public offering, the public offering price may be varied from time to time by the Underwriter.

FINANCIAL ADVISOR

H.J. Umbaugh & Associates, Certified Public Accountants, LLP (the "Financial Advisor") ("Umbaugh") has been retained by the School Corporation to provide certain financial advisory services including, among other things, preparation of the deemed "nearly final" Preliminary Official Statement and the Final Official Statement (the "Official Statements"). The information contained in the Official Statements has been compiled from records and other materials provided by School Corporation officials and other sources deemed to be reliable. The Financial Advisor has not and will not independently verify the completeness and accuracy of the information contained in the Official Statements.

The Financial Advisor's duties, responsibilities and fees arise solely as Financial Advisor to the School Corporation and they have no secondary obligations or other responsibility. However, Umbaugh is preparing the Lease Sufficiency Report for the 2016 Bonds. The Financial Advisor's fees are expected to be paid from proceeds of the 2016 Bonds.

Municipal Advisor Registration:

Umbaugh is a Municipal Advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. As such, Umbaugh is providing certain specific municipal advisory services to the School Corporation, but is neither a placement agent to the School Corporation nor a broker/dealer.

The offer and sale of the 2016 Bonds shall be made by the School Corporation, in the sole discretion of the School Corporation, and under its control and supervision. The School Corporation agrees that Umbaugh does not undertake to sell or attempt to sell the 2016 Bonds, and will take no part in the sale thereof.

Other Financial Industry Activities and Affiliations:

Umbaugh Cash Advisory Services, LLC ("UCAS") is a wholly-owned subsidiary of Umbaugh. UCAS is registered as an investment adviser with the Securities and Exchange Commission under the federal Investment Advisers Act. UCAS provides non-discretionary investment advice with the purpose of helping clients create and maintain a disciplined approach to investing their funds prudently and effectively. UCAS may provide advisory services to the clients of Umbaugh.

UCAS has no other activities or arrangements that are material to its advisory business or its clients with a related person who is a broker-dealer, investment company, other investment adviser or financial planner, bank, law firm or other financial entity.

PROPOSED LEGISLATION

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the 2016 Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. As an example, the School Corporation previously issued or had issued on its behalf a series of Direct Payment Qualified School Construction Bonds ("Outstanding Direct Pay Bonds") as taxable bonds in reliance on the provisions of the Internal Revenue Code of 1986, as amended (the "Code") that provided for a subsidy to the School Corporation from the United States of all or a portion of the interest due on the Outstanding Direct Pay Bonds. As a result of the continuing federal budget discussions, moneys owed by the United States to the School Corporation with respect to the Outstanding Direct Pay Bonds will be reduced by 6.9% for fiscal year 2017. Future payments may be similarly reduced. Under current law, such reductions in the subsidy are scheduled to continue through and including fiscal year 2024. At this time, the School Corporation is unable to project if and when the subsidy payments on the Outstanding Direct Pay Bonds from the United States will be restored in whole or in part or what further action the United States may take with respect to future subsidy payments. To the extent the School Corporation receives less in subsidy payments than expected, it will need to pay more from property taxes to pay the lease rentals. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the 2016 Bonds. Prospective purchasers of the 2016 Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Legislation affecting municipal bonds is considered from time to time by the United States Congress and the Executive Branch, including some proposed changes under consideration at the time of issuance of the 2016 Bonds. Bond Counsel's opinion is based upon the law in existence on the date of issuance of the 2016 Bonds. It is possible that legislation enacted after the date of issuance of the 2016 Bonds or proposed for consideration will have an adverse effect on the excludability of all or a part of the interest on the 2016 Bonds from gross income, the manner in which such interest is subject to federal income taxation or the market price of the 2016 Bonds.

Legislation affecting municipal bonds is considered from time to time by the Indiana legislature and Executive Branch. It is possible that legislation enacted after the date of the 2016 Bonds or proposed for consideration will have an adverse effect on payment or timing of payment or other matters impacting the 2016 Bonds.

The School Corporation cannot predict the outcome of any such federal or state proposals as to passage, ultimate content or impact if passed, or timing of consideration or passage. Purchasers of the 2016 Bonds should reach their own conclusions regarding the impact of any such federal or state proposals.

TAX MATTERS

In the opinion of Ice Miller LLP, Indianapolis, Indiana, Bond Counsel, under federal statutes, decisions, regulations and rulings, interest on the 2016 Bonds is excludable for federal income tax purposes from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Interest on the 2016 Bonds is not treated as an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, but is taken into account in determining adjusted current earnings for the purpose of computing the federal alternative minimum tax imposed on certain corporations. This opinion is conditioned on continuing compliance by the School Corporation with the Tax Covenants (hereinafter defined). Failure to comply with the Tax Covenants could cause interest on the 2016 Bonds to lose the exclusion from gross income for federal income tax purposes retroactive to the date of issue. In the opinion of Ice Miller LLP, Indianapolis, Indiana , Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the 2016 Bonds is exempt from income taxation in the State of Indiana (the "State"). This opinion relates only to the exemption of interest on the 2016 Bonds for State income tax purposes. See Appendix E for the form of opinion of Bond Counsel.

The Code imposes certain requirements which must be met subsequent to the issuance of the 2016 Bonds as a condition to the exclusion from gross income of interest on the 2016 Bonds for federal income tax purposes. The School Corporation will covenant not to take any action, within its power and control, nor fail to take any action with respect to the 2016 Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the 2016 Bonds pursuant to Section 103 of the Code (collectively, the "Tax Covenants"). The Trust Indenture and certain certificates and agreements to be delivered on the date of delivery of the 2016 Bonds establish procedures under which compliance with the requirements of the Code can be met. It is not an event of default under the Trust Indenture if interest on the 2016 Bonds is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not in effect on the issue date of the 2016 Bonds.

IC 6-5.5 imposes a franchise tax on certain taxpayers (as defined in IC 6-5.5) which, in general, include all corporations which are transacting the business of a financial institution in Indiana. The franchise tax will be measured in part by interest excluded from gross income under Section 103 of the Code minus associated expenses disallowed under Section 265 of the Code. Taxpayers should consult their own tax advisors regarding the impact of this legislation on their ownership of the 2016 Bonds.

Although Bond Counsel will render an opinion in the form attached as Appendix E hereto, the accrual or receipt of interest on the 2016 Bonds may otherwise affect a bondholder's federal income tax or state tax liability. The nature and extent of these other tax consequences will depend upon the bondholder's particular tax status and a bondholder's other items of income or deduction. Taxpayers who may be affected by such other tax consequences include, without limitation, individuals, financial institutions, certain insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or railroad retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry the 2016 Bonds. Bond Counsel expresses no opinion regarding any other such tax consequences. Prospective purchasers of the 2016 Bonds should consult their own tax advisors with regard to the other tax consequences of owning the 2016 Bonds.

ORIGINAL ISSUE DISCOUNT

The initial public offering price of the 2016 Bonds maturing on _____________ through and including __________________ (collectively, the "Discount Bonds") is less than the principal amount payable at maturity. As a result the Discount Bonds will be considered to be issued with original issue discount. The difference between the initial public offering price of the Discount Bonds, as set forth on the cover page of this Official Statement (assuming it is the first price at which a substantial amount of that maturity is sold) (the "Issue Price" for such maturity), and the amount payable at maturity of the Discount Bonds will be treated as "original issue discount." A taxpayer who purchases a Discount Bond in the initial public offering at the Issue Price for such maturity and who holds such Discount Bond to maturity may treat the full amount of original issue discount as interest which is excludable from the gross income of the owner of that Discount Bond for federal income tax purposes and will not, under present federal income tax law, realize taxable capital gain upon payment of the Discount Bond at maturity.

The original issue discount on each of the Discount Bonds is treated as accruing daily over the term of such Bond on the basis of the yield to maturity determined on the basis of compounding at the end of each six-month period (or shorter period from the date of the original issue) ending on January 15 and July 15 (with straight line interpolation between compounding dates).

Section 1288 of the Code provides, with respect to tax-exempt obligations such as the Discount Bonds, that the amount of original issue discount accruing each period will be added to the owner's tax basis for the Discount Bonds. Such adjusted tax basis will be used to determine taxable gain or loss upon disposition of the Discount Bonds (including sale, redemption or payment at maturity). Owners of Discount Bonds who dispose of Discount Bonds prior to maturity should consult their tax advisors concerning the amount of original issue discount accrued over the period held and the amount of taxable gain or loss upon the sale or other disposition of such Discount Bonds prior to maturity.

As described above in "Tax Matters," the original issue discount that accrues in each year to an owner of a Discount Bond may result in certain collateral federal income tax consequences. Owners of any Discount Bonds should be aware that the accrual of original issue discount in each year may result in a tax liability from these collateral tax consequences even though the owners of such Discount Bonds will not receive a corresponding cash payment until a later year.

Owners who purchase Discount Bonds in the initial public offering but at a price different from the Issue Price for such maturity should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

The Code contains certain provisions relating to the accrual of original issue discount in the case of subsequent purchasers of bonds such as the Discount Bonds. Owners who do not purchase Discount Bonds in the initial offering should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

Owners of Discount Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Discount Bonds. It is possible under the applicable provisions governing the determination of state or local income taxes accrued interest on the Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year.

AMORTIZABLE BOND PREMIUM

The initial offering price of the 2016 Bonds maturing on __________ through and including ________________________ (collectively, the "Premium Bonds"), is greater than the principal amount payable at maturity. As a result, the Premium Bonds will be considered to be issued with amortizable bond premium (the "Bond Premium"). An owner who acquires a Premium Bond in the initial public offering of the 2016 Bonds will be required to adjust the owner's basis in the Premium Bond downward as a result of the Bond Premium, pursuant to Section 1016(a)(5) of the Code. Such adjusted tax basis will be used to determine taxable gain or loss upon disposition of the Premium Bonds, including sale, redemption or payment at maturity. The amount of amortizable Bond Premium will be computed on the basis of the taxpayer's yield to maturity, with compounding at the end of each accrual period. Rules for determining (i) the amount of amortizable Bond Premium and (ii) the amount amortizable in a particular year are set forth in Section 171(b) of the Code. No income tax deduction for the amount of amortizable Bond Premium will be allowed pursuant to Section 171(a)(2) of the Code, but amortization of Bond Premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining other tax consequences of owning Premium Bonds. Owners of the 2016 Bonds should consult their tax advisors with respect to the precise determination for federal income tax purposes of the treatment of Bond Premium upon the sale or other disposition of such Premium Bonds and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

Special rules governing the treatment of Bond Premium, which are applicable to dealers in tax-exempt securities are found at Section 75 of the Code. Dealers in tax-exempt securities are urged to consult their tax advisors concerning treatment of Bond Premium.

LITIGATION

To the knowledge of the officers and counsel for the Building Corporation, there is no litigation pending, or threatened, against the Building Corporation or the School Corporation, which in any way questions or affects the validity of the 2016 Bonds, or any proceedings or transactions relating to the issuance, sale or delivery thereof.

The officers and counsel for the Building Corporation will certify at the time of delivery of the 2016 Bonds that there is no litigation pending or in any way threatened questioning the validity of the 2016 Bonds, or any of the proceedings had relating to the authorization, issuance and sale of the 2016 Bonds, the Trust Indenture or the Project would result in a material adverse impact on the financial condition of the School Corporation.

CERTAIN LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the 2016 Bonds are subject to the unqualified approving opinion of Ice Miller LLP, Indianapolis, Indiana, Bond Counsel, whose approving opinion will be available at the time of delivery of the 2016 Bonds. Ice Miller LLP has not been asked nor has it undertaken to review the accuracy or sufficiency of this Official Statement, and will express no opinion thereon. The form of opinion of Bond Counsel is included as Appendix E of this Official Statement.

LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES

The various legal opinions to be delivered concurrently with the delivery of the 2016 Bonds express the professional judgment of the attorneys rendering the opinions on the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to such transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

The remedies available to the bondholders upon a default under the Trust Indenture, or to the Building Corporation under the Lease, are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code (the federal bankruptcy code), the remedies provided in the Trust Indenture and the Lease may not be readily available or may be limited. Under federal and State environmental laws certain liens may be imposed on property of the Building Corporation from time to time, but the Building Corporation has no reason to believe, under existing law, that any such lien would have priority over the lien on the property taxes pledged to owners of the 2016 Bonds.

The various legal opinions to be delivered concurrently with the delivery of the 2016 Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by the valid exercise of the constitutional powers of the State of Indiana and the United States of America and bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally, and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

These exceptions would encompass any exercise of federal, State or local police powers (including the police powers of the School Corporation), in a manner consistent with the public health and welfare. Enforceability of the Trust Indenture and the Lease in a situation where such enforcement may adversely affect public health and welfare may be subject to these police powers.

The Building Corporation and School Corporation certify to the best of their knowledge and belief that this Official Statement, as of its date and as it relates to the School Corporation and its economic and financial condition, (i) is complete and accurate; (ii) does not contain any untrue statement of a material fact; and (iii) does not omit any material facts or information which would make the statements contained herein misleading.

This Official Statement and its execution are duly authorized.

WA-NEE COMMUNITY SCHOOL
BUILDING CORPORATION

By: Larry Andrews
President

Attest: Wayne Klotz
Secretary

WA-NEE COMMUNITY SCHOOLS

By: Joe Salo
Superintendent

APPENDIX i

NOTICE OF INTENT TO SELL BONDS

APPROXIMATELY $22,000,000

AD VALOREM PROPERTY TAX FIRST MORTGAGE BONDS, SERIES 2016
WA-NEE COMMUNITY SCHOOL BUILDING CORPORATION

Upon not less than twenty-four (24) hours' notice given by the undersigned Secretary prior to the ninetieth day after this notice is first published, Wa-Nee Community School Building Corporation (the "Corporation") will receive and consider bids for the purchase of the following described Bonds. Any person interested in submitting a bid for the Bonds must furnish in writing to the Wa-Nee Community School Building Corporation c/o H.J. Umbaugh & Associates, Certified Public Accountants, LLP, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240-0458 (317) 465-1500, (317) 465-1550 (facsimile) or by e-mail to pletcher@umbaugh.com or tanselle@umbaugh.com on or before 2:00 p.m. (Indianapolis Time) September 15, 2016, the person's name, address, and telephone number. Interested persons may also furnish an e-mail address. The undersigned Secretary will notify (or cause to be notified) each person so registered of the date and time bids will be received not less than twenty-four (24) hours before the date and time of sale. The notification shall be made by telephone at the number furnished by such person and also by electronic e-mail, if an e-mail address has been received.

Notice is hereby given that electronic proposals will be received via PARITY®, in the manner described below, until the time and date specified in the Notice provided at least 24 hours prior to the sale, which is expected to be 11:00 a.m. (Indianapolis Time), on September 20, 2016. Bids may be submitted electronically via PARITY® pursuant to this Notice until the time specified in the Notice, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY® conflict with Notice, the terms of this Notice shall control. For further information about PARITY®, potential bidders may contact the Corporation's advisor, H.J. Umbaugh & Associates, Certified Public Accountants, LLP at (317) 465-1500 or PARITY® at (212) 849-5021.

At the time designated for the sale, the Corporation will receive at the offices of H.J. Umbaugh & Associates, Certified Public Accountants, LLP, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana, and consider bids for the purchase of the following described Bonds:

> Ad Valorem Property Tax First Mortgage Bonds, Series 2016 (the "Bonds") of the Corporation, an Indiana corporation, in the principal amount of $22,000,000 (preliminary, subject to change); Fully registered form; Denomination $5,000 and integral multiples thereof (or in such other denomination as requested by the winning bidder); Originally dated the date of delivery of the Bonds; Bearing interest at a rate or rates to be determined by bidding, payable no earlier than January 15, 2017, and semiannually thereafter; Interest payable by check mailed one business day prior to the interest payment date or by wire transfer to depositories on the interest payment date to the person or depository in whose name each Bond is registered with the trustee on the fifteenth day immediately preceding such interest payment date; Maturing or subject to mandatory redemption on January 15 and July 15 beginning no earlier than July 15, 2017 through and including no later than January 15, 2031 on the dates and in the amounts as provided by the Corporation prior to the sale.

As an alternative to PARITY®, bidders may submit a sealed bid to the Corporation's financial advisor at the address described above until the time and on the date identified in the notice given by, or on behalf of the Corporation, twenty-four hours prior to the sale of the Bonds. Upon completion of the bidding procedures described herein, the results of the sealed, non-electronic bids received shall be compared to the electronic bids received by the Corporation.

The Corporation reserves the right to adjust the maturity schedule following the sale in order to accomplish the Corporation's financial objectives by reallocating debt service based upon the rates bid by the successful bidder.

The Bonds shall be redeemable prior to maturity at the option of the Corporation, in whole or in part in such order of maturity as the Corporation shall direct and by lot within maturity at face value, on or after the date selected by the Corporation's financial advisor.

In the case of any redemption, 30 days' notice will be given by mail to the registered owners of the Bonds to be redeemed, and accrued interest will be paid to the date fixed for redemption. Interest on the Bonds so called for redemption will cease on the redemption date fixed in said notice if funds are available at the place of redemption to redeem the Bonds so called on the date fixed in said notice, or thereafter when presented for payment.

A bid may designate that a given maturity or maturities shall constitute a term bond, and the semi-annual amounts set forth in the schedule provided prior to the sale shall constitute the mandatory sinking fund redemption requirements for such term bond or bonds. For purposes of computing true interest cost, the mandatory redemption amounts shall be treated as maturing on the dates set forth in the schedule set forth provided prior to the sale.

