UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2022

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 001-38363

HALL OF FAME RESORT & ENTERTAINMENT COMPANY
(Exact name of registrant as specified in its charter)

Delaware	**84-3235695**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2626 Fulton Drive NW
Canton, OH 44718
(Address of principal executive offices)

(330) 458–9176
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock, $0.0001 par value per share	HOFV	Nasdaq Capital Market
Warrants to purchase 1.421333 shares of Common Stock	HOFVW	Nasdaq Capital Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S–T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non–accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b–2 of the Exchange Act.

Large accelerated filer ☐
Non–accelerated filer ☒

Accelerated filer ☐
Smaller reporting company ☒
Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b–2 of the Exchange Act).

Yes ☐ No ☒

As of August 9, 2022, there were 117,629,003 shares of the registrant's Common stock, $0.0001 par value per share, issued and outstanding.

HALL OF FAME RESORT & ENTERTAINMENT COMPANY AND SUBSIDIARIES

FORM 10-Q

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

HALL OF FAME RESORT & ENTERTAINMENT COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	As of	
	June 30, 2022	December 31, 2021
	(unaudited)	
Assets		
Cash	$ 10,615,810	$ 10,282,983
Restricted cash	7,214,439	7,105,057
Accounts receivable, net	2,737,750	2,367,225
Prepaid expenses and other assets	2,573,667	8,350,604
Property and equipment, net	188,252,325	180,460,562
Right of use asset	7,651,080	-
Project development costs	158,722,100	128,721,480
Total assets	$ 377,767,171	$ 337,287,911
Liabilities and stockholders' equity		
Liabilities		
Notes payable, net	$ 122,930,044	$ 101,360,196
Accounts payable and accrued expenses	23,651,149	12,120,891
Due to affiliate	2,746,497	1,818,955
Warrant liability	3,160,000	13,669,000
Lease liability	3,404,682	-
Other liabilities	8,571,212	3,740,625
Total liabilities	164,463,584	132,709,667
Commitments and contingencies (Note 6, 7, and 8)		
Stockholders' equity		
Undesignated preferred stock, $0.0001 par value; 4,932,200 shares authorized; no shares issued or outstanding at June 30, 2022 and December 31, 2021	-	-
Series B convertible preferred stock, $0.0001 par value; 15,200 shares designated; 200 and 15,200 shares issued and outstanding at June 30, 2022 and December 31, 2021, respectively; liquidation preference of $215,011 as of June 30, 2022	-	2
Series C convertible preferred stock, $0.0001 par value; 15,000 shares designated; 15,000 and 0 shares issued and outstanding at June 30, 2022 and December 31, 2021, respectively; liquidation preference of $15,632,500 as of June 30, 2022	2	-
Common stock, $0.0001 par value; 300,000,000 shares authorized; 117,527,249 and 97,563,841 shares issued and outstanding at June 30, 2022 and December 31, 2021, respectively	11,753	9,756
Additional paid-in capital	331,390,931	305,117,091
Accumulated deficit	(117,266,369)	(99,951,839)
Total equity attributable to HOFRE	214,136,317	205,175,010
Non-controlling interest	(832,730)	(596,766)
Total equity	213,303,587	204,578,244
Total liabilities and stockholders' equity	$ 377,767,171	$ 337,287,911

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

HALL OF FAME RESORT & ENTERTAINMENT COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2022	2021	2022	2021
Revenues				
Sponsorships, net of activation costs	$ 452,772	$ 1,508,402	$ 1,272,062	$ 2,983,838
Event, rents and cost recoveries	668,863	60,135	1,006,256	103,680
Hotel revenues	1,563,900	795,222	2,513,741	1,191,560
Total revenues	2,685,535	2,363,759	4,792,059	4,279,078
Operating expenses				
Operating expenses	6,799,280	6,219,781	14,325,979	12,228,780
Hotel operating expenses	1,316,150	1,596,989	2,469,262	2,363,154
Commission expense	516,833	260,583	656,743	427,250
Depreciation expense	3,527,581	2,972,130	6,769,866	5,893,067
Total operating expenses	12,159,844	11,049,483	24,221,850	20,912,251
Loss from operations	(9,474,309)	(8,685,724)	(19,429,791)	(16,633,173)
Other income (expense)				
Interest expense, net	(921,392)	(1,004,419)	(2,134,933)	(1,959,727)
Amortization of discount on note payable	(1,122,324)	(1,164,613)	(2,478,298)	(2,398,727)
Change in fair value of warrant liability	2,423,000	26,315,888	7,173,000	(90,035,112)
(Loss) gain on extinguishment of debt	-	-	(148,472)	390,400
Total other income (expense)	379,284	24,146,856	2,411,297	(94,003,166)
Net (loss) income	$ (9,095,025)	$ 15,461,132	$ (17,018,494)	$ (110,636,339)
Series B preferred stock dividends	(266,000)	(130,000)	(532,000)	(130,000)
Loss attributable to non-controlling interest	158,592	209,921	235,964	160,210
Net (loss) income attributable to HOFRE stockholders	$ (9,202,433)	$ 15,541,053	$ (17,314,530)	$ (110,606,129)
Net (loss) income per share, basic	$ (0.08)	$ 0.16	$ (0.16)	$ (1.30)
Weighted average shares outstanding, basic	113,997,493	94,397,222	109,194,639	84,978,294
Net (loss) income per share, diluted	$ (0.08)	$ -	$ (0.16)	$ (1.30)
Weighted average shares outstanding, diluted	113,997,493	107,353,272	109,194,639	84,978,294

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

HALL OF FAME RESORT & ENTERTAINMENT COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 2022 AND 2021
(unaudited)

	Series B Convertible Preferred stock		Series C Convertible Preferred stock		Common Stock		Additional Paid-In	Retained Earnings (Accumulated	Total Equity Attributable to HOFRE	Non-controlling	Total Stockholders'
	Shares	Amount	Shares	Amount	Shares	Amount	Capital	Deficit)	Stockholders	Interest	Equity
Balance as of January 1, 2021	-	$ -	-	$ -	64,091,266	$ 6,410	$172,112,688	$ (6,840,871)	$ 165,278,227	$ (196,506)	$ 165,081,721
Stock-based compensation on restricted stock units	-	-	-	-	-	-	1,386,543	-	1,386,543	-	$ 1,386,543
February 12, 2021 Capital Raise, net of offering costs	-	-	-	-	12,244,897	1,224	27,560,774	-	27,561,998	-	27,561,998
February 18, 2021 Overallotment, net of offering costs	-	-	-	-	1,836,734	184	4,184,814	-	4,184,998	-	4,184,998
Exercise of Warrants	-	-	-	-	16,005,411	1,601	73,570,976	-	73,572,577	-	73,572,577
Net (loss) income	-	-	-	-	-	-	-	(126,147,182)	(126,147,182)	49,711	(126,097,471)
Balance as of March 31, 2021	-	$ -	-	$ -	94,178,308	$ 9,419	$278,815,795	$(132,988,053)	$ 145,837,161	$ (146,795)	$ 145,690,366
Stock-based compensation on RSU and restricted stock awards	-	-	-	-	-	-	1,620,149	-	1,620,149	-	1,620,149
Issuance of vested RSUs	-	-	-	-	24,028	2	(2)	-	-	-	-
Exercise of warrants	-	-	-	-	669,732	67	3,116,338	-	3,116,405	-	3,116,405
Sale of Series B preferred stock and warrants	15,200	2.00	-	-	-	-	15,199,998	-	15,200,000	-	15,200,000
Series B preferred stock dividends	-	-	-	-	-	-	-	(130,000)	(130,000)		(130,000)
Net income (loss)	-	-	-	-	-	-	-	15,671,053	15,671,053	(209,921)	15,461,132
Balance as of June 30, 2021	15,200	$ 2	-	$ -	94,872,068	$ 9,488	$298,752,278	$(117,447,000)	$ 181,314,768	$ (356,716)	$ 180,958,052
Balance as of January 1, 2022	15,200	$ 2	-	$ -	97,563,841	$ 9,756	$305,117,091	$ (99,951,839)	$ 205,175,010	$ (596,766)	$ 204,578,244
Stock-based compensation on RSU and restricted stock awards	-	-	-	-	-	-	1,287,695	-	1,287,695	-	1,287,695
Stock-based compensation - common stock awards	-	-	-	-	25,000	3	28,497	-	28,500	-	28,500
Issuance of restricted stock awards	-	-	-	-	152,971	15	(15)	-	-	-	-
Vesting of restricted stock units	-	-	-	-	539,058	54	(54)	-	-	-	-
Sale of shares under ATM	-	-	-	-	12,581,986	1,258	14,233,674	-	14,234,932	-	14,234,932
Shares issued in connection with amendment of notes payable	-	-	-	-	860,000	86	802,975	-	803,061	-	803,061
Warrants issued in connection with amendment of notes payable	-	-	-	-	-	-	1,088,515	-	1,088,515	-	1,088,515
Modification of Series C and Series D warrants	-	-	-	-	-	-	3,736,000	-	3,736,000	-	3,736,000
Preferred stock dividends	-	-	-	-	-	-	-	(266,000)	(266,000)	-	(266,000)
Exchange of Series B preferred stock for Series C preferred stock	(15,000)	(2)	15,000	2	-	-	-	-	-	-	-
Net loss	-	-	-	-	-	-	-	(7,846,097)	(7,846,097)	(77,372)	(7,923,469)
Balance as of March 31, 2022	200	$ -	15,000	$ 2	111,722,856	$ 11,172	$326,294,378	$(108,063,936)	$ 218,241,616	$ (674,138)	$ 217,567,478
Stock-based compensation on RSU and restricted stock awards	-	-	-	-	-	-	1,254,724	-	1,254,724	-	1,254,724
Issuance of restricted stock awards	-	-	-	-	44,197	5	(5)	-	-	-	-
Vesting of restricted stock units	-	-	-	-	2,319	-	-	-	-	-	-
Shares issued in connection with issuance of notes payable	-	-	-	-	125,000	13	75,406	-	75,419	-	75,419
Warrants issued in connection with issuance of notes payable	-	-	-	-	-	-	18,709	-	18,709	-	18,709
Sale of shares under ATM	-	-	-	-	5,632,877	563	3,747,719	-	3,748,282	-	3,748,282
Preferred stock dividends	-	-	-	-	-	-	-	(266,000)	(266,000)	-	(266,000)
Net loss	-	-	-	-	-	-	-	(8,936,433)	(8,936,433)	(158,592)	(9,095,025)
Balance as of June 30, 2022	200	$ -	15,000	$ 2	117,527,249	$ 11,753	$331,390,931	$(117,266,369)	$ 214,136,317	$ (832,730)	$ 213,303,587

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

HALL OF FAME RESORT & ENTERTAINMENT COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	For the Six Months Ended June 30,	
	2022	2021
Cash Flows From Operating Activities		
Net loss	$ (17,018,494)	$ (110,636,339)
Adjustments to reconcile net loss to cash flows used in operating activities		
Depreciation expense	6,769,866	5,893,067
Amortization of note discounts	2,478,298	2,398,727
Interest paid in kind	1,681,722	952,012
Loss (gain) on extinguishment of debt	148,472	(390,400)
Change in fair value of warrant liability	(7,173,000)	90,035,112
Stock-based compensation expense	2,570,919	3,006,692
Amortization of right of use asset	90,876	-
Changes in operating assets and liabilities:		
Accounts receivable	(370,525)	675,668
Prepaid expenses and other assets	1,430,448	(2,033,495)
Accounts payable and accrued expenses	8,196,272	(2,060,008)
Operating leases	9,215	-
Due to affiliates	1,777,542	178,436
Other liabilities	4,830,587	(275,640)
Net cash provided by (used in) operating activities	5,422,198	(12,256,168)
Cash Flows From Investing Activities		
Additions to project development costs and property and equipment	(40,022,805)	(26,098,120)
Net cash used in investing activities	(40,022,805)	(26,098,120)
Cash Flows From Financing Activities		
Proceeds from notes payable	20,714,311	6,000,000
Repayments of notes payable	(3,144,677)	(4,309,947)
Payment of financing costs	(210,032)	(15,000)
Proceeds from sale of Series B preferred stock and warrants	-	15,200,000
Proceeds from equity raises	-	31,746,996
Proceeds from exercise of warrants	-	23,346,870
Payment of Series B dividends	(300,000)	-
Proceeds from sale of common stock under ATM	17,983,214	-
Net cash provided by financing activities	35,042,816	71,968,919
Net increase in cash and restricted cash	442,209	33,614,631
Cash and restricted cash, beginning of year	17,388,040	40,053,461
Cash and restricted cash, end of period	$ 17,830,249	$ 73,668,092
Cash	$ 10,615,810	$ 61,908,208
Restricted Cash	7,214,439	11,759,884
Total cash and restricted cash	$ 17,830,249	$ 73,668,092

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

HALL OF FAME RESORT & ENTERTAINMENT COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	For the Six Months Ended June 30,	
	2022	2021
Supplemental disclosure of cash flow information		
Cash paid during the year for interest	$ 3,520,404	$ 1,702,523
Cash paid for income taxes	$ -	$ -
Non-cash investing and financing activities		
Project development cost acquired through accounts payable and accrued expenses, net	$ 4,539,444	$ 5,782,496
Settlement of warrant liability	$ -	$ 53,342,112
Amendment of Series C warrant liability for equity classification	$ 3,336,000	$ -
Amendment of Series C and D warrants	$ 400,000	$ -
Initial value of right of use asset upon adoption of ASC 842	$ 7,741,955	$ -
Accrued Series B preferred stock dividends	$ 232,000	$ 130,000
Amounts due to affiliate exchanged for note payable	$ 850,000	$ -
Shares issued in connection with amendment of notes payable	$ 803,061	$ -
Warrants issued in connection with amendment of notes payable	$ 1,088,515	$ -
Shares issued in connection with issuance of notes payable	$ 75,419	$ -
Warrants issued in connection with issuance of notes payable	$ 18,709	$ -

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

Note 1: Organization and Nature of Business

Organization and Nature of Business

Hall of Fame Resort & Entertainment Company, a Delaware corporation (together with its subsidiaries, unless the context indicates otherwise, the "Company" or "HOFRE"), was incorporated in Delaware as GPAQ Acquisition Holdings, Inc., a wholly owned subsidiary of our legal predecessor, Gordon Pointe Acquisition Corp. ("GPAQ"), a special purpose acquisition company.

On July 1, 2020, the Company consummated a business combination with HOF Village, LLC, a Delaware limited liability company ("HOF Village"), pursuant to an Agreement and Plan of Merger dated September 16, 2019 (as amended on November 6, 2019, March 10, 2020 and May 22, 2020, the "Merger Agreement"), by and among the Company, GPAQ, GPAQ Acquiror Merger Sub, Inc., a Delaware corporation ("Acquiror Merger Sub"), GPAQ Company Merger Sub, LLC, a Delaware limited liability company ("Company Merger Sub"), HOF Village and HOF Village Newco, LLC, a Delaware limited liability company ("Newco"). The transactions contemplated by the Merger Agreement are referred to as the "Business Combination."

The Company is a resort and entertainment company leveraging the power and popularity of professional football and its legendary players in partnership with the National Football Museum, Inc., doing business as the Pro Football Hall of Fame ("PFHOF"). Headquartered in Canton, Ohio, the Company owns the Hall of Fame Village powered by Johnson Controls, a multi-use sports, entertainment, and media destination centered around the PFHOF's campus. The Company is pursuing a differentiation strategy across three pillars, including destination-based assets, HOF Village Media Group, LLC ("Hall of Fame Village Media"), and gaming (including the fantasy football league in which the Company acquired a majority stake in 2020). The Company is located in the only tourism development district in the state of Ohio.

The Company has entered into several agreements with PFHOF, an affiliate of the Company, and certain government entities, which outline the rights and obligations of each of the parties with regard to the property on which the Hall of Fame Village powered by Johnson Controls sits, portions of which are owned by the Company and portions of which are net leased to the Company by government and quasi-governmental entities (see Note 9 for additional information). Under these agreements, the PFHOF and the lessor entities are entitled to use portions of the Hall of Fame Village powered by Johnson Controls on a direct-cost basis.

COVID-19

Since 2020, the world has been impacted by the novel coronavirus ("COVID-19") pandemic. The COVID-19 pandemic and measures to prevent its spread have impacted the Company's business in a number of ways, most significantly with regard to a reduction in the number of events and attendance at events at Tom Benson Hall of Fame Stadium and ForeverLawn Sports Complex, which has also negatively impacted the Company's ability to sell sponsorships. Further, the COVID-19 pandemic has caused a number of supply chain disruptions, which have negatively impacted the Company's ability to obtain the materials needed to complete construction as well as increases in the costs of materials and labor. The continued impact of these disruptions and the ultimate extent of their adverse impact on the Company's financial and operating results will continue to be dictated by the length of time that such disruptions continue, which will, in turn, depend on the currently unpredictable duration and severity of the impacts of the COVID-19 pandemic, and among other things, the impact of governmental actions imposed in response to the COVID-19 pandemic as well as individuals' and companies' risk tolerance regarding health matters going forward and developing strain mutations.

Note 1: Organization and Nature of Business (continued)

Liquidity

The Company has sustained recurring losses and negative cash flows from operations through June 30, 2022. Since inception, the Company's operations have been funded principally through the issuance of debt and equity. As of June 30, 2022, the Company had approximately $11 million of unrestricted cash and cash equivalents and $7 million of restricted cash.

On March 1, 2022, the Company and ErieBank agreed to extend the MKG DoubleTree Loan (as defined in Note 4) in principal amount of $15,300,000 to September 13, 2023. See Note 4, Notes Payable, for more information on this transaction.

On March 1, 2022, the Company executed a series of transactions with affiliates of Industrial Realty Group, LLC, a Nevada limited liability company that is controlled by the Company's director Stuart Lichter ("IRG"), and JKP Financial, LLC ("JKP"), whereby the IRG affiliates and JKP extended certain of the Company's debt in aggregate principal amount of $22,853,831 to March 31, 2024. See Note 4, Notes Payable, for more information on this transaction.

On June 16, 2022, the Company entered into a loan agreement with CH Capital Lending, LLC, which is an affiliate of the Company's director Stuart Lichter ("CH Capital Lending"), whereby CH Capital Lending agreed to lend the Company $10,500,000.

On June 16, 2022, the Company entered into a loan agreement with Stark Community Foundation, whereby Stark Community Foundation agreed to lend to the Company $5,000,000, of which $2,500,000 has been provided to the Company to date. See Stark Community Foundation Loan under Note 4, Notes Payable, for more information on this transaction.

On July 1, 2022, the Company entered into an Energy Project Cooperative Agreement (the "EPC Agreement") with Canton Regional Energy Special Improvement District, Inc., SPH Canton St, LLC, an affiliate of Stonehill Strategic Capital, LLC and City of Canton, Ohio. Under the EPC Agreement, the Company was provided $33,387,844 in Property Assessed Clean Energy ("PACE") financing. See Note 12, Subsequent Events, for more information on this transaction.

The Company believes that, as a result of the Company's demonstrated historical ability to finance and refinance debt, the transactions described above and its current ongoing negotiations, it will have sufficient cash and future financing to meet its funding requirements over the next 12 months from the issuance of these unaudited condensed consolidated financial statements. Notwithstanding, the Company expects that it will need to raise additional financing to accomplish its development plan over the next several years. The Company is seeking to obtain additional funding through debt, construction lending, and equity financing. There are no assurances that the Company will be able to raise capital on terms acceptable to the Company or at all, or that cash flows generated from its operations will be sufficient to meet its current operating costs. If the Company is unable to obtain sufficient amounts of additional capital, it may be required to reduce the scope of its planned development, which could harm its financial condition and operating results.

Note 2: Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial information and Rule 10 of Regulation S-X under the Securities Act of 1933, as amended (the "Securities Act"). Accordingly, they do not include all of the information and notes required by U.S. GAAP. However, in the opinion of the management of the Company, all adjustments necessary for a fair presentation of the financial position and operating results have been included in these statements. These unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Form 10-K for the year ended December 31, 2021, filed on March 14, 2022. Operating results for the three and six months ended June 30, 2022 are not necessarily indicative of the results that may be expected for any subsequent quarters or for the year ending December 31, 2022.

Consolidation

The unaudited condensed consolidated financial statements include the accounts and activity of the Company and its wholly owned subsidiaries. Investments in a variable interest entity in which the Company is not the primary beneficiary, or where the Company does not own a majority interest but has the ability to exercise significant influence over operating and financial policies, are accounted for using the equity method. All intercompany profits, transactions, and balances have been eliminated in consolidation.

The Company owns a 60% interest in Mountaineer GM, LLC ("Mountaineer"), whose results are consolidated into the Company's results of operations. The portion of Mountaineer's net income (loss) that is not attributable to the Company is included in non-controlling interest.

Emerging Growth Company

The Company is an "emerging growth company," as defined in Section 2(a) of the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). It may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in its periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. The Company will cease to be an emerging growth company on January 30, 2023.

Further, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Securities Exchange Act of 1934, as amended) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies, but any such election to opt out is irrevocable. The Company has elected not to opt out of such an extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, the Company, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of the Company's financial statements with another public company which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

Use of Estimates

The preparation of the unaudited condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. The most significant estimates and assumptions for the Company relate to bad debt, depreciation, costs capitalized to project development costs, useful lives of assets, stock-based compensation, and fair value of financial instruments (including the fair value of the Company's warrant liability). Management adjusts such estimates when facts and circumstances dictate. Actual results could differ from those estimates.

Note 2: Summary of Significant Accounting Policies (continued)

Warrant Liability

The Company accounts for warrants for shares of the Company's common stock, par value $0.0001 per share ("Common Stock") that are not indexed to its own stock as liabilities at fair value on the balance sheet under U.S. GAAP. Such warrants are subject to remeasurement at each balance sheet date and any change in fair value is recognized as a component of other expense on the statement of operations. The Company will continue to adjust the liability for changes in fair value until the earlier of the exercise or expiration of such Common Stock warrants. At that time, the portion of the warrant liability related to such Common Stock warrants will be reclassified to additional paid-in capital.

Cash and Restricted Cash

The Company considers all highly liquid investments with an original maturity of three months or less when purchased, to be cash equivalents. There were no cash equivalents as of June 30, 2022 and December 31, 2021, respectively. The Company maintains its cash and escrow accounts at national financial institutions. The balances, at times, may exceed federally insured limits.

Restricted cash includes escrow reserve accounts for capital improvements and debt service as required under certain of the Company's debt agreements. The balances as of June 30, 2022 and December 31, 2021 were $7,214,439 and $7,105,057, respectively.

Accounts Receivable

Accounts receivable are generally amounts due under sponsorship and other agreements. Accounts receivable are reviewed for delinquencies on a case-by-case basis and are considered delinquent when the sponsor or debtor has missed a scheduled payment. Interest is not charged on delinquencies.

The carrying amount of accounts receivable is reduced by an allowance that reflects management's best estimate of the amounts that will not be collected. Management individually reviews all delinquent accounts receivable balances and based on an assessment of current creditworthiness, estimates the portion, if any, of the balance that will not be collected. As of June 30, 2022 and December 31, 2021, the Company has recorded an allowance for doubtful accounts of $2,125,000 and $0, respectively.

Note 2: Summary of Significant Accounting Policies (continued)

Revenue Recognition

The Company follows the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") 606, *Revenue with Contracts with Customers,* to properly recognize revenue. Under ASC 606, revenue is recognized when a customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that an entity determines are within the scope of ASC 606, the Company performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

The Company generates revenues from various streams such as sponsorship agreements, rents, cost recoveries, events, hotel operation, Hall of Fantasy League, and through the sale of non-fungible tokens. The sponsorship arrangements, in which the customer sponsors a play area or event and receives specified brand recognition and other benefits over a set period of time, recognize revenue on a straight-line basis over the time period specified in the contract. The excess of amounts contractually due over the amounts of sponsorship revenue recognized are included in other liabilities on the accompanying condensed consolidated balance sheets. Contractually due but unpaid sponsorship revenue are included in accounts receivable on the accompanying condensed consolidated balance sheet. Refer to Note 6 for more details. Revenue for rents, cost recoveries, and events are recognized at the time the respective event or service has been performed. Rental revenue for long term leases is recorded on a straight-line basis over the term of the lease beginning on the commencement date.

A performance obligation is a promise in a contract to transfer a distinct good or service to a customer. If the contract does not specify the revenue by performance obligation, the Company allocates the transaction price to each performance obligation based on its relative standalone selling price. Such prices are generally determined using prices charged to customers or using the Company's expected cost plus margin. Revenue is recognized as the Company's performance obligations are satisfied. If consideration is received in advance of the Company's performance, including amounts which are refundable, recognition of revenue is deferred until the performance obligation is satisfied or amounts are no longer refundable.

The Company's owned hotel revenues primarily consist of hotel room sales, revenue from accommodations sold in conjunction with other services (e.g., package reservations), food and beverage sales, and other ancillary goods and services (e.g., parking) related to owned hotel properties. Revenue is recognized when rooms are occupied or goods and services have been delivered or rendered, respectively. Payment terms typically align with when the goods and services are provided. Although the transaction prices of hotel room sales, goods, and other services are generally fixed and based on the respective room reservation or other agreement, an estimate to reduce the transaction price is required if a discount is expected to be provided to the customer. For package reservations, the transaction price is allocated to the performance obligations within the package based on the estimated standalone selling price of each component.

Note 2: Summary of Significant Accounting Policies (continued)

Income Taxes

The Company utilizes an asset and liability approach for financial accounting and reporting for income taxes. The provision for income taxes is based upon income or loss after adjustment for those permanent items that are not considered in the determination of taxable income. Deferred income taxes represent the tax effects of differences between the financial reporting and tax basis of the Company's assets and liabilities at the enacted tax rates in effect for the years in which the differences are expected to reverse.

The Company evaluates the recoverability of deferred tax assets and establishes a valuation allowance when it is more likely than not that some portion or all the deferred tax assets will not be realized. Management makes judgments as to the interpretation of the tax laws that might be challenged upon an audit and cause changes to previous estimates of tax liability. In management's opinion, adequate provisions for income taxes have been made. If actual taxable income by tax jurisdiction varies from estimates, additional allowances or reversals of reserves may be necessary.

Tax benefits are recognized only for tax positions that are more likely than not to be sustained upon examination by tax authorities. The amount recognized is measured as the largest amount of benefit that is greater than 50 percent likely to be realized upon settlement. A liability for "unrecognized tax benefits" is recorded for any tax benefits claimed in the Company's tax returns that do not meet these recognition and measurement standards. As of June 30, 2022 and December 31, 2021, no liability for unrecognized tax benefits was required to be reported.

The Company's policy for recording interest and penalties associated with tax audits is to record such items as a component of general and administrative expense. There were no amounts incurred for penalties and interest during the three or six months ended June 30, 2022 and 2021. The Company does not expect its uncertain tax position to change during the next twelve months. Management is currently unaware of any issues under review that could result in significant payments, accruals or material deviations from its position. The Company's effective tax rates of zero differ from the statutory rate for the years presented primarily due to the Company's net operating loss, which was fully reserved for all years presented.

The Company has identified its United States tax return and its state tax return in Ohio as its "major" tax jurisdictions, and such returns for the years 2018 through 2021 remain subject to examination.

Advertising

The Company expenses all advertising and marketing costs as they are incurred and records them as "Operating expenses" on the Company's condensed consolidated statements of operations. Total advertising and marketing costs for the three months ended June 30, 2022 and 2021 were $374,256 and $72,016, respectively and for the six months ended June 30, 2022 and 2021 were $399,346 and 347,874, respectively.

Note 2: Summary of Significant Accounting Policies (continued)

Software Development Costs

The Company recognizes all costs incurred to establish technological feasibility of a computer software product to be sold, leased, or otherwise marketed as research and development costs. Prior to the point of reaching technological feasibility, all costs shall be expensed when incurred. Once the development of the product establishes technological feasibility, the Company will begin capitalizing these costs. Management exercises its judgement in determining when technological feasibility is established based on when a product design and working model have been completed and the completeness of the working model and its consistency with the product design have been confirmed through testing.

Film and Media Costs

The Company capitalizes all costs to develop films and related media as an asset, included in "project development costs" on the Company's condensed consolidated balance sheet. The costs for each film or media will be expensed over the expected release period.

Fair Value Measurement

The Company follows FASB's ASC 820–10, *Fair Value Measurement*, to measure the fair value of its financial instruments and to incorporate disclosures about fair value of its financial instruments. ASC 820–10 establishes a framework for measuring fair value and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, ASC 820–10 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels.

The three levels of fair value hierarchy defined by ASC 820–10-20 are described below:

Level 1 Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.

Level 2 Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.

Level 3 Pricing inputs that are generally unobservable inputs and not corroborated by market data.

Financial assets or liabilities are considered Level 3 when their fair values are determined using pricing models, discounted cash flow methodologies, or similar techniques and at least one significant model assumption or input is unobservable.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. If the inputs used to measure the financial assets and liabilities fall within more than one level described above, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

The carrying amounts of the Company's financial assets and liabilities, such as cash, prepaid expenses and other current assets, accounts payable, and accrued expenses approximate their fair values due to the short-term nature of these instruments.

The Company uses Levels 1 and 3 of the fair value hierarchy to measure the fair value of its warrant liabilities. The Company revalues such liabilities at every reporting period and recognizes gains or losses on the change in fair value of the warrant liabilities as "change in fair value of warrant liabilities" in the condensed consolidated statements of operations.

