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**COLLATERAL ASSIGNMENT OF
TAX INCREMENT NOTE AND DEVELOPMENT AGREEMENT**

This COLLATERAL ASSIGNMENT OF TAX INCREMENT NOTE AND DEVELOPMENT AGREEMENT (“**Assignment**”) is made as of August ____, 2025, by UNIQUE OPPORTUNITIES GRAND RAPIDS, L.L.C., a Minnesota limited liability company (“**Borrower**”), whose address is 3155 Pioneer Road SE, Alexandria, MN 56308, in favor of JLL REAL ESTATE CAPITAL, LLC, a Delaware limited liability company (“**Lender**”), whose address is 2177 Youngman Avenue, Suite 100, St. Paul, Minnesota 55116.

RECITALS:

A. Pursuant to that certain Multifamily Loan and Security Agreement dated as of the date hereof, executed by and between Borrower and Lender (as amended, restated, replaced, supplemented or otherwise modified from time to time, the “**Loan Agreement**”), Lender has agreed to make a loan to Borrower in the original principal amount of \$6,063,000.00 (the “**Mortgage Loan**”), as evidenced by that certain Multifamily Note dated as of the date hereof, executed by Borrower and made payable to the order of Lender in the amount of the Mortgage Loan (as amended, restated, replaced, supplemented or otherwise modified from time to time, the “**Note**”).

B. In addition to the Loan Agreement, the Mortgage Loan and the Note are also secured by, among other things, a certain Multifamily Mortgage, Deed of Trust or Deed to Secure Debt dated as of the date hereof, which encumbers the Mortgaged Property (as amended, restated, replaced, supplemented or otherwise modified from time to time, the “**Security Instrument**”; the Loan Agreement, the Note, the Security Instrument, and all other documents evidencing or securing the Mortgage Loan, the “**Loan Documents**”).

C. Borrower is the owner of a multifamily residential apartment project located in Itasca County, Minnesota (the “**State**”) and described on the attached Exhibit A (the “**Mortgaged Property**”).

D. Borrower, CITY OF GRAND RAPIDS, a municipal corporation organized and existing under the laws of the State of Minnesota (the “**City**”), and the GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic (the “**Authority**”) are parties to that certain Purchase and Development Agreement dated May 11, 2020 (as may be further amended, modified or supplemented from time to time, the “**Development Agreement**”). The Development Agreement represents a agreement between Borrower, City, and the Authority for the development of the Mortgaged Property (as hereinafter defined), and authorized the City’s and Authority’s participation in the development of the Mortgaged Property by providing up to \$372,000.00 to offset Tax Increment Financing (TIF) eligible expenses for the construction of improvements at the Mortgaged Property which included the construction of a multifamily development with approximately 48 units by Borrower on the Mortgaged Property.

E. In connection with the Development Agreement, the City, as maker, issued a **Tax Increment Revenue Note** in the original principal amount of \$372,000.00 in favor of Borrower, as payee and holder, dated as of January 12, 2022 (as amended, modified, consolidated or restated from time to time, the “**TIF Note**”).

F. Lender requires and Borrower is willing to assign all of its interest in the Development Agreement and the TIF Note to Lender as additional security for the Mortgage Loan.

AGREEMENTS:

NOW, THEREFORE, for good and valuable consideration, including the material financial benefit to be derived by Borrower as a result of Lender’s making of the Mortgage Loan, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, Borrower does hereby covenant, agree, warrant, represent, assign, set over and transfer, to the extent assignable and transferable, as set forth herein:

Section 1. Definitions.

Capitalized terms used and not specifically defined herein have the meanings given to such terms in the Loan Agreement or the Security Instrument, as applicable. The following term in this Assignment shall have the following meanings:

“**UCC**” means the applicable Uniform Commercial Code.

Section 2. Assignment of TIF Note.