Each bid must be for all of the Bonds and must state the rate of interest which each maturity of the Bonds is to bear, stated in multiples of 1/8th or 1/100th of 1%. The maximum interest rate on the Bonds shall not exceed 5.00% per annum. All Bonds maturing on the same date shall bear the same rate, and the rate of interest bid for each maturity must be equal to or greater than the rate bid on the immediately preceding maturity. Bids shall set out the total amount of interest payable over the term of the Bonds and the true interest cost on the Bonds covered by the bid. No bid for less than 99.50% of the face value of the Bonds will be considered. The Bonds will be awarded to the lowest responsible and responsive bidder who has submitted a bid in accordance herewith. The lowest responsible and responsive bidder will be the one who offers the lowest true interest cost to the Corporation. The true interest cost rate is that rate which, when used to compute the total present value as of the date of delivery of the Bonds of all debt service payments on the Bonds on the basis of semiannual compounding, produces an amount equal to the sum of the par value of the Bonds minus any premium bid plus any discount. In the event of a bidder's error in interest cost rate calculations, the interest rates and premium, if any, set forth or incorporated by reference in the Official Bid Form will be considered as the intended bid. No conditional bids will be considered. The right is reserved to reject any and all bids. If an acceptable bid is not received for the Bonds on the date of sale hereinbefore fixed, the sale may be continued from day to day thereafter, during which time no bids for less than the highest bid received at the time of the advertised sale will be considered.

Each bid not submitted via PARITY® must be enclosed in a sealed envelope addressed to the Corporation and marked on the outside "Bid for Ad Valorem Property Tax First Mortgage Bonds, Series 2016". A good faith deposit ("Deposit") in the form of cash or certified or cashier's check in the amount of $220,000 (preliminary, subject to change) payable to the order of the Corporation is required to be submitted by the successful purchaser (the "Purchaser") not later than 3:30 p.m. (Indianapolis Time) on the next business day following the award. If such Deposit is not received by that time, the Corporation may reject the bid. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its accepted bid, the Deposit will be retained by the Corporation as liquidated damages.

The successful bidder shall make payment for such Bonds and accept delivery thereof within five days after being notified that the Bonds are ready for delivery, at such place in the City of Indianapolis, Indiana, as the successful bidder may designate, or at such other location mutually agreed to by the School Corporation and the successful bidder. The Bonds will be ready for delivery within 45 days after the date of sale. If the Corporation fails to have the Bonds ready for delivery prior to the close of banking hours on the forty-fifth day after the date of sale, the bidder may secure the release of his bid upon request in writing, filed with the Corporation. The successful bidder is expected to apply to a securities depository registered with the SEC to make such Bonds depository-eligible. At the time of delivery of the Bonds to the successful bidder, the bidder will be required to certify to the Corporation (i) the initial reoffering price to the public of a substantial amount of each maturity of the Bonds, if the Bonds are reoffered, or (ii) that the bidder is purchasing the Bonds for its own accounts and not with the present view of reselling, distributing or otherwise disposing of all or any part of the Bonds, if the Bonds are not reoffered.

Bidders must comply with the Rules of PARITY® in addition to requirements of this Notice of Intent to Sell Bonds. To the extent there is a conflict between the Rules of PARITY® and this Notice of Intent to Sell Bonds, this Notice of Intent to Sell Bonds shall control. Bidders may change and submit bids as many times as they wish during the sale, but they may not withdraw a submitted bid. The last bid submitted by a bidder prior to the deadline for the receipt of bids will be compared to all other final bids to determine the winning bid. During the sale, no bidder will see any other bidder's bid, nor will they see the status of their bid relative to other bids (e.g., whether their bid is a leading bid).

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder therefor to accept delivery of and pay for the Bonds in accordance with the terms of its proposal. No CUSIP identification number shall be deemed to be a part of any Bond or a part of the contract evidenced thereby and no liability shall hereafter attach to the Corporation or any of its officers or agents because of or on account of such numbers. All expenses in relation to the printing of CUSIP identification numbers on the Bonds shall be paid for by the Corporation; provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the Purchaser. The Purchaser will also be responsible for any other fees or expenses it incurs in connection with the resale of the Bonds.

The approving opinion of Ice Miller LLP, bond counsel of Indianapolis, Indiana, together with a transcript of the proceedings relating to the issuance of the Bonds and closing papers in the usual form showing no litigation questioning the validity of the Bonds, will be furnished to the successful bidder at the expense of the Corporation.

The Corporation was organized for the purpose of constructing and renovating school facilities and leasing such facilities to Wa-Nee Community Schools. All action has been taken and the Bonds are issued in compliance with the provisions of I.C. 20-47-3. The Bonds will be secured by a Trust Indenture between the Corporation and a trustee bank and will be subject to the terms and provisions of said Trust Indenture. The Corporation will certify as to facts to support the conclusion that the Bonds do not constitute private activity bonds as defined in Section 141 of the Internal Revenue Code.

The property to be covered by the Trust Indenture has been leased for a period of 22 years to Wa-Nee Community Schools. The Lease Agreement provides for rental during renovation in the amount of $990,000 per payment, payable on June 30, 2017 through the completion of construction. Thereafter, the Lease Agreement provides for payments in the amount of $3,387,000, plus the payment of all taxes and assessments, which annual rental is payable semiannually on June 30 and December 31 in each year, commencing with the completion of the project or June 30, 2019, whichever is later.

After the sale of all Bonds issued by the Corporation to pay for the cost of said construction and renovation, including the acquisition of real estate and other expenses incidental thereto, the annual rental shall be reduced to an amount equal to the multiple of $1,000 next highest to the highest sum of principal and interest due on such Bonds in each twelve month period ending on January 15 plus $20,000, payable in equal semiannual installments. All bidders shall be deemed to be advised as to the provisions of the above-mentioned Trust Indenture and Lease Agreement and the provisions of the aforesaid I.C. 20-47-3.

The Bonds constitute an indebtedness only of the Corporation, payable in accordance with the terms of the above-mentioned Trust Indenture. In the opinion of bond counsel, under the existing statutes, decisions, regulations and rulings, the interest on the Bonds is exempt from all income taxation in Indiana. In the opinion of bond counsel, under the existing federal statutes, decisions, regulations and rulings, the interest on the Bonds is excludable from gross income for purposes of federal income taxation.

The Corporation has prepared a Preliminary Official Statement relating to the Bonds which it has deemed to be a nearly final Official Statement. A copy of the Preliminary Official Statement may be obtained from the Corporation's financial advisor, H.J. Umbaugh & Associates, Certified Public Accountants, LLP, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240-0458. Within seven (7) business days of the sale, the Corporation at its own expense will provide the successful bidder with copies of the final Official Statement in such quantity as the bidder shall request in order for such bidder to comply with Section (b)(4) of SEC Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board. Additional copies, at the purchaser's expense, must be requested within five (5) business days of the sale. Inquiries concerning matters contained in the nearly final Official Statement must be made and pricing and other information necessary to complete the final Official Statement must be submitted by the successful bidder within two (2) business days following the sale to be included in the final Official Statement.

The School Corporation has agreed to enter into a Master Continuing Disclosure Undertaking in order to permit the successful purchaser to comply with the SEC Rule 15c2-12. A copy of such Master Continuing Disclosure Undertaking is available from the School Corporation or financial advisor at the addresses below.

Further information relative to the aforementioned Bonds and a copy of the nearly final Official Statement may be obtained upon application to H.J. Umbaugh & Associates, Certified Public Accountants, LLP, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240-0458, financial advisor to Wa-Nee Community Schools; Randall Hesser, Warrick & Boyn, LLP, 121 West Franklin Street, Elkhart, Indiana 46516, attorney for the School Corporation; or Joe Sabo, Superintendent, Wa-Nee Community Schools, 1300 North Main Street, Nappanee, Indiana 46550. If bids are submitted by mail, they should be addressed to H.J. Umbaugh & Associates, Certified Public Accountants, LLP, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240-0458.

Dated this 31st day of August, 2016.

/s/

Secretary, Board of Directors
Wa-Nee Community School Building Corporation

FORWARD A COPY OF THE NOTICE OF INTENT TO:

parity@ipreo.com

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APPENDIX A

TABLE OF CONTENTS

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WA-NEE COMMUNITY SCHOOL CORPORATION

SYSTEM OVERVIEW

The Wa-Nee Community School Corporation was formed in July, 1962, when the Nappanee Community School Corporation, comprised of the Town of Nappanee and Scott Township in Kosciusko County, reorganized to include Harrison Township, Locke Township, Olive Township Union Township and Wakarusa Corporation in Elkhart County and Jefferson Township (West) in Kosciusko County.

The School Corporation, which is located in Elkhart and Kosciusko Counties, Indiana, encompasses approximately 144 square miles (108 square miles in Elkhart County and 36 square miles in Kosciusko County) and now includes the townships of Harrison, Locke, Olive and Union in Elkhart County; and Jefferson (West) and Scott in Kosciusko County. The School Corporation also includes the Town of Wakarusa, the City of Nappanee and a small portion of the City of Goshen.

FACILITIES

The School Corporation presently operates the following schools.

School	Grades	Year Opened	Additions/ Renovations	2015/2016 Enrollment
Woodview Elementary School	K-5	1992	2014, 2016	492
Wakarusa Elementary School	K-5	1992	2014, 2016	512
Nappanee Elementary School	K-5	1957	1963, 1994, 2014, 2016	390
NorthWood Middle School	6-8	1956	1992, 2003, 2014, 2016	717
NorthWood High School	9-12	1970	1981, 1991, 1994, 2014, 2016	925

SERVICES

The School Corporation provides a complete academic curriculum for grades K-12. Students of the School Corporation are provided many educational opportunities and extracurricular clubs and teams. NorthWood High School has received numerous recognitions through academic competitions (fourteen state championships), FFA tractor restoration, yearbook publications and the areas of the fine arts, band, choir and drama. The School Corporation also offers programs for the Title 1 and special education students through an agreement with Elkhart Community Schools, a county wide Special Education Cooperative and also has an agreement with Bashor Home to educate certain Special Education students in an on campus program.

ENROLLMENT

Presented below are enrollment figures as provided by the office of the Superintendent of the School Corporation. The statistics represent the number of students enrolled at the beginning of the school years.

	School Year									
School	2006/ 2007	2007/ 2008	2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016
Woodview Elementary School	525	518	508	490	485	483	474	503	518	492
Wakarusa Elementary School	552	572	572	567	560	549	559	562	557	512
Nappanee Elementary School	530	490	457	462	446	553	442	403	399	390
NorthWood Middle School	789	766	737	719	750	742	748	752	732	717
NorthWood High School	896	898	927	882	890	874	859	873	897	925
Totals	3,292	3,244	3,201	3,120	3,131	3,201	3,082	3,093	3,103	3,036

Presented below are total projected enrollment figures as provided by the office of the Superintendent of the School Corporation.

Year	Projected Enrollment
2016/2017	3,025
2017/2018	3,012
2018/2019	3,000
2019/2020	3,000
2020/2021	3,000

BOARD OF SCHOOL TRUSTEES

Name	Current Term Began	Current Term Ends
Don Lehman, President	January 1, 2013	December 31, 2016
Lou Bonacorsi, Vice-President	January 1, 2015	December 31, 2018
Eric Brown, Secretary	January 1, 2013	December 31, 2016
Christina Eshelman	January 1, 2013	December 31, 2016
Curt Flickinger	January 1, 2015	December 31, 2018
Terry Graber	January 1, 2015	December 31, 2018
Shawn Johnson	January 1, 2013	December 31, 2016

ADMINISTRATION AND STAFF

The School Corporation is under the direction of a seven-member elected Board of School Trustees who serve four-year terms. The Superintendent, appointed by the Board of School Trustees, directs a certified staff of 188 and a non-certified staff of 186 with union representation as follows:

Union Name	Union Representation	Number of Members	Contract Expiration Date
Wa-Education Association	Teachers	137	06/30/2016

PENSION OBLIGATIONS

Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the School Corporation authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
One North Capitol Ave., Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

Employer contributions for the year 2014 were $371,814.33 and for 2015 were $385,043.56.

Teachers' Retirement Fund

Plan Description

The Indiana Teachers' Retirement Fund (TRF) is a defined benefit pension plan. TRF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All employees engaged in teaching or in the supervision of teaching in the public schools of the State of Indiana are eligible to participate in TRF. State statute (IC 5-10.2) governs, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and gives the School Corporation authority to contribute to the plan. The TRF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The School Corporation may elect to make the contributions on behalf of the member.

INPRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRF plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
One North Capitol Ave., Suite 001
Indianapolis, IN 46204
Ph. (888) 286-3544

Funding Policy and Annual Pension Cost

The School Corporation contributes the employer's share to TRF for certified employees employed under a federally funded program and all the certified employees hired after July 1, 1995. The School Corporation currently receives partial funding, through the school funding formula, from the State of Indiana for this contribution. The employer's share of contributions for certified personnel who are not employed under a federally funded program and were hired before July 1, 1995, is considered to be an obligation of, and is paid by, the State of Indiana.

Employer contributions for the year 2014 were $845,896.80 and for 2015 were $853,586.72.

Other Post-Employment Benefits

The School Corporation provides other post-employment benefits for eligible current and retired certified teachers. Teachers hired and working prior to July 1, 2002 are eligible for deposit to a 457 Plan that covers pension benefits for early retirement bridge, severance benefit, and accumulated sick days. The School Corporation’s most recent actuarial study was updated as of July 1, 2015, which projected payouts for 72 eligible teachers and 33 retirees. Benefits for eligible current teachers and retirees are projected to be paid out through the year 2043.

The study estimated the total liability for the 457 Plan benefits at $4,568,422. The School Corporation has currently reserved $2,700,000 in the Rainy Day Fund and a current deposit balance of $1,780,065 from sale of pension bonds for payment of the 457 Plan benefits.

GENERAL PHYSICAL AND DEMOGRAPHIC INFORMATION

LOCATION

The Wa-Nee Community School Corporation is located in Elkhart and Kosciusko Counties in northern Indiana. The School Corporation is approximately 20 miles southeast of South Bend, 117 miles north of Indianapolis and 95 miles southeast of Chicago, Illinois.

GENERAL CHARACTERISTICS

The School Corporation is located in portions of Elkhart and Kosciusko counties, including the Town of Wakarusa, City of Nappanee and a small portion of the City of Goshen. Wakarusa is located in Elkhart County and is known for its small-town environment. The City of Nappanee is located in Elkhart and Kosciusko Counties with a rich heritage in the woodworking industry, the railroad and Amish culture. It has been voted by TIME Magazine as one of the top ten small towns in America that has reinvented itself to face the future in prosperity. Nappanee is home to historic Amish Acres, a popular tourist attraction that is also the setting for one of the world's largest arts and crafts festivals. The area also has a strong agricultural influence with industrial and commercial industry. The School Corporation's proximity to the cities of South Bend and Indianapolis and Notre Dame University in South Bend provide additional educational and employment opportunities, as well as professional sports, recreational, and cultural attractions.

GENERAL ECONOMIC AND FINANCIAL INFORMATION

COMMERCE AND INDUSTRY

Industry in the School Corporation has a diverse base, with products manufactured in the areas of transportation equipment, lumber and wood products, and fabricated metals. There are many manufacturers and suppliers of manufactured housing and recreational vehicle industries also located in the area. These include manufactures of cabinetry, plumbing supplies, windows and doors, frames, moldings, upholstery products and furniture.

Newmar Corporation, located in Nappanee since 1968, manufactures motor homes, travel trailers and campers. In the fall of 2004, Newmar opened a 144,000 square foot chassis, weld and assembly factory. The building also contains employee offices, training and conference rooms. The company reports employment at 760 which has decreased by almost 100 employees since September of 2015 but employment levels are nearly the same as May 2015 according to company personnel. Employment is expected to stay steady.

Fairmont Homes, Inc./Gulf Stream Coach, Inc., has been located in Nappanee since 1967 and manufactures homes and recreational vehicles. In May 2015, Cavco Industries Inc., a producer of manufactured and modular housing, announced its acquisition of Fairmont Homes. The company reports current employment at 410 employees as of September 2015, a decrease from the 700 employees the company had in May 2015 due to the buyout.

Kountry Wood Products LLC, located in Nappanee since 1998, has a versatile product line consisting of various cabinet styles and storage alternatives. Due to an increased demand in production, the company opened a second facility in 2012. Employment has doubled since May 2015 from 200 employees to 400 reported by company personnel.

According to the Indiana Department of Workforce Development, another large employer of the School Corporation includes Amerimax Fabricated Products, Inc., a manufacturer of fabricated metals, which employs approximately 100 workers and has several locations across the United States. The company is a leading supplier of sidewalls for manufactured homes and recreational vehicles.

ATC Trailers manufactures custom cargo trailers and has been located in Nappanee since 1999. In May 2015 the company had 180 employees and now employs 210 workers according to company personnel. The company is expected to have continued growth.

Willamsburg Furniture, Inc. is a manufacturer of recreational vehicles furniture. The company is located in Nappanee and operates a 130,000 sq.ft. facility. Williamsburg currently employs 135 workers and expects that number to remain steady.

Due to the location of the School Corporation in Elkhart and Kosciusko counties, many employment opportunities are available to residents. The employers are quite diverse and many have been established in the area for several decades. The top five industrial/commercial employers for each county is listed on the following page.

LARGE EMPLOYERS

Below is a list of the School Corporation's largest employers. The number of employees shown are as reported by company personnel unless otherwise noted. Because of reporting time lags and other factors inherent in collecting and reporting such information, the statistics may not reflect recent employment levels.