The following table provides the financial liabilities measured on a recurring basis and reported at fair value on the balance sheet as of June 30, 2022 and December 31, 2021 and indicates the fair value hierarchy of the valuation inputs the Company utilized to determine such fair value:

	Level	June 30, 2022	December 31, 2021
Warrant liabilities – Public Series A Warrants	1	$ 2,706,000	$ 4,617,000
Warrant liabilities – Private Series A Warrants	3	10,000	110,000
Warrant liabilities – Series B Warrants	3	444,000	2,416,000
Warrant liabilities – Series C Warrants	3	-	6,526,000
Fair value of aggregate warrant liabilities		$ 3,160,000	$ 13,669,000

Note 2: Summary of Significant Accounting Policies (continued)

Fair Value Measurement (continued)

The Series A Warrants issued to the previous shareholders of GPAQ (the "Public Series A Warrants") are classified as Level 1 due to the use of an observable market quote in the active market. Level 3 financial liabilities consist of the Series A Warrants issued to the sponsors of GPAQ (the "Private Series A Warrants"), the Series B Warrants issued in the Company's November 2020 follow-on public offering, and the Series C Warrants issued in the Company's December 2020 private placement ("Series C Warrants"), for which there is no current market for these securities, and the determination of fair value requires significant judgment or estimation. Changes in fair value measurement categorized within Level 3 of the fair value hierarchy are analyzed each period based on changes in estimates or assumptions and recorded appropriately.

Subsequent measurement

The following table presents the changes in fair value of the warrant liabilities:

	Public Series A Warrants	Private Series A Warrants	Series B Warrants	Series C Warrants	Total Warrant Liability
Fair value as of December 31, 2021	$ 4,617,000	$ 110,000	$ 2,416,000	$ 6,526,000	$ 13,669,000
Amendment of warrants to equity classification	-	-	-	(3,336,000)	(3,336,000)
Change in fair value	(1,911,000)	(100,000)	(1,972,000)	(3,190,000)	(7,173,000)
Fair value as of June 30, 2022	$ 2,706,000	$ 10,000	$ 444,000	$ -	$ 3,160,000

On March 1, 2022, the Company and CH Capital Lending amended the Series C Warrants. The Amended and Restated Series C Warrants extend the term of the Series C Warrants to March 1, 2027. The exercise price of $1.40 per share was not modified, but the amendments subject the exercise price to a weighted-average antidilution adjustment. The amendments also remove certain provisions that previously caused the Series C Warrants to be accounted for as a liability.

The key inputs into the Black Scholes valuation model for the Level 3 valuations as of June 30, 2022 and December 31, 2021 are as follows:

	June 30, 2022		March 1, 2022	December 31, 2021		
	Private Series A Warrants	Series B Warrants	Series C Warrants	Private Series A Warrants	Series B Warrants	Series C Warrants
Term (years)	3.0	3.4	3.8	3.5	3.9	4.0
Stock price	$ 0.59	$ 0.59	$ 1.01	$ 1.52	$ 1.52	$ 1.52
Exercise price	$ 11.50	$ 1.40	$ 1.40	$ 11.50	$ 1.40	$ 1.40
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expected volatility	59.9%	57.6%	54.7%	50.6%	50.6%	50.6%
Risk free interest rate	3.0%	3.0%	1.5%	1.3%	1.3%	1.3%
Number of shares	2,103,573	3,760,570	10,036,925	2,103,573	3,760,570	10,036,925
Value (per share)	$ 0.005	$ 0.12	$ 0.33	$ 0.05	$ 0.64	$ 0.65

Note 2: Summary of Significant Accounting Policies (continued)

Net Income (Loss) Per Common Share

Basic net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of common shares outstanding during the periods.

Diluted net income (loss) per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The Company's potentially dilutive common stock equivalent shares, which include incremental common shares issuable upon (i) the exercise of outstanding stock options and warrants, (ii) vesting of restricted stock units and restricted stock awards, and (iii) conversion of preferred stock, are only included in the calculation of diluted net loss per share when their effect is dilutive.

For the three months ended June 30, 2021, the Company calculated net income per share, diluted, as follows:

	For the Three Months Ended June 30, 2021
Numerator for net income per share	
Net income attributable to common stock – basic	$ 15,541,053
Reverse: change in fair value of warrant liabilities	(15,025,888)
Net income available to common stockholders – diluted	$ 515,165
Denominator for net income per share	
Weighted average shares outstanding – basic	94,397,222
Unvested restricted stock awards	477,286
Unvested restricted stock units	3,220,972
Warrants to purchase shares of common stock, treasury method	9,257,792
Weighted average shares outstanding – diluted	107,353,272
Net income per share – basic	$ 0.16
Net income per share – diluted	$ 0.00

For the three and six months ended June 30, 2022, and for the six months ended June 30, 2021, the Company was in a loss position and therefore all potentially dilutive securities would be anti-dilutive and the calculations are presented on the accompanying condensed consolidated statements of operations.

Note 2: Summary of Significant Accounting Policies (continued)

Net Income (Loss) Per Common Share (continued)

At June 30, 2022 and 2021, the following outstanding common stock equivalents have been excluded from the calculation of net loss per share because their impact would be anti-dilutive.

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2022	2021	2022	2021
Warrants to purchase shares of Common Stock	44,137,349	27,214,854	44,137,349	41,112,349
Unvested restricted stock awards	238,643	-	238,643	477,286
Unvested restricted stock units to be settled in shares of Common Stock	2,929,187	-	2,929,187	3,220,972
Shares of Common Stock issuable upon conversion of convertible notes	24,088,729	3,321,706	24,088,729	3,321,706
Shares of Common Stock issuable upon conversion of Series B Preferred Stock	65,359	-	65,359	-
Shares of Common Stock issuable upon conversion of Series C Preferred Stock	10,000,000	-	10,000,000	-
Total potentially dilutive securities	81,459,267	30,536,560	81,459,267	48,132,313

Recent Accounting Standards

In February 2016, FASB issued Accounting Standards Update ("ASU") No. 2016-02, *Leases (Topic 842)*, as modified by subsequently issued ASU Nos. 2018-01, 2018-10, 2018-11, 2018-20, and 2019-01 (collectively "ASU 2016-02"). ASU 2016-02 requires recognition of right-of-use assets and lease liabilities on the balance sheet. In June 2020, FASB issued ASU 2020-05, further extending the effective date by one year making it effective for the Company for annual periods beginning after December 15, 2021 and interim periods within fiscal years beginning after December 15, 2022, with early adoption permitted. Most prominent among the changes in ASU 2016-02 is the lessees' recognition of a right-of-use asset and a lease liability for operating leases. The right-of-use asset and lease liability are initially measured based on the present value of committed lease payments. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition. Expenses related to operating leases are recognized on a straight-line basis, while those related to financing leases are recognized under a front-loaded approach in which interest expense and amortization of the right-of-use asset are presented separately in the statement of operations. Similarly, lessors are required to classify leases as sales-type, finance, or operating with classification affecting the pattern of income recognition. As the Company is an emerging growth company and following private company deadlines, the Company implemented this ASU beginning on January 1, 2022.

Classification for both lessees and lessors is based on an assessment of whether risks and rewards as well as substantive control have been transferred through a lease contract. ASU 2016-02 also requires qualitative and quantitative disclosures to assess the amount, timing, and uncertainty of cash flows arising from leases.

Note 2: Summary of Significant Accounting Policies (continued)

Recent Accounting Standards (continued)

In March 2019, the FASB issued ASU 2019-01, *Leases (Topic 842): Codification Improvements*, which requires an entity (a lessee or lessor) to provide transition disclosures under Topic 250 upon adoption of Topic 842. In February 2020, the FASB issued ASU 2020-02, *Financial Instruments – Credit Losses (Topic 326): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 119 and Update to SEC Section on Effective Date Related to Accounting Standards Update No. 2016-02, Leases*. The ASU adds and amends SEC paragraphs in the ASC to reflect the issuance of SEC Staff Accounting Bulletin No. 119 related to the new credit losses standard and comments by the SEC staff related to the revised effective date of the new leases standard. This new standard is effective for fiscal years beginning after December 15, 2021, including interim periods within fiscal years beginning after December 15, 2022. Upon the adoption of ASC 842 on January 1, 2022, the Company recognized a right of use asset of approximately $7.7 million and corresponding lease liability of approximately $3.4 million. The initial recognition of the ROU asset included the reclassification of approximately $4.4 million of prepaid rent as of January 1, 2022. See Note 11 for additional disclosure regarding the Company's right of use assets and lease liabilities.

In May 2021, the FASB issued ASU No. 2021-04, Earnings Per Share (Topic 260), Debt—Modifications and Extinguishments (Subtopic 470-50), Compensation—Stock Compensation (Topic 718), and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40) Issuer's Accounting for Certain Modifications or Exchanges of Freestanding Equity-Classified Written Call Options. ASU 2021-04 addresses issuer's accounting for certain modifications or exchanges of freestanding equity-classified written call options. ASU 2021-04 is effective for fiscal years beginning after December 15, 2021 and interim periods within those fiscal years, which is fiscal 2023 for us, with early adoption permitted. The Company adopted this ASU on January 1, 2022, which did not have a significant impact on the Company's financial statements.

In August 2020, the FASB issued ASU No. 2020-06, Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity, which amends the accounting standards for convertible debt instruments that may be settled entirely or partially in cash upon conversion. ASU No. 2020-06 eliminates requirements to separately account for liability and equity components of such convertible debt instruments and eliminates the ability to use the treasury stock method for calculating diluted earnings per share for convertible instruments whose principal amount may be settled using shares. Instead, ASU No. 2020-06 requires (i) the entire amount of the security to be presented as a liability on the balance sheet and (ii) application of the "if-converted" method for calculating diluted earnings per share. The required use of the "if-converted" method will not impact the Company's diluted earnings per share as long as the Company is in a net loss position. The guidance in ASU No. 2020-06 is required for annual reporting periods, including interim periods within those annual periods, beginning after December 15, 2021, for public business entities. Early adoption is permitted, but no earlier than annual reporting periods beginning after December 15, 2020, including interim periods within those annual reporting periods. The Company early adopted this guidance for the fiscal year beginning January 1, 2022, and did so on a modified retrospective basis, without requiring any adjustments.

Note 2: Summary of Significant Accounting Policies (continued)

Subsequent Events

Subsequent events have been evaluated through August 11, 2022, the date the condensed consolidated financial statements were issued. Except for as disclosed in Notes 1 and 12, no other events have been identified requiring disclosure or recording.

Note 3: Property and Equipment

Property and equipment consists of the following:

	Useful Life	June 30, 2022	December 31, 2021
Land		$ 4,186,090	$ 4,186,090
Land improvements	25 years	31,194,623	31,194,623
Building and improvements	15 to 39 years	206,307,167	192,384,530
Equipment	5 to 10 years	2,977,886	2,338,894
Property and equipment, gross		244,665,766	230,104,137
Less: accumulated depreciation		(56,413,441)	(49,643,575)
Property and equipment, net		$ 188,252,325	$ 180,460,562
Project development costs		$ 158,722,100	$ 128,721,480

For the three months ended June 30, 2022 and 2021, the Company recorded depreciation expense of $3,527,581 and $2,972,130, respectively, and for the six months ended June 30, 2022 and 2021, of $6,769,866 and $5,893,067, respectively. For the six months ended June 30, 2022 and 2021, the Company incurred $42,920,667 and $18,626,781 of capitalized project development costs, respectively.

Included in project development costs are film development costs of $464,000 and $464,000 as of June 30, 2022 and December 31, 2021, respectively.

Note 4: Notes Payable, net

Notes payable, net consisted of the following at June 30, 2022:

	Gross	Discount	Net	Interest Rate	Maturity Date
TIF loan	$ 9,345,000	$ (1,583,943)	$ 7,761,057	5.20%	7/31/2048
Preferred equity loan	3,600,000	-	3,600,000	7.00%	Various
City of Canton Loan	3,500,000	(5,925)	3,494,075	5.00%	7/1/2027
New Market/SCF	2,999,989	-	2,999,989	4.00%	12/30/2024
Constellation EME	2,639,242	-	2,639,242	6.05%	12/31/2022
JKP Capital Loan	8,733,428	(608,880)	8,124,548	12.00%	3/31/2024
MKG DoubleTree Loan	15,300,000	-	15,300,000	6.55%	9/13/2023
Convertible PIPE Notes	25,288,079	(9,663,632)	15,624,447	10.00%	3/31/2025
Canton Cooperative Agreement	2,670,000	(171,581)	2,498,419	3.85%	5/15/2040
CH Capital Loan	8,462,640	(844,218)	7,618,422	12.00%	3/31/2024
Constellation EME #2	4,005,064	-	4,005,064	5.93%	4/30/2026
IRG Split Note	4,273,543	(334,615)	3,938,928	8.00%	3/31/2024
JKP Split Note	4,273,543	(292,355)	3,981,188	8.00%	3/31/2024
ErieBank Loan	17,039,912	(567,889)	16,472,023	5.75%	6/15/2034
PACE Equity Loan	8,250,966	(276,713)	7,974,253	6.05%	12/31/2046
PACE Equity CFP	27,586	(27,586)	-	6.05%	12/31/2046
CFP Loan	4,000,000	(101,611)	3,898,389	6.50%	4/30/2023
Stark County Community Foundation	2,500,000	-	2,500,000	6.00%	5/31/2029
CH Capital Bridge Loan	10,500,000	-	10,500,000	12.00%	9/10/2022
Total	$ 137,408,992	$ (14,478,948)	$ 122,930,044		

Notes payable, net consisted of the following at December 31, 2021:

	Gross	Discount	Net
TIF loan	$ 9,451,000	$ (1,611,476)	$ 7,839,524
Preferred equity loan	3,600,000	-	3,600,000
City of Canton Loan	3,500,000	(6,509)	3,493,491
New Market/SCF	2,999,989	-	2,999,989
Constellation EME	5,227,639	-	5,227,639
JKP Capital loan	6,953,831	-	6,953,831
MKG DoubleTree Loan	15,300,000	(83,939)	15,216,061
Convertible PIPE Notes	24,059,749	(11,168,630)	12,891,119
Canton Cooperative Agreement	2,670,000	(174,843)	2,495,157
Aquarian Mortgage Loan	7,400,000	(439,418)	6,960,582
Constellation EME #2	4,455,346	-	4,455,346
IRG Note	8,500,000	-	8,500,000
ErieBank Loan	13,353,186	(598,966)	12,754,220
PACE Equity Loan	8,250,966	(277,729)	7,973,237
Total	$ 115,721,706	$ (14,361,510)	$ 101,360,196

Note 4: Notes Payable, net (continued)

During the three months ended June 30, 2022 and 2021, the Company recorded amortization of note discounts of $1,122,324 and $1,164,613, respectively, and for the six months ended June 30, 2022 and 2021, of $2,478,298 and $2,398,727, respectively. During the three months ended June 30, 2022 and 2021, the Company recorded paid-in-kind interest of $963,428 and $741,243, respectively. During the six months ended June 30, 2022 and 2021, the Company recorded paid-in-kind interest of $1,681,722 and $952,012, respectively.

Accrued Interest on Notes Payable

As of June 30, 2022 and December 31, 2021, accrued interest on notes payable, were as follows:

	June 30, 2022	December 31, 2021
TIF loan	$ 33,159	$ 22,208
Preferred equity loan	48,825	203,350
New Market/SCF	17,833	89,682
Constellation EME	13,142	-
City of Canton Loan	1,484	5,979
JKP Capital Note	-	1,251,395
Canton Cooperative Agreement	39,511	39,416
CH Capital Loan	55,652	-
IRG Split Note	28,490	-
JKP Split Note	28,490	-
ErieBank Loan	31,910	26,706
PACE Equity Loan	284,242	30,824
Stark Community Foundation	5,834	-
CH Capital Bridge Loan	38,000	-
Total	$ 626,572	$ 1,669,560

The amounts above were included in “accounts payable and accrued expenses” on the Company’s consolidated balance sheets.

For more information on the notes payable above, please see Note 4 of the Company’s Annual Report on Form 10-K, as filed on March 14, 2022.

Note 4: Notes Payable, net (continued)

JKP Capital Loan

On June 24, 2020, HOF Village and HOFV Hotel II executed a loan evidenced by a promissory note (the "JKP Capital Loan") in favor of JKP Financial, LLC ("JKP") for the principal sum of $7,000,000. The JKP Capital Loan bears interest at a rate of 12% per annum and matured on December 2, 2021, on which date all unpaid principal and accrued and unpaid interest is due. The JKP Capital Loan is secured by the membership interests in HOFV Hotel II held by HOF Village.

On March 1, 2022, the Company amended the JKP Capital Loan. The Second Amendment to JKP Capital Loan (i) revises the outstanding principal balance of the JKP Capital Loan to include interest that has accrued and has not been paid as of March 1, 2022, and (ii) extends the maturity of the JKP Capital Loan to March 31, 2024, and (iii) amends the JKP Capital Loan to be convertible into shares of Common Stock at a conversion price of $1.09 per share, subject to adjustment. The conversion price is subject to a weighted-average antidilution adjustment.

As part of the consideration for the Second Amendment to JKP Capital Loan, the Company issued in a transaction exempt from registration pursuant to Section 4(a)(2) of the Securities Act: (i) 280,000 shares of Common Stock to JKP and (ii) a Series F Warrant to purchase 1,000,000 shares of Common Stock to JKP.

The Company accounted for this transaction as an extinguishment, given that a substantive conversion feature was added to the JKP Capital Loan. The Company recorded the relative fair value of the shares of Common Stock and Series F Warrants as a discount against the JKP Capital Loan. The following assumptions were used to calculate the fair value of Series F Warrants:

Term (years)		5.0
Stock price	$	1.01
Exercise price	$	1.09
Dividend yield		0.0%
Expected volatility		51.2%
Risk free interest rate		1.6%
Number of shares		1,000,000

Note 4: Notes Payable, net (continued)

MKG DoubleTree Loan

On September 14, 2020, the Company entered into a construction loan agreement with Erie Bank, a wholly owned subsidiary of CNB Financial Corporation, a Pennsylvania corporation, as lender. The Company has applied and been approved for a first mortgage loan for $15.3 million ("MKG DoubleTree Loan") with a variable interest rate of 1.75% plus the prime commercial rate, at which no time can it drop below 5%, for the purpose of renovating the McKinley Grand Hotel in the City of Canton, Ohio. The initial maturity date is 18 months after the exercised loan date, March 13, 2022, and the agreement includes an extended maturity date of September 13, 2022, should HOFRE need more time with an extension fee of 0.1% of the then outstanding principal balance. The MKG DoubleTree Loan has certain financial covenants whereby the Company must maintain a minimum tangible net worth of $5,000,000 and minimum liquidity of not less than $2,000,000. These covenants are to be tested annually based upon the financial statements at the end of each fiscal year.

On March 1, 2022, HOF Village Hotel II, LLC, a subsidiary of the Company, entered into an amendment to the MKG DoubleTree Loan with the Company's director, Stuart Lichter, as guarantor, and ErieBank, a division of CNB Bank, a wholly owned subsidiary of CNB Financial Corporation, as lender, which extended the maturity to September 13, 2023. The Company accounted for this amendment as a modification, and expensed approximately $38,000 in loan modification costs.

CH Capital Loan (formerly known as Aquarian Mortgage Loan)

On December 1, 2020, the Company entered into a mortgage loan (the "Aquarian Mortgage Loan") with Aquarian Credit Funding, LLC ("Aquarian"), as administrative agent and with Investors Heritage Life Insurance Company and Lincoln Benefit Life Company, as lenders, for $40,000,000 of gross proceeds. The Aquarian Mortgage Loan bears interest at 10% per annum. Upon the occurrence and during the continuance of an event of default, Aquarian may, at its option, take such action, without notice or demand, that Aquarian deems advisable to protect and enforce its rights against the Company, including declaring the debt to become immediately due and payable.

On August 30, 2021, the Company and Aquarian amended the terms of the Aquarian Mortgage Loan whereby the Company paid $20 million to Lincoln Benefit Life Company. In accordance with such payment, Lincoln Benefit Life Company was removed as a lender and the aggregate principal of the Aquarian Mortgage Loan was reduced to $20 million as of September 30, 2021. The Company and Aquarian also agreed to extend the maturity date of the Aquarian Mortgage Loan to March 31, 2022.

On December 15, 2021, the Company repaid approximately $13 million of the Aquarian Mortgage Loan.

On March 1, 2022, CH Capital Lending purchased and acquired, the Company's $7.4 million Aquarian Mortgage Loan (as thereafter amended and acquired by CH Capital Lending, the "CH Capital Loan").

Note 4: Notes Payable, net (continued)

CH Capital Loan (formerly known as Aquarian Mortgage Loan) (continued)

On March 1, 2022, immediately after CH Capital Lending became the lender and administrative agent under the CH Capital Loan, the maturity date of the Term Loan was extended to March 31, 2024. Also under the amendment, the Term Loan was made convertible into shares of Common Stock at a conversion price of $1.50 per share, subject to adjustment. The conversion price is subject to a weighted-average antidilution adjustment. Certain current and historical fees and expenses were added to the principal amount of the CH Capital Loan so that the new principal amount is $8,347,839. The interest rate was increased from 10% to 12%. Of such 12% per annum interest: (i) 8% per annum shall be payable monthly and (ii) 4% per annum shall accumulate and be payable on the maturity date.

As part of the consideration for the amendment: (i) the Company issued in a transaction exempt from registration pursuant to Section 4(a)(2) of the Securities Act: (A) 330,000 shares of Common Stock to CH Capital Lending, and (B) a warrant to purchase 1,000,000 shares of Common Stock ("Series E Warrant") to CH Capital Lending, (ii) the Company was required to, subject to approval of its board of directors, create a series of preferred stock, to be known as 7.00% Series C Convertible Preferred Stock ("Series C Preferred Stock"), and, upon the request of CH Capital Lending, exchange each share of the Company's Series B Convertible Preferred Stock, that is held by CH Capital Lending for one share of Series C Preferred Stock, and (iii) the Company and CH Capital Lending amended and restated the Series C Warrants and Series D Warrants that the Company issued to CH Capital Lending.

The Series E Warrants have an exercise price of $1.50 per share, subject to adjustment. The exercise price is subject to a weighted-average antidilution adjustment. The Series E Warrants may be exercised from and after March 1, 2023, subject to certain terms and conditions set forth in the Series E Warrants. Unexercised Series E Warrants will expire on March 1, 2027. The Series E Warrants shall be cancelled without any further action on the part of the Company or the holder, in the event that the Company repays in full on or before March 1, 2023, the CH Capital Loan.

The Company accounted for this transaction as an extinguishment, given that a substantive conversion feature was added to the CH Capital Loan. The Company recorded the relative fair value of the shares of Common Stock and Series E Warrants as a discount against the CH Capital Loan. The following assumptions were used to calculate the fair value of Series E Warrants:

Term (years)		5.0
Stock price	$	1.01
Exercise price	$	1.50
Dividend yield		0.0%
Expected volatility		51.2%
Risk free interest rate		1.6%
Number of shares		1,000,000

Note 4: Notes Payable, net (continued)

IRG Note

On November 23, 2021, the Company, and IRG entered into a promissory note (the "IRG Note") pursuant to which IRG made a loan to the Company in the aggregate amount of $8,500,000. Interest will accrue on the outstanding balance of the Note at a rate of 8% per annum, compounded monthly. The Company will pay interest to IRG under the Note on the first day of each month, in arrears. The Note has a maturity date of June 30, 2022.

On March 1, 2022, pursuant to an Assignment of Promissory Note, dated March 1, 2022, IRG assigned (a) a one-half (½) interest in the IRG Note to IRG (the "IRG Split Note") and (b) a one-half (½) interest in the IRG Note to JKP (the "JKP Split Note"). See "IRG Split Note" and "JKP Split Note," below.

IRG Split Note

On March 1, 2022, the Company entered into a First Amended and Restated Promissory Note with IRG, which amended and restated the IRG Split Note (the "Amended IRG Split Note). The Amended IRG Split Note extended the maturity to March 31, 2024. Under the Amended IRG Split Note, the principal and accrued interest are convertible into shares of Common Stock at a conversion price of $1.50 per share, subject to adjustment. The conversion price is subject to a weighted-average antidilution adjustment. The principal amount of the Amended IRG Split Note is $4,273,543.

As part of the consideration for the Amended IRG Split Note, the Company issued in a transaction exempt from registration pursuant to Section 4(a)(2) of the Securities Act: (i) 125,000 shares of Common Stock to IRG, LLC, and (ii) a Series E Warrant to purchase 500,000 shares of Common Stock to IRG.

The Series E Warrants shall be cancelled without any further action on the part of the Company or the holder, in the event that the Company repays in full, on or before March 1, 2023, the Amended IRG Split Note.

The Company accounted for this transaction as an extinguishment, given that a substantive conversion feature was added to the Amended IRG Split Note. The Company recorded the relative fair value of the shares of Common Stock and Series E Warrants as a discount against the JKP Capital Loan. The following assumptions were used to calculate the fair value of Series E Warrants:

Term (years)		5.0
Stock price	$	1.01
Exercise price	$	1.50
Dividend yield		0.0%
Expected volatility		51.2%
Risk free interest rate		1.6%
Number of shares		500,000

Note 4: Notes Payable, net (continued)

JKP Split Note

On March 1, 2022, the Company entered into a First Amended and Restated Promissory Note with JKP, which amended and restated the JKP Split Note (the "Amended JKP Split Note"). The Amended JKP Split Note extended the maturity to March 31, 2024. Under the Amended JKP Split Note, the principal and accrued interest are convertible into shares of Common Stock at a conversion price of $1.09 per share, subject to adjustment. The conversion price is subject to a weighted-average antidilution adjustment. The principal amount of the Amended JKP Split Note is $4,273,543.

As part of the consideration for the Amended JKP Split Note, the Company issued in a transaction exempt from registration pursuant to Section 4(a)(2) of the Securities Act: (i) 125,000 shares of Common Stock to JKP, and (ii) a Series F Warrant to purchase 500,000 shares of Common Stock to JKP.

The Series F Warrants have an exercise price of $1.09 per share, subject to adjustment. The exercise price is subject to a weighted-average antidilution adjustment. The Series F Note Warrants may be exercised from and after March 1, 2022, subject to certain terms and conditions set forth in the Series F Warrants. Unexercised Series F Warrants will expire on March 1, 2027.

The Company accounted for this transaction as an extinguishment, given that a substantive conversion feature was added to the Amended JKP Split Note. The Company recorded the relative fair value of the shares of Common Stock and Series F Warrants as a discount against the Amended JKP Split Note. The following assumptions were used to calculate the fair value of Series F Warrants:

Term (years)		5.0
Stock price	$	1.01
Exercise price	$	1.09
Dividend yield		0.0%
Expected volatility		51.2%
Risk free interest rate		1.6%
Number of shares		500,000

Note 4: Notes Payable, net (continued)

CFP Loan

On April 27, 2022, Midwest Lender Fund, LLC, a limited liability company wholly owned by our director Stuart Lichter ("MLF"), loaned $4,000,000 (the "CFP Loan") to HOF Village Center For Performance, LLC ("HOF Village CFP"). Interest accrues on the outstanding balance of the CFP Loan at 6.5% per annum, compounded monthly. The CFP Loan matures on April 30, 2023 or if HOF Village CFP exercises its extension option, April 30, 2024. The CFP Loan is secured by a mortgage encumbering the Center For Performance.

As part of the consideration for making the Loan, on June 8, 2022, the Company issued to MLF: (A) 125,000 shares (the "Commitment Fee Shares") of Common Stock, and (B) a warrant to purchase 125,000 shares of Common Stock ("Series G Warrants"). The exercise price of the Series G Warrants will be $1.50 per share. The Series G Warrants will become exercisable one year after issuance, subject to certain terms and conditions set forth in the Series G Warrants. Unexercised Series G Warrants will expire five years after issuance. The exercise price of the Series G Warrants will be subject to a weighted-average antidilution adjustment.

The Company recorded the relative fair value of the shares of Common Stock and Series G Warrants as a discount against the CFP Loan. The following assumptions were used to calculate the fair value of Series G Warrants:

Term (years)		5.0
Stock price	$	0.62
Exercise price	$	1.50
Dividend yield		0.0%
Expected volatility		52.4%
Risk free interest rate		3.0%
Number of shares		125,000

PACE Financing

On April 28, 2022, the City of Canton, in coordination with the Canton Regional Energy Special Improvement District, approved legislation that will enable the Company to receive $3,200,000 in Property Assessed Clean Energy ("PACE") financing in conjunction with the implementation of various energy-efficient improvements at the Center for Performance. Through June 30, 2022, the Company received $27,586 on this financing.

Stark Community Foundation Loan

On June 16, 2022, the Company entered into a loan agreement with Stark pursuant to which Stark agreed to lend $5,000,000 to the Company. Of this amount, the Company borrowed $2,500,000 (the "SCF Loan") through June 30, 2022. The interest rate applicable to the SCF Loan is 6.0% annum. Interest payments are paid annually on December 31 of each year. The SCF Loan is unsecured and matures on May 31, 2029. The Company may prepay the SCF Loan without penalty.

Events of default under the loan include without limitation: (i) a payment default, (ii) the Company's failure to complete the infrastructure development for Phase II on or before December 31, 2024, and (iii) the Company's failure, following notice from Stark, to comply with any non-monetary covenant contained in the loan agreement. Upon the occurrence of an event of default under the Business Loan Agreement: (a) interest due will increase by 5% per annum; and (b) Stark may, at its option, declare the Company's obligations under the Business Loan Agreement to be immediately due and payable.

The loan agreement contains customary affirmative and negative covenants for this type of loan, including without limitation (i) affirmative covenants, including furnish Stark with such financial statements and other related information at such frequencies and in such detail as Stark may reasonably request and use all SCF Loan proceeds solely for the infrastructure development for the construction of Phase II, and (ii) negative covenants, including restrictions on additional indebtedness, prepayment of other indebtedness, transactions with related parties, additional liens, mergers and acquisitions, and standard prohibitions on change of control.