In consideration of Lender's making of the Mortgage Loan and approval of the Development Agreement and TIF Note as additional security for the Mortgage Loan, to the extent permitted by applicable law, Borrower hereby (a) pledges and grants Lender a security interest in the TIF Note, and (b) assigns, transfers and sets over unto Lender all of its current and future right, title and interest in and to the payments under the TIF Note, and all rights and benefits therefrom. To the extent permitted by applicable law, it is the intention of Borrower to establish a present, absolute, and irrevocable transfer and assignment to Lender of all of Borrower's right, title and interest in, to and under the TIF Note.

Section 3. Collateral Assignment of the Development Agreement.

Borrower hereby collaterally assigns to Lender its right, title and interest to and under the Development Agreement as security for the full, timely and faithful repayment by Borrower of the Mortgage Loan, and performance by Borrower of its obligations under the Loan Documents.

Section 4. Payments Under the TIF Note.

(a) Until an Event of Default has occurred, Borrower shall have a revocable license to exercise all rights, power and authority granted to Borrower under the TIF Note, and all payments made by the City under the TIF Note shall be paid directly to Borrower in accordance with the terms of the TIF Note. Upon the occurrence of an Event of Default, Borrower shall cause the City, upon written demand by Lender, to pay directly and exclusively to Lender or its assigns all sums due under the TIF Note, subject to the terms thereof. Payments under the TIF Note to the City shall be made upon the satisfaction of the following conditions: (i) written demand by Lender to the City; (ii) the delivery of an investment letter by JLL Real Estate Capital, LLC, or other entity duly appointed by Lender as servicer for the Mortgage Loan; and (iii) the re-registration of the TIF Note in the name of the Lender. Borrower hereby irrevocably authorizes and directs the City to recognize the claims of Lender without investigating the reason for any action taken or the validity of or the amount of Indebtedness owing to Lender or the existence of any Event of Default. To the extent such sums are paid to Lender, Borrower agrees that the City shall have no further liability to Borrower for the same.

(b) Lender may, if an Event of Default shall have occurred, without notice to or demand upon Borrower, notify any and all persons obligated to Borrower under the Development Agreement and TIF Note that payment thereof is to be made directly to Lender. After the making of such a request or the giving of any such notification, Borrower shall hold any proceeds of the Development Agreement and TIF Note received by Borrower as trustee for Lender without commingling the same with other funds of Borrower and shall turn the same over to Lender in the identical form received, together with any necessary endorsements or assignments. Lender shall apply the proceeds of the Development Agreement and TIF Note to the obligations under the Loan Documents. The receipt by Lender or Borrower of any sum paid by the City shall be in discharge and release of that portion of any amount owed by the City. The Lender acknowledges that the City and the Authority's rights and remedies against the Borrower under the Development Agreement are unaffected by this Agreement.

Section 5. Representations and Warranties.

Borrower represents and warrants to Lender that:

(a) subject to receipt of any consent of the City and/or Authority required under the Development Agreement, it has the right to exercise and deliver this Assignment under the terms of the Development Agreement and the TIF Note. The execution of this Assignment and performance and observance of its terms hereof have been duly authorized by necessary company action and do not contravene or violate any provision of Borrower's organizational documents;

(b) Borrower has made no prior assignments of the TIF Note or Development Agreement;

(c) the Development Agreement and the TIF Note are in full force and effect, subject to no defenses, setoffs or counterclaims and there exists no event, condition or occurrence that would cause the Development Agreement or the TIF Note to be subject to any defenses, setoffs or counterclaims;

(d) Borrower has performed all of its obligations under the Development Agreement and the TIF Note and there exists no event, condition or occurrence which constitutes, or which with notice and/or the passage of time would constitute, a breach of or default under any terms or conditions of any of the Development Agreement or the TIF Note; and

(e) the outstanding principal balance under the TIF Note is \$. Borrower has not received from the City and/or Authority any notice of the City's intention to prepay all or any portion of the TIF Note in advance of the regularly scheduled payments thereunder.

Borrower acknowledges and agrees that the City and Authority are relying on, and are authorized to rely on, the representations, certifications, covenants, and acknowledgments given by Borrower in this Section 5 in connection with the City's and Authority's execution of that certain Consent to Collateral Assignment of Tax Increment Note and Development Agreement dated as of an even date herewith.

Section 6. Covenants.