Name	Year Established	Type of Business	Reported Employment
Newmar Corporation	1968	Mfg. recreational vehicles	760
Cavco Industries (formerly Fairmont Homes, Gulf Strem Coach, Inc.)	1967	Mfg. mobile homes & recreational vehicles	410 (1)
Kountry Wood Products, LLC	1998	Mfg. furniture and cabinets	400
Wa-Nee Community School Corporation	1962	Public education	374 (2)
ATC Trailers	1999	Mfg. custom cargo trailers	210
Wakarusa Nursing Home & Rehabilitation Center / Miller's Merry Manor	1983	Nursing home	191
Williamsburg Furniture, Inc.	1992	Mfg. recreational vehicles furniture	135
Quality Hardwood Sales	2001	Mfg. decorative wood & woodworking	104
Amerimax Fabricated Products, Inc.	-	Mfg. fabricated metals	100 (3)
Dwyer Instruments, Inc.	1931	Mfg. electrical equipment, appliances and components	98
Elkhart County			
Forest River Industries, Inc.	1996	Mfg. RVs, busses, modular offices & boats	7,000 (4)
Drew Industries, Inc. (Lippert Components and Kinro)	1980	Mfg. RVs, busses, & ambulances	6,000
Keystone RV Company	1995	Mfg. recreational vehicles	4,072 (4)
Jayco, Inc.	1968	Mfg. recreations vehicles	2,073 (4)
Elkhart Community Schools	-	Public education	1,939 (5)
Kosciusko County			
Zimmer Biomet	-	Mfg. orthopedic products	5,000 (6)
Warsaw Community Schools	-	Public education	1,187 (7)
DePuy, Inc. (a Johnson & Johnson Company)	1895	Mfg. orthopedic products	1,100
R.R. Donnelley & Sons	1957	Printer of catalogs, tabloids, etc.	920
Kosciusko Community Hospital	1976	Medical hospital & office complex	900 (6)

(1) Reported as of September 2015.
(2) Includes 188 certified and 186 non-certified employees.
(3) Per the Indiana Department of Workforce Development.
(4) Per the Economic Development Corporation of Elkhart County
(5) Includes 1,015 certified and 924 non-certified employees.
(6) Per MyWarsaw.net.
(7) Includes 511 certified and 676 non-certified employees.

EMPLOYMENT

Year	Unemployment Rate: Elkhart County	Unemployment Rate: Kosciusko County	Unemployment Rate: Indiana	Labor Force: Elkhart County	Labor Force: Kosciusko County
2011	10.8%	8.9%	9.1%	95,377	38,972
2012	8.9%	7.7%	8.3%	96,902	38,759
2013	7.2%	6.6%	7.7%	99,135	39,791
2014	5.1%	4.9%	5.9%	102,211	40,334
2015	3.8%	4.0%	4.8%	104,616	40,808
2016, June	4.0%	3.9%	4.6%	106,494	42,676

Source: Indiana Business Research Center. Data collected as of August 2, 2016.

POPULATION

Year	Wa-Nee Community School Corporation: Harrison Township (1)	Locke Township (2)	Olive Township (1)	Union Township (2)	Jefferson Township (2)	Scott Township	Total	Percent of Change
1970	2,175	2,834	2,081	4,283	1,001	957	13,331	7.36%
1980	2,421	3,137	2,398	4,872	1,089	1,190	15,107	13.32%
1990	2,693	3,881	2,895	5,487	1,201	1,272	17,429	15.37%
2000	2,885	4,200	2,847	5,827	1,648	1,618	19,025	9.16%
2010	4,435	3,913	3,068	6,134	2,040	1,696	21,286	11.88%
2015, Est.	4,557	3,996	3,176	6,316	2,047	1,706	21,798	2.41%

Year	Elkhart County: Population	Elkhart County: Percent of Change	Kosciusko County: Population	Kosciusko County: Percent of Change
1970	126,529	18.48%	48,127	19.21%
1980	137,330	8.54%	59,555	23.75%
1990	156,198	13.74%	65,294	9.64%
2000	182,791	17.03%	74,057	13.42%
2010	197,559	8.08%	77,358	4.46%
2015, Est.	203,474	2.99%	78,620	1.63%

(1) Includes a portion of the Town of Wakarusa.
(2) Includes a portion of the City of Nappanee.
(3) Includes a portion of the City of Goshen.

Source: U.S. Census Bureau.

AGE STATISTICS

	Elkhart County	Kosciusko County
Under 25 Years	73,778	26,721
25 to 44 Years	51,250	19,222
45 to 64 Years	48,569	20,942
65 Years and Over	23,962	10,473

Source: U.S. Census Bureau's 2010 Census.

EDUCATIONAL ATTAINMENT

	Persons 25 and Over	
Years of School Completed	Elkhart County	Kosciusko County
Less than 9th grade	7.8%	5.4%
9th to 12th grade, no diploma	11.3%	9.5%
High school graduate	37.4%	37.2%
Some college, no degree	19.5%	20.2%
Associate's degree	6.1%	6.3%
Bachelor's degree	12.1%	13.8%
Graduate or professional degree	5.8%	7.6%

Source: U.S. Census Bureau's 2010-2014 American Community Survey 5-Year Estimates.

MISCELLANEOUS ECONOMIC INFORMATION

	Elkhart County	Kosciusko County	Indiana
Per capita income, past 12 months*	$21,403	$25,531	$24,953
Median household income, past 12 months*	$46,983	$52,706	$48,737
Average weekly earnings in manufacturing (4th qtr. of 2015)	$984	$1,247	$1,178
Land area in square miles - 2010	463.17	531.38	35,826.11
Population per land square mile - 2010	426.5	145.6	181.0
Retail sales in 2012:			
Total retail sales	$2,440,413,000	$921,480,000	$85,857,962,000
Sales per capita**	$12,353	$11,912	$13,242
Sales per establishment	$3,599,429	$3,092,215	$3,974,721.63

*In 2014 inflation-adjusted dollars – 5-year estimates
**Based on 2010 Population.

Source: Bureau of Census Reports and the Indiana Business Research Center. Data collected as of August 2, 2016.

(Continued on next page)

MISCELLANEOUS ECONOMIC INFORMATION (Cont'd)

Employment and Earnings - Elkhart County 2014	Earnings (In 1,000s)	Percent of Earnings	Distribution of Labor Force
Manufacturing	$3,707,020	49.08%	39.86%
Services	1,711,917	22.66%	27.98%
Wholesale and retail trade	794,875	10.53%	12.71%
Government	460,186	6.09%	6.19%
Transportation and warehousing	261,560	3.46%	3.39%
Construction	239,720	3.17%	3.25%
Finance, insurance and real estate	196,145	2.60%	4.39%
Farming	110,304	1.46%	1.19%
Information	35,294	0.47%	0.50%
Utilities	22,018	0.29%	0.12%
Other*	14,174	0.19%	0.42%
Totals	$7,553,213	100.00%	100.00%

Employment and Earnings - Kosciusko County 2014	Earnings (In 1,000s)	Percent of Earnings	Distribution of Labor Force
Manufacturing	$1,282,744	49.53%	31.83%
Services	497,181	19.20%	32.01%
Wholesale and retail trade	348,589	13.45%	13.85%
Government	158,327	6.11%	7.28%
Farming	101,221	3.91%	3.07%
Construction	68,247	2.64%	3.71%
Finance, insurance and real estate	66,872	2.58%	4.93%
Transportation and warehousing	31,307	1.21%	1.77%
Information	24,255	0.94%	1.00%
Utilities	6,236	0.24%	0.13%
Other*	4,985	0.19%	0.42%
Totals	$2,589,964	100.00%	100.00%

*In order to avoid disclosure of confidential information, specific earnings and employment figures are not available for Forestry, fishing, related activities and Mining Sectors. The data is incorporated

Source: Bureau of Economic Analysis and the Indiana Business Research Center. Data collected as of August 2, 2016.

Adjusted Gross Income	Year	Elkhart County Total	Kosciusko County Total
	2009	$3,027,138,821	$1,523,426,935
	2010	3,510,612,978	1,595,589,726
	2011	3,628,220,730	1,690,849,475
	2012	4,030,436,140	1,802,330,686
	2013	4,153,983,228	1,848,376,720

Source: Indiana Department of Revenue.

SCHEDULE OF INDEBTEDNESS

The following schedule shows the outstanding indebtedness of the School Corporation and the taxing units within and overlapping its jurisdiction as of August 2, 2016, including issuance of the Bonds, as reported by the respective taxing units.

Direct Debt	Original Par Amount	Final Maturity	Outstanding Amount
Tax Supported Debt			
Wa-Nee Community School Building Corporation			
Ad Valorem Property Tax First Mortgage Bonds, Series 2016	$22,000,000 *	01/15/31	$22,000,000 *
First Mortgage Bonds, Series 2006	7,270,000	01/15/20	2,405,000
General Obligation Bond of 2015	2,000,000	06/30/17	1,225,000
Taxable General Obligation Pension Bonds of 2012	1,565,203	01/05/18	414,014
Taxable General Obligation Bond of 2010			
(Qualified School Construction Bonds - Direct Payment)	1,300,000	01/01/21	585,000
Wa-Nee Middle School Buidling Coporation			
First Mortgage Refunding Bonds, Series 2006	12,905,000	01/15/20	5,775,000
Total Direct Debt			$32,404,014

Note: The School Corporation anticipates issuing approximately $7,500,000 of Ad Valorem Property Tax First Mortgage Bonds, Series 2017 in March of 2017 to fund the remainder of the Project (as defined in the Official Statement).

*Preliminary, subject to change.

Overlapping Debt	Total Debt	Percent Allocable to School Corporaiton (1)	Amount Allocable to School Corporation
Tax Supported Debt			
Elkhart County	$61,114,316	10.21%	$6,239,772
Kosciusko County	6,247,379	2.83%	176,801
City of Goshen	13,013,689	0.02%	2,603
City of Nappanee	1,074,199	100.00%	1,074,199
Nappanee Public Library	105,000	100.00%	105,000
Tax Supported Debt			7,598,375
Self-Supporting Revenue Debt			
City of Goshen	43,743,690	0.02%	8,749
City of Nappanee	2,511,000	100.00%	2,511,000
Town of Wakarusa	220,000	100.00%	220,000
Self-Supporting Revenue Debt			2,739,749
Total Overlapping Debt			$10,338,124

(1) Based upon the 2015 payable 2016 net assessed valuation of the respective taxing units.

The schedule presented above is based on information furnished by the obligors or other sources and is deemed reliable. The School Corporation makes no representation or warranty as to its accuracy or completeness.

DEBT RATIOS

The following presents the ratios relative to the tax supported indebtedness of the taxing units within and overlapping the School Corporation as of August 2, 2016, including issuance of the Bonds.

	Direct Tax Supported Debt* $32,404,014	Allocable Portion of All Other Overlapping Tax Supported Debt $7,598,375	Total Direct and Overlapping Tax Supported Debt* $40,002,389
Per capita (1)	$1,486.56	$348.58	$1,835.14
Percent of net assessed valuation (2)	3.39%	0.80%	4.19%
Percent of gross assessed valuation (3)	2.28%	0.53%	2.81%
Per pupil (4)	$10,673.26	$2,502.76	$13,176.02

(1) According to the U.S. Census Bureau, the estimated 2015 population of the School Corporation is 21,798.

(2) The net assessed valuation of the School Corporation for taxes payable in 2016 is $955,629,692 according to the Elkhart and Kosciusko County Auditors' offices.

(3) The gross assessed valuation of the School Corporation for taxes payable in 2016 is $1,423,379,250 according to the Elkhart and Kosciusko County Auditors' offices.

(4) Enrollment of the School Corporation is 3,036 as reported by school personnel.

*Preliminary, subject to change.

SCHEDULE OF HISTORICAL NET ASSESSED VALUATION

(As Provided by the Elkhart and Kosciusko County Auditors' Offices)

Year Payable		Real Estate	Utilities	Personal Property	Total Taxable Value
2012		$800,885,177	$20,002,391	$73,492,730	$894,380,298
2013	(1)	751,992,845	22,775,270	72,786,970	847,555,085
2014		795,148,573	21,659,010	76,273,150	893,080,733
2015		811,822,688	21,542,730	73,608,653	906,974,071
2016		851,635,342	22,675,340	81,319,010	955,629,692

(1) Represents results of general reassessment. Changes in assessed values of real property occur periodically as a result of general reassessments scheduled by the State legislature, as well as when changes occur in the property value due to new construction or demolition of improvements. Before July 1, 2013 and before May 1 of every fourth year thereafter, county assessors will prepare and submit to the DLGF a reassessment plan for each county. The DLGF must complete its review and approval of the reassessment plan before March 1, 2015 and January 1 of each subsequent year that follows a year in which the reassessment plan is submitted by the county. The reassessment plan must divide all parcels of real property in the county into four (4) different groups of parcels. Each group of parcels must contain approximately twenty-five percent (25%) of the parcels within each class of real property in the county. All real property in each group of parcels shall be reassessed under the county's reassessment plan once during each four (4) year cycle. The reassessment of a group of parcels shall begin on May 1 of a year and shall be completed on or before January 1 of the year after the year in which the reassessment of the group of parcels begins. A county may submit a reassessment plan that provides for reassessing more than twenty-five (25%) of all parcels of real property in a particular year, and the plan may provide all parcels are to be reassessed in one (1) year provided that the plan covers a four (4) year period and all real property in each group of parcels is reassessed once during each reassessment cycle.

NOTE: Net assessed valuations represent the assessed value less certain deductions for mortgages, veterans, the aged and the blind, as well as tax-exempt property.

Real property is valued for assessment purposes at its true tax value as defined in the Real Property Assessment Rule, 50 IAC 2.4, the 2011 Real Property Assessment Manual ("Manual"), as incorporated into 50 IAC 2.4, and the 2011 Real Property Assessment Guidelines ("Guidelines"), as adopted by the Department of Local Government Finance ("DLGF"). In the case of agricultural land, true tax value is the value determined in accordance with the Guidelines adopted by the DLGF and IC 6-1.1-4-13. In the case of all other real property, true tax value is defined as "the market value-in-use of a property for its current use, as reflected by the utility received by the owner or by a similar user, from the property."

P.L. 180-2016 revises the factors used to calculate the assessed value of agricultural land. This legislation is retroactive to the January 1, 2016 assessment date and applies to each assessment date thereafter. The revised factors enacted in the legislation may reduce the total assessed value of agricultural land, which could shift property tax liability from agricultural property owners to other property owners. In addition, the reduction in the assessed value of agricultural land may result in a reduction of the total assessed value of a school corporation. Lower assessed values of a school corporation may result in higher tax rates in order for a school corporation to receive its approved property tax levy.

Real property assessments are annually adjusted to market value based on sales data. The process of adjusting real property assessments to reflect market values has been termed "trending" by the DLGF.

The Manual permits assessing officials in each county to choose any acceptable mass appraisal method to determine true tax value, taking into consideration the ease of administration and the uniformity of the assessments produced by that method. The Guidelines were adopted to provide assessing officials with an acceptable appraisal method, although the Manual makes it clear that assessing officials are free to select from any number of appraisal methods, provided that they produce accurate and uniform values throughout the jurisdiction and across all classes of property. The Manual specifies the standards for accuracy and validation that the DLGF uses to determine the acceptability of any alternative appraisal method.

DETAIL OF NET ASSESSED VALUATION
Assessed 2015 for Taxes Payable in 2016
(As Provided by the Elkhart and Kosciusko County Auditors' Offices)

	Elkhart County									
	Harrison Township	Wakarusa Town - Harrison Township	Locke Township	Nappanee City - Locke Township	Olive Township	Wakarusa Town - Olive Township	Union Township	Nappanee City - Union Township	Goshen City - Harrison Township	Sub-total
Gross Value of Land	$70,802,700	$5,369,800	$32,140,800	$21,985,500	$34,694,900	$22,909,700	$69,164,400	$47,308,100	$59,000	$304,434,900
Gross Value of Improvements	161,894,000	13,462,200	64,370,900	94,516,900	65,068,600	108,167,700	126,347,500	182,819,400	278,700	816,925,900
Total Gross Value of Real Estate	232,696,700	18,832,000	96,511,700	116,502,400	99,763,500	131,077,400	195,511,900	230,127,500	337,700	1,121,360,800
Less: Mortgage Exemptions, Veterans, Blind										
Age 65 & Other Exemptions	(72,716,950)	(445,365)	(26,841,950)	(34,265,409)	(32,254,177)	(36,568,323)	(54,067,438)	(81,013,353)	(138,035)	(338,311,000)
Tax Exempt Property	(12,871,700)		(6,013,100)	(3,122,300)	(2,309,900)	(4,710,200)	(5,141,500)	(7,636,290)		(41,804,990)
TIF		(3,701,954)		(13,459,295)		(1,101,568)		(9,820,961)		(28,083,778)
Net Assessed Value of Real Estate	147,108,050	14,684,681	63,656,650	65,655,396	65,199,423	88,697,309	136,302,962	131,656,896	199,665	713,161,032
Business Personal Property	12,827,230	2,886,150	4,188,380	15,020,310	2,260,820	10,802,730	11,700,070	14,281,380	34,660	74,001,730
Less: Deductions	(289,600)		(988,940)	(812,440)	(22,650)	(177,540)	(72,590)	(351,500)		(2,715,260)
Net Assessed Value of Personal Property	12,537,630	2,886,150	3,199,440	14,207,870	2,238,170	10,625,190	11,627,480	13,929,880	34,660	71,286,470
Net Assessed Value of Utility Property	4,703,770	194,030	2,775,640	1,818,720	1,731,530	1,700,210	4,019,190	2,388,690		19,331,780
Total Net Assessed Value	$164,349,450	$17,764,861	$69,631,730	$81,681,986	$69,169,123	$101,022,709	$151,949,632	$147,975,466	$234,325	$803,779,282

(Continued on next page)