Note 4: Notes Payable, net (continued)

CH Capital Bridge Loan

On June 16, 2022, The Company and its subsidiaries HOF Village Retail I, LLC and HOF Village Retail II, LLC, as borrowers (the "Borrowers"), borrowed $10,500,000 (the "CH Capital Bridge Loan") from CH Capital Lending. The CH Capital Bridge Loan is evidenced by a Promissory Note issued by the Borrowers to CH Capital Lending. Interest accrues on the Note at 12% per annum, compounded monthly. The maturity date of the Note is September 10, 2022. Borrowers have the right to prepay all or any portion of the principal amount of the Note at any time before the maturity date without penalty. Under the Note, the net proceeds of a financing that occurs after the date of the Note shall be used to prepay the Note. The Note is secured by: (i) a mortgage on real property on which the Company is building its Fan Engagement Zone (an 82,000-square-foot promenade located strategically within the campus footprint, which will include restaurants, retailers and experiential offerings) and (ii) a pledge and security interest in all of the membership interests of HOF Village Waterpark, LLC, and HOF Village Hotel I, LLC held by Newco, each of which is direct or indirect wholly-owned subsidiary of the Company.

Upon the occurrence of an event of default under the Note, including without limitation Borrowers' failure to pay, on or before the due date any amount owing to CH Capital Lending under the Note or Borrowers' failure, following notice from CH Capital Lending, to comply with any non-monetary covenant contained in the CH Capital Bridge Loan, (i) interest due will increase by 5% per annum; and (ii) CH Capital Lending may, at its option, declare Borrowers' obligations under the Note to be immediately due and payable.

Future Minimum Principal Payments

The minimum required principal payments on notes payable outstanding as of June 30, 2022 are as follows:

For the years ending December 31,	Amount
2022 (six months)	$ 13,815,568
2023	16,889,801
2024	34,524,169
2025	31,051,820
2026	1,397,073
Thereafter	39,730,561
Total Gross Principal Payments	$ 137,408,992
Less: Discount	(14,478,948)
Total Net Principal Payments	$ 122,930,044

The Company has various debt covenants that require certain financial information to be met. If the Company does not meet the requirements of the debt covenants, the Company will be responsible for paying the full outstanding amount of the note immediately. As of June 30, 2022, the Company was in compliance with all relevant debt covenants.

Note 5: Stockholders' Equity

Authorized Capital

On November 3, 2020, the Company's stockholders approved an amendment to the Company's charter to increase the authorized shares of Common Stock from 100,000,000 to 300,000,000. Consequently, the Company's charter allows the Company to issue up to 300,000,000 shares of Common Stock and to issue and designate its rights, without stockholder approval, of up to 5,000,000 shares of preferred stock, par value $0.0001.

Series A Preferred Stock Designation

On October 8, 2020, the Company filed a Certificate of Designations with the Secretary of State of the State of Delaware to establish preferences, limitations, and relative rights of the Series A Preferred Stock. The number of authorized shares of Series A Preferred Stock is 52,800.

Series B Preferred Stock Designation

On May 13, 2021, the Company filed a Certificate of Designations with the Secretary of State of the State of Delaware to establish preferences, limitations, and relative rights of the 7.00% Series B Preferred Stock (as defined below). The number of authorized shares of Series B Preferred Stock is 15,200.

The Company had 200 and 15,200 shares of 7.00% Series B Convertible Preferred Stock ("Series B Preferred Stock") outstanding and 15,200 and 15,200 shares authorized as of June 30, 2022 and December 31, 2021, respectively. On the third anniversary of the date on which shares of Series B Preferred Stock are first issued (the "Automatic Conversion Date"), each share of Series B Preferred Stock, except to the extent previously converted pursuant to an Optional Conversion (as defined below), shall automatically be converted into shares of Common Stock (the "Automatic Conversion"). At any time following the date on which shares of Series B Preferred Stock are first issued, and from time to time prior to the Automatic Conversion Date, each holder of Series B Preferred Stock shall have the right, but not the obligation, to elect to convert all or any portion of such holder's shares of Series B Preferred Stock into shares of Common Stock, on terms similar to the Automatic Conversion (any such conversion, an "Optional Conversion").

Note 5: Stockholders' Equity, (continued)

7.00% Series C Convertible Preferred Stock

On March 28, 2022, the Company filed a Certificate of Designations with the Secretary of State of the State of Delaware to establish preferences, limitations, and relative rights of its Series C Preferred Stock. The number of authorized shares of Series C Preferred Stock is 15,000.

On March 28, 2022, in accordance with the previously announced Amendment Number 6 to Term Loan Agreement by and among the Company and CH Capital Lending, the Company entered into a Securities Exchange Agreement (the "Exchange Agreement") with CH Capital Lending, pursuant to which the Company exchanged in a private placement (the "Private Placement") each share of the Company's Series B Convertible Preferred Stock, that is held by CH Capital Lending for one share of the Company's Series C Preferred Stock, resulting in the issuance of 15,000 shares of Series C Preferred Stock to CH Capital Lending. The Series C Preferred Stock is convertible into shares of the Company's common stock. The shares of Series B Preferred Stock exchanged, and the Series C Preferred Stock acquired, have an aggregate liquidation preference of $15 million plus any accrued but unpaid dividends to the date of payment.

2020 Omnibus Incentive Plan

On July 1, 2020, in connection with the closing of the Business Combination, the Company's omnibus incentive plan (the "2020 Omnibus Incentive Plan") became effective immediately upon the closing of the Business Combination. The 2020 Omnibus Incentive Plan was previously approved by the Company's stockholders and Board of Directors. Subject to adjustment, the maximum number of shares of Common Stock authorized for issuance under the 2020 Omnibus Incentive Plan was 1,812,727 shares. On June 2, 2021, the Company held its 2021 Annual Meeting whereby the Company's stockholders approved an amendment to the 2020 Omnibus Incentive Plan to increase by four million the number of shares of Common Stock, that will be available for issuance under the 2020 Omnibus Incentive Plan, resulting in a maximum of 5,812,727 shares that can be issued under the amended 2020 Omnibus Inventive Plan. The amendment to the 2020 Omnibus Incentive Plan was previously approved by the Board of Directors of the Company, and the amended 2020 Omnibus Incentive Plan became effective on June 2, 2021. As of June 30, 2022, 2,154,595 shares remained available for issuance under the 2020 Omnibus Incentive Plan.

Note 5: Stockholders' Equity, (continued)

Equity Distribution Agreement

On September 30, 2021, the Company entered into an Equity Distribution Agreement with Wedbush Securities Inc. and Maxim Group LLC with respect to an at-the-market offering program under which the Company may, from time to time, offer and sell shares of the Company's Common Stock having an aggregate offering price of up to $50 million. From January 1 through June 30, 2022, approximately 18.2 million shares were sold resulting in net proceeds to the Company totaling approximately $17.9 million. The remaining availability under the Equity Distribution Agreement as of June 30, 2022 was approximately $28.1 million.

Issuance of Restricted Stock Awards

The Company's activity in restricted Common Stock was as follows for the six months ended June 30, 2022:

	Number of shares		Weighted average grant date fair value
Non–vested at January 1, 2022	238,643	$	9.31
Granted	197,168	$	1.19
Vested	(197,168)	$	1.19
Non–vested at June 30, 2022	238,643	$	9.31

For the three months ended June 30, 2022 and 2021, stock-based compensation related to restricted stock awards was $720,703 and $673,005, respectively, and for the six months ended June 30, 2022 and 2021, $1,453,460 and $1,227,551, respectively. As of June 30, 2022, unamortized stock-based compensation costs related to restricted share arrangements were $12,161 and will be recognized over a weighted average period of 0.1 years.

Issuance of Restricted Stock Units

During the six months ended June 30, 2022, the Company granted an aggregate of 1,836,668 Restricted Stock Units ("RSUs") to its employees and directors, of which 522,541 were granted under the 2020 Omnibus Incentive Plan and 1,314,127 were granted as inducement awards. The RSUs were valued at the value of the Company's Common Stock on the date of grant, which was a range of $0.55 to $1.16 for these awards. The RSUs granted to employees vest one third on the first anniversary of their grant, one third on the second anniversary of their grant, and one third on the third anniversary of their grant. The RSUs granted to directors vest one year from the date of grant.

Note 5: Stockholders' Equity, (continued)

Issuance of Restricted Stock Units (continued)

The Company's activity in RSUs was as follows for the six months ended June 30, 2022:

	Number of shares	Weighted average grant date fair value
Non–vested at January 1, 2022	2,207,337	$ 2.34
Granted	1,836,668	$ 0.95
Vested	(541,377)	$ 2.00
Forfeited	(573,442)	$ 2.50
Non–vested at June 30, 2022	2,929,186	$ 1.48

For the three months ended June 30, 2022 and 2021, the Company recorded $586,547 and $947,144, respectively, in employee and director stock-based compensation expense, and for the six months ended June 30, 2022 and 2021, $1,088,959 and $1,779,141, respectively. Employee and director stock-based compensation expense is a component of "Operating expenses" in the condensed consolidated statement of operations. As of June 30, 2022, unamortized stock-based compensation costs related to restricted stock units were $3,178,424 and will be recognized over a weighted average period of 1.1 years.

Warrants

The Company's warrant activity was as follows for the six months ended June 30, 2022:

	Number of Shares	Weighted Average Exercise Price (USD)	Weighted Average Contractual Life (years)	Intrinsic Value (USD)
Outstanding - January 1, 2022	41,012,349	$ 7.82	3.59	
Granted	3,125,000	$ 1.30		
Outstanding – June 30, 2022	44,137,349	$ 7.36	3.36	$ -
Exercisable – June 30, 2022	42,512,349	$ 7.59	3.31	$ -

Amended and Restated Series C Warrants

On March 1, 2022, in connection with the amendment to the IRG Split Note (as described in Note 4), the Company amended its Series C Warrants to extend the term of the Series C Warrants to March 1, 2027. The exercise price of $1.40 per share remains unchanged, but the amendments subject the exercise price to a weighted-average antidilution adjustment. The amendments also remove certain provisions regarding fundamental transactions, which subsequently allowed the Series C Warrants to be derecognized as a liability and classified as equity.

Note 5: Stockholders' Equity, (continued)

Amended and Restated Series C Warrants (continued)

The Company accounted for this modification as a cost of the IRG Split Note, whereby the Company calculated the incremental fair value of the Series C Warrants and recorded them as a discount against the IRG Split Note. The following assumptions were used to calculate the fair value of Series C Warrants immediately before and after modification:

	Original Series C Warrants	Modified Series C Warrants
Term (years)	3.8	5.0
Stock price	$ 1.01	$ 1.01
Exercise price	$ 1.40	$ 1.40
Dividend yield	0.0%	0.0%
Expected volatility	54.7%	50.8%
Risk free interest rate	1.5%	1.5%
Number of shares	10,036,925	10,036,925
Aggregate fair value	$ 3,336,000	$ 3,648,000

Amended and Restated Series D Warrants issue to CH Capital Lending

On March 1, 2022, in connection with the amendment to the CH Capital Loan (as described in Note 4), the Company amended the Series D Warrants issued to CH Capital Lending to extend the term of such Series D Warrants to March 1, 2027. The exercise price of $6.90 per share remains unchanged, but the amendments subject the exercise price to a weighted-average antidilution adjustment.

The Company accounted for this modification as a cost of the CH Capital Loan, whereby the Company calculated the incremental fair value of the Series D Warrants and recorded them as a discount against the CH Capital Loan. The following assumptions were used to calculate the fair value of Series D Warrants immediately before and after modification:

	Original Series D Warrants	Modified Series D Warrants
Term (years)	2.3	5.0
Stock price	$ 1.01	$ 1.01
Exercise price	$ 6.90	$ 6.90
Dividend yield	0.0%	0.0%
Expected volatility	63.5%	50.8%
Risk free interest rate	1.3%	1.6%
Number of shares	2,450,980	2,450,980
Aggregate fair value	$ 50,000	$ 138,000

Note 6: Sponsorship Revenue and Associated Commitments

Johnson Controls, Inc.

On July 2, 2020, the Company entered into an Amended and Restated Sponsorship and Naming Rights Agreement (the "Naming Rights Agreement") among Newco, PFHOF and Johnson Controls, Inc. ("JCI"), that amended and restated the Sponsorship and Naming Rights Agreement, dated as of November 17, 2016 (the "Original Sponsorship Agreement"). Among other things, the Amended Sponsorship Agreement: (i) reduced the total amount of fees payable to Newco during the term of the Amended Sponsorship Agreement from $135 million to $99 million; (ii) restricted the activation proceeds from rolling over from year to year with a maximum amount of activation proceeds in one agreement year to be $750,000; and (iii) renamed the "Johnson Controls Hall of Fame Village" to "Hall of Fame Village powered by Johnson Controls". This is a prospective change, which the Company reflected beginning in the third quarter of 2020.

JCI has a right to terminate the Naming Rights Agreement if the Company does not provide evidence to JCI by October 31, 2021 that it has secured sufficient debt and equity financing to complete Phase II, or if Phase II is not open for business by January 2, 2024, in each case subject to day-for-day extension due to force majeure and a notice and cure period**.** In addition, under the Naming Rights Agreement JCI's obligation to make sponsorship payments to the Company may be suspended commencing on December 31, 2020, if the Company has not provided evidence reasonably satisfactory to JCI on or before December 31, 2020, subject to day-for-day extension due to force majeure, that the Company has secured sufficient debt and equity financing to complete Phase II.

Additionally, on October 9, 2020, Newco, entered into a Technology as a Service Agreement (the "TAAS Agreement") with JCI. Pursuant to the TAAS Agreement, JCI will provide certain services related to the construction and development of the Hall of Fame Village powered by JCI (the "Project"), including, but not limited to, (i) design assist consulting, equipment sales and turn-key installation services in respect of specified systems to be constructed as part of Phase 2 and Phase 3 of the Project and (ii) maintenance and lifecycle services in respect of certain systems constructed as part of Phase 1, and to be constructed as part of Phase 2 and Phase 3, of the Project. Under the terms of the TAAS Agreement, Newco has agreed to pay JCI up to an aggregate of approximately $217 million for services rendered by JCI over the term of the TAAS Agreement. As of June 30, 2022 and December 31, 2021, approximately $195 million and $199 million, respectively, was remaining under the TAAS Agreement.

Note 6: Sponsorship Revenue and Associated Commitments (continued)

Johnson Controls, Inc. (continued)

As of June 30, 2022, scheduled future cash to be received under the Naming Rights Agreement is as follows:

	Unrestricted	Activation	Total
2022 (six months)	$ 4,000,000	$ 750,000	$ 4,750,000
2023	4,000,000	750,000	4,750,000
2024	4,250,000	750,000	5,000,000
2025	4,250,000	750,000	5,000,000
Thereafter	39,781,251	6,750,000	46,531,251
Total	$ 56,281,251	$ 9,750,000	$ 66,031,251

As services are provided, the Company is recognizing revenue on a straight-line basis over the expected term of the Amended Sponsorship Agreement. During the three and six months ended June 30, 2021, the Company recognized $1,121,385 and $2,230,447, respectively, of net sponsorship revenue related to the Naming Rights Agreement.

On May 10, 2022, the Company received from JCI a notice of termination (the "TAAS Notice") of the TAAS Agreement effective immediately. The TAAS Notice states that termination of the TAAS Agreement by JCI is due to Newco's alleged breach of its payment obligations. Additionally, JCI in the TAAS Notice demands the amount which is the sum of: (i) all past due payments and any other amounts owed by Newco under the TAAS Agreement; (ii) all commercially reasonable and documented subcontractor breakage and demobilization costs; and (iii) all commercially reasonable and documented direct losses incurred by JCI directly resulting from the alleged default by the Company and the exercise of JCI's rights and remedies in respect thereof, including reasonable attorney fees.

Also on May 10, 2022, the Company received from JCI a notice of termination ("Naming Rights Notice") of the Name Rights Agreement, effective immediately. The Naming Rights Notice states that the termination of the Naming Rights Agreement by JCI is due to JCI's concurrent termination of the TAAS Agreement. The Naming Rights Notice further states that the Company must pay JCI, within 30 days following the date of the Naming Rights Notice, $4,750,000. The Company has not made such payment to date. The Naming Rights Notice states that Newco is also in breach of its covenants and agreements, which require Newco to provide evidence reasonably satisfactory to JCI on or before October 31, 2021, subject to day-for-day extension due to force majeure, that Newco has secured sufficient debt and equity financing to complete Phase II.

The Company disputes that it is in default under either the TAAS Agreement or the Naming Rights Agreement. The Company believes JCI is in breach of the Naming Rights Agreement and the TAAS Agreement due to their failure to make certain payments in accordance with the Naming Rights Agreement, and, on May 16, 2022, provided notice to JCI of these breaches. The Company is pursuing dispute resolution pursuant to the terms of the Naming Rights Agreement to simultaneously defend against JCI's allegations and pursue its own claims. The ultimate outcome of this dispute cannot presently be determined. However, in management's opinion, the likelihood of a material adverse outcome is remote. Accordingly, adjustments, if any, that might result from the resolution of this matter have not been reflected in the accompanying condensed consolidated financial statements. During the three and six months ended June 30, 2022, the Company suspended its revenue recognition until the dispute is resolved and has recorded an allowance against the amounts due as of June 30, 2022 in the amount of $2,125,000. The balances due under the Naming Rights Agreement as of June 30, 2022 and December 31, 2021 amounted to $4,010,417 and $1,885,417, respectively.

Note 6: Sponsorship Revenue and Associated Commitments (continued)

Other Sponsorship Revenue

The Company has additional revenue primarily from sponsorship programs that provide its sponsors with strategic opportunities to reach customers through our venue including advertising on our website. Sponsorship agreements may contain multiple elements, which provide several distinct benefits to the sponsor over the term of the agreement and can be for a single or multi-year term. These agreements provide sponsors various rights such as venue naming rights, signage within our venues, and advertising on our website and other benefits as detailed in the agreements.

As of June 30, 2022, scheduled future cash to be received under the agreements, excluding the Johnson Controls Naming Rights Agreement, is as follows:

Year ending December 31,	
2022 (six months)	$ 762,000
2023	2,744,220
2024	2,406,265
2025	2,317,265
2026	2,167,265
Thereafter	6,271,792
Total	$ 16,668,807

As services are provided, the Company is recognizing revenue on a straight-line basis over the expected term of the agreement. During the three months ended June 30, 2022 and 2021, the Company recognized $452,772 and $1,508,402 of net sponsorship revenue, respectively, and for the six months ended June 30, 2022 and 2021, $1,272,062 and $2,983,838, respectively.

Note 7: Other Commitments

Canton City School District

The Company has entered into cooperative agreements with certain governmental entities that support the development of the project overall, where the Company is an active participant in the agreement activity, and the Company would benefit from the success of the activity.

The Company had a commitment to the Canton City School District ("CCSD") to provide a replacement for their Football Operations Center ("FOC") and to construct a Heritage Project ("Heritage"). The commitment was defined in the Operations and Use Agreement for HOF Village Complex dated February 26, 2016.

Lessor Commitments

As of June 30, 2022, the Company's Constellation Center for Excellence and retail facilities were partially leased including leases by the Company's subsidiaries. The future minimum lease commitments under this lease, excluding leases of the Company's subsidiaries, are as follows:

Year ending December 31:

2022 (six months)	$ 24,200
2023	246,761
2024	239,266
2025	233,183
2026	220,866
Thereafter	846,636
Total	$ 1,810,912

Employment Agreements

The Company has employment agreements with many of its key executive officers that usually have terms between one and three years.

Note 7: Other Commitments (continued)

Management Agreement with Crestline Hotels & Resorts

On October 22, 2019, the Company entered into a management agreement with Crestline Hotels & Resorts ("Crestline"). The Company appointed and engaged Crestline as the Company's exclusive agent to supervise, direct, and control management and operation of the DoubleTree Canton Downtown Hotel. In consideration of the services performed by Crestline, the Company agreed to the greater of: 2% of gross revenues or $10,000 per month in base management fees and other operating expenses. The agreement will be terminated on the fifth anniversary of the commencement date, or October 22, 2024. For the three months ended June 30, 2022 and 2021, the Company paid and incurred $32,844 and $30,000, respectively in management fees, and for the six months ended June 30, 2022 and 2021, $62,844 and $60,000, respectively.

Constellation EME Express Equipment Services Program

On February 1, 2021, the Company entered into a contract with Constellation whereby Constellation will sell and/or deliver materials and equipment purchased by the Company. The Company is required to provide $2,000,000 to an escrow account held by Constellation, representing adequate assurance of future performance. Constellation will invoice the Company in 60 monthly installments, which began in April 2021 for $103,095. Additionally, the Company has two notes payable with Constellation. See Note 4 for more information.

Other Liabilities

Other liabilities consisted of the following at June 30, 2022 and December 31, 2021:

	June 30, 2022	December 31, 2021
Activation fund reserves	$ 3,629,085	$ 3,537,347
Deferred sponsorship revenue	3,387,224	203,278
Other liabilities	1,554,903	-
Total	$ 8,571,212	$ 3,740,625

Note 8: Contingencies

During the normal course of its business, the Company is subject to occasional legal proceedings and claims. The Company does not have any pending litigation that, separately or in the aggregate, would, in the opinion of management, have a material adverse effect on its results of operations, financial condition, or cash flows.

Note 9: Related-Party Transactions

Due to Affiliates

Due to affiliates consisted of the following at June 30, 2022 and December 31, 2021:

	June 30, 2022	December 31, 2021
Due to IRG Member	$ 1,770,390	$ 1,041,847
Due to IRG Affiliate	116,900	116,900
Due to PFHOF	859,207	660,208
Total	$ 2,746,497	$ 1,818,955

IRG Canton Village Member, LLC, a member of HOF Village, LLC controlled by our director Stuart Lichter (the "IRG Member") and an affiliate, provides certain supporting services to the Company. As noted in the Operating Agreement of HOF Village, LLC, an affiliate of the IRG Member, IRG Canton Village Manager, LLC, the manager of HOF Village, LLC controlled by our director Stuart Lichter, may earn a master developer fee calculated as 4.0% of development costs incurred for the Hall of Fame Village powered by Johnson Controls, including, but not limited to site assembly, construction supervision, and project financing. These development costs incurred are netted against certain costs incurred for general project management.

The due to related party amounts in the table above are non-interest bearing advances from an affiliate of IRG Member due on demand. The Company is currently in discussions with this affiliate to establish repayment terms of these advances. However, there could be no assurance that the Company and IRG Member will come to terms acceptable to both parties.

On January 13, 2020, the Company secured $9.9 million in financing from Constellation through its Efficiency Made Easy ("EME") program to implement energy efficient measures and to finance the construction of the Constellation Center for Excellence and other enhancements, as part of Phase II development. The Hanover Insurance Company provided a guarantee bond to guarantee the Company's payment obligations under the financing, and Stuart Lichter and two trusts affiliated with Mr. Lichter have agreed to indemnify The Hanover Insurance Company for payments made under the guarantee bond.

The amounts above due to PFHOF relate to advances to and from PFHOF, including costs for onsite sponsorship activation, sponsorship sales support, shared services, event tickets, and expense reimbursements.

License Agreement

On March 10, 2016, the Company entered into a license agreement with PFHOF, whereby the Company has the ability to license and use certain intellectual property from PFHOF in exchange for the Company paying a fee based on certain sponsorship revenues and expenses. On December 11, 2018, the license agreement was amended to change the calculation of the fee to be 20% of eligible sponsorship revenue. The license agreement was further amended in a First Amended and Restated License Agreement, dated September 16, 2019. The license agreement expires on December 31, 2033.

Note 9: Related-Party Transactions (continued)

Media License Agreement

On November 11, 2019, the Company entered into a Media License Agreement with PFHOF. On July 1, 2020, the Company entered into an Amended and Restated Media License Agreement that terminates on December 31, 2034. In consideration of a license to use certain intellectual property of PFHOF, the Company agreed to pay PFHOF minimum guaranteed license fees of $1,250,000 each year during the term. After the first five years of the agreement, the minimum guarantee shall increase by 3% on a year-over-year basis. The first annual minimum payment was due July 1, 2021, which was not paid by December 31, 2021. On April 12, 2022, the Company and PFHOF terminated the Media License Agreement and entered into a new license agreement.

Purchase of Real Property from PFHOF

On February 3, 2021, the Company purchased certain parcels of real property from PFHOF, located at the site of the Hall of Fame Village powered by Johnson Controls, for $1.75 million. In connection with the purchase, the Company granted certain easements to PFHOF to ensure accessibility to the PFHOF museum.

Shared Services Agreement with PFHOF

On March 9, 2021, the Company entered into an additional Shared Services Agreement with PFHOF, which supplements the existing Shared Services Agreement by, among other things, providing for the sharing of costs for activities relating to shared services.

Note 9: Related-Party Transactions (continued)

Global License Agreement

Effective April 8, 2022, Newco and PFHOF, entered into a Global License Agreement (the "Global License Agreement"). The Global License Agreement consolidates and replaces the First Amended and Restated License Agreement, the Amended and Restated Media License Agreement, and the Branding Agreement the parties had previously entered into. The Global License Agreement sets forth the terms under which PFHOF licenses certain marks and works to Newco and its affiliates to exploit existing PFHOF works and to create new works. The Global License Agreement grants Newco and its affiliates an exclusive right and license to use the PFHOF marks in conjunction with theme-based entertainment and attractions within the City of Canton, Ohio; youth sports programs, subject to certain exclusions; e-gaming and video games; and sports betting. The Global License Agreement also grants Newco and its affiliates a non-exclusive license to use the PFHOF marks and works in other areas of use, with a right of first refusal, subject to specified exclusions. The Global License Agreement acknowledges the existence of agreements in effect between PFHOF and certain third parties that provide for certain restrictions on the rights of PFHOF, which affects the rights that can be granted to Newco and its affiliates. These restrictions include, but are not limited to, such third parties having co-exclusive rights to exploit content based on the PFHOF enshrinement ceremonies and other enshrinement events. The Global License Agreement requires Newco to pay PFHOF an annual license fee of $900,000 in the first contract year, inclusive of calendar years 2021 and 2022; an annual license fee of $600,000 in each of contract years two through six; and an annual license fee of $750,000 per year starting in contract year seven through the end of the initial term. The Global License Agreement also provides for an additional license royalty payment by Newco to PFHOF for certain usage above specified financial thresholds, as well as a commitment to support PFHOF museum attendance through Newco's and its affiliates' ticket sales for certain concerts and youth sports tournaments. The Global License Agreement has an initial term through December 31, 2036, subject to automatic renewal for successive five-year terms, unless timely notice of non-renewal is provided by either party.

The future minimum payments under this agreement as of June 30, 2022 are as follows:

For the years ending December 31,	Amount
2022 (six months)	$ 581,250
2023	600,000
2024	600,000
2025	600,000
2026	600,000
Thereafter	7,350,000
Total Gross Principal Payments	$ 10,331,250

During the three months ended June 30, 2022 and 2021, the Company paid $318,750 and $0 of the annual license fee, respectively, and for the six months ended June 30, 2022 and 2021, $318,750 and $0, respectively.

Note 10: Concentrations

For the three months ended June 30, 2022, two customers represented approximately 65% and 28% of the Company's sponsorship revenue. For the three months ended June 30, 2021, two customers represented approximately 47% and 12% of the Company's sponsorship revenue. For the six months ended June 30, 2022, two customers represented approximately 45.7% and 19.5% of the Company's sponsorship revenue. For the six months ended June 30, 2021, two customers represented approximately 74.8% and 19.5% of the Company's sponsorship revenue.

As of June 30, 2022, one customer represented approximately 85% of the Company's sponsorship accounts receivable. As of December 31, 2021, one customer represented approximately 88% of the Company's sponsorship accounts receivable.

At any point in time, the Company can have funds in their operating accounts and restricted cash accounts that are with third-party financial institutions. These balances in the U.S. may exceed the Federal Deposit Insurance Corporation insurance limits. While the Company monitors the cash balances in their operating accounts, these cash and restricted cash balances could be impacted if the underlying financial institutions fail or other adverse conditions in the financial markets occurs.

Note 11: ROU Assets and Lease Liabilities

The Company has entered into operating leases as the lessee primarily for ground leases under its stadium, sports complex, and parking facilities. On January 1, 2022 ("Effective Date"), the Company adopted FASB Accounting Standards Codification, or ASC, Topic 842, Leases ("ASC 842"), which increases transparency and comparability by recognizing a lessee's rights and obligations resulting from leases by recording them on the balance sheet as lease assets and lease liabilities. The new guidance requires the recognition of the right-of-use ("ROU") assets and related operating and finance lease liabilities on the balance sheet. The Company adopted the new guidance using the modified retrospective approach on January 1, 2022. As a result, the consolidated balance sheet as of December 31, 2021 was not restated and is not comparative.

The adoption of ASC 842 resulted in the recognition of operating ROU assets of $7,741,946 and operating lease liabilities of $3,383,807 on the Company's condensed consolidated balance sheet as of January 1, 2022. The initial recognition of the ROU asset included the reclassification of $4,358,139 of prepaid rent as of January 1, 2022.

The Company elected the package of practical expedients permitted within the standard, which allow an entity to forgo reassessing (i) whether a contract contains a lease, (ii) classification of leases, and (iii) whether capitalized costs associated with a lease meet the definition of initial direct costs. Also, the Company elected the expedient allowing an entity to use hindsight to determine the lease term and impairment of ROU assets and the expedient to allow the Company to not have to separate lease and non-lease components. The Company has also elected the short-term lease accounting policy under which the Company would not recognize a lease liability or ROU asset for any lease that at the commencement date has a lease term of twelve months or less and does not include a purchase option that the Company is more than reasonably certain to exercise.

For contracts entered into on or after the Effective Date, at the inception of a contract the Company will assess whether the contract is, or contains, a lease. The Company's assessment is based on: (i) whether the contract involves the use of a distinct identified asset, (ii) whether the Company obtained the right to substantially all the economic benefit from the use of the asset throughout the period, and (iii) whether the Company has the right to direct the use of the asset. Leases entered into prior to January 1, 2022, which were accounted for under ASC 840, were not reassessed for classification.