Borrower hereby covenants and agrees:

(a) to faithfully observe and perform all of the obligations and agreements of the TIF Note and Development Agreement, if any;

(b) not to do any act which would destroy or impair the security afforded to Lender under this Assignment;

(c) to promptly deliver to Lender a copy of each notice delivered by the City and/or Authority and received by Borrower pursuant to the Development Agreement and the TIF Note,

including any notice relating to any default, alleged default, or potential default of Borrower, under and pursuant to the Development Agreement and the TIF Note; and

(d) not permit or consent to the amendment, modification, cancellation or surrender of the Development Agreement or the TIF Note without the prior written consent of Lender.

Section 7. Limitation of Liability.

Until such time that Lender succeeds to Borrower's interest under the Development Agreement and TIF Note pursuant to the terms of this Assignment, Lender shall not be deemed to have assumed any of the obligations or liabilities under the Development Agreement or TIF Note, nor shall Lender be liable to the City or Authority by reason of any default by any party under the Development Agreement or TIF Note. At such time that Lender succeeds to Borrower's interest under the Development Agreement, Lender's liability shall be strictly limited to acts and omissions of Lender occurring during the period of ownership and operation of the Mortgaged Property and the improvements located thereon by Lender.

Section 8. Indemnification.

Borrower agrees to indemnify, defend and hold Lender harmless of and from any and all liability, loss or damage which it may or might incur by reason of any claims or demands against it based on its alleged assumption of Borrower's duty and obligation to perform and discharge the terms, covenants and agreements in the Development Agreement or the TIF Note.

Section 9. Further Assurances.

Within ten (10) days after request by Lender, Borrower shall execute, acknowledge, deliver, and, if necessary, file or record, at its cost and expense, all further acts, deeds, conveyances, assignments, financing statements, transfers, documents, agreements, assurances, and such other instruments as Lender may reasonably require from time to time in order to better assure, grant, and convey to Lender the rights intended to be granted, now or in the future, to Lender under this Assignment.

Section 10. Events of Default; Remedies.

Any default by Borrower under the terms and conditions of this Assignment, the Development Agreement or the TIF Note beyond applicable notice, grace and/or cure periods thereunder, shall be an "Event of Default" under the Loan Documents. Upon the occurrence of an Event of Default under this Assignment or any other Loan Documents:

(a) Lender may elect to exercise any and all of Borrower's rights and remedies under the TIF Note, without any interference or objection from Borrower, and Borrower shall cooperate in causing the City and/or Authority to comply with all the terms and conditions of the TIF Note;

(b) Lender may exercise Borrower's rights under the TIF Note and perform all acts in the same manner and to the same extent as Borrower is permitted thereunder;

(c) Lender may exercise Borrower's rights under the provisions of the Development Agreement and perform all acts in the same manner and to the same extent as Borrower is permitted thereunder;

(d) with the consent of the City and Authority, Lender may amend the terms of the Development Agreement and/or the TIF Note, and, at Lender's sole and absolute election, make concessions to the City or Authority; and

(e) Lender may exercise any of its rights and remedies under the Loan Documents.

Section 11. Enforcement by Lender.

Subject to the terms and conditions herein, this Assignment may be enforced from time to time by Lender at its discretion, with or without order of any court, as Lender shall determine. Lender shall have no obligation to enforce or continue to enforce this Assignment. Any failure on the part of Lender promptly to exercise any option hereby given or reserved shall not prevent the exercise of any such option at any time thereafter. Lender may pursue and enforce any remedy or remedies accorded it herein independently of, in conjunction or concurrently with, or subsequent to its pursuit and enforcement of any remedy or remedies which it may have under the Loan Documents.

Section 12. Protection of Lender's Security.

Lender may, at its option, disburse or pay such sums and take such actions as Lender reasonably deems necessary to protect its interest in the TIF Note and the Development Agreement. Any amounts so disbursed or paid by Lender shall be added to, and become part of, the principal balance of the Indebtedness, be immediately due and payable and bear interest at the Default Rate from the date of disbursement until fully paid. The provisions of this Section 12 shall not be deemed to obligate or require Lender to incur any expense or take any action. All of the powers herein granted to Lender shall be liberally construed against Borrower.