DETAIL OF NET ASSESSED VALUATION

Assessed 2015 for Taxes Payable in 2016

(As Provided by the Elkhart and Kosciusko County Auditors' Offices)

(Cont'd)

	Sub-total Carried Forward	Kosciusko County: Jefferson Township, West	Kosciusko County: Scott Township	Kosciusko County: Nappanee City - Jefferson Township	Total
Gross Value of Land	$304,434,900	$23,013,900	$38,370,100	$3,114,200	$368,933,100
Gross Value of Improvements	816,925,900	47,232,000	75,483,800	8,043,900	947,685,600
Total Gross Value of Real Estate	1,121,360,800	70,245,900	113,853,900	11,158,100	1,316,618,700
Less: Mortgage Exemptions, Veterans, Blind Age 65 & Other Exemptions	(338,311,000)	(21,362,466)	(30,789,041)	(2,073,733)	(392,536,240)
Tax Exempt Property	(41,804,990)	(421,270)	(1,556,200)	(580,880)	(44,363,340)
TIF	(28,083,778)				(28,083,778)
Net Assessed Value of Real Estate	713,161,032	48,462,164	81,508,659	8,503,487	851,635,342
Business Personal Property	74,001,730	3,109,080	6,566,560	407,840	84,085,210
Less: Deductions	(2,715,260)	(8,480)	(30,260)	(12,200)	(2,766,200)
Net Assessed Value of Personal Property	71,286,470	3,100,600	6,536,300	395,640	81,319,010
Net Assessed Value of Utility Property	19,331,780	1,110,070	2,144,460	89,030	22,675,340
Total Net Assessed Value	$803,779,282	$52,672,834	$90,189,419	$8,988,157	$955,629,692

COMPARATIVE SCHEDULE OF CERTIFIED TAX RATES

Per $100 of Net Assessed Valuation

	Year Taxes Payable				
	2012	2013	2014	2015	2016
Detail of Certified Tax Rate:					
Elkhart County					
Debt Service	$0.4405	$0.4934	$0.5464	$0.4881	$0.4756
Debt Service - Severance	0.0349	0.0362	0.0252	0.0410	0.0251
Transportation	0.2005	0.2113	0.2108	0.2153	0.2014
Bus Replacement	0.0077	0.0372	0.0363	0.0400	0.0363
Capital Projects	0.2930	0.3237	0.3025	0.2739	0.2671
Totals	$0.9766	$1.1018	$1.1212	$1.0583	$1.0055
Kosciusko County					
Debt Service	$0.4555	$0.5089	$0.5650	$0.5052	$0.4921
Debt Service - Severance	0.0349	0.0362	0.0252	0.0410	0.0251
Transportation	0.2073	0.2180	0.2180	0.2229	0.2084
Bus Replacement	0.0080	0.0384	0.0375	0.0414	0.0376
Capital Projects	0.3026	0.3339	0.3128	0.2835	0.2765
Totals	$1.0083	$1.1354	$1.1585	$1.0940	$1.0397
Total District Certified Tax Rate (1)					
Elkhart County:					
Harrison Township	$1.6294	$1.7792	$1.7933	$1.7546	$1.7022
Wakarusa Town - Harrison Township	$2.4699	$2.6846	$2.6727	$2.8819	$2.7629
Locke Township	$1.4809	$1.6212	$1.6386	$1.5894	$1.5466
Nappanee City - Locke Township	$3.1710	$3.5076	$3.5309	$3.5085	$3.4314
Olive Township	$1.5832	$1.7503	$1.7801	$1.7445	$1.6945
Wakarusa Town - Olive Township	$2.4619	$2.6908	$2.6682	$2.8741	$2.7562
Union Township	$1.7693	$1.9315	$1.9560	$1.8963	$1.8084
Nappanee City - Union Township	$3.1402	$3.4751	$3.4987	$3.4760	$3.3985
Goshen City - Harrison Township	$2.9254	$3.1584	$3.1970	$3.1685	$3.1368
Kosciusko County:					
Jefferson Township, West	$1.5034	$1.6875	$1.7548	$1.6834	$1.5939
Scott Township	$1.2328	$1.3770	$1.4011	$1.3506	$1.2992
Nappanee City - Jefferson Township	$3.0306	$3.3635	$3.4176	$3.3985	$3.3166

(1) Includes certified tax rates of overlapping taxing units.

Source: DLGF Certified Budget Orders for the School Corporation.

PROPERTY TAXES LEVIED AND COLLECTED

Collection Year	Certified Taxes Levied	Circuit Breaker Tax Credit (1)	Certified Taxes Levied Net of Circuit Breaker Tax Credit	Taxes Collected	Collected as Percent of Gross Levy	Collected as Percent of Net Levy
2011	$9,375,305	($363,075)	$9,012,230	$8,650,375	92.27%	95.98%
2012	8,757,968	(403,777)	8,354,191	8,281,658	94.56%	99.13%
2013	9,417,210	(618,868)	8,798,342	8,798,102	93.43%	100.00%
2014	10,096,607	(701,450)	9,395,157	9,265,916	91.77%	98.62%
2015	9,577,922	(581,508)	8,996,414	9,167,821	95.72%	101.91%

Source: The Elkhart and Kosciusko County Auditors' Offices and the DLGF Certified Budget Orders for the School Corporation.

(1) Circuit Breaker Tax Credits allocable to the School Corporation per the DLGF.

Indiana Code 6-1.1-20.6 (the "Statute") provides taxpayers with a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property eligible for the credit (“Circuit Breaker Tax Credit”).

Property taxes for residential homesteads are limited to 1.0% of the gross assessed value of the homestead; property taxes for agricultural, other residential property and long term care facilities are limited to 2.0% of their gross assessed value; and property taxes for all other real and personal property are limited to 3.0% of gross assessed value. Additional property tax limits have been made available to certain senior citizens. School corporations are authorized to impose a referendum tax levy to replace property tax revenue that the school corporation will not receive due to the Circuit Breaker Tax Credit. Other political subdivisions may not increase their property tax levy or borrow money to make up for any property tax revenue shortfall due to the application of the Circuit Breaker Tax Credit.

Effective March 25, 2014, if a school corporation has sufficient Circuit Breaker losses (at least ten percent of its transportation fund levy for that year) in either 2014, 2015, 2016, 2017 and 2018 and such losses are timely certified by the DLGF, it becomes an eligible school corporation under IC 6-1.1-20.6-9.9 (an "Eligible School Corporation"). For the applicable year or years, an Eligible School Corporation may allocate its Circuit Break Tax Credit loss, for each year, proportionately across all school corporation property tax supported funds, including the debt service fund, thereby being exempted from the protected taxes requirement as described below. However, in 2017 or 2018, if a school corporation: (i) issues new bonds or enters into a new lease rental agreement for which the school corporation is imposing or will impose a debt service levy other than: (A) to refinance or renew prior bond or lease rental obligations existing before January 1, 2017; or (B) for indebtedness that is approved in a local public question or referendum under I.C. 6-1.1-20 or any other law; and (ii) the school corporation’s debt service levy in 2017 or 2018 is greater than the school corporation’s debt service levy in 2016, the school corporation will not be an Eligible School Corporation even if it would otherwise qualify. This School Corporation is expected to have sufficient losses to qualify as an Eligible School Corporation.

Except for an Eligible School Corporation, the Statute categorizes property taxes levied to pay Debt Service Obligations as "protected taxes," regardless of whether the property taxes were approved at a referendum, and all other property taxes as "unprotected taxes." The total amount of revenue to be distributed to the fund for which the protected taxes were imposed shall be determined without applying the Circuit Breaker Tax Credit. The application of the Circuit Breaker Tax Credit must reduce only the amount of unprotected taxes distributed to a fund. The School Corporation may allocate the reduction by using a combination of unprotected taxes of the political subdivision in those taxing districts in which the Circuit Breaker Credit caused a reduction in protected taxes. The tax revenue and each fund of any other political subdivisions must not be affected by the reduction.

LARGE TAXPAYERS

The following is a list of the ten largest taxpayers located within the School Corporation.

Name	Type of Business	2015/2016 Net Assessed Valuation	Percent of Total Net Assessed Valuation (1)
Thor Wakarusa LLC (2)	Mfg. recreational vehicles	$26,666,030	2.79%
Newmar Corporation/Dutch Real Estate (2)	Mfg. recreational vehicles	15,586,130	1.63%
Fairmont Homes, Inc./Gulfstream Coach Inc.	Mfg. mobile homes	13,121,460	1.37%
Northern Indiana Public Service Company (2)	Gas and electric utility	12,353,240	1.29%
Kountry Wood Products LLC/ Dutch Country Holdings LLC/ Nappanee Investment Properties LLC (2)	Mfg. Cabinets / Developer	9,737,210	1.02%
Beer & Slabaugh/Air Investments LLC Northern Lakes Investment/CDLT Inc./ Heritage Farms LLC (2)	Developer	8,704,475	0.91%
Forest River, Inc. (2)	Mfg. recreational vehicles	8,166,650	0.85%
Culhane Investments Indiana LLC (2)	Developer	7,278,500	0.76%
Wakarusa Nursing Home & Rehabilitation Center/Miller's Merry Manor/ WC Wakarusa LLC (2)	Nursing home	7,184,960	0.75%
Amish Acres LLC/ Nappanee Inn Inc./ Pletcher Enterprises Inc.	Restaurant, historical farm and resort	5,647,120	0.59%
Totals		$114,445,775	11.96%

(1) The total net assessed valuation of the School Corporation is $955,629,692 for taxes payable in 2016, according to the Elkhart and Kosciusko County Auditors' offices.

(2) Located in a tax increment allocation area; therefore, all or a portion of the taxes are captured as TIF and not distributed to individual taxing units.

Source: County Auditor's office and the DLGF. Individual parcel data is submitted by the County Auditor to the DLGF once a year for preparation of the county abstract.

Note: The following financial statements on pages A-17 - A-18 are excerpts from the School Corporation's most current audit report from July 1, 2012 to June 30, 2014 of the Indiana State Board of Accounts. Consequently, these schedules do not include all disclosures required by generally accepted accounting principles. A complete audit will be furnished upon request. Current reports are available at http://www.in.gov/sboa/resources/reports/audit/.

WA-NEE COMMUNITY SCHOOL CORPORATION

STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS

For the Years Ended June 30, 2013 and 2014.

	Cash and Investments 07-01-12	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-13	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-14
General	$3,293,755	$19,455,908	$18,192,004	($493,526)	$4,064,133	$19,127,413	$18,689,114	($500,000)	$4,002,432
Debt Service	1,937,529	4,212,846	4,881,966	(18,450)	1,249,959	4,778,016	4,709,735	(2,629)	1,315,611
Retirement/Severance Bond Debt Service	33,843	309,778	278,634		64,987	261,064	280,484		45,567
Capital Projects	4,081,477	2,795,264	2,889,835		3,986,906	2,806,353	2,877,385		3,915,874
School Transportation	866,136	1,916,949	1,686,502	(198,779)	897,804	1,919,576	1,675,093	57,527	1,199,814
School Bus Replacement	466,812	211,468	264,096		414,184	328,983	368,927		374,240
Rainy Day	1,250,139			700,000	1,950,139			500,000	2,450,139
Retirement/Severance Bond	54,764	126	20,716		34,174	89	18,769		15,494
Construction	83,972				83,972				83,972
Construction Project #1	0		608,134	1,994,200	1,386,066	3,420	1,384,637		4,849
Construction Project #2	0		45,509	1,995,087	1,949,578	329	1,719,123		230,784
School Lunch	304,189	1,378,768	1,283,319		399,638	1,314,894	1,249,666		464,866
Textbook Rental	(19,965)	237,238	70,038	18,450	165,685	237,925	341,324	2,629	64,915
Self-Insurance	2,147,265	2,585,626	2,581,761		2,151,130	2,507,110	2,211,735		2,446,505
Levy Excess	39,393	9,602			48,995			(48,918)	77
Educational License Plates	1,436	750	1,000		1,186	394	1,000		580
Alternative Education	19,630	8,600			28,230	8,100	795		35,535
SAFE School Haven	0	13,941	13,941		0	559	559		0
Early Intervention Grant	20	28,322	28,342		0		25,624		(25,624)
Miscellaneous Programs	10,535	31			10,566	21			10,587
Gifted & Talented	11,749	40,496	48,278		3,967	40,817	29,574		15,210
Medicaid Reimbursements	1,213	1,942	2,499		656	3,015	1,228		2,443
Secured Schools Safety Grant	0				0	34,329	39,340		(5,011)
Non-English Speaking Programs P.L. 273-1999	3,707	19,137	20,013		2,831	18,015	14,211		6,635
School Technology	49,246	32,531	12,154		69,623	11,949	25,535		56,037
Innovative School Improvement Grant	0		43,160		(43,160)	134,581	91,822		(401)
11-12 Title 1 Grant	(3,689)	235,851	232,162		0				0
Sub-totals	$14,633,156	$33,495,174	$33,204,063	$3,996,982	$18,921,249	$33,536,952	$35,755,680	$8,609	$16,711,130

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WA-NEE COMMUNITY SCHOOL CORPORATION

(Cont'd)

STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS

For the Years Ended June 30, 2013 and 2014.

	Cash and Investments 07-01-12	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-13	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-14
Sub-totals carried forward	$14,633,156	$33,495,174	$33,204,063	$3,996,982	$18,921,249	$33,536,952	$35,755,680	$8,609	$16,711,130
12-13 Title 1 Grant	0	584,180	659,917		(75,737)	268,788	193,051		0
13-14 Title 1 Grant	0				0	585,846	603,983		(18,137)
(IDEA, Part B) LEA Capacity Building (Silver) Grants	0				0		4,413		(4,413)
11-12 PL 101-476 IDEA Grant	(40,955)	107,787	66,832		0				0
12-13 PL 101-476 IDEA Grant	0	371,531	541,150		(169,619)	258,332	88,713		0
13-14 PL 101-476 IDEA Grant	0				0	596,512	547,010		49,502
Title IV-A Safe & Drug Free School	(2,156)	2,156			0				0
12-13 Perkins Grant	0	3,500	3,500		0				0
13-14 Perkins Grant	0				0	3,500	3,500		0
2011-2012 Project Lead The Way	0	7,275	7,275		0				0
Medicaid Reimbursement - Federal	15,724	2,876	234		18,366	5,580	942		23,004
Improving Teaching Quality, No Child Left, Title II, Part A	(28,338)	122,028	123,351		(29,661)	149,122	129,474		(10,013)
Title III - Language Instruction	(6,021)	4,297	20,196		(21,920)	41,124	22,516		(3,312)
Education Jobs	0	11,928	11,928		0				0
Payroll	28,460	4,397,862	4,402,716		23,606	4,492,971	4,491,707		24,870
Totals	$14,599,870	$39,110,594	$39,041,162	$3,996,982	$18,666,284	$39,938,727	$41,840,989	$8,609	$16,772,631

The following schedules on pages A-20 - A-26 contain limited and unaudited financial information which is presented solely for the purpose of conveying a statement of cash and investment balances for the School Corporation. Consequently, these schedules do not include all disclosures required by generally accepted accounting principles. Current reports are available at https://gateway.ifionline.org/report_builder/

WA-NEE COMMUNITY SCHOOL CORPORATION

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	Calendar Year			6 Months Ended
	2013	2014	2015	6/30/2016
GENERAL FUND				
Receipts:				
Tuition	$251,366	$160,520	$220,486	$16,918
Earnings on Investments	39,792	33,138	40,289	32,390
School Corporation Activities	103,431	110,362	103,093	7,622
Other Revenue from Local Sources	34,358	40,497	29,947	42,941
Revenue from Intermediate Sources	441	251	631	31
Revenue from State Sources	18,727,835	18,764,507	18,610,195	9,233,511
Disposal of Real/Personal Property	6,474			
Other Items	57,581	34,960	11,421	15,732
Total Receipts	19,221,278	19,144,235	19,016,061	9,349,145
Expenditures:				
Instruction	13,750,037	13,821,613	13,733,056	6,419,935
Support Services	4,642,346	4,885,728	4,917,412	2,535,342
Community Services	356,704	350,512	378,605	204,598
Interfund Transfers	500,000			
Total Expenditures	19,249,087	19,057,853	19,029,073	9,159,875
Net Increase (Decrease) in Cash & Investments	(27,809)	86,382	(13,012)	189,270
Beginning Balance - January 1st	3,135,844	3,108,036	3,194,417	3,181,405
Ending Balance - December 31st	$3,108,036	$3,194,417	$3,181,405	$3,370,676

The General Fund is the primary operating fund and is used to budget and account for all receipts and disbursements relative to the basic operation and basic programs of the School Corporation.

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WA-NEE COMMUNITY SCHOOL CORPORATION

(Cont'd)

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	Calendar Year			6 Months Ended
	2013	2014	2015	6/30/2016
DEBT SERVICE FUND				
Receipts:				
Local Property Tax	$3,938,258	$4,516,158	$4,221,750	$2,315,402
License Excise Tax	231,487	271,596	259,551	119,894
Commercial Vehicle Excise Tax	13,843	35,346	26,392	12,055
Financial Institutions Tax	22,513	27,866	29,205	16,513
Local Option Property Tax Replacement	112,999	141,708	129,203	66,533
Other Items	91,274	16,338	83,972	
Total Receipts	4,410,374	5,009,011	4,750,073	2,530,397
Expenditures:				
Principal on Debt	1,824,066	2,120,459	2,136,403	1,259,518
Lease Rental	2,895,000	2,579,000	2,577,000	1,288,500
Interfund Transfers	2,629	9,734	8,870	
Total Expenditures	4,721,695	4,709,193	4,722,273	2,548,018
Net Increase (Decrease) in Cash & Investments	(311,320)	299,819	27,800	(17,621)
Beginning Balance - January 1st	1,400,053	1,088,733	1,388,551	1,416,351
Ending Balance - December 31st	$1,088,733	$1,388,551	$1,416,351	$1,398,730

The Debt Service Fund accounts for debt from funds borrowed or advanced for the purchase or lease of school buildings, school buses, judgments against the corporation, equipment or capital construction, and interest on emergency and temporary loans.