Note 11: ROU Assets and Lease Liabilities (continued)

For operating leases, the lease liability is initially and subsequently measured at the present value of the unpaid lease payments. For finance leases, the lease liability is initially measured in the same manner and date as for operating leases, and is subsequently presented at amortized cost using the effective interest method. The Company generally uses its incremental borrowing rate as the discount rate for leases, unless an interest rate is implicitly stated in the lease. The present value of the lease payments is calculated using the incremental borrowing rate for operating and finance leases, which was determined using a portfolio approach based on the rate of interest that the Company would have to pay to borrow an amount equal to the lease payments on a collateralized basis over a similar term. The lease term for all of the Company's leases includes the noncancelable period of the lease plus any additional periods covered by either a Company option to extend the lease that the Company is reasonably certain to exercise, or an option to extend the lease controlled by the lessor. All ROU assets are reviewed periodically for impairment.

Lease expense for operating leases consists of the lease payments plus any initial direct costs and is recognized on a straight-line basis over the lease term. Lease expense for finance leases consists of the amortization of the asset on a straight-line basis over the shorter of the lease term or its useful life and interest expense determined on an amortized cost basis, with the lease payments allocated between a reduction of the lease liability and interest expense.

The Company's operating leases are comprised primarily of ground leases and equipment leases. Balance sheet information related to our leases is present below (ASC 842 was adopted on January 1, 2022):

	June 30, 2022	December 31, 2021
Operating leases:		
Right-of-use assets	$ 7,651,080	$ –
Lease liability	3,404,682	–
Finance leases:		
Right-of-use assets	–	–
Lease liability	–	–

Other information related to leases is presented below:

Six Months Ended June 30, 2022	
Operating lease cost	$ 258,184
Other information:	
Operating cash flows from operating leases	158,083
Weighted-average remaining lease term – operating leases (in years)	92.03
Weighted-average discount rate – operating leases	10.0%

Note 11: ROU Assets and Lease Liabilities (continued)

As of June 30, 2022, the annual minimum lease payments of our operating lease liabilities were as follows:

For The Years Ending December 31,	
2022 (six months)	$ 167,035
2023	333,004
2024	311,900
2025	311,900
2026	311,900
Thereafter	41,436,900
Total future minimum lease payments, undiscounted	42,872,639
Less: imputed interest	(39,467,957)
Present value of future minimum lease payments	$ 3,404,682

Note 12: Subsequent Events

PACE Financing

On July 1, 2022, HOF Village Stadium, LLC (the "Lessee"), a wholly-owned subsidiary of the Company that leases the Tom Benson Hall of Fame Stadium ("Stadium") from Stark County Port Authority, entered into the EPC Agreement with Canton Regional Energy Special Improvement District, Inc. (the "ESID"), SPH Canton St, LLC, an affiliate of Stonehill Strategic Capital, LLC ("Investor"), and City of Canton, Ohio.

Under the EPC Agreement, the Investor provided $33,387,844 (the "Project Advance") PACE financing to finance the costs of the special energy improvement projects at the Stadium described in the Canton Regional Energy Special Improvement District Project Plan that have been completed (as supplemented, the "Plan"). Of the Project Advance, $29,565,729 was disbursed to Lessee, $3,221,927 was retained by Investor as capitalized interest, and $600,187 was used to pay closing costs. Pursuant to the EPC Agreement, the Lessee agreed to make special assessment payments in an aggregate amount that will provide revenues sufficient to repay the Project Advance plus interest and certain costs (the "Special Assessments"). The Special Assessments have been levied in the amounts necessary to amortize the Project Advance, together with interest at the annual rate of 6.0% and a $6,542 semi-annual administrative fee to the ESID over 50 semi-annual payments of $1,314,913 to be collected beginning approximately on January 31, 2024 and continuing through approximately July 31, 2048.

In connection with entering into the EPC Agreement, the Company obtained the consent and agreement of Cuyahoga River Capital LLC ("CRC"), pursuant to an agreement, dated June 27, 2022 (the "Consent Agreement"). CRC holds 100% of the interest in the Development Finance Authority of Summit County Tax-Exempt Development Revenue Bonds, Series 2018 (Hall of Fame Village - Stadium and Youth Fields TIF Project), issued in the original principal amount of $10,030,000 the "Series 2018 Bonds"). Pursuant to the Consent Agreement, upon the closing of the EPC Agreement the Company deposited $9,895,197 into a bank account at The Huntington National Bank ("Huntington") subject to a deposit account control agreement (the "DACA") executed by Huntington and CRC as secured party (the "Pledged Account"). Under the Consent Agreement, in the event the Series 2018 Bonds are outstanding on December 29, 2022, the Company will repurchase the Series 2018 Bonds. The Company granted CRC a lien on the Pledged Account to secure the Company's obligations under the Consent Agreement. In the event the Series 2018 Bonds are redeemed and/or defeased prior to December 29, 2022, upon such redemption or defeasance the Consent Agreement shall automatically terminate, and CRC shall instruct Huntington to release the DACA.

CH Capital Loan Amendment

On August 5, 2022, the Company and CH Capital amended the CH Capital Loan to increase the principal amount of the loan to reflect (a) certain legal and other fees incurred as part of the previous amendment on March 1, 2022; and (b) to reflect paid-in-kind interest through July 31, 2022. The amount of the principal was increased to $8,751,763.

Sports Betting Agreements

On July 14, 2022, Newco entered into an Online Market Access Agreement with Instabet, Inc. ("Instabet"), pursuant to which Instabet will serve as a Mobile Management Services Provider (as defined under applicable Ohio gaming law) wherein Instabet will host, operate and support a branded online sports betting service in Ohio, subject to procurement of all necessary licenses. The initial term of the Online Market Access Agreement is ten years. As part of this agreement, Newco will receive a limited equity interest in Instabet and certain revenue sharing, along with the opportunity for sponsorship and cross-marketing.

On July 29, 2022, Newco entered into a Retail Sports Gaming Services Agreement with RSI OH, LLC, ("RSI"), pursuant to which RSI will serve as a land-based Management Services Provider (as defined under applicable Ohio gaming law) wherein RSI will operate a retail sports betting location in the Fan Engagement Zone at the Hall of Fame Village, subject to procurement of all necessary licenses. The initial term of the Retail Sports Gaming Services Agreement is ten years. As part of this agreement, Newco will receive sponsorship fees and certain revenue sharing.

Item 2. Management's discussion and analysis of financial condition and results of operations

This Quarterly Report on Form 10–Q contains forward–looking statements that involve risks and uncertainties, as well as assumptions that, if they never materialize or prove incorrect, could cause our results to differ materially from those expressed or implied by such forward–looking statements. The statements contained herein that are not purely historical are forward–looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward–looking statements are often identified by the use of words such as, but not limited to, "anticipate," "estimates," "should," "expect," "guidance," "project," "intend," "plan," "believe" and similar expressions or variations intended to identify forward–looking statements. These statements are based on the beliefs and assumptions of our management based on information currently available to management. Such forward–looking statements are subject to risks, uncertainties and other important factors that could cause actual results and the timing of certain events to differ materially from future results expressed or implied by such forward–looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those identified below, and those discussed in the section titled "Risk Factors" included in our Form 10-K for the fiscal year ended December 31, 2021 as filed with the Securities and Exchange Commission ("SEC") on March 14, 2022, in addition to other public reports we filed with the SEC. The forward–looking statements set forth herein speak only as of the date of this report. Except as required by law, we undertake no obligation to update any forward–looking statements to reflect events or circumstances after the date of such statements.

Unless the context otherwise requires, the "Company", "we," "our," "us" and similar terms refer to Hall of Fame Resort & Entertainment Company, a Delaware corporation.

Business Overview

We are a resort and entertainment company leveraging the power and popularity of professional football and its legendary players in partnership with the National Football Museum, Inc., doing business as the Pro Football Hall of Fame ("PFHOF"). Headquartered in Canton, Ohio, we own the Hall of Fame Village powered by Johnson Controls, a multi-use sports and entertainment destination centered around the PFHOF's campus. We expect to create a diversified set of revenue streams through developing themed attractions, premier entertainment programming and sponsorships. The strategic plan has been developed in three phases of growth: Phase I, Phase II, and Phase III.

Phase I of the Hall of Fame Village powered by Johnson Controls is operational, consisting of the Tom Benson Hall of Fame Stadium, the ForeverLawn Sports Complex, and HOF Village Media Group, LLC ("Hall of Fame Village Media" or the "Media Company"). The Tom Benson Hall of Fame Stadium hosts multiple sports and entertainment events, including the NFL Hall of Fame Game, Enshrinement and Concert for Legends during the annual Pro Football Hall of Fame Enshrinement Week. The ForeverLawn Sports Complex hosts camps and tournaments for football players, as well as athletes from across the country in other sports such as lacrosse, rugby and soccer. Hall of Fame Village Media leverages the sport of professional football to produce exclusive programming by licensing the extensive content controlled by the PFHOF as well as new programming assets developed from live events such as youth tournaments, camps and sporting events held at the ForeverLawn Sports Complex and the Tom Benson Hall of Fame Stadium.

We are developing new hospitality, attraction and corporate assets surrounding the Pro Football Hall of Fame Museum as part of our Phase II development plan. Phase II plans for future components of the Hall of Fame Village powered by Johnson Controls include two hotels (one on campus and one in downtown Canton that opened in November 2020), the Hall of Fame Indoor Waterpark, the Constellation Center for Excellence (an office building including retail and meeting space, that opened in October 2021), the Center for Performance (a convention center/field house), the Play Action Plaza, and the Hall of Fame Retail Promenade. We are pursuing a differentiation strategy across three pillars, including destination-based assets, the Media Company, and gaming (including the fantasy football league we acquired a majority stake in 2020 and both retail and online sports betting partnerships). Phase III expansion plans may include a potential mix of residential space, additional attractions, entertainment, dining, merchandise and more.

Key Components of the Company's Results of Operations

Revenue

We generate revenues from various streams such as sponsorship agreements, rents, cost recoveries, events, hotel operations, Hall of Fantasy League, and through the sale of non-fungible tokens. The sponsorship arrangements, in which the customer sponsors a play area or event and receives specified brand recognition and other benefits over a set period of time, recognize revenue on a straight-line basis over the time period specified in the contract. Revenue for rents, cost recoveries, and events are recognized at the time the respective event or service has been performed. Rental revenue for long term leases is recorded on a straight-line basis over the term of the lease beginning on the commencement date.

Our owned hotel revenues primarily consist of hotel room sales, revenue from accommodations sold in conjunction with other services (e.g., package reservations), food and beverage sales, and other ancillary goods and services (e.g., parking) related to owned hotel properties. Revenue is recognized when rooms are occupied or goods and services have been delivered or rendered, respectively. Payment terms typically align with when the goods and services are provided.

Operating Expenses

Our operating expenses include property operating expenses, depreciation expense and other operating expenses. These expenses have increased in connection with putting our first phase into operation and we expect these expenses to continue to increase with our growth.

Our property operating expenses include the costs associated with running its operational entertainment and destination assets such as the Tom Benson Hall of Fame Stadium and the ForeverLawn Sports Complex. As more of our Phase II assets become operational and additional events for top performers and sporting events are held, we expect these expenses to continue to increase with our development.

Other operating expenses include items such as management fees, commission expense and professional fees. We expect these expenses to continue to increase with our growth.

Our depreciation expense includes the related costs to owning and operating significant property and entertainment assets. These expenses have grown as we have completed Phase I development and the assets associated with Phase I became operational. We expect these expenses to continue to grow as Phase II and III assets are developed and become operational.

Impact of COVID-19

Since 2020, the world has been impacted by the novel coronavirus (COVID-19) pandemic. The COVID-19 pandemic and measures to prevent its spread have impacted our business in a number of ways, most significantly with regard to a reduction in the number of events and attendance at events at Tom Benson Hall of Fame Stadium and ForeverLawn Sports Complex, which has also negatively impacted our ability to sell sponsorships. Further, the COVID-19 pandemic has caused a number of supply chain disruptions, which negatively impacts our ability to obtain the materials needed to complete construction as well as increases in the costs of materials and labor. The continued impact of these disruptions and the ultimate extent of their adverse impact on our financial and operating results will continue to be dictated by the length of time that such disruptions continue, which will, in turn, depend on the currently unknowable duration and severity of the impacts of the COVID-19 pandemic, and among other things, the impact of governmental actions imposed in response to the COVID-19 pandemic and individuals' and companies' risk tolerance regarding health matters going forward and developing strain mutations.

Recent Developments

Dispute Regarding Naming Rights Agreement with Johnson Controls

The Naming Rights Agreement is scheduled to expire on December 31, 2034 but provides termination rights both to (a) HOF Village Newco, LLC, a wholly-owned subsidiary of the Company ("Newco"), and PFHOF, and (b) Johnson Controls, which may be exercised in the event the other party, among other things, breaches any of its covenants and agreements under the Naming Rights Agreement beyond certain notice and cure periods. Additionally, Johnson Controls has a right to terminate the Naming Rights Agreement if (i) we do not provide evidence to Johnson Controls by October 31, 2021, that we have secured sufficient debt and equity financing to complete Phase II, subject to day-for-day extension due to force majeure and a notice and cure period, (ii) Phase II is not open for business by January 2, 2024, subject to day-for-day extension due to force majeure and a notice and cure period or (iii) Newco is in default beyond applicable notice and cure periods under certain agreements, such as the Technology as a Service Agreement with Johnson Controls (the "TAAS Agreement"), among others. There can be no assurance that Phase II will be open for business by January 2, 2024. In addition, under the Naming Rights Agreement, Johnson Controls' obligation to make sponsorship payments to Newco may be suspended if Newco has not provided evidence reasonably satisfactory to Johnson Controls on or before December 31, 2020, that Newco has secured sufficient debt and equity financing to complete Phase II, subject to day-for-day extension due to force majeure.

We are in dispute with Johnson Controls for Johnson Controls' failure to make certain payments under the Naming Rights Agreement. We are currently in discussions with Johnson Controls to settle this dispute. However, there can be no assurances that the amounts due will be settled in accordance with the original terms of the Naming Rights Agreement. Therefore, during the three and six months ended June 30, 2022, we suspended our revenue recognition until the dispute is resolved and have recorded an allowance against the amounts due as of June 30, 2022 in the amount of $2,125,000. The balances due under the Naming Rights Agreement as of June 30, 2022 and December 31, 2021 amounted to $4,010,417 and $1,885,417, respectively.

We anticipate this dispute will be resolved pursuant to the dispute resolution section of the Naming Rights Agreement, which provides for: (1) thirty (30) days of good faith negotiation to attempt to resolve such dispute, followed by (2) referral of the dispute to an independent facilitator or mediator for non-binding mediation; and (3) if the mediation is unsuccessful within sixty (60) days of the commencement of such non-binding mediation, any party may, by notice to all other parties, then refer the dispute to binding arbitration in the State of Ohio.

In addition to the Naming Rights Agreement, Newco is party to a Technology as a Service Agreement dated October 9, 2020 with Johnson Controls (the "TAAS Agreement"). Pursuant to the TAAS Agreement, Johnson Controls will provide certain services related to the construction and development of the Hall of Fame Village powered by Johnson Controls (the "Project").

The TAAS Agreement provides that in respect of the Naming Rights Agreement, Johnson Controls and Newco intend, acknowledge and understand that: (i) Newco's performance under the TAAS Agreement is essential to, and a condition to Johnson Controls' performance under, the Naming Rights Agreement and (ii) Johnson Controls' performance under the Naming Rights Agreement is essential to, and a condition to Newco's performance under, the TAAS Agreement. In the TAAS Agreement, Johnson Controls and Newco represent, warrant and agree that the transactions agreements and obligations contemplated under the TAAS Agreement and the Naming Rights Agreement are intended to be, and shall be, interrelated, integrated and indivisible, together being essential to consummating a single underlying transaction necessary for the Project. We anticipate that resolution of the dispute regarding the Naming Rights Agreement will include the TAAS Agreement.

On May 10, 2022, we received from Johnson Controls a notice of termination (the "TAAS Notice") of the TAAS Agreement effective immediately. The TAAS Notice states that termination of the TAAS Agreement by Johnson Controls is due to our alleged breach of its payment obligations. Additionally, Johnson Controls in the TAAS Notice demands the amount which is the sum of: (i) all past due payments and any other amounts owed by us under the TAAS Agreement; (ii) all commercially reasonable and documented subcontractor breakage and demobilization costs; and (iii) all commercially reasonable and documented direct losses incurred by Johnson Controls directly resulting from the alleged default by us and the exercise of Johnson Controls' rights and remedies in respect thereof, including reasonable attorney fees.

Also on May 10, 2022, we received from Johnson Controls a notice of termination ("Naming Rights Notice") of the Name Rights Agreement, effective immediately. The Naming Rights Notice states that the termination of the Naming Rights Agreement by Johnson Controls is due to Johnson Controls' concurrent termination of the TAAS Agreement. The Naming Rights Notice further states that we must pay Johnson Controls, within 30 days following the date of the Naming Rights Notice, $4,750,000. We have not made such payment to date. The Naming Rights Notice states that we are also in breach of its covenants and agreements, which required us to provide evidence reasonably satisfactory to Johnson Controls on or before October 31, 2021, subject to day-for-day extension due to force majeure, that we have secured sufficient debt and equity financing to complete Phase II.

We dispute that we are in default under either the TAAS Agreement or the Naming Rights Agreement. We believe Johnson Controls is in breach of the Naming Rights Agreement and the TAAS Agreement, and, on May 16, 2022, provided notice to Johnson Controls of these breaches. We are pursuing dispute resolution pursuant to the terms of the Naming Rights Agreement to simultaneously defend against Johnson Controls' allegations and pursue our own claims. The ultimate outcome of this dispute cannot presently be determined. However, in management's opinion, the likelihood of a material adverse outcome is remote. Accordingly, adjustments, if any, that might result from the resolution of this matter have not been reflected in the accompanying condensed consolidated financial statements.

Global License Agreement with PFHOF

Effective April 8, 2022, Newco and PFHOF entered into a Global License Agreement (the "Global License Agreement"). The Global License Agreement consolidates and replaces the First Amended and Restated License Agreement, the Amended and Restated Media License Agreement, and the Branding Agreement the parties had previously entered into. The Global License Agreement sets forth the terms under which PFHOF licenses certain marks and works to Newco and its affiliates to exploit existing PFHOF works and to create new works. The Global License Agreement grants Newco and its affiliates an exclusive right and license to use the PFHOF marks in conjunction with theme-based entertainment and attractions within the City of Canton, Ohio; youth sports programs, subject to certain exclusions; e-gaming and video games; and sports betting. The Global License Agreement also grants Newco and its affiliates a non-exclusive license to use the PFHOF marks and works in other areas of use, with a right of first refusal, subject to specified exclusions. The Global License Agreement acknowledges the existence of agreements in effect between PFHOF and certain third parties that provide for certain restrictions on the rights of PFHOF, which affects the rights that can be granted to Newco and its affiliates. These restrictions include, but are not limited to, such third parties having co-exclusive rights to exploit content based on the PFHOF enshrinement ceremonies and other enshrinement events. The Global License Agreement requires Newco to pay PFHOF an annual license fee of $900,000 in the first contract year, inclusive of calendar years 2021 and 2022; an annual license fee of $600,000 in each of contract years two through six; and an annual license fee of $750,000 per year starting in contract year seven through the end of the initial term. The Global License Agreement also provides for an additional license royalty payment by Newco to PFHOF for certain usage above specified financial thresholds, as well as a commitment to support PFHOF museum attendance through Newco's and its affiliates' ticket sales for certain concerts and youth sports tournaments. The Global License Agreement has an initial term through December 31, 2036, subject to automatic renewal for successive five-year terms, unless timely notice of non-renewal is provided by either party.

HOF Village CFP Loan

On April 27, 2022, Midwest Lender Fund, LLC, a limited liability company wholly owned by our director Stuart Lichter ("Lender"), loaned $4,000,000 (the "Loan") to HOF Village Center For Performance, LLC ("HOF Village CFP"), which Loan is evidenced by a promissory note issued by HOF Village CFP to Lender (the "Note"). Interest accrues on the outstanding balance of the Note at 6.5% per annum, compounded monthly. The Note matures on April 30, 2023 or if HOF Village CFP exercises its extension option, April 30, 2024. The Note is secured by a mortgage encumbering the Center For Performance. Lender made the Loan to HOF Village CFP in accordance with a previously disclosed letter agreement, dated March 1, 2022, between Hall of Fame Resort & Entertainment Company (the "Company") and Stuart Lichter, which was amended April 16, 2022, and amended and assigned by Stuart Lichter to Lender April 26, 2022 (the "Letter Agreement").

As part of the consideration for making the Loan, we issued to Lender: (A) 125,000 shares (the "Commitment Fee Shares") of our common stock, par value $0.0001 per share ("Common Stock"), and (B) a Series G warrant (the "Series G Warrants") to purchase 125,000 shares of Common Stock (the "Warrant Shares"). The exercise price of the Series G Warrants is $1.50 per share. The Series G Warrants are exercisable one year after issuance, subject to certain terms and conditions set forth in the Series G Warrants. Unexercised Series G Warrants will expire five years after issuance. The exercise price of the Series G Warrants are subject to a weighted-average antidilution adjustment.

PACE Financing

On April 28, 2022, the City of Canton, in coordination with the Canton Regional Energy Special Improvement District, approved legislation that will enable us draw up to $3.2 million in Property Assessed Clean Energy ("PACE") financing in conjunction with the implementation of various energy-efficient improvements at the Center for Performance. Through June 30, 2022, we received $27,586 on this financing.

Stark Community Foundation Loan

On June 16, 2022, we entered into a loan agreement with Stark Community Foundation, Inc. ("Stark") pursuant to which Stark agreed to lend us $5,000,000, and through June 30, 2022 we borrowed $2,500,000 (the "SCF Loan"). The interest rate applicable to the SCF Loan is 6.0% annum. Interest payments are paid annually on December 31st of each year. The SCF Loan is unsecured and matures on May 31, 2029. We may prepay the SCF Loan without penalty.

Events of default under the loan include without limitation: (i) a payment default, (ii) our failure to complete the infrastructure development for Phase II on or before December 31, 2024, and (iii) our failure, following notice from Stark, to comply with any non-monetary covenant contained in the loan agreement. Upon the occurrence of an event of default under the Business Loan Agreement: (a) interest due will increase by 5% per annum; and (b) Stark may, at its option, declare our obligations under the Business Loan Agreement to be immediately due and payable.

The Business Loan Agreement contains customary affirmative and negative covenants for this type of loan, including without limitation (i) affirmative covenants, including furnish Stark with such financial statements and other related information at such frequencies and in such detail as Stark may reasonably request and use all SCF Loan proceeds solely for the infrastructure development for the construction of Phase II, and (ii) negative covenants, including restrictions on additional indebtedness, prepayment of other indebtedness, transactions with related parties, additional liens, mergers and acquisitions, and standard prohibitions on change of control.

CH Capital Bridge Loan

On June 16, 2022, we entered into an agreement to borrow $10,500,000 (the "CH Capital Bridge Loan") from CH Capital Lending, LLC, which is an affiliate of our director Stuart Lichter ("CH Capital"). The CH Capital Bridge Loan is evidenced by a Promissory Note issued by us to CH Capital. Interest accrues at 12% per annum, compounded monthly. The maturity date is September 10, 2022. We have the right to prepay all or any portion of the principal amount at any time before the maturity date without penalty. Under the CH Capital Bridge Loan, the net proceeds of a financing that occurs after the date of the CH Capital Bridge Loan shall be used to prepay the loan. The CH Capital Bridge Loan is secured by: (i) a mortgage on real property on which we are building our Fan Engagement Zone (an 82,000-square-foot promenade located strategically within the campus footprint, which will include restaurants, retailers and experiential offerings) and (ii) a pledge and security interest in all of the membership interests of HOF Village Waterpark, LLC, and HOF Village Hotel I, LLC held by HOF Village Newco, LLC, each of which is direct or indirect wholly-owned subsidiary of the Company.

Upon the occurrence of an event of default under the CH Capital Bridge Loan, including without limitation our failure to pay, on or before the due date any amount owing to CH Capital under the loan or our failure, following notice from CH Capital, to comply with any non-monetary covenant contained in the loan, (i) interest due will increase by 5% per annum; and (ii) CH Capital may, at its option, declare our obligations under the loan to be immediately due and payable.

In connection with entering into the CH Capital Bridge Loan, we paid customary fees and expenses.

PACE Financing

On July 1, 2022, HOF Village Stadium, LLC, entered into an Energy Project Cooperative Agreement with Canton Regional Energy Special Improvement District, Inc., SPH Canton St, LLC, an affiliate of Stonehill Strategic Capital, LLC ("SPH"), and City of Canton, Ohio (the "EPC Agreement").

Under the EPC Agreement, SPH provided $33,387,844 property assessed clean energy financing to finance the costs of the special energy improvement projects at the Stadium described in the Canton Regional Energy Special Improvement District Project Plan that have been completed (as supplemented, the "Plan"). Of the amount received, $29,565,729 was disbursed to us, $3,221,927 was retained by SPH as capitalized interest, and $600,187 was used to pay closing costs. Pursuant to the EPC Agreement, we agreed to make special assessment payments in an aggregate amount that will provide revenues sufficient to repay the amount received plus interest and certain costs. The EPC Agreement bears interest at the annual rate of 6.0% and we will pay a $6,542 semi-annual administrative fee to the ESID over 50 semi-annual payments of $1,314,913 to be collected beginning approximately on January 31, 2024, and continuing through approximately July 31, 2048.

In connection with entering into the EPC Agreement, we obtained the consent and agreement of Cuyahoga River Capital LLC, pursuant to an agreement, dated June 27, 2022. CRC holds 100% of the interest in the Development Finance Authority of Summit County Tax-Exempt Development Revenue Bonds, Series 2018 (Hall of Fame Village - Stadium and Youth Fields TIF Project), issued in the original principal amount of $10,030,000 the "Series 2018 Bonds"). Pursuant to the Consent Agreement, upon the closing of the EPC Agreement the Company deposited $9,895,197 into a bank account at The Huntington National Bank subject to a deposit account control agreement executed by Huntington and CRC as secured party. Under the Consent Agreement, in the event the Series 2018 Bonds are outstanding on December 29, 2022, we will repurchase the Series 2018 Bonds. We granted CRC a lien on the Pledged Account to secure our obligation under the Consent Agreement. In the event the Series 2018 Bonds are redeemed and/or defeased prior to December 29, 2022, upon such redemption or defeasance the Consent Agreement shall automatically terminate, and CRC shall instruct Huntington to release the DACA.

Sports Betting Agreements

On July 14, 2022, Newco entered into an Online Market Access Agreement with Instabet, Inc. ("Instabet"), pursuant to which Instabet will serve as a Mobile Management Services Provider (as defined under applicable Ohio gaming law) wherein Instabet will host, operate and support a branded online sports betting service in Ohio, subject to procurement of all necessary licenses. The initial term of the Online Market Access Agreement is ten years. As part of this agreement, Newco will receive a limited equity interest in Instabet and certain revenue sharing, along with the opportunity for sponsorship and cross-marketing.

On July 29, 2022, Newco entered into a Retail Sports Gaming Services Agreement with RSI OH, LLC, ("RSI"), pursuant to which RSI will serve as a land-based Management Services Provider (as defined under applicable Ohio gaming law) wherein RSI will operate a retail sports betting location in the Fan Engagement Zone at the Hall of Fame Village, subject to procurement of all necessary licenses. The initial term of the Retail Sports Gaming Services Agreement is ten years. As part of this agreement, Newco will receive sponsorship fees and certain revenue sharing.

Results of Operations

The following table sets forth information comparing the components of net loss for the three months ended June 30, 2022 and the comparable period in 2021:

	For the Three Months Ended June 30,	
	2022	2021
Revenues		
Sponsorships, net of activation costs	$ 452,772	$ 1,508,402
Event, rents and cost recoveries	668,863	60,135
Hotel revenues	1,563,900	795,222
Total revenues	2,685,535	2,363,759
Operating expenses		
Operating expenses	6,799,280	6,219,781
Hotel operating expenses	1,316,150	1,596,989
Commission expense	516,833	260,583
Depreciation expense	3,527,581	2,972,130
Total operating expenses	12,159,844	11,049,483
Loss from operations	(9,474,309)	(8,865,724)
Other income (expense)		
Interest expense, net	(921,392)	(1,004,419)
Amortization of discount on note payable	(1,122,324)	(1,164,613)
Change in fair value of warrant liability	2,423,000	26,315,888
Total other income	379,284	24,146,856
Net (loss) income	$ (9,095,025)	$ 15,461,132
Series B preferred stock dividends	(266,000)	(130,000)
Non-controlling interest	158,592	209,921
Net (loss) income attributable to HOFRE stockholders	$ (9,202,433)	$ 15,541,053
Net (loss) income per share – basic	$ (0.08)	$ 0.16
Weighted average shares outstanding, basic	113,997,493	94,397,222
Net (loss) income per share – diluted	$ (0.08)	$ -
Weighted average shares outstanding, diluted	113,997,493	107,353,272

Three Months Ended June 30, 2022 as Compared to the Three Months Ended June 30, 2021

Sponsorship Revenues

Sponsorship revenues totaled $452,772 for the three months ended June 30, 2022 as compared to $1,508,402 for the three months ended June 30, 2021, representing a decrease of $1,055,630, or 70.0%. This decrease was primarily driven by our pausing the recognition of revenue on the JCI sponsorship agreement while a dispute with Johnson Controls is resolved. For additional information, see "Dispute Regarding Naming Rights Agreement with Johnson Controls" above.

Event, rents and cost recoveries

Revenue from event, rents and cost recoveries was $668,863 for the three months ended June 30, 2022 compared to $60,135 for the three months ended June 30, 2021, for an increase of $608,728, or 1012.3%. This increase was primarily driven by the resumption of many sports and other tournaments in our ForeverLawn Sports Complex, our hosting of the USFL semifinals and other tournaments in our Tom Benson Hall of Fame Stadium, as well as the opening of the Constellation Center for Excellence.