(Continued on next page)

WA-NEE COMMUNITY SCHOOL CORPORATION

(Cont'd)

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	Calendar Year			6 Months Ended
	2013	2014	2015	6/30/2016
RETIREMENT/SEVERANCE BOND FUND				
Receipts:				
Local Property Tax	$287,710	$207,162	$353,167	$121,427
License Excise Tax	16,918	12,482	21,709	6,303
Commercial Vehicle Excise Tax	1,008	1,912	2,206	633
Financial Institutions Tax	1,652	1,668	2,453	871
Total Receipts	307,288	223,224	379,535	129,233
Expenditures:				
Principal on Debt	245,000	260,000	275,000	136,189
Interest on Debt	32,142	18,522	4,091	
Total Expenditures	277,142	278,522	279,091	136,189
Net Increase (Decrease) in Cash & Investments	30,146	(55,298)	100,444	(6,955)
Beginning Balance - January 1st	33,179	63,325	8,028	108,471
Ending Balance - December 31st	$63,325	$8,028	$108,471	$101,516

The Retirement/Severance Bond Fund accounts for debt service payments anticipated to be made on debt issued for unfunded payments for termination of employment or to pay postretirement or severance benefits.

(Continued on next page)

WA-NEE COMMUNITY SCHOOL CORPORATION

(Cont'd)

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	Calendar Year			6 Months Ended
	2013	2014	2015	6/30/2016
CAPITAL PROJECTS FUND				
Receipts:				
Local Property Tax	$2,585,215	$2,500,256	$2,373,259	$1,417,867
License Excise Tax	151,871	150,362	145,649	67,337
Commercial Vehicle Excise Tax	9,084	20,648	14,810	6,771
Financial Institutions Tax	14,769	16,863	16,389	9,273
Local Option Property Tax Replacement	74,135	78,453	72,503	37,358
Earnings on Investments	10,705	9,216	11,679	8,883
School Corporation Activities	497			
Other Revenue from Local Sources		4,222	3,562	
Other Financing Sources		27,068		19,487
Total Receipts	2,846,276	2,807,088	2,637,851	1,566,975
Expenditures:				
Support Services	1,603,893	1,383,624	1,460,328	825,733
Facilities Acquisition and Construction	1,467,412	835,680	1,477,345	193,367
Total Expenditures	3,071,305	2,219,303	2,937,673	1,019,100
Net Increase (Decrease) in Cash & Investments	(225,029)	587,785	(299,822)	547,875
Beginning Balance - January 1st	3,680,263	3,455,233	4,043,018	3,743,196
Ending Balance - December 31st	$3,455,233	$4,043,018	$3,743,196	$4,291,071

The Capital Projects Fund accounts for planned construction, repair, replacement or remodeling; and the purchase, lease, upgrade, maintenance, or repair of computer equipment.

(Continued on next page)

WA-NEE COMMUNITY SCHOOL CORPORATION

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	Calendar Year			6 Months Ended
TRANSPORTATION FUND	2013	2014	2015	6/30/2016
Receipts:				
Local Property Tax	$1,687,589	$1,742,356	$1,865,586	$1,069,042
License Excise Tax	99,139	104,782	114,491	50,771
Commercial Vehicle Excise Tax	5,930	14,084	11,643	5,105
Financial Institutions Tax	9,641	11,345	12,883	6,992
Local Option Property Tax Replacement	48,393	54,670	56,991	28,169
Transportation Fees	19,737	28,428	45,665	18,902
School Corporation Activities	6,178	6,577	3,766	8,005
Other Revenue from Local Sources	1,740	625	4,121	1,693
Interfund Transfers	48,918		77	1,760
Disposal of Real/Personal Property	8,609		10,001	
Other Items	58,293	12,165	5,039	5,401
Total Receipts	1,994,166	1,975,032	2,130,263	1,195,840
Expenditures:				
Support Services	1,709,552	1,692,529	1,712,032	888,520
Facilities Acquisition and Construction			925	
Interfund Transfers				200,000
Total Expenditures	1,709,552	1,692,529	1,712,957	1,088,520
Net Increase in Cash & Investments	284,614	282,503	417,306	107,320
Beginning Balance - January 1st	664,346	948,960	1,231,463	1,648,769
Ending Balance - December 31st	$948,960	$1,231,463	$1,648,769	$1,756,089

The Transportation Fund accounts for financial resources for the transportation of school children to and from school.

(Continued on next page)

WA-NEE COMMUNITY SCHOOL CORPORATION

(Cont'd)

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	Calendar Year			6 Months Ended
	2013	2014	2015	6/30/2016
TRANSPORTATION SCHOOL BUS REPLACEMENT FUND				
Receipts:				
Local Property Tax	$297,130	$301,188	$346,585	$192,715
License Excise Tax	17,455	16,837	21,270	9,152
Commercial Vehicle Excise Tax	1,045	2,443	2,164	920
Financial Institutions Tax	1,697	1,977	2,393	1,260
Local Option Property Tax Replacement	8,520	9,414	10,588	5,077
Other Financing Sources		1,000	4,000	
Total Receipts	325,847	332,859	387,000	209,124
Expenditures:				
Support Services	278,043	363,299	467,064	454,396
Total Expenditures	278,043	363,299	467,064	454,396
Net Increase (Decrease) in Cash & Investments	47,804	(30,440)	(80,064)	(245,272)
Beginning Balance - January 1st	234,842	282,646	252,206	172,142
Ending Balance - December 31st	$282,646	$252,206	$172,142	($73,130)

The Transportation School Bus Replacement Fund is used to account for receipts and disbursements concerning the acquisition and disposal of school buses.

(Continued on next page)

WA-NEE COMMUNITY SCHOOL CORPORATION

(Cont'd)

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	Calendar Year			6 Months Ended
	2013	2014	2015	6/30/2016
OTHER FUNDS				
Receipts:				
Revenues from Local Sources	$3,161,415	$3,391,538	$3,856,702	$1,756,572
Earnings on Investments	1,602	1,583	1,485	9
Revenues from State Sources	313,360	295,127	240,857	334,059
Revenues from Federal Sources	2,327,095	1,950,647	2,246,818	875,239
Revenues from Intermediate Sources	544	375	150	188
Other Items	1,995,194	2,000,040	1,993,251	575
Interfund Transfers	502,629	9,734	8,870	213,740
Total Receipts	8,301,838	7,649,043	8,348,134	3,180,382
Expenditures:				
Support Services	847,116	750,082	790,415	462,888
Community Services	1,285,601	1,285,793	1,325,329	684,157
Facilities Acquisition and Construction	2,831,369	1,395,344	1,873,261	579,508
Instruction	1,361,274	1,234,154	1,193,541	639,779
Nonprogrammed Charges	2,358,816	2,461,182	3,060,585	
Interfund Transfers	48,918		84,049	1,178,788
Total Expenditures	8,733,094	7,126,555	8,327,181	3,545,120
Net Increase (Decrease) in Cash & Investments	(431,256)	522,488	20,953	(364,738)
Beginning Balance - January 1st	6,809,098	6,377,843	6,900,330	6,921,283
Ending Balance - December 31st	$6,377,843	$6,900,330	$6,921,283	$6,556,546

GRAND TOTALS				
Total Receipts	$37,407,068	$37,140,493	$37,648,917	$18,161,097
Total Expenditures	38,039,917	35,447,254	37,475,312	17,951,218
Net Increase (Decrease) in Cash & Investments	(632,850)	1,693,239	173,605	209,879
Beginning Balance - January 1st	15,957,625	15,324,775	17,018,014	17,191,618
Ending Balance - December 31st	$15,324,775	$17,018,014	$17,191,618	$17,401,497

The Building Corporation and School Corporation certify to the best of their knowledge and belief that this Official Statement, as of its date and as it relates to the School Corporation and its economic and financial condition, (i) is complete and accurate; (ii) does not contain any untrue statement of a material fact; and (iii) does not omit any material facts or information which would make the statements contained herein misleading.

This Official Statement and its execution are duly authorized.

WA-NEE COMMUNITY SCHOOL BUILDING CORPORATION

By: Larry Andrews
President

Attest: Wayne Klotz
Secretary

WA-NEE COMMUNITY SCHOOLS

By: Joe Sab
Superintendent

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APPENDIX B

UMBAUGH

H. J. Umbaugh & Associates
Certified Public Accountants, LLP
8365 Keystone Crossing
Suite 300
Indianapolis, IN 46240-2687
Phone: 317-465-1500
Fax: 317-465-1550
www.umbaugh.com

September 16, 2016

Board of School Trustees
Wa-Nee Community Schools
1300 North Main Street
Nappanee, Indiana 46550

Building Corporation Directors
Wa-Nee Community School Building Corporation
1300 North Main Street
Nappanee, Indiana 46550

In connection with the issuance of $22,000,000* principal amount of Ad Valorem Property Tax First Mortgage Bonds, Series 2016, we have, at your request, prepared this special purpose report and the following schedules for inclusion in the Preliminary Official Statement dated September 16, 2016.

In the preparation of these schedules, assumptions were made as noted regarding certain future events. As is the case with such assumptions regarding future events and transactions, some or all may not occur as expected, and the resulting differences could be material. We have not examined the underlying assumptions nor have we audited or reviewed the historical data. Consequently, we express no opinion thereon, nor do we have a responsibility to prepare subsequent reports.

*Preliminary, subject to change.

Umbaugh

WA-NEE COMMUNITY SCHOOL BUILDING CORPORATION
WA-NEE COMMUNITY SCHOOLS
Nappanee, Indiana

GENERAL COMMENTS

The Wa-Nee Community School Building Corporation (the “Building Corporation”) is issuing $22,000,000* of Ad Valorem Property Tax First Mortgage Bonds, Series 2016 (the “2016 Bonds”) for the purpose of paying the costs of the renovation of and improvements to NorthWood High School, NorthWood Middle School, Wakarusa Elementary School, Nappanee Elementary School and Woodview Elementary School (the “Project”), and to pay issuance expenses. Funding for a portion of the Project will be provided by proceeds from the Building Corporation’s purchase of the Leased Premises (hereinafter defined). The Building Corporation anticipates issuing approximately $7,500,000 of Ad Valorem Property Tax First Mortgage Bonds, Series 2017 (the “2017 Bonds”) in the first quarter of 2017 to fund the remaining portion of the Project.

The 2016 Bonds are secured by and payable from fixed, semiannual lease rental payments (the “Lease Rentals”) to be paid by Wa-Nee Community Schools (the “School Corporation”) directly to U.S. Bank National Association, in Indianapolis, Indiana (the “Trustee”) under a Trust Indenture between the Building Corporation and the Trustee dated as of October 1, 2016 (the “Trust Indenture”) and a Lease (hereinafter defined) between the School Corporation and the Building Corporation.

Payments on the 2016 Bonds will be made pursuant to a Lease Agreement executed on June 13, 2016 (the “Lease”). The Lease Rental will be payable in advance in semiannual installments on June 30 and December 31 of each year. The Lease Rentals are based upon the principal and interest payments in each twelve-month period ending January 15, rounded up to the next $1,000, plus $20,000. Such Lease Rentals are payable from ad valorem property taxes to be levied against all taxable property within the School Corporation. The term of the Lease is for a period of twenty-two years. Upon payment of sufficient Lease Rental to retire the principal and to meet the obligations of the Building Corporation for interest payments, trustee fees, and other expenses, no further payments will be made on the Lease, and title to the Leased Property will be transferred to the School Corporation.

Estimated Sources and Uses of Funds – Page B-4

The costs of the Project are presented in this schedule, including construction related expenses, purchase of Leased Property (as defined in the Official Statement) allowance for underwriter’s discount and estimated costs of issuance.

The proceeds of the 2016 Bonds and 2017 Bonds will provide the source of funding.

Preliminary Schedule of Amortization of $22,000,000* Principal Amount of Ad Valorem Property Tax First Mortgage Bonds, Series 2016 – Page B-5

The proposed amortization of $22,000,000* principal amount of Ad Valorem Property Tax First Mortgage Bonds, Series 2016 is presented in this schedule. The 2016 Bonds are assumed to be dated October 18, 2016, and mature over a period of approximately fourteen years and three months with the final maturity on January 15, 2031. The 2016 Bonds are amortized based on assumed interest rates. Final interest rates will be determined through a competitive sale.

*Preliminary, subject to change.

WA-NEE COMMUNITY SCHOOL BUILDING CORPORATION
WA-NEE COMMUNITY SCHOOLS
Nappanee, Indiana

GENERAL COMMENTS (CONT'D)

Preliminary Schedule of Amortization of $7,500,000* Principal Amount of Ad Valorem Property Tax First Mortgage Bonds, Series 2017 – Page B-6

The proposed amortization of $7,500,000* principal amount of Ad Valorem Property Tax First Mortgage Bonds, Series 2017 is presented in this schedule. The 2017 Bonds are assumed to be dated March 21, 2017, and mature over a period of approximately thirteen years and ten months with the final maturity on January 15, 2031. The 2017 Bonds are amortized based on assumed interest rates. Final interest rates will be determined through a competitive sale.

Summary of Estimated Debt Service Tax Rates – Page B-7

Calculations are made in this schedule for the proposed annual Lease Rentals and resulting estimated debt service tax rates based upon the amortization schedules found on page B-5 and B-6. No growth in assessed value from the 2016 certified net assessed value is assumed in the calculation of the estimated debt service tax rates.

Schedule of Existing Debt Service/Lease Rental Payments – Page B-7

This schedule shows the outstanding (unaudited) debt service and lease rental payments of the School Corporation.

*Preliminary, subject to change.

WA-NEE COMMUNITY SCHOOL BUILDING CORPORATION
WA-NEE COMMUNITY SCHOOLS

ESTIMATED SOURCES AND USES OF FUNDS

	Building Corporation		School	
Estimated Sources of Funds:	2016 Bonds	2017 Bonds	Corporation	Totals
Proposed First Mortgage Bonds, Series 2016	$22,000,000.00 *			$22,000,000.00
Proposed First Mortgage Bonds, Series 2017		$7,500,000.00 *		7,500,000.00
Total Estimated Sources of Funds	$22,000,000.00	$7,500,000.00	$0.00	$29,500,000.00
Estimated Uses of Funds:				
Estimated Construction Related Costs	$14,725,000.00	$7,181,739.17	$7,000,000.00	$28,906,739.17
Purchase of Leased Property	7,000,000.00		(7,000,000.00)	0.00
Estimated Capitalized Interest Expense (1)		160,760.83		160,760.83
Allowance for Underwriter's Discount (0.50%)	110,000.00	37,500.00		147,500.00
Estimated Costs of Issuance (2)	165,000.00	120,000.00		285,000.00
Total Estimated Uses of Funds	$22,000,000.00	$7,500,000.00	$0.00	$29,500,000.00

(1) Assumes interest expense through and including January 15, 2018. Subject to change depending upon timing and scope of Project.
(2) Includes fee allowances for Local Counsel, Bond Counsel, Financial Advisor, Trustee, rating, title insurance, appraisals, printing and other miscellaneous costs.

*Preliminary, subject to change.

(Subject to the accompanying report
dated September 16, 2016, of Umbaugh)

WA-NEE COMMUNITY SCHOOL BUILDING CORPORATION
WA-NEE COMMUNITY SCHOOLS

PRELIMINARY SCHEDULE OF AMORTIZATION OF $22,000,000* PRINCIPAL AMOUNT OF AD VALOREM PROPERTY TAX FIRST MORTGAGE BONDS, SERIES 2016
Assumes Bonds dated October 18, 2016

Payment Date	Principal Balance*	Principal*	Assumed Interest Rate (1)	Interest	Total Debt Service	Budget Year Total	Annual Lease Rentals
	(-----In $1,000's-----)		(%)				(2)
7/15/2017	$22,000	$345	2.00	$403,503.75	$748,503.75		
1/15/2018	21,655	490	2.00	268,575.00	758,575.00	$1,507,078.75	$1,528,000
7/15/2018	21,165	495	2.00	263,675.00	758,675.00		
1/15/2019	20,670	500	2.00	258,725.00	758,725.00	1,517,400.00	1,538,000
7/15/2019	20,170	505	2.00	253,725.00	758,725.00		
1/15/2020	19,665	510	2.00	248,675.00	758,675.00	1,517,400.00	1,538,000
7/15/2020	19,155	615	2.00	243,575.00	858,575.00		
1/15/2021	18,540	620	2.00	237,425.00	857,425.00	1,716,000.00	1,736,000
7/15/2021	17,920	800	2.00	231,225.00	1,031,225.00		
1/15/2022	17,120	810	2.00	223,225.00	1,033,225.00	2,064,450.00	2,085,000
7/15/2022	16,310	820	2.00	215,125.00	1,035,125.00		
1/15/2023	15,490	825	2.00	206,925.00	1,031,925.00	2,067,050.00	2,088,000
7/15/2023	14,665	835	2.00	198,675.00	1,033,675.00		
1/15/2024	13,830	845	2.00	190,325.00	1,035,325.00	2,069,000.00	2,089,000
7/15/2024	12,985	850	2.00	181,875.00	1,031,875.00		
1/15/2025	12,135	860	2.00	173,375.00	1,033,375.00	2,065,250.00	2,086,000
7/15/2025	11,275	870	2.00	164,775.00	1,034,775.00		
1/15/2026	10,405	875	3.00	156,075.00	1,031,075.00	2,065,850.00	2,086,000
7/15/2026	9,530	890	3.00	142,950.00	1,032,950.00		
1/15/2027	8,640	905	3.00	129,600.00	1,034,600.00	2,067,550.00	2,088,000
7/15/2027	7,735	920	3.00	116,025.00	1,036,025.00		
1/15/2028	6,815	930	3.00	102,225.00	1,032,225.00	2,068,250.00	2,089,000
7/15/2028	5,885	945	3.00	88,275.00	1,033,275.00		
1/15/2029	4,940	960	3.00	74,100.00	1,034,100.00	2,067,375.00	2,088,000
7/15/2029	3,980	975	3.00	59,700.00	1,034,700.00		
1/15/2030	3,005	985	3.00	45,075.00	1,030,075.00	2,064,775.00	2,085,000
7/15/2030	2,020	1,000	3.00	30,300.00	1,030,300.00		
1/15/2031	1,020	1,020	3.00	15,300.00	1,035,300.00	2,065,600.00	2,086,000
Totals		$22,000		$4,923,028.75	$26,923,028.75	$26,923,028.75	$27,210,000

(1) Assumes current interest rate estimates.
(2) Debt service rounded up to the next $1,000, plus $20,000.