Hotel Revenues

Hotel revenue was $1,563,900 for the three months ended June 30, 2022 compared to $795,222 from the three months ended June 30, 2021 for an increase of $768,678, or 96.7%. This was driven by resumption of travel and conferences that had previously been paused due to the COVID-19 pandemic.

Operating Expenses

Operating expense was $6,799,280 for the three months ended June 30, 2022 compared to $6,219,781 for the three months ended June 30, 2021, for an increase of $579,499, or 9.3%. This increase was driven by an increase in payroll and related costs of approximately $650,000 due to increased headcount, an increase in event expenses of approximately $398,000, and an increase in insurance expense of approximately $224,000, partially offset by a decrease in stock-based compensation expense of approximately $446,000.

Hotel Operating Expenses

Hotel operating expense was $1,316,150 for the three months ended June 30, 2022 compared to $1,596,989 for the three months ended June 30, 2021 for a decrease of $280,839, or 17.6%. This was driven by $486,000 in interest on a loan that was subsequently moved to interest expense offset by an increase in operating expenses due to increased revenue.

Commission Expense

Commission expense was $516,833 for the three months ended June 30, 2022 compared to $260,583 for the three months ended June 30, 2021, for an increase of $256,250, or 98.3%. The increase in commission expense was primarily driven by payments incurred for commissions on our Constellation New Energy sponsorship agreement.

Depreciation Expense

Depreciation expense was $3,527,581 for the three months ended June 30, 2022 compared to $2,972,130 for the three months ended June 30, 2021, for an increase of $555,451, or 18.7%. The increase in depreciation expense is primarily the result of additional depreciation expense incurred due to the opening of the Constellation Center for Excellence in the fourth quarter of 2021.

Interest Expense

Total interest expense was $921,392 for the three months ended June 30, 2022 compared to $1,004,419 for the three months ended June 30, 2021, for a decrease of $83,027, or 8.3%. The decrease in total interest expense was primarily due to an increase in the proportion of debt that is capitalized for ongoing construction projects.

Amortization of Debt Discount

Total amortization of debt discount was $1,122,324 for the three months ended June 30, 2022, compared to $1,164,613 for the three months ended June 30, 2021, for a decrease of $42,289, or 3.6%. The decrease in total amortization of debt discount was primarily due to an increase in the proportion of debt that is capitalized for ongoing construction projects.

Change in Fair Value of Warrant Liability

The change in fair value warrant liability represents a gain of $2,423,000 for the three months ended June 30, 2022 compared to $26,315,888 for the three months ended June 30, 2021, for a decrease of $23,892,888 or 91%. The decrease in change in fair value of warrant liability was due primarily to a decrease in our stock price.

Six Months Ended June 30, 2022 as Compared to the Six Months Ended June 30, 2021

	For the Six Months Ended June 30,	
	2022	2021
Revenues		
Sponsorships, net of activation costs	$ 1,272,062	$ 2,983,838
Event, rents and cost recoveries	1,006,256	103,680
Hotel revenues	2,513,741	1,191,560
Total revenues	4,792,059	4,279,078
Operating expenses		
Operating expenses	14,325,979	12,228,780
Hotel operating expenses	2,469,262	2,363,154
Commission expense	656,743	427,250
Depreciation expense	6,769,866	5,893,067
Total operating expenses	24,221,850	20,912,251
Loss from operations	(19,429,791)	(16,633,173)
Other expense		
Interest expense, net	(2,134,933)	(1,959,727)
Amortization of discount on note payable	(2,478,298)	(2,398,727)
Change in fair value of warrant liability	7,173,000	(90,035,112)
(Loss) gain on extinguishment of debt	(148,472)	390,400
Total other income (expense)	2,411,297	(94,003,166)
Net loss	$ (17,018,494)	$ (110,636,339)
Series B preferred stock dividends	(532,000)	(130,000)
Non-controlling interest	235,964	160,210
Net loss attributable to HOFRE stockholders	$ (17,314,530)	$ (110,606,129)
Net loss per share – basic and diluted	$ (0.16)	$ (1.30)
Weighted average shares outstanding, basic and diluted	109,194,639	84,978,294

Sponsorship Revenues

Sponsorship revenues totaled $1,272,062 for the six months ended June 30, 2022 as compared to $2,983,838 for the six months ended June 30, 2021, for a decrease of $1,711,776, or 57.4%. This decrease was primarily driven by our pausing the recognition of revenue on the JCI sponsorship agreement while a dispute with Johnson Controls is resolved. For additional information, see "Dispute Regarding Naming Rights Agreement with Johnson Controls" above.

Event, rents and cost recoveries

Revenue from event, rents and cost recoveries was $1,006,256 for the six months ended June 30, 2022 compared to $103,680 for the six months ended June 30, 2021, for an increase of $902,576, or 870.5%. This increase was primarily driven by the resumption of many sports and other tournaments in our ForeverLawn Sports Complex, the hosting of the USFL semifinals and other events in our Tom Benson Hall of Fame Stadium, as well as the opening of the Constellation Center for Excellence.

Hotel Revenues

Hotel revenue was $2,513,741 for the six months ended June 30, 2022 compared to $1,191,560 from the six months ended June 30, 2021 for an increase of $1,322,181, or 111.0%. This increase was driven by resumption of travel and conferences that had previously been paused due to the COVID-19 pandemic.

Operating Expenses

Operating expense was $14,325,979 for the six months ended June 30, 2022 compared to $12,228,780 for the six months ended June 30, 2021, for an increase of $2,097,199, or 17.1%. This increase was driven by an increase in legal and professional fees of approximately $250,000, an increase in payroll and related costs of approximately $1.0 million due to increased headcount, an increase in event expenses of $449,000 and an increase in insurance expense of approximately $344,000, partially offset by a decrease in stock-based compensation of approximately $563,000.

Hotel Operating Expenses

Hotel operating expense was $2,469,262 for the six months ended June 30, 2022 compared to $2,363,154 for the six months ended June 30, 2021 for an increase of $106,108, or 4.5%. This increase was driven by resumption of travel and conferences that had previously been paused due to COVID-19.

Commission Expense

Commission expense was $656,743 for the six months ended June 30, 2022 compared to $427,250 for the six months ended June 30, 2021, for an increase of $229,493, or 53.7%. The increase in commission expense was primarily driven by payments incurred for commissions on our Constellation New Energy sponsorship agreement.

Depreciation Expense

Depreciation expense was $6,769,866 for the six months ended June 30, 2022 compared to $5,893,067 for the six months ended June 30, 2021, for an increase of $876,799, or 14.9%. The increase was primarily the result of additional depreciation expense incurred due to the opening of the Constellation Center for Excellence in the fourth quarter of 2021.

Interest Expense

Total interest expense was $2,134,933 for the six months ended June 30, 2022 compared to $1,959,727 for the six months ended June 30, 2021, for an increase of $175,206, or 8.9%. The increase in total interest expense is primarily due to the increase in our total debt outstanding, as well as a mix of higher interest rate loans.

Amortization of Debt Discount

Total amortization of debt discount was $2,478,298 for the six months ended June 30, 2022 compared to $2,398,727 for the six months ended June 30, 2021, for an increase of $79,571, or 3.3%. The increase in total amortization of debt discount was primarily due to an increase in our total debt outstanding.

Change in Fair Value of Warrant Liability

The change in fair value warrant liability represents a gain of $7,173,000 for the six months ended June 30, 2022 compared to a loss of $90,035,112 for the six months ended June 30, 2021, for a change of $97,208,112 or 108%. The change in fair value of warrant liability was primarily due to a decrease in our stock price.

(Loss) Gain on Extinguishment of Debt

Loss on extinguishment of debt was $148,472 for the six months ended June 30, 2022, as compared to a gain of $390,400 for the six months ended June 30, 2021. The loss on extinguishment of debt is due to the forgiveness of our Paycheck Protection Program Loan during the first quarter of 2021 and the refinancing of many of our debt instruments in the first quarter of 2022.

Liquidity and Capital Resources

We have sustained recurring losses and negative cash flows from operations through June 30, 2022. Since inception, our operations have been funded principally through the issuance of debt and equity. As of June 30, 2022, we had approximately $11 million of unrestricted cash and $7 million of restricted cash, respectively. A majority of our restricted cash may be released to us upon achieving certain occupancy and other targets sets by certain of our lenders.

On March 1, 2022, the Company and ErieBank agreed to extend the MKG DoubleTree Loan in principal amount of $15,300,000 to September 13, 2023.

On March 1, 2022, we executed a series of transactions with Industrial Realty Group, LLC, a Nevada limited liability company controlled by our director Stuart Lichter ("IRG") and its affiliates and JKP Financial LLC ("JKP"), whereby IRG and JKP extended certain of our debt in aggregate principal amount of $22,853,831 to March 31, 2024.

On June 16, 2022, we entered into a loan agreement with CH Capital Lending LLC, which is an affiliate of the Company's director Stuart Lichter ("CH Capital Lending"), whereby CH Capital Lending agreed to lend us $10,500,000.

On June 16, 2022, we entered into a loan agreement with Stark Community Foundation, whereby Stark Community Foundation agreed to lend to us $5,000,000, of which we've drawn $2,500,000.

On July 1, 2022, we entered into an Energy Project Cooperative Agreement (the "EPC Agreement") with Canton Regional Energy Special Improvement District, Inc., SPH Canton St, LLC, an affiliate of Stonehill Strategic Capital, LLC and City of Canton, Ohio. Under the EPC Agreement, we were provided $33,387,844 in Property Assessed Clean Energy ("PACE") financing.

We believe that, as a result our demonstrated historical ability to finance and refinance debt, the transactions described above and current ongoing negotiations, it currently has sufficient cash and future financing to meet its funding requirements over the next year. Notwithstanding, we expect that it will need to raise additional financing to accomplish its development plan over the next several years. We are seeking to obtain additional funding through debt, construction lending, and equity financing. There are no assurances that we will be able to raise capital on terms that are acceptable or at all, or that cash flows generated from its operations will be sufficient to meet its current operating costs. If we are unable to obtain sufficient amounts of additional capital, it may be required to reduce the scope of its planned development, which could harm its financial condition and operating results.

Cash Flows

Since inception, we have primarily used our available cash to fund its project development expenditures. The following table sets forth a summary of cash flows for the periods presented:

	For the Six Months Ended June 30,	
	2022	2021
Cash (used in) provided by:		
Operating Activities	$ 5,422,198	$ (12,256,168)
Investing Activities	(40,022,805)	(26,098,120)
Financing Activities	35,042,816	71,968,919
Net (decrease) increase in cash and restricted	$ 442,209	$ 33,614,631

Cash Flows for the Six Months Ended June 30, 2022 as Compared to the Six Months Ended June 30, 2021

Operating Activities

Net cash provided by operating activities was $5,422,198 during the six months ended June 30, 2022, which consisted primarily of our net loss of $17,018,494, offset by non-cash depreciation expense of $6,769,866, amortization of note discounts of $2,478,298, payment-in-kind interest rolled into debt of $1,681,722, a loss on forgiveness of debt of $148,472, stock-based compensation expense of $2,570,919, and a change in fair value of warrant liability of $7,173,000. The changes in operating assets and liabilities consisted of an increase in accounts receivable of $370,525, a decrease in prepaid expenses and other assets of $1,430,448, an increase in accounts payable and accrued expenses of $8,196,272, an increase in due to affiliates of $1,777,542, and an increase in other liabilities of $4,830,587.

Net cash used in operating activities was $12,256,168 during the six months ended June 30, 2021, which consisted primarily of our net loss of $110,636,339, offset by non-cash depreciation expense of $5,893,067, amortization of note discounts of $2,398,727, stock-based compensation expense of $3,006,692, and a change in fair value of warrant liability of $90,035,112. The changes in operating assets and liabilities consisted primarily of a decrease in accounts receivable of $675,668, an increase in prepaid expenses and other assets of $2,033,495, and a decrease in accounts payable and accrued expenses of $2,060,008.

Investing Activities

Net cash used in investing activities was $40,022,805 and $26,098,120 during the six months ended June 30, 2022 and 2021, respectively, which consisted primarily of our project development costs.

Financing Activities

Net cash provided by financing activities was $35,042,816 during the six months ended June 30, 2022. This consisted primarily of $20,714,311 in proceeds from notes payable and $17,983,214 of proceeds from equity raises under our ATM, offset by $3,144,677 in repayments of notes payable, and $210,032 in payment of financing costs.

Net cash provided by financing activities was $71,968,919 during the six months ended June 30, 2021, which consisted primarily of $6,000,000 in proceeds from notes payable, $15,200,000 in proceeds from the sale of Series B preferred stock, $31,746,996 of proceeds from equity raises, and $23,346,870 of proceeds from the exercise of warrants, offset by $4,309,947 in repayments of notes payable, and $15,000 in payment of financing costs.

Off-Balance Sheet Arrangements

We did not have any off-balance sheet arrangements as of June 30, 2022.

Critical Accounting Policies and Significant Judgments and Estimates

This discussion and analysis of our financial condition and results of operations is based on our consolidated financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States of America, or U.S. GAAP. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported periods. In accordance with U.S. GAAP, we base our estimates on historical experience and on various other assumptions we believe are reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions.

For information on our significant accounting policies please refer to Note 2 to our Consolidated Financial Statements.

Item 3. Quantitative and qualitative disclosures about market risk

Not applicable.

Item 4. Controls and procedures

Evaluation of Disclosure Controls and Procedures

We have established disclosure controls and procedures to ensure that the information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934 (“Exchange Act”) is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms and that such information is accumulated and made known to the officers who certify our financial reports and to other members of senior management and the Board of Directors as appropriate to allow timely decisions regarding required disclosure.

Based on their evaluation as of June 30, 2022, the principal executive officer and principal financial officer of the Company have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) are effective.

Changes in Internal Control over Financial Reporting

During the quarter ended June 30, 2022, there were no changes in our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal proceedings

During the normal course of its business, the Company is subject to occasional legal proceedings and claims.

Item 1A. Risk factors

Our operations and financial results are subject to various risks and uncertainties, including those described in Part I, Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2021, as updated by those described in Part II, Item 1A. "Risk Factors" in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2022, which could adversely affect our business, financial condition, results of operations, cash flows, and the trading price of our common and capital stock. There have been no material changes to our risk factors since our Annual Report on Form 10-K for the year ended December 31, 2021, as updated by our Form 10-Q for the quarter ended March 31, 2022, except as follows:

We rely on sponsorship contracts to generate revenues.

We will receive a portion of our annual revenues from sponsorship agreements for various content, media and live events produced at Hall of Fame Village powered by Johnson Controls such as title, official product and promotional partner sponsorships, billboards, signs and other media. We are continuously in negotiations with existing sponsors and actively seeking new sponsors as there is significant competition for sponsorships. Some of our live events may not secure a title sponsor, may not secure a sufficient number of sponsorships on favorable terms, or may not secure sponsorships sufficiently enough in advance of an event, which may lead to event cancellations or otherwise adversely affect the revenue generated from such events.

The certain amended and restated sponsorship and naming rights agreement, dated as of July 2, 2020 (the "Naming Rights Agreement"), by and among HOF Village, PFHOF and Johnson Controls is scheduled to expire on December 31, 2034, but provides termination rights both to (a) HOF Village and PFHOF and (b) Johnson Controls, which may be exercised in the event the other party, among other things, breaches any of its covenants and agreements under the Naming Rights Agreement beyond certain notice and cure periods. Additionally, Johnson Controls has a right to terminate the Naming Rights Agreement if (i) we do not provide evidence to Johnson Controls by October 31, 2021, that we have secured sufficient debt and equity financing to complete Phase II, subject to day-for-day extension due to force majeure and a notice and cure period, (ii) Phase II is not open for business by January 2, 2024 subject to day-for-day extension due to force majeure and a notice and cure period, or (iii) HOF Village is in default beyond applicable notice and cure periods under certain agreements, such as the Technology as a Service Agreement with Johnson Controls (the "TAAS Agreement"), among others. There can be no assurance that Phase II will be open for business by January 2, 2024. In addition, under the Naming Rights Agreement Johnson Controls' obligation to make sponsorship payments to Newco may be suspended if Newco has not provided evidence reasonably satisfactory to Johnson Controls on or before December 31, 2020, subject to day-for-day extension due to Force Majeure, that Newco has secured sufficient debt and equity financing to complete Phase II.

In addition to the Naming Rights Agreement, Newco is party to a Technology as a Service Agreement dated October 9, 2020 with Johnson Controls (the "TAAS Agreement"). Pursuant to the TAAS Agreement, Johnson Controls will provide certain services related to the construction and development of the Hall of Fame Village powered by Johnson Controls (the "Project"), including, but not limited to, (i) design assist consulting, equipment sales and turn-key installation services in respect of specified systems to be constructed as part of Phase 2 and Phase 3 of the Project and (ii) maintenance and lifecycle services in respect of certain systems constructed as part of Phase 1, and to be constructed as part of Phase 2 and Phase 3, of the Project. Under the terms of the TAAS Agreement, Newco has agreed to pay Johnson Controls up to an aggregate of approximately $217 million for services rendered by Johnson Controls over the term of the TAAS Agreement. As of June 30, 2022 and December 31, 2021, approximately $195 million and $199 million, respectively, was remaining under the TAAS Agreement.

The TAAS Agreement provides that in respect of the Naming Rights Agreement, Johnson Controls and Newco intend, acknowledge and understand that: (i) Newco's performance under the TAAS Agreement is essential to, and a condition to Johnson Controls' performance under, the Naming Rights Agreement and (ii) Johnson Controls' performance under the Naming Rights Agreement is essential to, and a condition to Newco's performance under, the TAAS Agreement. In the TAAS Agreement, Johnson Controls and Newco represent, warrant and agree that the transactions agreements and obligations contemplated under the TAAS Agreement and the Naming Rights Agreement are intended to be, and shall be, interrelated, integrated and indivisible, together being essential to consummating a single underlying transaction necessary for the Project. The Company anticipates that resolution of the dispute regarding the Naming Right Agreement will include the TAAS Agreement.

On May 10, 2022, the Company received from JCI a notice of termination (the "TAAS Notice") of the TAAS Agreement effective immediately. The TAAS Notice states that termination of the TAAS Agreement by JCI is due to Newco's alleged breach of its payment obligations. Additionally, JCI in the TAAS Notice demands the amount which is the sum of: (i) all past due payments and any other amounts owed by Newco under the TAAS Agreement; (ii) all commercially reasonable and documented subcontractor breakage and demobilization costs; and (iii) all commercially reasonable and documented direct losses incurred by JCI directly resulting from the alleged default by the Company and the exercise of JCI's rights and remedies in respect thereof, including reasonable attorney fees.

Also on May 10, 2022, the Company received from JCI a notice of termination ("Naming Rights Notice") of the Name Rights Agreement, effective immediately. The Naming Rights Notice states that the termination of the Naming Rights Agreement by JCI is due to JCI's concurrent termination of the TAAS Agreement. The Naming Rights Notice further states that the Company must pay JCI, within 30 days following the date of the Naming Rights Notice, $4,750,000. The Company has not made such payment to date. The Naming Rights Notice states that Newco is also in breach of its covenants and agreements, which require Newco to provide evidence reasonably satisfactory to JCI on or before October 31, 2021, subject to day-for-day extension due to force majeure, that Newco has secured sufficient debt and equity financing to complete Phase II.

The Company disputes that it is in default under either the TAAS Agreement or the Naming Rights Agreement. The Company believes JCI is in breach of the Naming Rights Agreement and the TAAS Agreement due to their failure to make certain payments in accordance with the Naming Rights Agreement, and, on May 16, 2022, provided notice to JCI of these breaches. The Company is pursuing dispute resolution pursuant to the terms of the Naming Rights Agreement to simultaneously defend against JCI's allegations and pursue its own claims. The ultimate outcome of this dispute cannot presently be determined. However, in management's opinion, the likelihood of a material adverse outcome is remote. Accordingly, adjustments, if any, that might result from the resolution of this matter have not been reflected in the accompanying condensed consolidated financial statements. During the three and six months ended June 30, 2022, the Company suspended its revenue recognition until the dispute is resolved and has recorded an allowance against the amounts due as of June 30, 2022 in the amount of $2,125,000. The balances due under the Naming Rights Agreement as of June 30, 2022 and December 31, 2021 amounted to $4,010,417 and $1,885,417, respectively.

The sponsorship and services agreement, dated as of December 19, 2018, as amended (the "Constellation Sponsorship Agreement"), by and among HOF Village, PFHOF and Constellation NewEnergy, Inc.,is scheduled to expire on December 31, 2029 but provides termination rights both to (a) HOF Village and PFHOF and (b) Constellation, which may be exercised if a party would suffer material damage to its reputation by association with the other party or if there is an event of default. An event of default under the Constellation Sponsorship Agreement includes a party's failure to perform its material obligations for 60 days after receiving written notice from the other party and failure to cure such default; a party's becoming insolvent or filing a voluntary petition in bankruptcy; a party's being adjudged bankrupt; an involuntary petition under any bankruptcy or insolvency law being filed against a party; a party's sale, assignment or transfer of all or substantially all of its assets (other than to an affiliate in the case of HOF Village or PFHOF). Additionally, Constellation has a right to terminate the Constellation Sponsorship Agreement effective as of December 31, 2023 for failure to recover its investment in the form of new business, if it provides written notice on or prior to December 1, 2022.

Loss of our existing title sponsors or other major sponsorship agreements, including the Naming Rights Agreement and Constellation Sponsorship Agreement, or failure to secure sponsorship agreements in the future on favorable terms, could have a material adverse effect on our business, financial condition and results of operations.

Our Common Stock may be delisted from the Nasdaq Capital Market if we cannot satisfy Nasdaq's continued listing requirements, which could adversely impact the price and liquidity of our Common Stock.

On May 24, 2022, the Company received a deficiency letter (the "Notice") from the Listing Qualifications Department (the "Staff") of the Nasdaq Stock Market, LLC ("Nasdaq") notifying the Company that, for the last 30 consecutive business days, the bid price for the Common Stock had closed below $1.00 per share, which is the minimum bid price required to maintain continued listing on The Nasdaq Capital Market under Nasdaq Listing Rule 5550(a)(2) (the "Minimum Bid Requirement").

The Notice has no immediate effect on the listing of the Common Stock. In accordance with Nasdaq Listing Rule 5810(c)(3)(A), the Company has 180 calendar days to regain compliance with the Minimum Bid Requirement. To regain compliance, the closing bid price of the Common Stock must be at least $1.00 per share for a minimum of ten consecutive business days during this 180-day period, at which time the Staff will provide written notification to the Company that it complies with the Minimum Bid Requirement, unless the Staff exercises its discretion to extend this ten-day period pursuant to Nasdaq Listing Rule 5810(c)(3)(H). The compliance period for the Company will expire on November 21, 2022.

If the Company does not regain compliance with the Minimum Bid Requirement during the initial 180 calendar day period, the Company may be eligible for an additional 180 calendar day compliance period. To qualify, the Company would be required to meet the continued listing requirement for market value of publicly held shares and all other initial listing standards for The Nasdaq Capital Market, with the exception of the Minimum Bid Requirement, and would need to provide written notice of its intention to cure the deficiency during the second compliance period, by effecting a reverse stock split, if necessary. However, if it appears to the Staff that the Company will not be able to cure the deficiency, or if the Company does not meet the other listing standards, the Staff could provide notice that the Common Stock will become subject to delisting. In the event the Company receives notice that its Common Stock is being delisted, Nasdaq rules permit the Company to appeal any delisting determination by the Staff to a Hearings Panel (the "Panel"). The Company expects that its Common Stock would remain listed pending the Panel's decision. However, there can be no assurance that, if the Company does appeal the delisting determination by the Staff to the Panel, that such appeal would be successful, or that the Company will be able to regain compliance with the Minimum Bid Requirement or maintain compliance with the other listing requirements.

Delisting from the Nasdaq Capital Market could make trading our Common Stock more difficult for investors, potentially leading to declines in our share price and liquidity. Without a Nasdaq Capital Market listing, stockholders may have a difficult time getting a quote for the sale or purchase of our stock, the sale or purchase of our stock would likely be made more difficult, and the trading volume and liquidity of our stock could decline. Delisting from the Nasdaq Capital Market could also result in negative publicity and could also make it more difficult for us to raise additional capital. The absence of such a listing may adversely affect the acceptance of our Common Stock as currency or the value accorded by other parties. Further, if we are delisted, we would also incur additional costs under state blue sky laws in connection with any sales of our securities. These requirements could severely limit the market liquidity of our Common Stock and the ability of our stockholders to sell our Common Stock in the secondary market. If our Common Stock is delisted by Nasdaq, our Common Stock may be eligible to trade on an over-the-counter quotation system, such as the OTCQB market, where an investor may find it more difficult to sell our stock or obtain accurate quotations as to the market value of our Common Stock. In the event our Common Stock is delisted from the Nasdaq Capital Market, we may not be able to list our Common Stock on another national securities exchange or obtain quotation on an over-the counter quotation system.

Item 2. Unregistered sales of equity securities and use of proceeds

HOF Village CFP Loan

On April 27, 2022, Midwest Lender Fund, LLC, a limited liability company wholly owned by our director Stuart Lichter ("MLF"), loaned $4,000,000 (the "CFP Loan") to HOF Village Center For Performance, LLC ("HOF Village CFP"). Interest accrues on the outstanding balance of the CFP Loan at 6.5% per annum, compounded monthly. The CFP Loan matures on April 30, 2023 or if HOF Village CFP exercises its extension option, April 30, 2024. The CFP Loan is secured by a mortgage encumbering the Center For Performance.

As part of the consideration for making the Loan, on June 8, 2022, the Company issued to MLF: (A) 125,000 shares of the Common Stock, and (B) a Series G warrant (the "Series G Warrants") to purchase 125,000 shares of Common Stock. The exercise price of the Series G Warrants will be $1.50 per share. The Series G Warrants will become exercisable one year after issuance, subject to certain terms and conditions set forth in the Series G Warrants. Unexercised Series G Warrants will expire five years after issuance. The exercise price of the Series G Warrants will be subject to a weighted-average antidilution adjustment.

Item 3. Defaults upon senior securities

None.

Item 4. Mine safety disclosures

Not applicable.

Item 5. Other information

None.

Item 6. Exhibits

10.1	Series G Warrant, dated June 8, 2022, issued by Hall of Fame Resort & Entertainment Company to Midwest Lender Fund, LLC (incorporated by reference to Exhibit 10.1 of the Company's Form 8-K (001-38363), filed with the Commission on June 13, 2022)
10.2	Promissory Note, dated June 16, 2022, issued by Hall of Fame Resort & Entertainment Company, HOF Village Retail I, LLC and HOF Village Retail II, LLC to CH Capital Lending, LLC (incorporated by reference to Exhibit 10.1 of the Company's Form 8-K (001-38363), filed with the Commission on June 17, 2022)
10.3	Business Loan Agreement, dated June 16, 2022, between Hall of Fame Resort & Entertainment Company and Stark Community Foundation, Inc. (incorporated by reference to Exhibit 10.2 of the Company's Form 8-K (001-38363), filed with the Commission on June 17, 2022)
10.4*	Energy Project Cooperative Agreement, dated June 29, 2022, among HOF Village Stadium, LLC, Canton Regional Energy Special Improvement District, Inc., SPH Canton St, LLC, and City of Canton, Ohio
10.5	Amendment Number 7 to Term Loan Agreement, dated as of August 5, 2022, among Hall of Fame Resort & Entertainment Company, HOF Village Newco, LLC, certain of its subsidiaries, and CH Capital Lending, LLC, as administrative agent and lender (incorporated by reference to Exhibit 10.9 of the Company's Form S-3 Registration Statement (File No. 333-266750), filed with the Commission on August 10, 2022)
31.1*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32*	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	Interactive Data Files pursuant to Rule 405 of Regulation S-T formatted in Inline Extensible Business Reporting Language ("Inline XBRL")
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

* Filed herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HALL OF FAME RESORT & ENTERTAINMENT COMPANY

Date: August 11, 2022

By: /s/ Michael Crawford

Michael Crawford
Chief Executive Officer
(Principal Executive Officer)

Exhibit 10.4

ENERGY PROJECT COOPERATIVE AGREEMENT

By and among

CANTON REGIONAL ENERGY SPECIAL IMPROVEMENT DISTRICT, INC.;

HOF VILLAGE STADIUM, LLC;

SPH CANTON ST, LLC; and

CITY OF CANTON, OHIO

Dated as of June 29, 2022

BRICKER & ECKLER LLP

ENERGY PROJECT COOPERATIVE AGREEMENT

THIS ENERGY PROJECT COOPERATIVE AGREEMENT (the "Agreement") is made and entered into as of June 29, 2022 (the "Closing Date"), between the CANTON REGIONAL ENERGY SPECIAL IMPROVEMENT DISTRICT, INC., a nonprofit corporation and special improvement district duly organized and validly existing under the laws of the State of Ohio (the "State") (the "ESID"), HOF VILLAGE STADIUM, LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware (the "Lessee"), SPH CANTON ST, LLC, a limited liability company duly organized and validly existing under the laws of the State of Georgia (the "Investor"), and the CITY OF CANTON, OHIO, a political subdivision duly organized and validly existing under the constitution and laws of the State (the "City"; the City, the ESID, the Lessee, and the Investor, each together with its respective successors and assigns, herein collectively the "Parties," and each, a "Party") (the capitalized terms used in this Agreement and not defined in the preamble and recitals have the meanings stated in **Exhibit A** to this Agreement):

A. The ESID was created under Ohio Revised Code Chapters 1702 and 1710 and established pursuant to Resolution No. 112/2020 of the City Council of the City of Canton, Ohio, approved on June 15, 2020. Pursuant to the same action, the Canton Regional Energy Special Improvement District Project Plan (as amended and supplemented from time to time, the "Plan") was adopted as a plan for public improvements and public services under Ohio Revised Code Section 1710.02(F).