*Preliminary, subject to change.

(Subject to the accompanying report
dated September 16, 2016, of Umbaugh)

WA-NEE COMMUNITY SCHOOL BUILDING CORPORATION
WA-NEE COMMUNITY SCHOOLS

PRELIMINARY SCHEDULE OF AMORTIZATION OF $7,500,000* PRINCIPAL AMOUNT OF
AD VALOREM PROPERTY TAX FIRST MORTGAGE BONDS, SERIES 2017
Assumes Bonds dated March 21, 2017

Payment Date	Principal Balance*	Principal*	Assumed Interest Rate (1)	Interest	Capitalized Interest	Total Debt Service	Budget Year Total	Annual Lease Rentals
	(-----In $1,000's-----)		(%)					(2)
1/15/2018	7,500			$160,760.83	($160,760.83)	$0.00	$0.00	$0
7/15/2018	7,500			98,425.00		98,425.00		
1/15/2019	7,500			98,425.00		98,425.00	196,850.00	217,000
7/15/2019	7,500			98,425.00		98,425.00		
1/15/2020	7,500			98,425.00		98,425.00	196,850.00	217,000
7/15/2020	7,500	$300	2.00	98,425.00		398,425.00		
1/15/2021	7,200	305	2.00	95,425.00		400,425.00	798,850.00	819,000
7/15/2021	6,895	305	2.00	92,375.00		397,375.00		
1/15/2022	6,590	310	2.00	89,325.00		399,325.00	796,700.00	817,000
7/15/2022	6,280	315	2.00	86,225.00		401,225.00		
1/15/2023	5,965	315	2.00	83,075.00		398,075.00	799,300.00	820,000
7/15/2023	5,650	320	2.00	79,925.00		399,925.00		
1/15/2024	5,330	320	2.00	76,725.00		396,725.00	796,650.00	817,000
7/15/2024	5,010	325	2.00	73,525.00		398,525.00		
1/15/2025	4,685	330	3.00	70,275.00		400,275.00	798,800.00	819,000
7/15/2025	4,355	335	3.00	65,325.00		400,325.00		
1/15/2026	4,020	340	3.00	60,300.00		400,300.00	800,625.00	821,000
7/15/2026	3,680	345	3.00	55,200.00		400,200.00		
1/15/2027	3,335	350	3.00	50,025.00		400,025.00	800,225.00	821,000
7/15/2027	2,985	355	3.00	44,775.00		399,775.00		
1/15/2028	2,630	360	3.00	39,450.00		399,450.00	799,225.00	820,000
7/15/2028	2,270	365	3.00	34,050.00		399,050.00		
1/15/2029	1,905	370	3.00	28,575.00		398,575.00	797,625.00	818,000
7/15/2029	1,535	375	3.00	23,025.00		398,025.00		
1/15/2030	1,160	380	3.00	17,400.00		397,400.00	795,425.00	816,000
7/15/2030	780	385	3.00	11,700.00		396,700.00		
1/15/2031	395	395	3.00	5,925.00		400,925.00	797,625.00	818,000
Totals		$7,500		$1,835,510.83	($160,760.83)	$9,174,750.00	$9,174,750.00	$9,440,000

(1) Assumes current interest rate estimates.
(2) Debt service rounded up to the next $1,000, plus $20,000.

*Preliminary, subject to change.

(Subject to the accompanying report
dated September 16, 2016, of Umbaugh)

WA-NEE COMMUNITY SCHOOL BUILDING CORPORATION
WA-NEE COMMUNITY SCHOOLS

SUMMARY OF ESTIMATED DEBT SERVICE TAX RATES

Budget Year	Total Outstanding Debt Service / Lease Rental (1)	Proposed Ad Valorem Property Tax First Mortgage Bonds, Series 2016 (2)	Proposed Ad Valorem Property Tax First Mortgage Bonds, Series 2017 (3)	Total Debt Service	Estimated Net Assessed Value (4)	Estimated Existing Debt Service Tax Rate (4) (5)	Estimated 2016 Bonds Debt Service Tax Rate (4) (5)	Estimated 2017 Bonds Debt Service Tax Rate (4) (5)	Estimated Combined Debt Service Tax Rate (4) (5) (6)
2015	$4,918,870			$4,918,870	$900,129,247	$0.4881 (7)			$0.4881 (7)
2016	4,910,252			4,910,252	955,107,062	0.4756 (7)			0.4756 (7)
2017	3,369,050	$1,528,000		4,897,050	955,107,062	0.3351	$0.1520		0.4871
2018	2,930,400	1,538,000	$217,000	4,685,400	955,107,062	0.2915	0.1530	$0.0216	0.4661
2019	2,928,400	1,538,000	217,000	4,683,400	955,107,062	0.2913	0.1530	0.0216	0.4659
2020	350,400	1,736,000	819,000	2,905,400	955,107,062	0.0349	0.1727	0.0815	0.2891
2021		2,085,000	817,000	2,902,000	955,107,062		0.2074	0.0813	0.2887
2022		2,088,000	820,000	2,908,000	955,107,062		0.2077	0.0816	0.2893
2023		2,089,000	817,000	2,906,000	955,107,062		0.2078	0.0813	0.2891
2024		2,086,000	819,000	2,905,000	955,107,062		0.2075	0.0815	0.2890
2025		2,086,000	821,000	2,907,000	955,107,062		0.2075	0.0817	0.2892
2026		2,088,000	821,000	2,909,000	955,107,062		0.2077	0.0817	0.2894
2027		2,089,000	820,000	2,909,000	955,107,062		0.2078	0.0816	0.2894
2028		2,088,000	818,000	2,906,000	955,107,062		0.2077	0.0814	0.2891
2029		2,085,000	816,000	2,901,000	955,107,062		0.2074	0.0812	0.2886
2030		2,086,000	818,000	2,904,000	955,107,062		0.2075	0.0814	0.2889

(1) See page B-8.
(2) See page B-5.
(3) See page B-6.
(4) Based on the 2015 certified net assessed value of $900,129,247 and 2016 certified net assessed value of $955,107,062 for Wa-Nee Community School Corporation with no growth assumed thereafter.
(5) Assumes license excise/financial institutions factor of 5%. Per $100 of net assessed value.
(6) Represents estimated debt service tax rate for combined debt.
(7) Represents 2015 and 2016 certified debt service tax rates in Elkhart County. The 2015 and 2016 certified debt service tax rates in Kosciusko County are $0.5052 and $0.4921, respectively.

WA-NEE COMMUNITY SCHOOL BUILDING CORPORATION
WA-NEE COMMUNITY SCHOOLS

SCHEDULE OF EXISTING DEBT SERVICE/LEASE RENTAL PAYMENTS
(Unaudited)

Payment Year	Textbook Rental	Temporary Loan Interest	First Mortgage Refunding Bonds of 2006	First Mortgage Bonds of 2006	Qualified School Construction Bonds of 2010	General Obligation Bonds, of 2013	General Obligation Bonds of 2014	General Obligation Bonds of 2015	Totals
	(1)	(1)			(2)				
2015	$8,870	$200,000	$1,814,000	$762,000	$130,400	$376,875	$1,626,725		$4,918,870
2016	20,000	200,000	1,815,000	762,000	130,400		409,050	$1,573,802	4,910,252
2017	20,000	200,000	1,815,000	762,000	130,400			441,650	3,369,050
2018	20,000	200,000	1,818,000	762,000	130,400				2,930,400
2019	20,000	200,000	1,816,000	762,000	130,400				2,928,400
2020	20,000	200,000			130,400				350,400
Totals	$108,870	$1,200,000	$9,078,000	$3,810,000	$782,400	$376,875	$2,035,775	$2,015,452	$19,407,372

Note: Does not include Amended Taxable General Obligation Pension Bonds of 2002.

(1) Per information provided by the School Corporation's Debt Service Worsheets.
(2) Represents payments after federal subsidy is received.

(Subject to the accompanying report
dated September 16, 2016, of Umbaugh)

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APPENDIX C

SUMMARY OF THE LEASE

The following is a summary of certain provisions of the Lease and does not purport to comprehensively describe that document in its entirety.

Acquisition and Construction of the Lease Premises

The Building Corporation is to cause the Leased Premises to be completed in accordance with the contract documents and the plans and specifications which have been prepared by or at the direction of the Building Corporation and approved by the School Corporation and applicable agencies. The plans and specifications may be changed at any time prior to the completion of the Leased Premises by mutual agreement of the Building Corporation and the School Corporation, except that such changes may not alter the character of the building or reduce the value thereof.

Lease Term and Rental

The Lease is for a twenty-two (22) year term which commences on the date the Building Corporation acquires fee simple title to the Leased Premises and expires on the date which is twenty-two (22) years later. By each rent payment date, the School Corporation is to pay the installment of rent due under the Lease. The Lease provides for rental during renovation in the amount of $990,000 per payment payable on June 30, 2017 through the completion of construction and renovation of the Leased Premises. Thereafter, each installment of rent is payable in advance for the following six-month period on June 30 and December 31, commencing on June 30, 2019, or on the date the Leased Premises are completed and ready for occupancy, whichever is later. The annual rent to be paid is as shown in this Official Statement, payable in equal semiannual installments. Completion of the Leased Premises is to be certified to the School Corporation by a representative of the Building Corporation pursuant to the Lease. The date the building is substantially completed and ready for occupancy shall be endorsed on the end of the Lease by the parties thereto as soon as can be done after the completion of the construction. The endorsement shall be recorded as an addendum to the Lease. The lease rental shall be reduced following the sale of the Building Corporation's Bonds to an amount not less than the multiple of $1,000 next higher than the highest sum of principal and interest due on such bonds in each bond year ending on a bond maturity date plus $20,000, payable in equal semiannual installments. Such amount of reduced annual rental shall be endorsed at the end of the Lease by the parties thereto as soon as can be done after the sale of the bonds. The endorsement shall be recorded as an addendum to the Lease.

Maintenance and Modification

During the term of the Lease, the School Corporation is required to keep the Leased Premises in good repair and in good operating condition, ordinary wear and tear excepted. The School Corporation may, at its own expense and as part of the Leased Premises, make modifications of, additions and improvements to and substitutions for the Leased Premises, all of which become the property of the Building Corporation and are included as part of the Leased Premises under the terms of the Lease.

The School Corporation may, at its own expense, replace worn out or obsolete property and may install on the property on which the Leased Premises are situated personal property which is not an addition or improvement to, modification of or substitution for the Leased Premises, which will be the sole property of the School Corporation and in which the Building Corporation shall have no interest. The School Corporation may discard worn out or obsolete property and need not replace it. Equipment or other personal property which becomes worn out or obsolete may be discarded or sold by Lessee. The proceeds of the sale of any personal property shall be paid to the Trustee. Lessee may trade in any obsolete or worn out personal property or replacement property which replacement property will belong to Lessee upon payment to the Trustee of an amount equal to the trade-in value of such property. Lessee need not replace worn out or obsolete personal property, but may replace such property at its own expense, and the replacement property shall belong to Lessee.

Property and Liability Insurance

The School Corporation is required to carry at its own expense, property insurance on the Leased Premises against physical loss or damage to the Leased Premises, however caused, with such exceptions only as are ordinarily required by insurers of buildings or facilities of a similar type, in an amount equal to one hundred percent (100%) of the full replacement cost of the mortgaged property. Any property insurance policy shall be so written or endorsed as to make any losses payable to the Building Corporation or to such other person or persons as the Building Corporation under the Lease may designate.

During the full term of the Lease, the School Corporation is required to maintain rent or rental value insurance in an amount equal to the full rental value of the Leased Premises for a period of two years. The insurance will protect against physical losses or damages similar to those covered under the property insurance policy held by the School Corporation.

Damage or Destruction

If the Leased Premises are damaged or destroyed (in whole or in part) by fire, windstorm or other casualty at any time during the term of the Lease, the Building Corporation is to promptly repair, rebuild or restore the portion of the Leased Premises damaged or destroyed with such changes, alterations and modifications (including substitutions and additions) as may be designated by the School Corporation for administration and operation of the Leased Premises and as shall not impair the character and significance of the Leased Premises as furthering the purposes of the Code.

If the Leased Premises are totally or substantially destroyed and the amount of insurance money received is sufficient to redeem all of the outstanding Bonds and all such Bonds are then subject to redemption, the Building Corporation, with the written approval of the School Corporation, may direct the Trustee to use net proceeds of insurance to call for redemption all of the Bonds then outstanding at the then current redemption price.

Rent Abatement and Rental Value Insurance

If the Leased Premises or a portion thereof are damaged or destroyed or is taken under the exercise of the power of eminent domain, the rent payable by the School Corporation shall be abated or reduced, provided there is rental value insurance in force as required by the Lease. The rent shall be totally abated during that portion of the Lease terms that the Leased Premises is totally unfit for use or occupancy. It shall be partially abated for the period and to the extent that the Leased Premises are partially unfit for use or occupancy in the same proportion that the floor area of the Leased Premises so unfit for use or occupancy bears to the total floor area of the Leased Premises.

Taxes and Utility Charges

The School Corporation is to pay, as further rent, taxes and assessments lawfully assessed or levied against or with respect to the Leased Premises or any personal property or fixtures installed or brought in or on the Leased Premises, and all utility and other charges for or incurred in connection with the Leased Premises. The School Corporation may, at its own expense, in good faith contest any such taxes and assessments. The School Corporation shall also pay as additional rent, any amount required by the Building Corporation to rebate to the United States Government to prevent the Building Corporation's bonds from becoming arbitrage bonds.

Events of Default

The Lease provides that either of the following constitutes an "event of default" under the Lease:

(a) Failure to pay any rentals or other sums payable to the Building Corporation under the Lease, or failure to pay any other sum therein required to be paid to the Building Corporation; or

(b) Failure to observe any other covenant, agreement or condition under the Lease, and such default shall continue for sixty (60) days after written notice to correct the same.

Remedies

On the occurrence of an event of default under the Lease, the Trustee may proceed to protect and enforce its rights by suit or suits in equity or at law in any court of competent jurisdiction, whether for specific performance or any covenant or agreement contained therein, or for the enforcement of any other appropriate legal or equitable remedy; file a claim with the Treasurer of the State of Indiana for an amount equal to an amount in default, and may authorize or delegate the authority to file such claim; or the Building Corporation, at its option, without further notice, may terminate the estate and interest of the School Corporation thereunder, and it shall be lawful for the Building Corporation forthwith to resume possession of the Leased Premises and the School Corporation covenants to surrender the same forthwith upon demand. The exercise by the Building Corporation of the right to terminate the Lease shall not release the School Corporation from the performance of any obligation thereof maturing prior to the Building Corporation's actual entry into possession. No waiver by the Building Corporation of any right to terminate the Leases upon any default shall operate to waive such right upon the same or other default subsequently occurring.

The School Corporation may not assign the Lease or sublet the Leased Premises without the written consent of the Building Corporation. In the Lease, the School Corporation has covenanted to use and maintain the Leased Premises in accordance with the laws and ordinances of the United States of America, the State of Indiana, and all other proper governmental authorities. The School Corporation has also covenanted that it will not enter into any lease, management contract or other contractual arrangement which would allow the use of the Leased Premises by a nongovernmental person which would have the effect of making the Building Corporation's bonds private activity bonds under Section 141 of the Internal Revenue Code of 1986.

Option to Purchase

The School Corporation has the option to purchase the Leased Premises on any rental payment date at a price which is sufficient to allow the Building Corporation to liquidate by paying or providing for the payment in full of the then outstanding bonds pursuant to the redemption provisions.

Option to Renew

The School Corporation has an option to renew the Lease for a further like or lesser term upon the same terms and conditions provided in the Lease.

APPENDIX D

SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE

The following is a brief summary of certain provisions of the Trust Indenture and does not purport to comprehensively describe that document in its entirety.

Application of Bond Proceeds

Proceeds in an amount equal to interest on the original bonds through January 15, 2017 shall be deposited in the 2016 Bond Interest Account of the Construction Fund. Proceeds in an amount equal to costs of issuance shall be deposited in the 2016 Bond Issuance Expense Account of the Construction Fund. The remaining proceeds of the Bonds shall be deposited in the 2016 Construction Account of the Construction Fund and used to pay costs of construction.

Construction Fund, Sinking Fund, Operation and Reserve Fund and Rebate Fund

There are created under the Trust Indenture the following funds: (1) the Wa-Nee Community School Building Corporation Construction Fund (the "Construction Fund"), (2) the Wa-Nee Community School Building Corporation Sinking Fund (the "Sinking Fund"), (3) the Wa-Nee Community School Building Corporation Operation and Reserve Fund (the "Operation and Reserve Fund"), and (4) the Wa-Nee Community School Building Corporation Rebate Fund (the "Rebate Fund").

The Construction Fund will be used to finance the 2016 Safety, Security, Renovation and Restoration Project which includes proposed renovation of and improvements, such as safety, security, efficiency and technology, to NorthWood High School (the "Project"), to pay costs of issuance of the Bonds and to pay interest on the Bonds during construction. Any moneys remaining in the Construction Fund one year after completion of the Project will be transferred to the Operation and Reserve Fund.

The Trustee shall deposit in the Sinking Fund created pursuant to the Trust Indenture, from each rental payment received, the lesser of (1) all of such payment or (2) an amount which, when added to the amount already on deposit, equals the unpaid interest on the Bonds due within twenty (20) days after the due date of such rental payment and the unpaid principal and mandatory sinking fund redemption payment of the Bonds due within twenty (20) days after the due date of such rental payment. Up to Twenty Thousand Dollars ($20,000) of each lease payment remaining after the deposit to the Sinking Fund will be deposited in the Maintenance and Reserve Fund. Any portion of a rental payment remaining after such deposit shall be deposited by the Trustee in the Operation and Reserve Fund. The Trustee shall from time to time pay from the Sinking Fund the principal of the Bonds at maturity or upon mandatory sinking fund redemption and the interest as it falls due.

The Operation and Reserve Fund shall be used only (a) to pay necessary incidental expenses of the Building Corporation, including Trustee's fees, (b) if the amount in the Sinking Fund at any time is less than the required amount, to transfer funds to the Sinking Fund in an amount sufficient to raise the amount in the Sinking Fund to the required amount, (c) if the Bonds are called for redemption, to pay the principal, interest, and redemption premium, if any, on the Bonds, (d) to purchase Bonds in the open market, and (e) if the amount in the Rebate

Fund is less than the rebate amount, to transfer funds to the Rebate Fund. The incidental expenses may be paid by the Trustee upon the presentation of an affidavit executed by any officer of the Building Corporation or the Lessor Representative together with the creditor's statement as to the amount owing.

The Rebate Fund shall be used to make any rebate to the United States of America required to prevent the Bonds from becoming "arbitrage bonds" under the Code. If an exception to rebate is not met, the Building Corporation shall be required to calculate or cause to be calculated at the five year anniversary the amount of such rebate (the "Rebate Amount"). In the alternative, the Building Corporation may elect to pay the penalty required by Section 148(f)(4)(C)(vii) of the Code, as amended. In that event, the Building Corporation shall compute or cause to be computed each six months, the amount of such penalty and provide the Trustee a copy of such calculation. In either event, the Trustee is to deposit the amount so calculated to the credit of the Rebate Fund from any available funds (other than moneys in the Sinking Fund). The Trustee is further required to pay the Rebate Amount or penalties in lieu of rebate together with all investment earnings thereon to the United States of America, in the amount and at such times as shall be advised by the Building Corporation or nationally recognized bond counsel as required by the Code or applicable regulations.

The Maintenance and Reserve Fund shall be used to pay any maintenance or operation cost of the Leased Premises under the Lease. It is not pledged for or expected to be used to pay the principal or interest on the Bonds.

Whenever the amounts contained in the Sinking Fund and the Operation and Reserve Fund are sufficient together with all other funds deposited with the Trustee by the Building Corporation (other than deposits to the Rebate Fund), to redeem, upon the next redemption date, all the Bonds secured by the Trust Indenture then outstanding, the Trustee shall apply the amounts in such Funds to the redemption of such Bonds pursuant to the Trust Indenture.

Investment of Funds

The Trustee shall invest the moneys in funds created in the Trust Indenture in (i) direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America ("United States Treasury Obligations"), (ii) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America, (iii) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of American when such obligations are backed by the full faith and credit of the United States of America, (iv) Federal Housing Administration debentures, (v) Federal Home Loan Mortgage Corporation participation certificates and senior debt obligations (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts), (vi) Farm Credit Bank consolidated system-wide bonds and notes, (vii) Federal Home Loan Banks consolidated debt obligations, (viii) Federal National Mortgage Association senior debt obligations and mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts), (ix) commercial paper (having original maturities of not more than 270 days) rated “A-1” by Standard and Poor’s and “Prime-1” by Moody’s at the time of purchase, (x) unsecured deposits (including certificates of deposit, demand deposits and savings accounts) of any U.S. depository institution or trust company incorporated under the laws of the United States or any state thereof, provided that the short-term debt obligations of such depository institution or trust company at the date of purchase thereof have been rated at least "A-1" by Standard & Poor's and "P-1" by Moody's, (xi) deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), including CDARS and negotiable certificates of deposit, (xii) State and Municipal Obligations, which means: (a) Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated in the two highest rating categories by Standard & Poor's or Moody's at the time of purchase, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated. (b) Direct general short-term obligations of any state agency or subdivision or agency thereof described in (a) above and rated "A-1+" by Standard & Poor's or "MIG-1" by Moody's at the time of purchase. (c) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (a) above and rated in the two highest rating categories by Standard & Poor's or Moody's at the time of purchase, and (xiii) money market funds, which funds may be funds of the Trustee or its affiliates, including those for which the Trustee or an affiliate performs services for a fee, whether as a custodian, transfer agent, investment advisor or otherwise, and which funds are rated at the time of purchase "AAAm" or "AAAm G" by Standard & Poor's.

Moneys in the Construction Fund, Sinking Fund and Rebate Fund shall be invested without restriction as to yield during an applicable temporary period pending their use. Moneys in the Operation and Reserve Fund after 30 days of the date of deposit shall be invested at a yield not exceeding the yield on the Bonds.

Covenants

The Building Corporation covenants, among other things that:

(a) it has entered into a valid and binding lease of the mortgaged property to the School Corporation, and that a full, true and correct copy of the Lease is on file with the Trustee; that construction will begin promptly upon receipt by the Trustee of bond proceeds and that it will complete such construction with all expedition practicable in accordance with the plans and specifications referred to in the Lease;

(b) it will faithfully perform all provisions contained in each Bond and the Trust Indenture and will punctually pay the principal of, premium, if any, and interest on the Bonds;

(c) it is duly authorized under the laws of the State of Indiana to create and issue the Bonds, to execute and deliver the Trust Indenture, and to mortgage and pledge the real estate and rentals and other income of the mortgaged property as provided in the Trust Indenture;

(d) it will promptly make, execute, and deliver all indentures supplemental to the Trust Indenture and to take all action deemed advisable and necessary by the Trustee for the better securing of the Bonds;

(e) it now has and will preserve good title to the property;

(f) it will maintain the priority of the lien created under the Trust Indenture, that it will not permit any waste of said property, and that it will at all times maintain the property in good working condition;

(g) it will maintain proper books and records and: (i) furnish statements showing earnings, expenses and financial condition of the Building Corporation and such information as the Trustee may reasonably request, (ii) within 90 days of each calendar year, file with the Trustee, a certificate signed by officers of the Building Corporation stating that all insurance premiums required under the Trust Indenture have been paid by the Building Corporation and that all taxes then due have been paid, subject to permissible contests, (iii) upon the request of any bondholder, will request from the Lessee the current financial statements of the Lessee for review by the bondholder;

(h) it will not incur any indebtedness payable from the Lease other than the Bonds permitted by the Trust Indenture, and Additional Bonds, as long as the Bonds are outstanding;

(i) it will, upon any default in payment of lease rentals, file a claim with the Treasurer of the State of Indiana, bring suits to mandate the appropriate officers of the School Corporation to levy the necessary tax to pay rents under the Lease or to take such other appropriate action necessary to enforce and collect the rentals due;

(j) the proceeds of the Bonds, any moneys received from lease rentals payable according to the Lease, amounts received from the investment of the proceeds of the Bonds or other amounts received shall not be invested in such manner which would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code; and

(k) in order to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes and as an inducement to purchasers of the Bonds, no proceeds thereof will be loaned to any entity or person, nor will they be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of such proceeds. Furthermore, the Building Corporation will, to the extent necessary to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes, rebate all required arbitrage profits on such proceeds or other moneys treated as such proceeds to the United States Government and will set aside such moneys in the Rebate Fund to be held by the Trustee in trust for such purposes. Additionally, the Building Corporation covenants that it will not take any action nor fail to take any action with respect to the Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103 of the Code.

Insurance

The Building Corporation covenants that during construction of the Project it will carry or cause the School Corporation to carry the following kinds of risks insurance (a) builders risk insurance in the amount of 100% of the insurable value of the mortgaged property against physical loss or damage, and (b) bodily injury and property damage insurance for damages for bodily injury, including accidental death, as well as claims for property damages which may arise from such construction.

The Building Corporation further covenants that all contracts for the construction of the Project will or do require the contractor to carry such insurance as will protect the contractor from liability under the Indiana Worker's Compensation and Worker's Occupational Disease Act.

The Building Corporation covenants to carry or cause the School Corporation to carry the following kinds of insurance after completion of construction: (a) physical loss or damage insurance on the mortgaged property in the amount of the full replacement cost of the property; (b) business income coverage or other similar insurance providing "rental value" coverage and naming the Lessor as an additional insured. Such "rental value" coverage shall include limits in an amount at least sufficient to meet the payments for two (2) years of the net rent, impositions and other charges provided for in the Lease, and (c) bodily injury and property damage insurance naming the Corporation as an insured against claims for damages for bodily injury, including accidental death, as well as claims for property damages with reference to the Leased Premises in an amount not less than One Million Dollars ($1,000,000) on account of each occurrence.

The proceeds of any insurance shall be applied by the Building Corporation to the repair, replacement or reconstruction of any damaged or destroyed property, if the cost of such repair, replacement or reconstruction does not exceed the proceeds of insurance. In addition, the Trustee may repair, replace, or reconstruct the mortgaged property if the Building Corporation fails to do so. If, at any time, the mortgaged property is totally or substantially destroyed, and the amount of insurance moneys received on account thereof by the Trustee is sufficient to redeem all of the outstanding Bonds, the Building Corporation with the written approval of the School Corporation may direct the Trustee to use said money for the purpose of calling for redemption all of the Bonds issued and then outstanding under the Trust Indenture at the then current redemption price.

Events of Default and Remedies

Events of default under the Trust Indenture include: failure to pay the principal of, or the redemption premiums, if any, on any of the Bonds; failure to pay interest on the Bonds as it becomes due and payable; occurrence of certain events of bankruptcy or insolvency of the

Building Corporation; default in the performance or observance of any other of the covenants, agreements or conditions by the Building Corporation under the Trust Indenture and the continuance of such default for sixty (60) days after written notice; failure of the Building Corporation to bring suit to mandate the appropriate officials of the School Corporation to levy a tax to pay the rentals provided under the Lease; and nonpayment of the lease rental within 90 days of when due as provided under the Lease.

Upon the happening and continuance of any event of default, the Trustee may, and upon written request of the holders of twenty-five percent (25%) in principal amount of the Bonds then outstanding and upon being indemnified to its reasonable satisfaction shall, declare the principal amount of and interest accrued on all outstanding Bonds immediately due and payable; subject, however, to the rights of the holders of the majority in principal amount of all the outstanding Bonds to annul such declaration if all such events have been cured, all arrears of interest have been paid and all other indebtedness secured by the Trust Indenture except the principal and interest not then due has also been paid.

Upon the occurrence of one or more events of default, the Building Corporation, upon demand of the Trustee, shall forthwith surrender the possession of the property and the Trustee may take possession of all the mortgaged property and hold, operate and manage the same for the purpose of insuring payments on the Bonds until the event of default has been cured.

Upon the occurrence of one or more events of default, the Trustee may, and shall upon written request of the holders of at least twenty-five percent (25%) in principal amount of the Bonds then outstanding and upon being indemnified to its reasonable satisfaction, pursue any available remedy by suit at law or in equity, whether for specific performance of any covenant or agreement contained in the Trust Indenture or in aid of any power granted therein, or for any foreclosure of the Trust Indenture including, to the extent permitted by law, the appointment of a receiver.

Any sale made either under the Trust Indenture, to the extent permitted by law, or by judgment or decree in any judicial proceeding for foreclosure shall be conducted as required by the Trust Indenture. The proceeds of any such sale shall be applied to pay the costs and expenses of the sale or judicial proceedings pursuant to the sale, the expenses of the Trustee and the holders of the Bonds, with interest at the highest rate of interest on any of the Bonds when sold, and the payment of the installments of interest which are due and unpaid in the order of their maturity, next, if the principal of the Bonds is due, to the payment of the principal thereof and the accrued interest thereon pro rata. No holder of all of the Bonds shall have the right to institute any proceeding in law or in equity for the foreclosure of the Trust Indenture, the appointment of a receiver, or for any other remedy under the Trust Indenture without complying with the provisions of the Trust Indenture.

Supplemental Indentures

The Building Corporation and the Trustee may, without obtaining the approval of the holders of the Bonds, enter into supplemental indentures to cure any ambiguity or formal defect or omission in the Trust Indenture; or to grant to the Trustee for the benefit of such holders any additional rights, remedies, powers, authority or security that may be lawfully granted; or to provide for the issuance of additional parity bonds to finance (i) the payment of claims of contractors, subcontractors, materialmen or laborers or fees; (ii) the completion of construction; (iii) the payment of costs of improvements to the mortgaged property; and (iv) a partial refunding of the Bonds.

The holders of not less than 66-2/3% in aggregate principal amount of the Bonds then outstanding shall have the right, from time to time except when contrary to the Trust Indenture, to approve the execution by the Building Corporation and the Trustee of such supplemental indentures, except no supplemental indenture shall permit:

(a) An extension of the maturity of the principal of or interest on any Bond;

(b) A reduction in the principal amount of any Bond or the redemption premium or the rate of interest;

(c) The creation of a lien upon the mortgaged property taking priority or on a parity with the lien created by the Trust Indenture;

(d) A preference or priority of any Bond or Bonds over any other Bond or Bonds; or

(e) A reduction in the aggregate principal amount of the Bonds required for consent to supplemental indentures.

If the owners of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the bonds outstanding at the time of the execution of such supplemental indenture shall have consented to and approved the execution thereof as provided in the Trust Indenture, no owner of any bond shall have any right to object to the execution of such supplemental indenture or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Building Corporation from executing the same, or from taking any action pursuant to the provisions thereof.

Upon the execution of any supplemental indenture pursuant to the provisions of the Trust Indenture, the Trust Indenture shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties and obligations under the Trust Indenture of the Building Corporation, the Trustee, and all owners of bonds then outstanding shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

Possession Until Default, Defeasance, Payment, Release

Subject to the rights of the Trustee and the holders of the Bonds in the event of the occurrence and continuance of an event of default, the Building Corporation shall have the right of full possession, enjoyment and control of all the mortgaged property. While in possession of the mortgaged property, and while not in default under the Trust Indenture, the Building Corporation shall have the right at all times to alter, change, add to, repair, or replace any of the property constituting a part of the mortgaged property so long as the value of the mortgaged property and the security of the Bonds shall not be substantially impaired or reduced. The Trustee may release any mortgaged property which has become unfit or unnecessary for use pursuant to the Trust Indenture. If new property is purchased or acquired in substitution for the mortgaged property so released, the new property shall become subject to the lien and the operation of the Trust Indenture. If no new property is purchased with the proceeds of any sale or mortgaged property within ninety (90) days after the receipt of the proceeds, the proceeds shall be deposited in the Operation and Reserve Fund.

The Building Corporation may pay and discharge the entire indebtedness on all Bonds outstanding:

(a) by paying the whole amount of the principal and interest and the premium if any, due and payable upon all of the Bonds then outstanding; or

(b) by depositing with the Trustee (i) sufficient money, (ii) direct obligations of the United States of America (the "Government Securities") or (iii) time certificates of deposit of a bank or banks secured as to both principal and interest by Government Securities in amounts sufficient to pay or redeem all Bonds outstanding.

If the whole amount of the principal, premium, if any, and interest so due and payable upon all of the Bonds then outstanding shall be paid or provision made for payment, then the right, title and interest of the Trustee shall thereupon cease, terminate and become void. Upon termination of the Trustee's title, the Trustee shall release the Trust Indenture and return to the Building Corporation any surplus in the Sinking Fund and Operation and Reserve Fund and any other funds other than moneys held for redemption or payment of Bonds.

APPENDIX E

October _____, 2016

Re: Wa-Nee Community School Building Corporation
Ad Valorem Property Tax First Mortgage Bonds, Series 2016
Total Issue: $22,000,000
Original Date: October ____, 2016

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by Wa-Nee Community School Building Corporation (the "Issuer") of $22,000,000 of Ad Valorem Property Tax First Mortgage Bonds, Series 2016 with an Original Date of October _____, 2016 (the "Bonds"), pursuant to Indiana Code 20-47-3 (the "Act") and a Trust Indenture (the "Indenture") between the Issuer and __________________________________, as Trustee (the "Trustee"), dated as of October 1, 2016. We have examined the law and the certified transcript of proceedings of the Issuer relative to the authorization, issuance and sale of the Bonds and such other papers as we deem necessary to render this opinion. We have relied upon the certified transcript of proceedings and certificates of public officials, including the Issuer's tax covenants and representations ("Tax Representations"), and we have not undertaken to verify any facts by independent investigation.

We have also relied upon a commitment for title insurance as to title to the real estate described in the Indenture.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or any other offering material relating to the Bonds, and we express no opinion relating thereto.