B. The ESID is an energy special improvement district and nonprofit corporation duly organized and validly existing under the laws of the State of Ohio to further the public purpose of implementing special energy improvement projects pursuant to the authority in Ohio Revised Code Chapter 1710 and Article VIII, Section 2o of the Ohio Constitution.

C. The Property was created and/or conveyed to the Stark County Port Authority, an Ohio port authority and political subdivision, (the "Port" or "Port Authority") by the Property Deed and the Port Authority, as the owner of 100% of the fee simple interest of the Property, leases the Property, including the stadium commonly referred to as the Tom Benson Hall of Fame Stadium ("Stadium"), to the Lessee pursuant to the Project Lease recorded on March 11, 2016 in the records of the Stark County Recorder as Instrument Number 201603110009307 (as supplemented and amended from time to time, the "Project Lease").Under the Project Lease, Lessee is entitled to improve and operate the Stadium on the Property and is obligated to pay all real property taxes, payments in lieu of taxes, and special assessments due with respect to the Property.

D. On June 27, 2022, by its Ordinance No. 148/2022, the City Council of the City (the "City Council") approved the Petition for Special Assessments for Special Energy Improvement Projects (the "Petition") submitted to the City by the Port and the Lessee, together with the Canton Regional Energy Special Improvement District Project Plan Supplement to Plan for HOFV Stadium Project.

E. Pursuant to the Plan, the ESID, among other services, shall assist property owners, whether private or public, who own real property within participating political subdivisions to obtain financing for special energy improvement projects.

G. In order to obtain financing for special energy improvement projects and to create special assessment revenues available to pay and repay the costs of special energy improvement projects, the Petition requested that the City Council levy Special Assessments against the Property as more fully described in the Plan and in the Petition, which is incorporated herein by this reference.

H. The Parties each have determined that the most efficient and effective way to implement the financing, acquisition, installation, equipment, and improvement of energy special improvement projects and to further the public purposes set forth above is through this Agreement, pursuant to the Special Assessment Act and on the terms set forth in this Agreement, with (i) the Investor providing the Project Advance to finance the costs of the special energy improvement projects described in the Plan, (ii) the ESID and the Lessee cooperating to acquire, install, equip and improve special energy improvement projects, (iii) the Lessee agreeing to make Special Assessment payments in an aggregate amount that will provide revenues sufficient to pay or repay the permitted costs of the special energy improvement projects, (iv) the City agreeing to assign and transfer all Special Assessment payments actually received by the City to the Investor to repay the Project Advance; and (v) the ESID agreeing to assign, transfer, and set over to the Investor any of its right, title, or interest in and to the Special Assessments which it may have by operation of law, this Agreement, or otherwise; provided that a portion of the Special Assessments may be retained by, or be payable to, the City or the ESID, all pursuant to and in accordance with this Agreement.

I. Each of the Parties acknowledges that it, together with its counsel, has received and had an opportunity to review copies of the Property Deed and the Ground Lease, Project Lease, REA and Use Agreement and TIF Declaration, all referred to therein, acknowledges and agrees that the Property is and will remain subject to the terms and conditions of each of those instruments and agreements and to the OFCC Use Interest (as defined in the Property Deed and to the extent then in effect), and that the rights and remedies of the Parties under this Agreement are subject to the terms and conditions of each of those instruments and may be limited thereby.

J. The Parties each have full right and lawful authority to enter into this Agreement and to perform and observe its provisions on their respective parts to be performed and observed, and have determined to enter into this Agreement to set forth their respective rights, duties, responsibilities, obligations, and contributions with respect to the implementation of special energy improvement projects within the ESID.

NOW, THEREFORE, in consideration of the foregoing recitals and the promises and the mutual representations, warranties, covenants, and agreements contained in this Agreement, the Parties agree as follows; provided, that any obligation of the ESID created by or arising out of this Agreement never shall constitute a general obligation, bonded indebtedness, or a pledge of the general credit of the ESID, or give rise to any pecuniary liability of the ESID, but any such obligation shall be payable solely from the Special Assessments actually received by the ESID, if any; and provided, further, that any obligation of the City created by or arising out of this Agreement never shall constitute a general obligation, bonded indebtedness, or a pledge of the general credit of the City, or give rise to any pecuniary liability of the City, but any such obligation shall be payable solely from the Special Assessments actually received by the City, if any:

ARTICLE I: DEFINITIONS

Section 1.1. Use of Defined Terms. In addition to the words and terms defined elsewhere in this Agreement or by reference to another document, words and terms used in this Agreement shall have the meanings set forth in **Exhibit A** to this Agreement unless the context or use clearly indicates another meaning or intent. Definitions shall apply equally to both the singular and plural forms of any of the words and terms. Words of any gender include the correlative words of the other gender, unless the sense indicates otherwise.

Section 1.2. Interpretation. Any reference in this Agreement to the ESID, the ESID Board, the Lessee, the City, the City Council, the Investor, or to any member or officer of any of the foregoing, includes entities or officials succeeding to their respective functions, duties or responsibilities pursuant to or by operation of law or lawfully performing their functions.

Any reference to a section or provision of the Constitution of the State or the Special Assessment Act, or to a section, provision or chapter of the Ohio Revised Code or any other legislation or to any statute of the United States of America, includes that section, provision, or chapter as amended, modified, revised, supplemented, or superseded from time to time; provided, however, that no amendment, modification, revision, supplement, or superseding section, provision, or chapter shall be applicable solely by reason of this provision if it constitutes in any way an impairment of the rights or obligations of the Parties under this Agreement.

Section 1.3. Captions and Headings. The captions and headings in this Agreement are solely for convenience of reference and in no way define, limit, or describe the scope or intent of any of this Agreement's Articles, Sections, subsections, paragraphs, subparagraphs or clauses.

ARTICLE II: COOPERATIVE ARRANGEMENTS; ASSIGNMENT OF SPECIAL ASSESSMENTS

Section 2.1. Agreement Between the City, the ESID, and the Investor. The Lessee and the ESID have requested the assistance of the Investor and the City in the financing and/or refinancing of special energy improvement projects within the ESID. For the reasons set forth in this Agreement's Recitals—which Recitals are incorporated into this Agreement by this reference as a statement of the public purposes of this Agreement and the intended arrangements among the Parties—the City and the ESID have requested the assistance and cooperation of the Investor in the collection and payment of Special Assessments in accordance with this Agreement. The Parties intend this Agreement to be, and it shall be, an agreement among the Parties to cooperate in the financing, acquisition, installation, equipment, and improvement of "special energy improvement projects," pursuant to Ohio Revised Code Chapter 1710, and as that term is defined in Ohio Revised Code Section 1710.01(I). The Parties intend this Agreement's provisions to be, and they shall be construed as, agreements to take effective cooperative action and to safeguard the Parties' interests.

Upon the considerations stated above and upon and subject to the terms and conditions of this Agreement, the Investor, on behalf of the Parties, shall make the Project Advance available to the Lessee to pay the costs of the Project. The City and the ESID shall assign, transfer, set over, and pay the Special Assessments actually received by the City or the ESID, respectively, to the Investor, to pay the costs of the Project at the times and in the manner provided in this Agreement; provided, however, that the City, the ESID, and the Investor intend that the City shall receive all Special Assessments from the County Treasurer and shall transfer, set over, and pay all Special Assessments received from the County Treasurer directly to the Investor. The City, the ESID, and the Investor further intend and agree that the Investor shall pay to the ESID, out of the Special Assessments received by the Investor, a semi-annual fee of $6,541.86 for the ESID's administrative expenses; provided, however, that if the amount of Special Assessments received by the Investor in any year are insufficient to pay the principal of, and interest on the Project Advance due in that year and the semi-annual fee of $6,541.86 due to the ESID, the Special Assessments received shall first be applied to the payment of interest on the Project Advance, then to the repayment of the principal of the Project Advance, and then to the payment of the semi-annual fee due to the ESID.

Notwithstanding anything in this Agreement to the contrary, any obligations of the City under this Agreement, including the obligation to transfer the Special Assessments received by the City to the Investor, shall be a special obligation of the City and shall be required to be made only from Special Assessments actually received by or on behalf of the City, if any. The City's obligations under this Agreement are not and shall not be secured by an obligation or pledge of any moneys raised by taxation. The City's obligations under this Agreement do not and shall not represent or constitute a debt or pledge of the City's faith and credit or taxing power, and the ESID, the Lessee, and the Investor do not have and shall not have any right to have taxes levied by the City for the transfer of the Special Assessments.

Section 2.2. Special Assessments; City Transfer of Special Assessments.

(a) The Special Assessment Proceedings. The City has taken all necessary actions required by the Special Assessment Act to levy and collect the Special Assessments on the Property.

Pursuant to Ohio Revised Code Section 727.33, the City has certified the Special Assessments to the County Auditor for collection, and the County Auditor shall collect the unpaid Special Assessments with and in the same manner as other real property taxes and pay the amount collected to the City. The Parties intend that the County Auditor and the County Treasurer shall have the duty to collect the Special Assessments through enforcement proceedings in accordance with applicable law.

(b) Collection of Delinquent Special Assessments. The ESID and the Investor are hereby authorized to take any and all actions as assignees of and, to the extent required by law, in the name of, for, and on behalf of, the City to collect delinquent Special Assessments levied by the City pursuant to the Special Assessment Act and to cause the lien securing the delinquent Special Assessments to be enforced through prompt and timely foreclosure proceedings, including, but not necessarily limited to, filing and prosecution of mandamus or other appropriate proceedings to induce the County Prosecutor, the County Auditor, and the County Treasurer, as necessary, to institute such prompt and timely foreclosure proceedings. The proceeds of the enforcement of any such lien shall be deposited and used in accordance with this Agreement.

(c) Prepayment of Special Assessments. The Parties agree that the Special Assessments assessed against the Property and payable to the City pursuant to the Special Assessment Act may be prepaid to the Investor by the Lessee in accordance with Section 4.7 of this Agreement. Except as set forth in this Section 2.2(c) and Section 4.7 of this Agreement, the Lessee shall not prepay any Special Assessments. Notwithstanding the foregoing, if the Lessee attempts to cause a prepayment of the Special Assessments by paying to the County Treasurer any amount as a full or partial prepayment of Special Assessments, and if the City shall have knowledge of the same, the City shall notify the Investor, and, unless provided the express written consent of the Investor, the City shall not cause any reduction in the amount of Special Assessments. Except as specifically provided in this Agreement to the contrary, no other action pursuant to any provision of this Agreement shall abate in any way the payment of the Special Assessments by the Lessees of the Property or the transfer of the Special Assessments by the City to the Investor.

(d) Reduction of Special Assessments. The Parties agree that the Special Assessments may be subject to reduction, but only upon the express written consent or instruction of the Investor, such written consent or instruction to be provided by Investor at its discretion to the City within twenty (20) days of the receipt of notice to Investor of any prepayment by Lessee as set forth in this Agreement, and in the event Investor does not provide such consent or instruction within such twenty (20) day period, Investor shall be deemed to have not consented to or instructed such reduction until such time Investor shall so consent or instruct. If the Lessee causes the Special Assessments to be prepaid in accordance with Sections 2.2(c) and 4.7 of this Agreement, upon the City's receipt of the Investor's express written consent or instruction, the City shall certify to the County Auditor, using reasonable best efforts, prior to the last date in the then-current tax year on which political subdivisions may certify special assessments to the County Auditor, a reduction in the amount of Special Assessments collected such that, following such reduction, the amount of Special Assessments remaining to be paid shall be equal to the amounts necessary to pay, as and when due, the remaining outstanding principal of the Project Advance, together with interest at the annual rate of 6.0%, and a $6,541.86 semi-annual administrative fee to the ESID. The Parties acknowledge and agree that County Auditor may calculate, charge, and collect a collection fee on each annual installment of the Special Assessments in an amount to be calculated, charged, and collected by the County Auditor pursuant to Ohio Revised Code Section 727.36, which fee is in addition to the amount of the Special Assessments and other related interest, fees, and penalties. Notwithstanding anything in this Agreement to the contrary, the City shall not cause any reduction in the amount of Special Assessments without the prior written consent or instruction of the Investor.

(e) Assignment of Special Assessments. The City agrees that it shall establish its funds for the collection of the Special Assessments as separate funds or sub-funds maintained or organized on the City's books and records and to be held in the custody of a bank with which the City maintains a depository relationship. The City hereby assigns to the Investor all of its right, title and interest in and to: (i) the Special Assessments received by the City under this Agreement, (ii) the City's special assessment funds or sub-funds established or organized for the Project, and (iii) any other property received or to be received by the City under this Agreement. The City further shall transfer, set over, and pay the Special Assessments and Delinquency Amounts to the Investor in accordance with this Agreement. The ESID acknowledges and consents to the City's assignment of the Special Assessments to the Investor. The Parties agree that each of the City, the ESID, and the Investor, as assignee of the Special Assessments, is authorized to take any and all actions, whether at law, or in equity, to collect delinquent Special Assessments levied by the City pursuant to law and to cause the lien securing any delinquent Special Assessments to be enforced through prompt and timely foreclosure proceedings, including, but not necessarily limited to, filing and prosecution of mandamus or other appropriate proceedings to induce the County Prosecutor, the County Auditor, and the County Treasurer, as necessary, to institute such prompt and timely foreclosure proceedings.

(f) Transfer of Special Assessments. The parties anticipate that semi-annual installments of the Special Assessments and Delinquency Amounts will be paid to the City by the County Auditor and the County Treasurer in accordance with Ohio Revised Code Chapters 319, 321, 323, and 727, which, without limiting the generality of the foregoing, contemplates that the County Auditor and County Treasurer will pay the Special Assessments and Delinquency Amounts to the City on or before June 1 and December 1 of each year. Immediately upon receipt of any moneys received by the City as Special Assessments and Delinquency Amounts, but in any event not later than 21 calendar days after the receipt of such moneys and the corresponding final settlement from the County Auditor, the City shall deliver to the Investor all such moneys received by the City as Special Assessments and Delinquency Amounts by ACH or check as determined in the sole discretion of the City. The Investor shall provide the City with account and payment information in the form of **Exhibit I** on the Closing Date. The Investor may from time to time provide updated written account and payment information in the form of **Exhibit I** to the City for the payment of Special Assessments and Delinquency Amounts, but the City shall maintain its right to send the special assessments by ACH or check in its sole discretion. If at any time during the term of this Agreement the County Auditor agrees, on behalf of the City, to disburse the Special Assessments and Delinquency Amounts directly to the Investor pursuant to instructions or procedures agreed upon by the County Auditor and the City, then, upon each transfer of an installment of the Special Assessments and Delinquency Amounts from the County Auditor to the Investor, the City shall be deemed to have satisfied all of its obligations under this Agreement to transfer that installment of the Special Assessments and Delinquency Amounts to the Investor.

(g) Repayment of Project Advance. The Investor shall credit, on the dates shown on the Repayment Schedule (which is attached to, and incorporated into, this Agreement as **Exhibit B**), Special Assessments in the amounts shown on the Repayment Schedule to the payment of accrued interest on the Project Advance and to the repayment of the portion of the principal of the Project Advance scheduled to be repaid on such date. The Investor, on the dates shown on the Repayment Schedule, further shall pay to the ESID, after the payment of accrued interest on the Project Advance, the repayment of the portion of principal of the Project Advance scheduled to be repaid on such date, a semi-annual fee of $6,541.86 or such lesser amount as may be available from the Special Assessments on the applicable date after the payment of accrued interest on the Project Advance and the repayment of the portion of the principal of the Project Advance scheduled to be repaid on such date. The Parties acknowledge and agree that the County Auditor may calculate, charge, and collect a fee on each installment of the Special Assessments in an amount that the County Auditor deems necessary to defray the expense of collecting the Special Assessments pursuant to Ohio Revised Code Section 727.36, which fee is in addition to the amount of the Special Assessments and other related interest, fees, and penalties, and that such fee shall be paid to the County Auditor with the Special Assessments, and that the County Auditor will retain such fee.

Section 2.3. Obligations Unconditional; Place of Payments. The City's obligation to transfer the Special Assessments and any Delinquency Amounts to the Investor under Section 2.2 of this Agreement shall be absolute and unconditional, and the City shall make such transfers without abatement, diminution, or deduction regardless of any cause or circumstance whatsoever, including, without limitation, any defense, set-off, recoupment, or counterclaim which the City may have or assert against the Investor, the ESID, or the Lessee; provided, however, that the City's obligation to transfer the Special Assessments and any Delinquency Amounts is limited to the Special Assessments and any Delinquency Amounts actually received by or on behalf of the City, and nothing in this Agreement shall be construed to obligate the City to transfer or pledge, and the City shall not transfer or pledge any special assessments not related to the ESID.

Section 2.4. Appropriation by the City; No Further Obligations. Upon the Parties' execution of this Agreement, all of the Special Assessments and any Delinquency Amounts received or to be received by the City shall be deemed to have been appropriated to pay the City's obligation under this Agreement to pay to the Investor all Special Assessments and any Delinquency Amounts received by the City. During the years during which this Agreement is in effect, the City shall take such further actions as may be necessary or desirable in order to appropriate the transfer of the Special Assessments and any Delinquency Amounts actually received by the City in such amounts and at such times as will be sufficient to enable the City to satisfy its obligation under this Agreement to pay to the Investor all Special Assessments and any Delinquency Amounts received by the City; provided that the City shall not be responsible for the costs and expenses of any collection or enforcement actions, except to the extent of any Special Assessments and Delinquency Amounts actually received by the City; and provided further that nothing in this paragraph shall be construed as a waiver of the City's right to be indemnified pursuant to Section 6.4 of this Agreement. The City has no obligation to use or apply to the payment of the Special Assessments and any Delinquency Amounts any funds or revenues from any source other than the moneys received by the City as Special Assessments and any Delinquency Amounts; provided, however, that nothing in this Agreement shall be deemed to prohibit the City from using, to the extent that it is authorized to do so, any other resources for the fulfillment of any of this Agreement's terms, conditions, or obligations.

Section 2.5. Security for Advanced Funds. To secure the transfer of the Special Assessments and any Delinquency Amounts by the City to the Investor, and in accordance with the Special Assessment Act, the ESID hereby assigns, transfers, sets over, and shall pay all of its right, title, and interest in and to the Special Assessments related to the ESID actually received by or on behalf of the City to the Investor. The Lessee and the City agree and consent to that assignment.

ARTICLE III: REPRESENTATIONS, WARRANTIES, AND AGREEMENTS

Section 3.1. The City's Representations and Warranties. The City represents and warrants that:

(a) It is a political subdivision duly organized, and validly existing under the Constitution and applicable laws of the State.

(b) It is not in violation of or in conflict with any provisions of the laws of the State or of the United States of America applicable to the City that would impair its ability to carry out its obligations contained in this Agreement.

(c) It is legally empowered to execute, deliver and perform this Agreement and to enter into and carry out the transactions contemplated by this Agreement. To the City's knowledge, that execution, delivery and performance does not and will not violate or conflict with any provision of law applicable to the City and does not and will not conflict with or result in a default under any agreement or instrument to which the City is a party or by which it is bound.

(d) It, by proper action, duly has authorized, executed, and delivered this Agreement, and the City has taken all steps necessary to establish this Agreement and the City's covenants and agreements within this Agreement, as valid and binding obligations of the City, enforceable in accordance with their terms.

(e) There is no litigation pending, or to its knowledge threatened, against or by the City in which an unfavorable ruling or decision would materially adversely affect the City's ability to carry out its obligations under this Agreement.

(f) The assignment contained in Section 2.2(e) is a valid and binding obligation of the City with respect to the Special Assessments received by the City under this Agreement.

Section 3.2. The ESID's Representations and Warranties. The ESID represents and warrants that:

(a) It is a nonprofit corporation and special improvement district, duly organized, and validly existing under the Constitution and applicable laws of the State.

(b) It is not in violation of or in conflict with any provisions of the laws of the State or of the United States of America applicable to the ESID that would impair its ability to carry out its obligations contained in this Agreement.

(c) It is legally empowered to execute, deliver and perform this Agreement and to enter into and carry out the transactions contemplated by this Agreement. To the ESID's knowledge, that execution, delivery and performance does not and will not violate or conflict with any provision of law applicable to the ESID and does not and will not conflict with or result in a default under any agreement or instrument to which the ESID is a party or by which it is bound.

(d) It, by proper action, duly has authorized, executed, and delivered this Agreement, and the ESID has taken all steps necessary to establish this Agreement and the ESID's covenants and agreements within this Agreement as valid and binding obligations of the ESID, enforceable in accordance with their terms.

(e) There is no litigation pending, or to its knowledge threatened, against or by the ESID in which an unfavorable ruling or decision would materially adversely affect the ESID's ability to carry out its obligations under this Agreement.

(f) The assignment contained in Section 2.5 is a valid and binding obligation of the ESID with respect to the ESID's right, title and interest in the Special Assessments under this Agreement.

Section 3.3. The Lessee's Representations and Warranties. The Lessee represents and warrants that:

(a) It is a limited liability company duly organized, validly existing and in full force and effect under the laws of the State of Delaware. It has all requisite power to conduct its business as presently conducted and to own, or hold under lease, its assets and properties, and, is duly qualified to do business in all other jurisdictions in which it is required to be qualified, except where failure to be so qualified does not have a material adverse effect on it, and will remain so qualified and in full force and effect during the period during which Special Assessments shall be assessed, due, and payable.

(b) It, by proper action, duly has authorized, executed, and delivered this Agreement, and it has taken all steps necessary to establish this Agreement and its covenants and agreements within this Agreement as valid and binding obligations, enforceable in accordance with their terms

(c) There are no actions, suits or proceedings pending or, to its knowledge, threatened against or affecting it, the Property, or the Project that, if adversely determined, would individually or in the aggregate materially impair its ability to perform any of its obligations under this Agreement, or materially adversely affect its financial condition (an "Action"), and during the term of this Agreement, the Lessee shall promptly notify the Investor of any Action commenced or to its knowledge threatened against it.

(d) It is not in default under this Agreement, and no condition, the continuance in existence of which would constitute a default under this Agreement exists. It is not in default in the payment of any Special Assessments or under any agreement or instrument related to the Special Assessments which has not been waived or allowed.

(e) Except for any financing of the Property and the lien related thereto that Lessee has previously disclosed in writing (including, without limitation, any Loan from a Lender), it has as of the date of this Agreement made no contract or arrangement of any kind, other than this Agreement, which has given rise to, or the performance of which by the other party thereto would give rise to, a lien or claim of lien on its Project, except inchoate statutory liens in favor of suppliers, contractors, architects, subcontractors, laborers or materialmen performing work or services or supplying materials in connection with the acquiring, installing, equipping and improving of its Project.

(f) No representation or warranty made by it contained in this Agreement, and no statement contained in any certificate, schedule, list, financial statement or other instrument furnished to the Investor or the ESID by it or on its behalf contained, as of the date thereof, any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained herein or therein not misleading.

(g) Since the date of the most recent financial statements of the Lessee provided to the Investor, there has been no material adverse change in the financial condition of the Lessee, nor has the Lessee mortgaged, pledged or granted a security interest in or encumbered the Property since such date, except as otherwise disclosed to the Investor in writing, and the financial statements which have been delivered to the Investor prior to the Closing Date are true, correct, and current in all material respects and fairly represent the respective financial conditions of the subjects of the financial statements as of the respective dates of the financial statements.

(h) The Lessee has good and valid leasehold interest in the Property, subject only to existing liens, pledges, encumbrances, charges or other restrictions of record previously disclosed by the Lessee to the Investor in writing, liens for taxes not yet due and payable, and minor liens of an immaterial nature.

(i) The Project complies in all material respects with all applicable zoning, planning, building, environmental and other regulations of each Governmental Authority having jurisdiction of the Project, and all necessary permits, licenses, consents and permissions necessary for the Project have been or will be obtained.

(j) The plans and specifications for the Project are satisfactory to the Lessee, have been reviewed and approved by the general contractor for the Project, the tenants under any leases which require approval of the plans and specifications, the purchasers under any sales contracts which require approval of the plans and specifications, any architects for the Project, and, to the extent required by applicable law or any effective restrictive covenant, by all Governmental Authorities and the beneficiaries of any such covenants; all construction of the Project, if any, already performed on the Property has been performed on the Property in accordance with such approved plans and specifications and the restrictive covenants applicable to the plans and specifications; there are no structural defects in the Project or violations of any requirement of any Governmental Authorities with respect to the Project; the planned use of the Project complies with applicable zoning ordinances, regulations, and restrictive covenants affecting the Property as well as all environmental, ecological, landmark and other applicable laws and regulations; and all requirements for such use have been satisfied.

(k) The Lessee has the Required Insurance Coverage and will maintain the Required Insurance Coverage at all times during the term of this Agreement, while any principal of or interest on the Project Advance remains outstanding, and while any Special Assessments remain to be paid. Any return of insurance premium or dividends based upon the Required Insurance Coverage shall be due and payable solely to the Lessee or its Lender pursuant to any agreements between the Lessee and its Lender, unless such premium shall have been paid by the Investor, in accordance with the distribution priority specified in Section 4.3.

(l) [Reserved].

(m) Each of the Property and the Project are, and at all times during the term of this Agreement, while any principal of or interest on the Project Advance remain outstanding, and while any Special Assessments remain to be paid, used solely for the commercial purposes disclosed by the Lessee to the Investor in writing.

(n) [Reserved].

(o) Each of the components of the Project is a qualified "special energy improvement project" pursuant to the definition of that term in Ohio Revised Code Section 1710.01(I).

(p) Lessee is not insolvent, and the consummation of the financing described in this Agreement will not render Lessee insolvent.

(q) At all times during the term of this Agreement, while any principal of or interest on the Project Advance remain outstanding, and while any Special Assessments remain to be paid, the Lessee shall comply in all respects with the Special Assessment Act, and shall take any and all action necessary to remain in compliance with the Special Assessment Act.

(r) All statements set forth in this Section 3.3 are true and correct in all material respects.

Section 3.4. The Lessee's Additional Agreements. The Lessee agrees that:

(a) It shall not transfer or convey any right, title, or interest, in or to the Property and the Project, except after giving prompt notice of any such transfer or conveyance to the Investor; provided, however, that the foregoing restrictions shall not apply to the grant or conveyance of any leasehold interests, mortgage interest, or lien interest, except as may be otherwise provided in this Agreement. Before or simultaneous with any such transfer or conveyance, the Lessee shall (i) execute, cause the transferee or purchaser to execute, and deliver to the Investor, the City, and the ESID a fully executed "Assignment and Assumption of Energy Project Cooperative Agreement" in the form attached to, and incorporated into, this Agreement as **Exhibit H; and** (ii) pay all legal fees and expenses of PACE Counsel associated with legal services performed to facilitate such assignment upon receipt of an invoice from PACE Counsel. The Parties acknowledge and agree that the Assignment and Assumption of Energy Project Cooperative Agreement includes the assignment and assumption of the Lessee Consent.

(b) It shall pay when due all taxes, assessments, service payments in lieu of taxes, levies, claims and charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Property, all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Property and all assessments and charges lawfully made by any governmental body for public improvements that may be secured by a lien on any portion of the Property. The Lessee shall furnish the Investor, upon reasonable request, with proof of payment of any taxes, governmental charges, utility charges, insurance premiums or other charges required to be paid by the Lessee under this Agreement. The Parties acknowledge and agree that the foregoing obligation is in addition to the Lessee's obligation to pay the Special Assessments.

(c) It shall not, without the prior written consent of the Investor, cause or agree to the imposition of any special assessments, other than the Special Assessments, on the Property for the purpose of paying the costs of "special energy improvement projects," as that term is defined in Ohio Revised Code Section 1710.01(I), as amended and in effect at the time.

(d) It shall promptly pay and discharge all undisputed claims for labor performed and material and services furnished in connection with the acquisition, installation, equipment, and improvement of the Project.

(e) [Reserved].

(f) It promptly shall notify the Investor of any material damage or destruction to the Project or the Property.

(g) Promptly upon the Lessee filing its 8-K and/or 10-K reports, Lessee shall provide a copy to the Investor. In the event that Lessee is no longer obligated to file 8-K or 10-K reports, then the Lessee shall provide the Investor with quarterly unaudited financial statements within forty-five (45) days after the end of each calendar quarter and annual audited financial statements within ninety (90) days after the end of each fiscal year. The financial statements shall include the balance sheet, income statement, and statement of cash flows, or such other similar financial statements as the Investor, in its sole discretion, may determine.

(h) Upon the reasonable request of the Investor, it shall take any actions and execute any further certificates, instruments, agreements, or documents as shall be reasonably necessary in connection with the performance of this Agreement and with the transactions, obligations, and undertakings contained in this Agreement.

(i) It shall not cause the Property to be subdivided, platted, or otherwise separated into any additional parcels in the records of the County Auditor.

(j) It does not and will not engage in operations that involve the generation, manufacture, refining, transportation, treatment, storage or handling of hazardous materials or hazardous wastes, as defined in applicable state law, or any other federal, state or local environmental laws or regulations, and neither the Property nor any other of its premises has been so used previously, in each case, except as previously disclosed in writing to the Investor. Notwithstanding the foregoing, Lessee may use commercially acceptable and lawful hazardous materials and substances used in connection with the ownership and operation of the Property of the same type and use as the Stadium. There are no underground storage tanks located on the Property. There is no past or present non-compliance with environmental laws, or with permits issued pursuant thereto, in connection with the Property, which has not been fully remediated in accordance with environmental laws. There is no environmental remediation required (or anticipated to be required) with respect to the Property. The Lessee does not know of, and has not received, any written or oral notice or other communication from any person (including but not limited to a governmental entity) relating to hazardous substances or remediation of hazardous substances, of possible liability of any person pursuant to any environmental law, other environmental conditions in connection with the Property, or any actual or potential administrative or judicial proceedings in connection with the foregoing.

ARTICLE IV: PROJECT ADVANCE; CONSTRUCTION OF PROJECT; REPAYMENT

Section 4.1. Project Advance. On the date of this Agreement, the Investor shall make the Project Advance in the amount of $33,387,843.50 of which $29,565,729.18 will be disbursed pursuant to the Disbursement Request Form described in Section 4.2, closing costs in the amount of $600,187.42 will be disbursed by the Investor in accordance with Section 4.2 and **Exhibit E**, and capitalized interest in the amount of $3,221,926.90 will be retained for the account of the Investor for further payment to itself and the ESID in accordance with this Agreement. Subject to the terms and conditions of this Agreement, upon the written direction of the Lessee, the Investor shall disburse amounts representing the Project Advance to the Lessee or the other parties named by the Lessee in order to pay or reimburse the costs of the Project.

If the amount of the Project Advance is insufficient to pay the costs of the Project, the Lessee nevertheless shall complete the Project as proposed in the petition and shall pay all additional costs of the Project from its own funds. The Lessee shall not be entitled to reimbursement for, or any increase in the amount of the Project Advance or Special Assessments as a result of, any additional costs of the Project exceeding the amount of the Project Advance. The Lessee shall not be entitled to any abatement, diminution, or postponement of Special Assessments because the costs of the Project exceed the amount of the Project Advance.

Section 4.2. Disbursements. In order to cause disbursement of amounts to pay or reimburse the costs of the Project on the Closing date, the Lessee has submitted the Disbursement Request Form (a form of which is attached to this Agreement as **Exhibit C**) to the Investor, which Disbursement Request Form in part, sets forth the payments or reimbursements requested, and is accompanied by the following, unless provided earlier:

(a) Copies of all related receipts and invoices supporting the payment or reimbursement of the amount then requested;

(b) As necessary, bank information for wiring the amounts requested for disbursement.

(c) The written consent of all existing mortgage holders to the levying, Special Assessment, and collection of the Special Assessments, in the form attached to this Agreement as **Exhibit F**;

(d) Evidence satisfactory to the Investor, that the City and the ESID have approved the Project;

(e) The executed Lessee Consent;

(f) Executed copies of this Agreement and any related certificates;

(g) A list of authorized representatives on whose instructions and directions the Investor may rely until such time as an updated list has been provided, as set forth in **Exhibit I**, attached to this Agreement.

(h) The executed certificate substantially in the form attached as **Exhibit D** to this Agreement.

(i) Copies of all completion inspections and closed permits with respect to the Project.

By executing this Agreement, the Investor acknowledges that the above required items have been received and hereby approves the payment or reimbursements requested to be disbursed pursuant to the Disbursement Request Form. The Investor shall pay the Lessee or the recipients identified on the Disbursement Request Form, on the Closing Date, the amounts described on the Disbursement Request Form.

If at any time an Event of Default has occurred and is continuing under this Agreement, the Investor may disapprove any requests for disbursement until all Events of Default are cured and their effects are removed.

In addition, on the date of this Agreement, the Investor shall disburse to the parties stated on **Exhibit E** attached to, and incorporated into this Agreement the amounts stated as closing costs associated with the Project Advance. The amounts stated on **Exhibit E** shall not exceed $600,187.42, and if less than $600,187.42, the difference shall be paid to or at the direction of Lessee pursuant to the Disbursement Request Form.

Section 4.3. Casualties and Takings. The Lessee shall promptly notify the Investor if the Project is damaged or destroyed by fire, casualty, injury or any other cause (each such occurrence, a "Casualty"). Upon the occurrence of such Casualty, the Lessee's Lender, if any, may elect, in accordance with the provisions of the applicable loan documents between the Lessee and Lessee's Lender, to restore the Property and the Project or to terminate the construction of the Project, and in either case, to direct the application of the insurance proceeds pursuant to the terms of Lessee's Lender's agreement with the Lessee, provided that if the insurance proceeds are not used to restore the Property and the Project, insurance proceeds will be distributed to the Lessee's Lender and to the Investor in accordance with their insured interests, and any excess proceeds will be paid to the Lessee.

Upon the occurrence of a Casualty, if no Person is a Lender at the time of such Casualty, the insurance proceeds shall be applied to pay the costs of the restoration of the Project or to the repayment of the outstanding balance of the Special Assessments, and in which case the Investor shall remain obligated to continue to make disbursements of up to the total amount of the Project Advance in accordance with this Agreement.

In the event restoration of the Project or the Property is pursued, the Lessee shall immediately proceed with the restoration of the Project in accordance with the plans and specifications. If, in the Investor's reasonable judgment, said insurance proceeds are insufficient to complete the restoration, the Lessee shall deposit with the Investor such amounts as are necessary, in the Investor's reasonable judgment, to complete the restoration in accordance with the plans and specifications.

In the event any part of the Property or the Project shall be taken for public purposes by condemnation as a result of any action or proceeding in eminent domain, or shall be transferred in lieu of condemnation to any authority entitled to exercise the power of eminent domain (a "Taking"), the Lessee's Lender, if any, may elect, in accordance with the provisions of the applicable loan documents between Lessee and Lessee's Lender, not to restore the Property or the Project or to restore the Property or the Project, and in either case, to direct the application of the proceeds of the Taking pursuant to the terms of its agreements with the Lessee, provided that if the Takings proceeds are not used to restore the Property and the Project, Takings proceeds will be distributed to Lessee's Lender and to the Investor in accordance with their insured interests, and any excess Takings proceeds will be paid to the Lessee. If the Lender determines not to restore the Property or the Project and release funds related thereto to the Lessee, the Investor's obligation to continue to make disbursements under this Agreement shall be terminated. If the Lender determines to restore the Property and the Project, the Lessee shall immediately proceed with the restoration of the Project in accordance with the plans and specifications. If, in the Investor's reasonable judgment, the Taking proceeds available to the Lessee and the Investor are insufficient to complete the restoration, the Lessee shall deposit with the Investor such amounts as are necessary, in the Investor's reasonable judgment, to complete the restoration in accordance with the plans and specifications.

In the event that no Person is a Lender at the time of such Taking, the Investor's obligation to continue to make disbursements under this Agreement shall be terminated unless the Property and the Project can be replaced and restored in a manner which will enable the Project to be functionally and economically utilized and occupied as originally intended, as determined by Investor in its discretion. If the Property and the Project can be so restored, the Lessee shall immediately proceed with the restoration of the Project in accordance with the plans and specifications, and the Investor shall continue to release the funds for such purpose. If, in the Investor's reasonable judgment, the Taking proceeds available to the Lessee and the Investor are insufficient to complete the restoration, the Lessee shall deposit with the Investor such amounts as are necessary, in the Investor's reasonable judgment, to complete the restoration in accordance with the plans and specifications.

Investor acknowledges that the use of proceeds from any Casualty or Taking are subject to the terms and conditions set forth in the Project Lease.

Section 4.4. Eligible Costs. The costs of the Project which are eligible for payment or reimbursement pursuant to this Agreement include the following:

(a) costs incurred directly or indirectly for or in connection with the acquisition, installation, equipment, and improvement of the Project, including without limitation, costs incurred in respect of the Project for preliminary planning and studies; architectural, legal, engineering, surveying, accounting, consulting, supervisory and other services; labor, services and materials; and recording of documents and title work;

(b) financial, legal, recording, title, accounting, and printing and engraving fees, charges and expenses, and all other fees, charges and expenses incurred in connection with the financing described in this Agreement;

(c) premiums attributable to any surety and payment and performance bonds and insurance required to be taken out and maintained until the date on which each Project is final and complete;

(d) taxes, assessments and other governmental charges in respect of the Project that may become due and payable until the date on which each Project is final and complete;

(e) costs, including, without limitation, attorney's fees, incurred directly or indirectly in seeking to enforce any remedy against any contractor or subcontractor in respect of any actual or claimed default under any contract relating to the Project; and

(f) any other incidental or necessary costs, expenses, fees and charges properly chargeable to the cost of the acquisition, installation, equipment, and improvement of the Project.

Section 4.5. Completion of Project; Inspection. The Lessee (a) in accordance with the approved plans and specifications for the Project, which plans and specifications shall not be materially revised without the prior written approval of the Investor, which approval shall not be unreasonably withheld, has acquired, installed, equipped, and improved the Project to be reimbursed by the Project Advance, (b) has paid all fees, costs and expenses incurred or payable by the Lessee in connection with that acquisition, installation, equipping, and improvement from funds made available therefor in accordance with this Agreement or otherwise, and (c) shall ask, demand, sue for, levy, recover and receive all those sums of money, debts and other demands whatsoever which may be due, owing and payable to the Lessee under the terms of any contract, order, receipt, writing or instruction in connection with the acquisition, installation, equipping, and improvement of the Project, and shall utilize commercially reasonable efforts to enforce the provisions of any contract, agreement, obligation, bond or other performance security with respect thereto. It is understood that the Property is owned by the Port and leased to the Lessee and any contracts made by the Lessee with respect to the Project or any work to be done by the Lessee on or with respect to the Project are made or done by the Lessee on its own behalf as construction manager for the Port and not as agent or contractor for the ESID.

The Lessee has provided the ESID, the City, and the Investor with evidence of the completion of the Project by a certificate in the form attached as **Exhibit D** to this Agreement, signed by the Lessee stating: (a) the Project has been substantially completed in accordance with the construction contract, and the Lessee has no unresolved complaints regarding the work; (b) that the Project has been completed in all material respects in accordance with the plans and specifications for the Project approved by the Investor; (c) that the Lessee has complied, and will continue to comply with all applicable statutes, regulations, and resolutions or ordinances in connection with the Property and the construction of the Project; (d) that the Lessee holds a valid leasehold interest in the Property; (e) that the general contractor for the project has not offered the Lessee any payment, refund, or any commission in return for completing Project; and (f) that all funds provided to the Lessee by the Investor for the Project have been used in accordance with this Agreement.

Section 4.6. Repayment. The Parties acknowledge that pursuant to this Agreement, the Project Advance is expected to be repaid by the Special Assessments. The Parties agree that the Special Assessments have been levied and certified to the County Auditor in the amounts necessary to amortize the Project Advance, together with interest at the annual rate of 6.0% and a $6,541.86 semi-annual administrative fee to the ESID over 50 semi-annual payments to be collected beginning approximately on January 31, 2024 and continuing through approximately July 31, 2048. The Parties further acknowledge that in addition to the amount of the Special Assessments and other related interest, fees, and penalties, the County Auditor may charge and collect a County Auditor collection fee on each annual installment of the Special Assessments in an amount to be calculated, charged, and collected by the County Auditor pursuant to Ohio Revised Code Section 727.36, which fee is in addition to the amount of the Special Assessments and other related interest, fees, and penalties. Interest shall accrue on the entire amount of the Project Advance from the Closing Date; provided, however, that a portion of the Project Advance may be used to pay interest accruing and due and payable on the Project Advance prior to the date on which the first installment of the Special Assessments is paid to the Investor by the City following its receipt thereof. The Lessee agrees to pay, as and when due, all Special Assessments with respect to its Property. The Parties acknowledge and agree that, pursuant to the laws of the State, the Special Assessments to be collected by the County Treasurer which as of the relevant date are not yet due and payable never shall be accelerated, and the lien of the Special Assessments never shall exceed the amount of Special Assessments which, as of the relevant date, are due and payable but remain unpaid.

Section 4.7. Prepayment. At any time prior to the second anniversary of the Closing Date, the Lessee may prepay all or a portion of the principal of the Project Advance to the Investor by paying, in immediately available funds, 103% of the principal amount of the Project Advance to be prepaid, together with all accrued and unpaid interest on the Project Advance to the date of prepayment. At any time on or after the second anniversary and prior to the fifth anniversary of the Closing Date, the Lessee may prepay all or a portion of the principal of the Project Advance to the Investor by paying, in immediately available funds, 102% of the principal amount of the Project Advance to be prepaid, together with all accrued and unpaid interest on the Project Advance to the date of prepayment. At any time on or after the fifth anniversary and prior to the tenth anniversary of the Closing Date, the Lessee may prepay all or a portion of the principal of the Project Advance to the Investor by paying, in immediately available funds, 101% of the principal amount of the Project Advance to be prepaid, together with all accrued and unpaid interest on the Project Advance to the date of prepayment. At any time on or after the tenth anniversary of the Closing Date, the Lessee may prepay all or a portion of the principal of the Project Advance to the Investor by paying, in immediately available funds, 100% of the principal amount of the Project Advance to be prepaid, together with all accrued and unpaid interest on the Project Advance to the date of prepayment.

Immediately upon any prepayment pursuant to this Section 4.7, the Investor shall notify the City of the prepayment, and the Lessee, the Investor, and the City shall cooperate to reduce the amount of Special Assessments to be collected by the County Auditor pursuant to Section 2.2(d) of this Agreement.

Section 4.8. Payment of Fees and Expenses. If an Event of Default on the part of the Lessee should occur under this Agreement such that the ESID, the Investor, or the City should incur expenses, including attorneys' fees, in connection with the enforcement of this Agreement or the collection of sums due under this Agreement, the Lessee shall reimburse the ESID, the Investor, and the City, as applicable, for any reasonable out-of-pocket expenses so incurred upon demand. If any such expenses are not so reimbursed, the amount of such expenses, together with interest on such amount from the date of demand for payment at an annual rate equal to the maximum rate allowable by law, shall constitute indebtedness under this Agreement, and the ESID, the Investor, and the City, as applicable, shall be entitled to seek the recovery of those expenses in such action except as limited by law or by judicial order or decision entered in such proceedings.

Section 4.9. Further Assurances. Section 4.10. Upon the request of the Investor, the Lessee shall take any actions and execute any further documents as the Investor deems necessary or appropriate to carry out the purposes of this Agreement.

ARTICLE V: EVENTS OF DEFAULT AND REMEDIES

Section 5.1. Events of Default. If any of the following shall occur, such occurrence shall be an "Event of Default" under this Agreement:

(a) The Lessee shall fail to pay an installment of the Special Assessments when due, after taking into account all applicable extensions;

(b) The City shall fail to transfer, or cause the transfer of, any of the Special Assessments to the Investor within the time specified in this Agreement;

(c) Any Party is in material breach of its representations or warranties under this Agreement; provided, however, that upon the material breach of a Party's representations or warranties under this Agreement, such Party shall have the right to cure such breach within five days of the receipt of notice, and, if so cured, such breach shall not constitute an Event of Default;

(d) The ESID, the Lessee, or the City, shall fail to observe and perform any other agreement, term, or condition contained in this Agreement, and the continuation of such failure for a period of 30 days after written notice of such failure shall have been given to the ESID, the Lessee, or the City, as applicable, by any other Party to this Agreement, or for such longer period to which the notifying Party may agree in writing; provided, however, that if the failure is other than the payment of money, and is of such nature that it can be corrected but not within the applicable period, that failure shall not constitute an Event of Default so long as the ESID, an Lessee, or the City, as applicable, institutes curative action within the applicable period and diligently pursues that action to completion;

(e) The Lessee abandons the Property or the Project;

(f) The Lessee commits waste upon the Property or the Project; or

(g) The Lessee becomes bankrupt or insolvent or files or has filed against it (and such action is not stayed or dismissed within 90 days) a petition in bankruptcy or for reorganization or arrangement or other relief under the bankruptcy laws or any similar state law or makes a general assignment for the benefit of creditors.

The declaration of an Event of Default above, and the exercise of remedies upon any such declaration, shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding that declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

Promptly upon any non-defaulting Party becoming aware that an Event of Default has occurred, such Party shall deliver notice of such Event of Default to each other Party under this Agreement in accordance with the notice procedures described in Section 6.5 of this Agreement.

Section 5.2. Remedies on Default. Whenever an Event of Default shall have happened and be subsisting, any one or more of the following remedial steps may be taken:

(a) Upon an Event of Default described in Section 5.1(a) only, the Investor shall become entitled to receive any Delinquency Amounts actually received by the City.

(b) The ESID, the Investor, and the City, together or separately, may pursue all remedies now or later existing at law or in equity to collect all amounts due and to become due under this Agreement or to enforce the performance and observance of any other obligation or agreement of any of the Parties, as applicable, under this Agreement, including enforcement under Ohio Revised Code Chapter 2731 of duties resulting from an office, trust, or station upon the ESID or the City, provided that, Parties may only pursue such remedies against the Party responsible for the particular Event of Default in question; provided, however, that the ESID, the Investor, and the City may not take any other action or exercise any remedy against the Property, the Project, or the Lessee except to collect or remedy any outstanding damages or liability which shall have arisen due to the occurrence of an Event of Default.

(c) Any Party may pursue any other remedy which it may have, whether at law, in equity, or otherwise, provided that, Parties may only pursue such remedies against the Party responsible for the particular Event of Default in question; provided, however, that the ESID, the Investor, and the City may not take any other action or exercise any remedy against the Property, the Project, or the Lessee except to collect or remedy any outstanding damages or liability which shall have arisen due to the occurrence of an Event of Default.

Notwithstanding the foregoing, each of the ESID and the City shall not be obligated to take any step which in its opinion will or might cause it to expend time or money or otherwise incur liability unless and until a satisfactory indemnity bond has been furnished to it at no cost or expense.

Section 5.3. No Remedy Exclusive. No remedy conferred upon or reserved to the Parties by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement, or now or later existing at law, in equity or by statute; provided, however, that the ESID, the Investor, and the City may not take any other action or exercise any remedy against the Property, the Project, or the Lessee except to collect or remedy any outstanding damages or liability which shall have arisen due to the occurrence of an Event of Default. It is further provided that any remedy against the City is limited to the filing and prosecution of mandamus or other appropriate proceedings to induce the City to perform its obligations under this Agreement, including enforcement under Ohio Revised Code Chapter 2731 of duties resulting from an office, trust, or station upon the City. No delay or omission to exercise any right or power accruing upon any default shall impair that right or power nor shall be construed to be a waiver, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Parties to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than any notice required by law or for which express provision is made in this Agreement.

Section 5.4. No Waiver. No failure by a Party to insist upon the strict performance by the other Parties of any provision of this Agreement shall constitute a waiver of such Party's right to strict performance; and no express waiver shall be deemed to apply to any other existing or subsequent right to remedy the failure by the Parties to observe or comply with any provision of this Agreement.

Section 5.5. Notice of Default. Any Party to this Agreement shall notify every other Party to this Agreement immediately if it becomes aware of the occurrence of any Event of Default or of any fact, condition or event which, with the giving of notice or passage of time or both, would become an Event of Default.

Section 5.6. Right of Port and/or Lender to Cure Events of Default. Notwithstanding anything contained in this Agreement to the contrary, if an Event of Default occurs, then the Investor shall provide the Port and any Lender with a copy of any written notice of the Event of Default sent to the Lessee contemporaneously with the giving of such notice to the Lessee, and if such default is curable, shall permit the Port and/or any Lender the option (but not the obligation) to cure the default within the time period, if any, specified for cure under this Agreement; provided, however that the Port and any Lender shall have 30 additional days beyond the time period, if any, specified for cure in this Agreement within which to effect a cure of such default, or if such default cannot reasonably be cured within such 30 day period, such additional time as either the Port or the Lender reasonably requires provided that the Port or the Lender requesting such additional time has commenced efforts to cure such default and is diligently pursuing such cure, and provided further that such additional time shall not be longer than 90 days.

ARTICLE VI: MISCELLANEOUS

Section 6.1. Lessee Waivers. The Lessee acknowledges that the process for the imposition of special assessments provides the owner of property subject to such special assessments with certain rights, including rights to: receive notices of proceedings; object to the imposition of the special assessments; claim damages; participate in hearings; take appeals from proceedings imposing special assessments; participate in and prosecute court proceedings, as well as other rights under law, including but not limited to those provided for or specified in the United States Constitution, the Ohio Constitution, Ohio Revised Code Chapter 727 and the resolutions or ordinances in effect in the City (collectively, "Assessment Rights"). The Lessee irrevocably waives all Assessment Rights as to its Project and consents to the imposition of the Special Assessments as to its Project immediately or at such time as the ESID determines to be appropriate, and the Lessee expressly requests the entities involved with the special assessment process to promptly proceed with the imposition of the Special Assessments upon its Property as to its Project. The Lessee further waives in connection with the Project: any and all questions as to the constitutionality of the laws under which the Project will be constructed and the Special Assessments imposed upon the Property; the jurisdiction of the Council of the City acting thereunder; and the right to file a claim for damages as provided in Ohio Revised Code Section 727.18 and any similar provision of the resolutions or ordinances in effect within the City.

Section 6.2. Term of Agreement. This Agreement shall be and remain in full force and effect from the Closing Date until the payment in full of the entire aggregate amount of the Special Assessments shall have been made to the Investor, or such time as the Parties shall agree in writing to terminate this Agreement. Any attempted termination of this Agreement prior to the payment in full of the entire aggregate amount of the Special Assessments which is not in writing and signed by each of the Parties to this Agreement shall be null and void.

Section 6.3. Litigation Notice. Each Party shall give all other Parties prompt notice of any action, suit, or proceeding by or against the notifying Party, at law or in equity, or before any governmental instrumentality or agency, of which the notifying Party has notice and which, if adversely determined would impair materially the right or ability of the Parties to perform their obligations under this Agreement. The notifying Party's prompt notice shall be accompanied by its written statement setting forth the details of the action, suit, or proceeding and any responsive actions with respect to the action, suit, or proceeding taken or proposed to be taken by the Party.

Section 6.4. Indemnification. The Lessee shall indemnify and hold harmless the ESID, the Investor, and the City (including any member, officer, director, or employee thereof) (collectively, the "Indemnified Parties") against any and all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) imposed upon, incurred by or asserted against an Indemnified Party arising or resulting from (i) the levy and collection of the Special Assessments, (ii) Lessee's financing, acquisition, construction, installation, operation, use or maintenance of the Project, (iii) any act, failure to act or misrepresentation solely by the Lessee in connection with, or in the performance of any obligation on the Lessee's part to be performed under this Agreement or related to the Special Assessments resulting in material actual damages, or (iv) (a) a past, present or future violation or alleged violation of any environmental laws in connection with the Property by any person or other source, whether related or unrelated to the Lessee, (b) any presence of any hazardous, toxic or harmful substances, materials, wastes, pollutants or contaminants defined as such in or regulated under any environmental law ("Materials of Environmental Concern") in, on, within, above, under, near, affecting or emanating from the Property, (c) the failure to timely perform any investigation, inspection, site monitoring, containment, clean–up, removal, response, corrective action, mitigation, restoration or other remedial work of any kind or nature because of, or in connection with, the current or future presence, suspected presence, Release (as defined below) or threatened Release in or about the air, soil, ground water, surface water or soil vapor at, on, about, under or within all or any portion of the Property of any Materials of Environmental Concern, including any action to comply with any applicable environmental laws or directives of any governmental authority with regard to any environmental laws, (d) any past, present or future activity by any person or other source, whether related or unrelated to the Lessee in connection with any actual, proposed or threatened use, treatment, storage, holding, existence, disposition or other release, generation, production, manufacturing, processing, refining, control, management, abatement, removal, handling, transfer or transportation to or from the Property of any Materials of Environmental Concern at any time located in, under, on, above or affecting the Property, (e) any past, present or future actual generation, treatment, use, storage, transportation, manufacture, refinement, handling, production, removal, remediation, disposal, presence or migration of Materials of Environmental Concern on, about, under or within all or any portion of the Property (a "Release") (whether intentional or unintentional, direct or indirect, foreseeable or unforeseeable) to, from, on, within, in, under, near or affecting the Property by any person or other source, whether related or unrelated to the Lessee, (f) the imposition, recording or filing or the threatened imposition, recording or filing of any lien on the Property with regard to, or as a result of, any Materials of Environmental Concern or pursuant to any environmental law, or (g) any misrepresentation or failure to perform any obligations related to environmental matters in any way pursuant to any documents related to the Special Assessments.

In the event any action or proceeding is brought against any Indemnified Party by reason of any such claim, such Indemnified Party will promptly give written notice thereof to the Lessee. The Lessee shall be entitled to participate at its own expense in the defense or, if it so elects, to assume at its own expense the defense of such claim, suit, action or proceeding, in which event such defense shall be conducted by counsel chosen by the Lessee; but if the Lessee shall elect not to assume such defense, it shall reimburse such Indemnified Party for the reasonable fees and expenses of any counsel retained by such Indemnified Party. If at any time the Indemnified Party becomes dissatisfied, in its reasonable discretion, with the selection of counsel by the Lessee, a new mutually agreeable counsel shall be retained at the expense of the Lessee. Each Indemnified Party agrees that the Lessee shall have the sole right to compromise, settle or conclude any claim, suit, action or proceeding against any of the Indemnified Parties. Notwithstanding the foregoing, each Indemnified Party shall have the right to employ counsel in any such action at their own expense; and provided further that such Indemnified Party shall have the right to employ counsel in any such action and the fees and expenses of such counsel shall be at the expense of the Lessee, if: (i) the employment of counsel by such Indemnified Party has been authorized by the Lessee, (ii) there reasonably appears that there is a conflict of interest between the Lessee and the Indemnified Party in the conduct of the defense of such action (in which case the Lessee shall not have the right to direct the defense of such action on behalf of the Indemnified Party) or (iii) the Lessee shall not in fact have employed counsel to assume the defense of such action. The Lessee shall also indemnify the Indemnified Parties from and against all costs and expenses, including reasonable attorneys' fees, lawfully incurred in enforcing any obligations of the Lessee under this Agreement. The obligations of the Lessee under this Section shall survive the termination of this Agreement and shall be in addition to any other rights, including without limitation, rights to indemnity which any Indemnified Party may have at law, in equity, by contract or otherwise.

None of the Investor, the City, or the ESID shall have any liability to the Lessee or any other Person on account of (i) the Lessee engaging a contractor from the list of contractors submitted by the ESID or the Investor to the Lessee, (ii) the services performed by the contractor, or (iii) any neglect or failure on the part of the contractor to perform or properly perform its services. None of the Investor, the City, or the ESID assumes any obligation to the Lessee or any other Person concerning contractors, the quality of construction of the Project or the absence of defects from the construction of the Project. The making of a Project Advance by the Investor shall not constitute the Investor's approval or acceptance of the construction theretofore completed. The Investor's inspection and approval of the budget, the construction work, the improvements, or the workmanship and materials used in the improvements, shall impose no liability of any kind on the Investor, the sole obligation of the Investor as the result of such inspection and approval being to make the Project Advances if, and to the extent, required by this Agreement. Any disbursement made by the Investor without the Investor having received each of the items to which it is entitled under this Agreement shall not constitute breach or modification of this Agreement, nor shall any written amendment to this Agreement be required as a result.

Section 6.5. Notices. All notices, certificates, requests or other communications under this Agreement shall be in writing and shall be deemed to be sufficiently given when mailed by registered or certified mail, postage prepaid, and addressed to the appropriate Notice Address. The Parties, by notice given under this Agreement to the others, may designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 6.6. Extent of Covenants; No Personal Liability. All covenants, obligations, and agreements of the ESID and the City contained in this Agreement shall be effective to the extent authorized and permitted by applicable law. No covenant, obligation, or agreement shall be deemed to be a covenant, obligation, or agreement of any present or future member, officer, agent, or employee of the ESID, the Board, the Lessee, the City, the City Council, or the Investor in other than his or her official capacity; and none of the members of the Board or the City Council, nor any official of the ESID, the Lessee, the City, or the Investor executing this Agreement shall be liable personally on this Agreement or be subject to any personal liability or accountability by reason of the covenants, obligations, or agreements of the ESID, the Lessee, the City, or the Investor contained in this Agreement.

Section 6.7. Binding Effect; Assignment; Estoppel Certificates. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the Parties. Except as specifically provided below, this Agreement shall not be assigned by the any of the Parties except as may be necessary to enforce or secure payment of the Special Assessments.

Notwithstanding anything in this Agreement to the contrary, the Lessee and the Port freely may sell the Property and the Project and their respective interests therein or any portion of the Property and the Project and their respective interests therein from time to time. In addition, Lessee may assign this Agreement to an arms-length, good faith purchaser of Lessee's interest in the Property but only after notice of such assignment is given to the Investor, and only upon (i) the execution and delivery to the City, the Investor, and the ESID of an "Assignment and Assumption of Energy Project Cooperative Agreement" in the form attached to, and incorporated into, this Agreement as **Exhibit H**; and (ii) the payment by Lessee of all legal fees and expenses of PACE Counsel associated with legal services performed to facilitate such assignment upon receipt of an invoice from PACE Counsel. The Parties acknowledge and agree that the Assignment and Assumption of Energy Project Cooperative Agreement includes the assignment and assumption of the Lessee Consent. Following any assignment by the Lessee as described above, all obligations of the Lessee contained in this Agreement and the Lessee Consent shall be obligations of the assignee, and the assigning Lessee shall be released of its obligations to a corresponding extent.

Notwithstanding anything in this Agreement to the contrary, the Investor shall have the unrestricted right at any time or from time to time, and without the Lessee's consent, to assign all or any portion of its rights and obligations under this Agreement, and may sell or assign any and all liens received directly or indirectly from the City to any Person (each, an "Investor Assignee"), and the Lessee agrees that it shall execute, or cause to be executed, such documents, including without limitation, amendments to this Agreement and to any other documents, instruments and agreements executed in connection with this Agreement as the Investor shall deem necessary to effect the foregoing so long as such amendment does not materially adversely impact the Lessee's rights and obligations under this Agreement or the Port's rights under the Project Lease. Any Investor Assignee shall be a party to this Agreement and shall have all of the rights and obligations of the Investor under this Agreement (and under any and all other guaranties, documents, instruments and agreements executed in connection with this Agreement) to the extent that such rights and obligations have been assigned by the Investor pursuant to the assignment documentation between the Investor and such Investor Assignee, and the Investor shall be released from its obligations under this Agreement and under any and all other guaranties, documents, instruments and agreements executed in connection with this Agreement to a corresponding extent. If, at any time, the Investor assigns any of the rights and obligations of the Investor under this Agreement (and under any and all other guaranties, documents, instruments and agreements executed in connection with this Agreement) to an Investor Assignee, the Investor shall (i) give prompt notice of such assignment to the other Parties and (ii) pay all legal fees and expenses of PACE Counsel associated with legal services performed to facilitate such assignment upon receipt of an invoice from PACE Counsel.