Based on our examination, we are of the opinion, as of the date hereof, as follows:

1. The Lease Agreement (the "Lease") between the Issuer, as lessor, and Wa-Nee Community Schools (the "School Corporation"), as lessee, executed June 13, 2016, and extending for a term of twenty-two (22) years, has been duly entered into in accordance with the provisions of the Act, and is a valid and binding lease. All taxable property in the School Corporation is subject to ad valorem taxation to pay the lease rental; however, the School Corporation's collection of the levy may be limited by operation of I.C. 6-1.1-20.6, which provides taxpayers with tax credits for property taxes attributable to different classes of property in an amount that exceeds certain percentages of the gross assessed value of that property. The School Corporation is required by law to fully fund the payment of its lease rentals in an amount

sufficient to pay the lease rentals, regardless of any reduction in property tax collections due to the application of such tax credits. Pursuant to the Lease, the School Corporation is required by law annually to pay the lease rentals, which commence during renovation on June 30, 2017, and which full lease rentals commence with the later of completion of renovation, improvement and construction of the school building or June 30, 2019.

2. The Issuer has duly authorized, sold, executed and delivered the Bonds and has duly authorized and executed the Indenture securing the same, and the Indenture has been duly recorded. The Bonds are the valid and binding obligations of the Issuer secured by a mortgage on the property described in the Indenture, and are expected to be on a parity basis with the Issuer's Ad Valorem Property Tax First Mortgage Bonds, Series 2017, when and if issued. Any foreclosure of the mortgage would, if the School Corporation is not in default in the payment of rentals as provided in the Lease, be subject to the rights of the School Corporation under the Lease.

3. Under statutes, decisions, regulations and rulings existing on this date, the interest on the Bonds is exempt from income taxation in the State of Indiana (the "State"). This opinion relates only to the exemption of interest on the Bonds from State income taxation.

4. Under federal statutes, decisions, regulations and rulings existing on this date, the interest on the Bonds is excludable from gross income of the owners for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986 (the "Code"), is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, but is taken into account in determining adjusted current earnings for the purpose of computing the federal alternative minimum tax imposed on certain corporations. This opinion is conditioned upon compliance by the School Corporation subsequent to the date hereof with its Tax Representations. Failure to comply with the Tax Representations could cause interest on the Bonds to lose the exclusion from gross income for federal income tax purposes retroactive to their date of issue.

It is to be understood that the rights of the registered owners of the Bonds and the enforceability of the Bonds and the Indenture, as well as the rights of the Issuer and the Trustee and the enforceability of the Lease may be subject to (i) bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of law and equity; and (ii) the valid exercise of the constitutional powers of the State and the United States of America.

Very truly yours,

APPENDIX F

MASTER CONTINUING DISCLOSURE UNDERTAKING

This MASTER CONTINUING DISCLOSURE UNDERTAKING dated as of October _____, 2016 (the "Master Undertaking") is executed and delivered by WA-NEE COMMUNITY SCHOOLS (the "Obligor") for the purpose of permitting various Underwriters (as hereinafter defined) of the Obligations (as hereinafter defined) issued by or on behalf of the Obligor from time to time to purchase such Obligations in compliance with the Securities and Exchange Commission ("SEC") Rule 15c2-12 (the "SEC Rule") as amended;

WITNESSETH THAT:

Section 1. Definitions. The words and terms defined in this Master Undertaking shall have the meanings herein specified unless the context or use clearly indicates another or different meaning or intent. Those words and terms not expressly defined herein and used herein with initial capitalization where rules of grammar do not otherwise require capitalization, shall have the meanings assigned to them in the SEC Rule.

(1) "Holder" or any similar term, when used with reference to any Obligation or Obligations, means any person who shall be the registered owner of any outstanding Obligation, or the owner of a beneficial interest in such Obligation.

(2) "EMMA" is Electronic Municipal Market Access System established by the MSRB.

(3) "Final Official Statement" means, with respect to any Obligations, the final Official Statement relating to such Obligations, including any document or set of documents included by specific reference to such document or documents available to the public on EMMA.

(4) "MSRB" means the Municipal Securities Rulemaking Board.

(5) "Obligated Person" means any person, including the Obligor, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all or a part of the obligations on the Obligations (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities). All Obligated Persons with respect to Obligations currently are identified in Section 3 below.

(6) "Obligations" means the various obligations issued by or on behalf of WA-NEE COMMUNITY SCHOOLS, as listed on Exhibit A, as the same shall be amended or supplemented from time to time.

(7) "Underwriter" or "Underwriters" means, with respect to any Obligations, the underwriter or underwriters of such Obligations pursuant to the applicable purchase agreement for such Obligations.

Section 2. Obligations; Term. (a) This Master Undertaking applies to the Obligations.

(b) The term of this Master Undertaking extends from the date of delivery of the Master Undertaking by the Obligor to the earlier of (i) the date of the last payment of principal or redemption price, if any, of, and interest to accrue on, all Obligations or (ii) the date all Obligations are defeased under the respective trust indentures or respective resolutions.

Section 3. Obligated Persons. The Obligor hereby represents and warrants as of the date hereof that the only Obligated Person with respect to the Obligations is the Obligor. If any such person is no longer committed by contract or other arrangement to support payment of the Obligations, such person shall no longer be considered an Obligated Person within the meaning of the SEC Rule and the continuing obligation under this Master Undertaking to provide annual financial information and notices of events shall terminate with respect to such person.

Section 4. Provision of Financial Information. (a) The Obligor hereby undertakes to provide, with respect to the Obligations, the following financial information, in each case (i) in an electronic format as prescribed by the MSRB and (ii) accompanied by identifying information as prescribed by the MSRB:

(1) To the MSRB, the audited financial statements of the Obligor as prepared and examined by the Indiana State Board of Accounts on a biennial basis for each period of two fiscal years, together with the opinion of the reviewers thereof and all notes thereto (collectively, the "Audited Information"), by the June 30 immediately following each biennial period. Such disclosure of Audited Information shall first occur by June 30, 2017, and shall be made by June 30 every two years thereafter, if the Audited Information is delivered to the Obligor by June 30 of each biennial period. If, however, the Obligor has not received the Audited Information by such June 30 biennial date, the Obligor agrees to (i) post a voluntary notice to the MSRB by June 30 of such biennial period that the Audited Information has not been received, and (ii) post the Audited Information within 60 days of the Obligor's receipt thereof; and

(2) To the MSRB, no later than June 30 of each year beginning June 30, 2017, the most recent unaudited annual financial information for the Obligor including (i) unaudited financial statements of the Obligor, and (ii) operating data (excluding any demographic information or forecast) of the general type provided under the general categories of headings as described below (collectively, the "Annual Information"), which Annual Information may be provided in such format and under such headings as the School Corporation deems appropriate:

APPENDIX A

WA-NEE COMMUNITY SCHOOLS
- Enrollment

GENERAL ECONOMIC AND FINANCIAL INFORMATION
- Schedule of Historical Net Assessed Valuation
- Detail of Net Assessed Valuation
- Comparative Schedule of Tax Rates
- Property Taxes Levied and Collected
- Large Taxpayers
- Summary of Revenues and Expenditures by Fund

(b) If any Annual Information or Audited Information relating to the Obligor referred to in paragraph (a) of this Section 4 no longer can be provided because the operations to which they relate have been materially changed or discontinued, a statement to that effect, provided by the Obligor to the MSRB, along with any other Annual Information or Audited Information required to be provided under this Master Undertaking, shall satisfy the undertaking to provide such Annual Information or Audited Information. To the extent available, the Obligor shall cause to be filed along with the other Annual Information or Audited Information operating data similar to that which can no longer be provided.

(c) The disclosure may be accompanied by a certificate of an authorized representative of the Obligor in the form of Exhibit B attached hereto.

(d) The Obligor agrees to make a good faith effort to obtain Annual Information and Audited Information. However, failure to provide any component of Annual Information and Audited Information, because it is not available to the Obligor on the date by which Annual Information is required to be provided hereunder, shall not be deemed to be a breach of this Master Undertaking. The Obligor further agrees to supplement the Annual Information or Audited Information filing when such data is available.

(e) Annual Information or Audited Information required to be provided pursuant to this Section 4 may be provided by a specific reference to such Annual Information or Audited Information already prepared and previously provided to the MSRB. Any information included by reference shall also be (i) available to the public on EMMA at www.emma.msrb.org, or (ii) filed with the SEC.

(f) All continuing disclosure filings under this Master Undertaking shall be made in accordance with the terms and requirements of the MSRB at the time of such filing. As of the date of this Master Undertaking, the SEC has approved the submission of continuing disclosure filings on EMMA, and the MSRB has requested that such filings be made by transmitting such filings electronically to EMMA currently found at www.emma.msrb.org.

Section 5. Accounting Principles. The Annual Information will be prepared on a cash basis as prescribed by the State Board of Accounts, as in effect from time to time, as described in the auditors' report and notes accompanying the audited financial statements of the

Obligor or those mandated by state law from time to time. The Audited Information of the Obligor, as described in Section 4(a)(1) hereof, will be prepared in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

Section 6. Reportable Events. The Obligor undertakes to disclose the following events within 10 business days of the occurrence of any of the following events, if material (which determination of materiality shall be made by the Obligor in accordance with the standards established by federal securities laws), to the MSRB, in each case (i) in an electronic format as prescribed by the MSRB and (ii) accompanied by identifying information as prescribed by the MSRB:

(1) non-payment related defaults;

(2) modifications to rights of Holders;

(3) bond calls;

(4) release, substitution or sale of property securing repayment of the Obligations;

(5) the consummation of a merger, consolidation, or acquisition, or certain asset sales, involving the obligated person, or entry into or termination of a definitive agreement relating to the foregoing; and

(6) appointment of a successor or additional trustee or the change of name of a trustee.

The Obligor undertakes to disclose the following events, within 10 business days of the occurrence of any of the following events, regardless of materiality, to the MSRB, in each case (i) in an electronic format as prescribed by the MSRB and (ii) accompanied by identifying information as prescribed by the MSRB:

(1) principal and interest payment delinquencies;

(2) unscheduled draws on debt service reserves reflecting financial difficulties;

(3) unscheduled draws on credit enhancements reflecting financial difficulties;

(4) substitution of credit or liquidity providers, or their failure to perform;

(5) defeasances;

(6) rating changes;

(7) adverse tax opinions or events affecting the status of the Obligations, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed

Issue (IRS Form 5701-TEB) or other material events, notices or determinations with respect to the tax status of the Obligations;

(8) tender offers; and

(9) bankruptcy, insolvency, receivership or similar event of the obligated person.

The disclosure may be accompanied by a certificate of an authorized representative of the Obligor in the form of Exhibit C attached hereto.

Section 7. Use of Agent. The Obligor may, at its sole discretion, utilize an agent (the "Dissemination Agent") in connection with the dissemination of any information required to be provided by the Obligor pursuant to the SEC Rule and the terms of this Master Undertaking. If a Dissemination Agent is selected for these purposes, the Obligor shall provide prior written notice thereof (as well as notice of replacement or dismissal of such agent) to EMMA, and the MSRB.

Further, the Obligor may, at its sole discretion, retain counsel or others with expertise in securities matters for the purpose of assisting the Obligor in making judgments with respect to the scope of its obligations hereunder and compliance therewith, all in order to further the purposes of this Master Undertaking.

Section 8. Failure to Disclose. If, for any reason, the Obligor fails to provide the Audited Information or Annual Information as required by this Master Undertaking, the Obligor shall provide notice of such failure in a timely manner to EMMA or to the MSRB, in the form of the notice attached as Exhibit D.

Section 9. Remedies. (a) The purpose of this Master Undertaking is to enable the Underwriters to purchase the Obligations by providing for an undertaking by the Obligor in satisfaction of the SEC Rule. This Master Undertaking is solely for the benefit of (i) the Underwriters, and (ii) the Holders, and creates no new contractual or other rights for, nor can it be relied upon by, the SEC, underwriters, brokers, dealers, municipal securities dealers, potential customers, other Obligated Persons or any other third party. The sole remedy against the Obligor for any failure to carry out any provision of this Master Undertaking shall be for specific performance of the Obligor's disclosure obligations hereunder and not for money damages of any kind or in any amount or for any other remedy. The Obligor's failure to honor its covenants hereunder shall not constitute a breach or default of the Obligations or any other agreement to which the Obligor is a party and shall not give rise to any other rights or remedies.

(b) Subject to paragraph (e) of this Section 9, in the event the Obligor fails to provide any information required of it by the terms of this Master Undertaking, any holder of Obligations may pursue the remedy set forth in the preceding paragraph in any court of competent jurisdiction in the State of Indiana. An affidavit to the effect that such person is a holder of Obligations supported by reasonable documentation of such claim shall be sufficient to evidence standing to pursue this remedy.

(c) Subject to paragraph (e) of this Section 9, any challenge to the adequacy of the information provided by the Obligor by the terms of this Master Undertaking may be pursued only by holders of not less than 25% in principal amount of Obligations then outstanding in any court of competent jurisdiction in the State of Indiana. An affidavit to the effect that such persons are holders of Obligations supported by reasonable documentation of such claim shall be sufficient to evidence standing to pursue the remedy set forth in the preceding paragraph.

(d) If specific performance is granted by any such court, the party seeking such remedy shall be entitled to payment of costs by the Obligor and to reimbursement by the Obligor of reasonable fees and expenses of attorneys incurred in the pursuit of such claim. If specific performance is not granted by any such court, the Obligor shall be entitled to payment of costs by the party seeking such remedy and to reimbursement by such party of reasonable fees and expenses of attorneys incurred in the pursuit of such claim.

(e) Prior to pursuing any remedy for any breach of any obligation under this Master Undertaking, a holder of Obligations shall give notice to the Obligor and the respective issuer of each obligation, by registered or certified mail, of such breach and its intent to pursue such remedy. Thirty (30) days after the receipt of such notice, upon earlier response from the Obligor to this notice indicating continued noncompliance, such remedy may be pursued under this Master Undertaking if and to the extent the Obligor has failed to cure such breach.

Section 10. Additional Information. Nothing in this Master Undertaking shall be deemed to prevent the Obligor from disseminating any other information, using the means of dissemination set forth in this Master Undertaking or any other means of communication, or including any other information in any Annual Information or notice of occurrence of a reportable event, in addition to that which is required by this Master Undertaking.

Section 11. Modification of Master Undertaking. The Obligor may, from time to time, amend or modify this Master Undertaking without the consent of or notice to the holders of the Obligations if either (a)(i) such amendment or modification is made in connection with a change in circumstances that arises from a change in legal requirements, change in law (including but not limited to a change in law which requires a change in the Obligor's policies or accounting practices) or change in the identity, nature or status of the Obligor, or type of business conducted, (ii) this Master Undertaking, as so amended or modified, would have complied with the requirements of the SEC Rule on the date hereof, after taking into account any amendments or interpretations of the SEC Rule, as well as any change in circumstances, and (iii) such amendment or modification does not materially impair the interests of the holders of the Obligations, as determined either by (A) nationally recognized bond counsel or (B) an approving vote of the holders of the Obligations pursuant to the terms of any Trust Indenture at the time of such amendment or modification; or (b) such amendment or modification (including an amendment or modification which rescinds this Master Undertaking) is otherwise permitted by the SEC Rule, as then in effect.

Section 12. Interpretation Under Indiana Law. It is the intention of the parties hereto that this Master Undertaking and the rights and obligations of the parties hereunder shall be governed by, and construed and enforced in accordance with, the law of the State of Indiana.

Section 13. Severability Clause. In case any provision in this Master Undertaking shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 14. Successors and Assigns. All covenants and agreements in this Master Undertaking made by the Obligor shall bind its successors, whether so expressed or not.

IN WITNESS WHEREOF, the Obligor has caused this Master Undertaking to be executed as of the day and year first hereinabove written.

WA-NEE COMMUNITY SCHOOLS, as Obligor

By: ______________________________

____________________________, President
Board of School Trustees

____

______________________, Secretary
Board of School Trustees

EXHIBIT A

OBLIGATIONS

Name of Issue	Base CUSIP	Final Maturity
Ad Valorem Property Tax First Mortgage Bonds, Series 2016		

EXHIBIT B

CERTIFICATE RE: [ANNUAL INFORMATION][AUDITED INFORMATION] DISCLOSURE

The undersigned, on behalf of the WA-NEE COMMUNITY SCHOOLS, as the Obligor under the Master Continuing Disclosure Undertaking, dated as of October ____, 2016 (the "Master Undertaking"), hereby certifies that the information enclosed herewith constitutes the [Annual Information][Audited Information] (as defined in the Master Agreement) which is required to be provided pursuant to Section 4(a) of the Master Agreement.

Dated: ____________________.

WA-NEE COMMUNITY SCHOOLS

____

DO NOT EXECUTE – FOR FUTURE USE ONLY

EXHIBIT C

CERTIFICATE RE: REPORTABLE EVENT DISCLOSURE

The undersigned, on behalf of the WA-NEE COMMUNITY SCHOOLS, as Obligor under the Master Continuing Disclosure Undertaking, dated as of October ____, 2016 (the "Master Agreement"), hereby certifies that the information enclosed herewith constitutes notice of the occurrence of a reportable event which is required to be provided pursuant to Section 6 of the Master Agreement.

Dated: ___________________.

WA-NEE COMMUNITY SCHOOLS

____

DO NOT EXECUTE – FOR FUTURE USE ONLY

EXHIBIT D

NOTICE TO MSRB OF FAILURE TO FILE INFORMATION

Notice is hereby given that the WA-NEE COMMUNITY SCHOOLS (the "Obligor") did not timely file its [Annual Information][Audited Information] as required by Section 4(a) of the Master Continuing Disclosure Undertaking, dated as of October _______, 2016.

Dated: ____________________

WA-NEE COMMUNITY SCHOOLS

____

DO NOT EXECUTE – FOR FUTURE USE ONLY