In addition, the Investor shall have the unrestricted right at any time and from time to time, and without the consent of or notice of the Lessee, to grant to one or more Persons (each, a "Participant") participating interests in Investor's obligation to make Project Advances under this Agreement or to any or all of the loans held by Investor under this Agreement. In the event of any such grant by the Investor of a participating interest to a Participant, whether or not upon notice to the Lessee, the Investor shall remain responsible for the performance of its obligations under this Agreement, and the Lessee and the other Parties shall continue to deal solely and directly with the Investor in connection with the Investor's rights and obligations under this Agreement. The Lessee agrees that the Investor may furnish any information concerning the Lessee in its possession from time to time to prospective Investor Assignees and Participants.

This Agreement may be enforced only by the Parties, their permitted assignees, and others, who may, by law, stand in their respective places.

Any Party shall at any time and from time to time, upon not less than 30 days' prior written notice by the other party, execute, acknowledge and deliver to such party a statement in writing certifying that: (i) this Agreement is unmodified and in full force and effect (or, if there has been any modification of this Agreement, that the same is in full force and effect as modified and stating the modification or modifications); (ii) to the best of such Party's actual knowledge (without any duty of inquiry) there are no continuing Events of Default (or, if there is a continuing Event of Default, stating the nature and extent of such Event of Default); (iii) that, to the best of such Party's actual knowledge (without any duty of inquiry) there are no outstanding damages or liability arising from an Event of Default (or, if there is any outstanding damages or liability, stating the nature and extent of such damages or liability); (iv) if such certificate is being delivered by the Lessee, the dates to which the Special Assessments have been paid; and (v) if such certificate is being delivered by the Investor, the dates to which the Special Assessments have been paid to the Investor. It is expressly understood and agreed that any such certificate delivered pursuant to this Section 6.7 may be relied upon by any prospective assignee of the Lessee or any prospective Investor Assignee.

Section 6.8. Amendments and Supplements. Except as otherwise expressly provided in this Agreement, this Agreement may not be amended, changed, modified, altered or terminated except by unanimous written agreement signed by each of the Parties materially affected by such proposed amendment, change, modification, alteration, or termination. For purposes of this Section, a materially affected Party is a Party with respect to which a material right or obligation under this Agreement is proposed to be amended, changed, modified, altered, or terminated. Any attempt to amend, change, modify, alter, or terminate this Agreement except by unanimous written agreement signed by all of the materially affected Parties or as otherwise provided in this Agreement shall be void.

Section 6.9. Execution Counterparts. This Agreement may be executed in counterpart and in any number of counterparts, each of which shall be regarded as an original and all of which together shall constitute but one and the same instrument.

Section 6.10. Severability. If any provision of this Agreement, or any covenant, obligation, or agreement contained in this Agreement is determined by a court to be invalid or unenforceable, that determination shall not affect any other provision, covenant, obligation, or agreement, each of which shall be construed and enforced as if the invalid or unenforceable portion were not contained in this Agreement. That invalidity or unenforceability shall not affect any valid and enforceable application of the provision, covenant, obligation, or agreement, and each such provision, covenant, obligation or agreement shall be deemed to be effective, operative, made, entered into, or taken in the manner and to the full extent permitted by law.

Section 6.11. Governing Law. This Agreement shall be deemed to be a contract made under the laws of the State and for all purposes shall be governed by and construed in accordance with the laws of the State.

Section 6.12. Remedies Limited to the Improvements Parcel Comprising the Property. Pursuant to the terms and conditions of the Property Deed, each of the Parties hereby acknowledges and agrees that the Special Assessments are and shall be imposed only on the Improvements Parcel, shall constitute an obligation of and lien on the Improvements Parcel only and shall not constitute an obligation of or a lien on the Fee Parcel described in the Property Deed, and accordingly any and all obligations, rights, liens, interests and remedies hereunder or otherwise resulting from the imposition of the Special Assessments shall be limited to the Improvements Parcel and the owner or owners thereof, and the Fee Parcel and the owner thereof shall not be joined in any proceeding for the enforcement or foreclosure of any such obligations, rights, liens, interests or remedies.

[BALANCE OF PAGE INTENTIONALLY BLANK; SIGNATURES ON NEXT PAGE.]

IN WITNESS WHEREOF, the Parties have each caused this Agreement to be duly executed in their respective names, all as of the Closing Date.

CANTON REGIONAL ENERGY SPECIAL IMPROVEMENT DISTRICT, INC., as the ESID

By: /s/ Anne Graffice
Name: Anne Graffice
Title: Executive Vice President of Public Affairs

[Signature Page to Energy Project Cooperative Agreement]

HOF VILLAGE STADIUM, LLC, as the Lessee

By: /s/ Michael Crawford
Michael Crawford, President and
Chief Executive Officer

[Signature Page to Energy Project Cooperative Agreement]

SPH CANTON ST, LLC, as the Investor

By: /s/ Jatin Desai
Name: Jatin Desai
Title: Authorized Person

[Signature Page to Energy Project Cooperative Agreement]

CITY OF CANTON, OHIO, as the City

By: /s/ Thomas Bernabei
Name: Thomas Bernabei
Title: Mayor

[Signature Page to Energy Project Cooperative Agreement]

CITY FISCAL OFFICER CERTIFICATE

The undersigned, Fiscal Officer of the City of Canton, Ohio, hereby certifies that the moneys required to meet the obligations of the City during the year 2022 under the foregoing Energy Project Cooperative Agreement have been lawfully appropriated by the City Council of the City of Canton, Ohio for such purpose and are in the treasury of the City or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This Certificate is given in compliance with Ohio Revised Code Sections 5705.41 and 5705.44.

/s/ Richard Mallon
Fiscal Officer
City of Canton, Ohio

Dated: June 29, 2022

[City Fiscal Officer Certificate—Energy Project Cooperative Agreement]

EXHIBIT A

DEFINITIONS

As used in this Agreement, the following words have the following meanings:

"*Agreement*" means this Energy Project Cooperative Agreement, dated as of June 29, 2022, by and between the ESID, the Lessee, the Investor, and the City, as the same may be amended, modified, or supplemented from time to time in accordance with its terms.

"*Board"* means the Board of Directors of the ESID.

"*City*" means the City of Canton, Ohio.

"*City Council*" means the Council of the City of Canton, Ohio.

"*Closing Date*" means the date set forth in the preamble of this Agreement.

"*County*" means the County of Stark, Ohio.

"*County Auditor*" means the Auditor of the County.

"*County Prosecutor*" means the Prosecuting Attorney of the County.

"*County Treasurer*" means the Treasurer of the County.

"*Delinquency Amount*" means any penalties or interest which may be due on or with respect to any installment of the Special Assessments and which are not paid or taxable to any party other than the Investor under law.

"*Disbursement Request Form*" means the form attached to this Agreement as **Exhibit C**, which form shall be submitted by the Lessee on or prior to the Closing Date in order to receive disbursements.

"*ESID*" means the Canton Regional Energy Special Improvement District, Inc., a nonprofit corporation and energy special improvement district organized under the laws of the State of Ohio.

"Governmental Authority" means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

"*Investor*" means SPH Canton ST, LLC, a limited liability company duly organized and validly existing under the laws of the State of Georgia, together with any Investor Assignee.

"Lender" means any Person which has loaned money to the Lessee to pay or refinance the costs of acquiring, financing, refinancing, or improving the Property and which loan is secured by a mortgage interest in the Property, or any permitted successors or assigns of such Person.

"*Lessee*" means HOF Village Stadium, LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware, and any permitted successors or assigns.

"*Lessee Consent*" means the Lessee Consent dated as of June 29, 2022 by the Lessee and recorded in the records of the Stark County Recorder with respect to the Property.

"*Notice Address*" means:

(a)	As to the City:	City of Canton c/o Canton Law Director 218 Cleveland Ave SW, 7th floor Canton, OH 44702
(b)	As to the ESID:	Canton Regional Energy Special Improvement District 218 Cleveland Ave. SW, 8th Floor Canton, OH 44702
	With a Copy To:	Colin Kalvas Bricker & Eckler LLP 100 South Third Street Columbus, Ohio 43215
(c)	As to the Lessee	HOF Village Stadium LLC 2626 Fulton Drive, NW Canton, OH 44718 Attention: Tara Charnes, General Counsel Email: tara.charnes@hofvillage.com
	With a Copy To:	Walter | Haverfield LLP 1301 East Ninth Street, Suite 3500 Cleveland, OH 44114 Attention: Nick Catanzarite, Esq.
(d)	As to the Investor	SPH Canton ST, LLC c/o Stonehill Strategic Capital, LLC One Alliance Center 3500 Lenox Road, Suite 625 Atlanta, GA 30326 Attention: Kevin Cadin, Esq.

"*Ordinance Levying Assessments*" means any resolution or ordinance passed, enacted, or adopted by the City pursuant to Ohio Revised Code Section 727.25 with respect to levying special assessments on real property within the ESID.

"*Ordinance to Proceed*" means any resolution or ordinance passed, enacted, or adopted by the City pursuant to Ohio Revised Code Section 727.23 with respect to levying special assessments on real property within the ESID.

"*PACE Counsel*" means Bricker & Eckler LLP, an Ohio limited liability partnership or other counsel selected by Investor.

"*Parties*" means the ESID, the Lessee, the Investor, and the City.

"*Person*" or words importing persons mean firms, associations, partnerships (including without limitation, general and limited partnerships), limited liability companies, joint ventures, societies, estates, trusts, corporations, public or governmental bodies, political subdivisions, other legal entities, and natural persons.

"*Plan*" means the Canton Regional Energy Special Improvement District Project Plan adopted by the City of Canton, Ohio by its Resolution No. 112/2020, and any and all supplemental plans approved by the ESID and the City.

"*Project*" means the special energy improvement project described in the Supplemental Plan with respect to the Property, for which Special Assessments are to be levied by the City, all in accordance with the Supplemental Plan.

"*Project Advance*" means the amount of immediately available funds to be transferred, set over, or paid pursuant to Section 4.1 of this Agreement for the benefit of the Lessee and including amounts retained by Investor for payment of capitalized interest and administrative expenses.

"*Property*" or "*Improvements Parcel*" means Stark County Parcel Number 10015299T, as described in the Property Deed and described in and subject to the Plan, being the buildings, structures and other improvements now or hereafter located on the land described therein, together with those rights, privileges and easements appurtenant thereto and referenced in the Property Deed.

"*Property Deed*" means that certain Quitclaim Deed recorded on June 1, 2022 as Instrument Number 202206010023838 of Stark County Records, creating the Improvements Parcel and/or conveying the same to the Port Authority subject to the Project Lease.

"*Repayment Schedule*" means the schedule attached to, and incorporated into, this Agreement as **Exhibit B**, which schedule establishes the dates and amounts for the repayment of the Project Advance by the Special Assessments paid by the Lessee.

"Required Business Interruption Insurance Coverage" means at all times business interruption and rent loss insurance maintained with generally recognized, responsible insurance companies qualified to do business in the State in a commercially reasonable minimum amount, which insurance coverage shall name the Investor as lender loss payee.

"Required Flood Insurance Coverage" means, as applicable, (i) if the Property or any part of the Property is identified by the United States Secretary of Housing and Urban Development as being situated in an area now or subsequently designated as having special flood hazards (including, without limitation, those areas designated as Zone A or Zone V), flood insurance in an amount equal to the lesser of: (a) the minimum amount required, under the terms of coverage, to compensate for any damage or loss on a replacement basis (or the unpaid balance of the Project Advances if replacement cost coverage is not available for the type of building insured); or (b) such lesser amount as may be required by the Investor, and containing a loss deductible with respect not in excess of $10,000 per occurrence; and (ii) earthquake insurance in amounts and in form and substance satisfactory to the Investor in the event the Property is located in an area with a high degree of seismic activity, provided that the insurance pursuant to this section shall be on terms consistent with the Required Public Liability Insurance Coverage.

"Required Insurance Coverage" means, collectively, the Required Business Interruption Insurance Coverage, the Required Flood Insurance Coverage (if any), the Required Property Insurance Coverage and the Required Public Liability Insurance Coverage, each of which, in addition to the requirements described in their respective definitions, (i) must provide for 10 days' notice to the Investor in the event of cancellation or nonrenewal and (ii) must name as an additional insured (mortgagee/loss payee) the Investor.

"Required Property Insurance Coverage" means at any time insurance coverage evidenced on Acord 27 and maintained with generally recognized, responsible insurance companies qualified to do business in the State in the amount of (i) the then full replacement value of the Project and Property, insuring the Project against loss or damage by fire, windstorm, tornado and hail and extended coverage risks on a comprehensive all risk/special form insurance policy and containing loss deductible provisions of not to exceed $100,000, which insurance coverage shall name the Investor as loss payee/mortgagee.

"Required Public Liability Insurance Coverage" means at any time commercial general accident and public liability insurance coverage evidenced on Acord 25 and maintained with generally recognized, responsible insurance companies qualified to do business in the State with coverage limits in the maximum amount of $2,000,000 per occurrence for death or bodily injury and property damage liability combined, with loss deductible provisions of not to exceed $100,000, which insurance coverage shall name the Investor as additional insureds.

"*Resolution of Necessity*" means any resolution or ordinance passed, enacted, or adopted by the City pursuant to Ohio Revised Code Section 727.12 with respect to levying special assessments on real property within the ESID.

"*Special Assessment Act*" means, collectively, Ohio Revised Code Section 727.01 *et seq.*, Ohio Revised Code Section 1710.01 *et seq.*, Ohio Revised Code Section 323.01 *et seq.*, Ohio Revised Code Section 319.01 *et seq.*, Ohio Revised Code Section 5721.01 *et seq.*, and related laws, Ordinance No. 148/2022 approving the Petition and Supplemental Plan and declaring the necessity of the Project, determining to proceed with the Project and levying the Special Assessments adopted on June 27, 2022, all with respect to levying special assessments on real property within the ESID.

"*Special Assessments*" means the special assessments levied pursuant to the Special Assessment Act by the City with respect to the Project, a schedule of which is attached to, and incorporated into, the Plan.

"*State*" means the State of Ohio.

EXHIBIT B

REPAYMENT SCHEDULE

C-Pace Installment Date	Payment Due to Lender	Beginning Balance	Total Payment	Interest Payment	Principal Payment	Capitalized interest	Ending Balance	ESID Program Admin Fee .5%	Total Semi Annual Pmt with ESID
7/1/2022						3,221,926.90			
1/31/2024	7/1/2024	33,387,843.50	1,308,371.59	1,012,764.59	295,607.00		33,092,236.50	6,541.86	1,314,913.45
7/31/2024	1/1/2025	33,092,236.50	1,308,371.59	1,014,828.59	293,543.00		32,798,693.50	6,541.86	1,314,913.45
1/31/2025	7/1/2025	32,798,693.50	1,308,371.59	989,427.25	318,944.34		32,479,749.16	6,541.86	1,314,913.45
7/31/2025	1/1/2026	32,479,749.16	1,308,371.59	996,045.64	312,325.95		32,167,423.21	6,541.86	1,314,913.45
1/31/2026	7/1/2026	32,167,423.21	1,308,371.59	970,383.93	337,987.66		31,829,435.55	6,541.86	1,314,913.45
7/31/2026	1/1/2027	31,829,435.55	1,308,371.59	976,102.69	332,268.90		31,497,166.65	6,541.86	1,314,913.45
1/31/2027	7/1/2027	31,497,166.65	1,308,371.59	950,164.53	358,207.06		31,138,959.59	6,541.86	1,314,913.45
7/31/2027	1/1/2028	31,138,959.59	1,308,371.59	954,928.09	353,443.50		30,785,516.09	6,541.86	1,314,913.45
1/31/2028	7/1/2028	30,785,516.09	1,308,371.59	933,827.32	374,544.27		30,410,971.82	6,541.86	1,314,913.45
7/31/2028	1/1/2029	30,410,971.82	1,308,371.59	932,603.14	375,768.45		30,035,203.37	6,541.86	1,314,913.45
1/31/2029	7/1/2029	30,035,203.37	1,308,371.59	906,061.97	402,309.62		29,632,893.75	6,541.86	1,314,913.45
7/31/2029	1/1/2030	29,632,893.75	1,308,371.59	908,742.07	399,629.52		29,233,264.23	6,541.86	1,314,913.45
1/31/2030	7/1/2030	29,233,264.23	1,308,371.59	881,870.14	426,501.45		28,806,762.78	6,541.86	1,314,913.45
7/31/2030	1/1/2031	28,806,762.78	1,308,371.59	883,407.39	424,964.20		28,381,798.58	6,541.86	1,314,913.45
1/31/2031	7/1/2031	28,381,798.58	1,308,371.59	856,184.26	452,187.33		27,929,611.25	6,541.86	1,314,913.45
7/31/2031	1/1/2032	27,929,611.25	1,308,371.59	856,508.08	451,863.51		27,477,747.74	6,541.86	1,314,913.45
1/31/2032	7/1/2032	27,477,747.74	1,308,371.59	833,491.68	474,879.91		27,002,867.83	6,541.86	1,314,913.45
7/31/2032	1/1/2033	27,002,867.83	1,308,371.59	828,087.95	480,283.64		26,522,584.19	6,541.86	1,314,913.45
1/31/2033	7/1/2033	26,522,584.19	1,308,371.59	800,097.96	508,273.63		26,014,310.55	6,541.86	1,314,913.45
7/31/2033	1/1/2034	26,014,310.55	1,308,371.59	797,772.19	510,599.40		25,503,711.15	6,541.86	1,314,913.45
1/31/2034	7/1/2034	25,503,711.15	1,308,371.59	769,361.95	539,009.64		24,964,701.51	6,541.86	1,314,913.45
7/31/2034	1/1/2035	24,964,701.51	1,308,371.59	765,584.18	542,787.41		24,421,914.10	6,541.86	1,314,913.45
1/31/2035	7/1/2035	24,421,914.10	1,308,371.59	736,727.74	571,643.85		23,850,270.25	6,541.86	1,314,913.45
7/31/2035	1/1/2036	23,850,270.25	1,308,371.59	731,408.29	576,963.30		23,273,306.95	6,541.86	1,314,913.45
1/31/2036	7/1/2036	23,273,306.95	1,308,371.59	705,956.98	602,414.61		22,670,892.34	6,541.86	1,314,913.45
7/31/2036	1/1/2037	22,670,892.34	1,308,371.59	695,240.70	613,130.89		22,057,761.45	6,541.86	1,314,913.45
1/31/2037	7/1/2037	22,057,761.45	1,308,371.59	665,409.14	642,962.45		21,414,799.00	6,541.86	1,314,913.45
7/31/2037	1/1/2038	21,414,799.00	1,308,371.59	656,720.50	651,651.09		20,763,147.91	6,541.86	1,314,913.45
1/31/2038	7/1/2038	20,763,147.91	1,308,371.59	626,354.96	682,016.63		20,081,131.28	6,541.86	1,314,913.45
7/31/2038	1/1/2039	20,081,131.28	1,308,371.59	615,821.36	692,550.23		19,388,581.05	6,541.86	1,314,913.45
1/31/2039	7/1/2039	19,388,581.05	1,308,371.59	584,888.86	723,482.73		18,665,098.32	6,541.86	1,314,913.45
7/31/2039	1/1/2040	18,665,098.32	1,308,371.59	572,396.35	735,975.24		17,929,123.08	6,541.86	1,314,913.45
1/31/2040	7/1/2040	17,929,123.08	1,308,371.59	543,850.07	764,521.52		17,164,601.56	6,541.86	1,314,913.45
7/31/2040	1/1/2041	17,164,601.56	1,308,371.59	526,381.11	781,990.48		16,382,611.08	6,541.86	1,314,913.45
1/31/2041	7/1/2041	16,382,611.08	1,308,371.59	494,208.77	814,162.82		15,568,448.26	6,541.86	1,314,913.45
7/31/2041	1/1/2042	15,568,448.26	1,308,371.59	477,432.41	830,939.18		14,737,509.08	6,541.86	1,314,913.45
1/31/2042	7/1/2042	14,737,509.08	1,308,371.59	444,581.52	863,790.07		13,873,719.01	6,541.86	1,314,913.45
7/31/2042	1/1/2043	13,873,719.01	1,308,371.59	425,460.72	882,910.87		12,990,808.14	6,541.86	1,314,913.45
1/31/2043	7/1/2043	12,990,808.14	1,308,371.59	391,889.38	916,482.21		12,074,325.93	6,541.86	1,314,913.45
7/31/2043	1/1/2044	12,074,325.93	1,308,371.59	370,279.33	938,092.26		11,136,233.67	6,541.86	1,314,913.45
1/31/2044	7/1/2044	11,136,233.67	1,308,371.59	337,799.09	970,572.50		10,165,661.17	6,541.86	1,314,913.45
7/31/2044	1/1/2045	10,165,661.17	1,308,371.59	311,746.94	996,624.65		9,169,036.52	6,541.86	1,314,913.45
1/31/2045	7/1/2045	9,169,036.52	1,308,371.59	276,599.27	1,031,772.32		8,137,264.20	6,541.86	1,314,913.45
7/31/2045	1/1/2046	8,137,264.20	1,308,371.59	249,542.77	1,058,828.82		7,078,435.38	6,541.86	1,314,913.45
1/31/2046	7/1/2046	7,078,435.38	1,308,371.59	213,532.80	1,094,838.79		5,983,596.59	6,541.86	1,314,913.45
7/31/2046	1/1/2047	5,983,596.59	1,308,371.59	183,496.96	1,124,874.63		4,858,721.96	6,541.86	1,314,913.45
1/31/2047	7/1/2047	4,858,721.96	1,308,371.59	146,571.45	1,161,800.14		3,696,921.82	6,541.86	1,314,913.45
7/31/2047	1/1/2048	3,696,921.82	1,308,371.59	113,372.27	1,194,999.32		2,501,922.50	6,541.86	1,314,913.45
1/31/2048	7/1/2048	2,501,922.50	1,308,371.59	75,891.65	1,232,479.94		1,269,442.56	6,541.86	1,314,913.45
7/31/2048	1/1/2049	1,269,442.56	1,308,371.59	38,929.57	1,269,442.02		0.54	6,541.86	1,314,913.45

EXHIBIT C

DISBURSEMENT REQUEST FORM

[See Attached]

Request No._____ Date: _____

Amount Requested $_____

To: SPH Canton ST, LLC

Under Section 4.2 of the Energy Project Cooperative Agreement dated as of _____, 2022 (the "**PACE Agreement**") by and between, among others, **HOF VILLAGE STADIUM, LLC**, a Delaware limited liability company ("**Property Lessee**"), and **SPH CANTON ST, LLC**, a Ohio limited liability company, the undersigned hereby requests the disbursement of construction funds from the Investor in accordance with this request, and hereby certifies as follows:

1. All capitalized terms in this request, unless otherwise defined herein, have the meanings specified in the PACE Agreement.

2. The amounts requested either have been paid by the Property Lessee, or are justly due to contractors, subcontractors, materialmen, engineers, architects or other persons (whose names are stated on Attachment I hereto and whose invoices are attached hereto) in accordance with the invoice(s) attached hereto who have performed necessary and appropriate work or furnished necessary and appropriate materials, equipment or furnishings in the acquisition, construction and installation of the PACE Improvements and pursuant to the PACE Scope of Work (as those terms are defined in the PACE Agreement).

3. Releases (conditioned only upon receipt of payment) executed by all Lenders receiving payment directly from the draw request are attached hereto.

4. Each disbursement to the Lenders listed hereunder shall constitute a representation and warranty by the Property Lessee, as of the date that such disbursement is made, that the conditions contained in the PACE Agreement and any other requirements of the PACE Agreement have been satisfied.

5. The project has been completed.

By:_____
Printed Name:_____
Title: _____

ATTACHMENT I
TO APPLICATION FOR PAYMENT

SCHEDULE OF PAYMENTS REQUESTED

(Payments to be made in accordance with instructions on invoice attached hereto)

Payee Name	Description	Amount Requested	Payment Directions

EXHIBIT D

FORM OF COMPLETION CERTIFICATE

HOF Village Stadium, LLC (the **Lessee**) hereby certifies that the Project, as such term is defined in the Energy Project Cooperative Agreement entered into by and between the Lessee, the Canton Regional Energy Special Improvement District, Inc., the City of Canton, Ohio and SPH Canton ST, LLC (the **Investor**) dated as of [___], 2022 (the **Agreement**) has been completed at the Property in strict compliance with the requirements of the Agreement.

Note: Capitalized terms used but not defined in this Completion Certificate have the meaning assigned to them in the Agreement to which a form of this Completion Certificate is attached and of which it forms a part.

THE LESSEE HEREBY CERTIFIES:

(a) That the acquisition, construction, equipping, installation, and improvement of the Project has been substantially completed in accordance with the construction contract, and the Lessee has no unresolved complaints regarding the work;

(b) The Project has been completed in all material respects in accordance with the plans and specifications, permits, and budget for the Project approved by the Investor;

(c) Lessee has complied, and will continue to comply with all applicable statutes, regulations, and resolutions or ordinances in connection with the Property and the construction of the Project;

(d) the Lessee holds a leasehold interest in the Property;

(e) the general contractor for the Project has not offered the Lessee any payment, refund, or any commission in return for completing Project; and

(f) all funds provided to the Lessee by the Investor for the Project have been used in accordance with the Agreement.

[Balance of Page Intentionally Left Blank]

NOTICE: DO NOT SIGN THIS COMPLETION CERTIFICATE UNLESS YOU AGREE TO EACH OF THE ABOVE STATEMENTS.

HOF Village Stadium, LLC, as the Lessee

By: _____
Name:
Title:

EXHIBIT E

CLOSING COSTS DETAIL

Pursuant to Section 4.2 of the foregoing Energy Project Cooperative Agreement, the Investor, on the Closing Date, shall disburse to the ESID and to the respective payees set forth below, the following closing costs:

Canton ESID	$ 83,469.61
Origination Fee	333,878.44
PACE Legal Fee	177,394.37
3rd Party Expenses	5,445.00
Total	**$ 600,187.42**

EXHIBIT F
CONSENT OF LENDERS

[See Attached]

EXHIBIT G

FORM OF ASSIGNMENT AND ASSUMPTION OF ENERGY PROJECT COOPERATIVE AGREEMENT

ASSIGNMENT AND ASSUMPTION
OF
ENERGY PROJECT COOPERATIVE AGREEMENT

_____ ("Assignor"), in consideration of the sum of $_____ in hand paid and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by Assignor's execution of this Assignment and Assumption of Energy Project Cooperative Agreement ("Assignment"), assigns, transfers, sets over, and conveys to _____ ("Assignee") all of Assignor's right, title, and interest in and to that certain Energy Project Cooperative Agreement dated as of June 29, 2022 between the Canton Regional Energy Special Improvement District, Inc. (the "ESID"), Assignor, SPH Canton ST, LLC, and the City of Canton, Ohio (the "Energy Project Cooperative Agreement").

By executing this Assignment, Assignee accepts the assignment of, and assumes all of Assignor's duties and obligations under, the Energy Project Cooperative Agreement. Assignee further represents and warrants that it has taken title to the Assignor's interest in the "Property," as that term is defined in the Energy Project Cooperative Agreement and to the "Lessee Consent" dated as of [___], 2022 by HOF Village Stadium, LLC and recorded in the records of the Stark County Recorder with respect to the Property. By executing this Assignment, Assignee accepts the assignment of, and assumes all of Assignor's duties and obligations under and the Lessee Consent.

Assignor and Assignee acknowledge and agree that executed copies of this Assignment shall be delivered to the City, the Investor, and the ESID, as each of those terms are defined in the Energy Project Cooperative Agreement, all in accordance with Sections 3.4(a) and 6.7 of the Energy Project Cooperative Agreement

In witness of their intent to be bound by this Assignment, each of Assignor and Assignee have executed this Assignment this _____ day of _____, _____, which Assignment is effective this date. This Assignment may be executed in any number of counterparts, which when taken together shall be deemed one agreement.

[Signature Pages Follow]

ASSIGNOR:

[_____]

By: _____
Name:
Title:

ASSIGNEE:

[_____]

By: _____
Name:
Title:

EXHIBIT I

INVESTOR ACCOUNT AND PAYMENT INFORMATION

[To Be Provided Separately in the Following Format]

Bank Name: [BANK NAME]
[BANK ADDRESS]

ABA: [NUMBER]
Beneficiary Name
[Address]
[Address]
Beneficiary Account: [NUMBER]

Reference: [NUMBER]

Contact: [Information]

If sending by check, please make checks payable to: [NAME/REFERENCE] and mail to:

[BANK NAME]
[ADDRESS]
[ADDRESS]
Attention: [NAME]

Exhibit 31.1

CERTIFICATION PURSUANT TO SARBANES–OXLEY ACT OF 2002

I, Michael Crawford, certify that:

1. I have reviewed this quarterly report on Form 10–Q of Hall of Fame Resort & Entertainment Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 11, 2022

By: /s/ Michael Crawford
Michael Crawford
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO SARBANES–OXLEY ACT OF 2002

I, Benjamin Lee, certify that:

1. I have reviewed this quarterly report on Form 10–Q of Hall of Fame Resort & Entertainment Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 11, 2022

By: /s/ Benjamin Lee
Benjamin Lee
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32

CERTIFICATION PURSUANT TO SECTION 906
OF THE SARBANES–OXLEY ACT OF 2002

In connection with the Quarterly Report of Hall of Fame Resort & Entertainment Company (the "Company") on Form 10-Q for the quarter ended June 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned, in the capacities and on the dates indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 11, 2022

By: /s/ Michael Crawford
Michael Crawford
Chief Executive Officer
(Principal Executive Officer)

Date: August 11, 2022

By: /s/ Benjamin Lee
Benjamin Lee
Chief Financial Officer
(Principal Financial Officer)