Section 13. No Waiver of Rights by Lender.

Nothing herein contained shall be construed as constituting a waiver or suspension by Lender of its right to enforce payment of the debts under the terms of the Loan Documents. Lender is not the agent, partner or joint venturer of Borrower, the City, or the Authority.

Section 14. Survival.

This Assignment shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns.

Section 15. Notice.

(a) All notices under this Assignment shall be:

(1) in writing, and shall be

- (A) delivered, in person,
 - (B) mailed, postage prepaid, either by registered or certified delivery, return receipt requested, or
 - (C) sent by overnight express courier;
- (2) addressed to the intended recipient at its respective address set forth in the preamble to this Assignment; and
- (3) deemed given on the earlier to occur of:
- (A) the date when the notice is received by the addressee; or
 - (B) if the recipient refuses or rejects delivery, the date on which the notice is so refused or rejected, as conclusively established by the records of the United States Postal Service or such express courier service.
- (b) Any party to this Assignment may change the address to which notices intended for it are to be directed by means of notice given to the other party in accordance with this Section 15.
- (c) Any required notice under this Assignment which does not specify how notices are to be given shall be given in accordance with this Section 15.

Section 16. Security Agreement.

This Assignment constitutes a security agreement under the UCC. Borrower hereby authorizes Lender to file financing statements, continuation statements and financing statement amendments in such form as Lender may require to perfect or continue the perfection of this security interest without the signature of Borrower. If an Event of Default has occurred, Lender shall have the remedies of a secured party under the UCC or otherwise provided at law or in equity, in addition to all remedies provided by this Assignment and in any Loan Document. Lender may exercise any or all of its remedies with respect to the TIF Note and Development Agreement, separately or together, and in any order, without in any way affecting the availability or validity of Lender's other remedies.

Section 17. Appointment of Lender as Attorney-In-Fact.

(a) Borrower hereby irrevocably makes, constitutes, and appoints Lender (and any officer of Lender or any Person designated by Lender for that purpose) as Borrower's true and lawful proxy and attorney-in-fact (and agent-in-fact) in Borrower's name, place, and stead, with full power of substitution, solely for the purpose of carrying out the terms of this Assignment, to take any and all appropriate action and to execute any and all documents and instruments that may be necessary or desirable to accomplish the purposes of this Assignment and, without limiting the generality of the foregoing, hereby gives said attorney-in-fact the power and right, on behalf of Borrower, without notice to or assent by Borrower, to, upon the occurrence and during the

continuance of an Event of Default generally to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Development Agreement and TIF Note in such manner as is consistent with the UCC and as fully and completely as though Lender were the absolute owner thereof for all purposes, and to do at Borrower's expense, at any time, or from time to time, all acts and things which Lender deems necessary to protect, preserve or realize upon the Development Agreement and TIF Note and Lender's security interest therein, in order to effect the intent of this Assignment, all as fully and effectively as Borrower might do, including, without limitation, the execution, delivery and recording, in connection with any sale or other disposition of any Development Agreement and TIF Note, of the endorsements, assignments or other instruments of conveyance or transfer with respect to such Development Agreement and TIF Note.

(b) Borrower hereby acknowledges that the appointment of such proxy and attorney-in-fact is coupled with an interest and is irrevocable and shall not be affected by the disability or incompetence of Borrower. Borrower specifically acknowledges and agrees that this power of attorney granted to Lender may be assigned by Lender to Lender's successors or assigns as holder of the Note (and the other Loan Documents). The foregoing powers conferred on Lender under this Section 17 shall not impose any duty upon Lender to exercise any such powers and shall not require Lender to incur any expense or take any action. Borrower hereby ratifies and confirms all that such attorney-in-fact may do or cause to be done by virtue of any provision of this Assignment and any other Loan Documents.

Section 18. Conflict.

In the event of any conflict between the terms of this Assignment and the applicable Loan Documents, the terms and conditions of the Loan Documents shall control.

Section 19. Counterparts.

This Assignment may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall constitute one and the same instrument.

Section 20. Governing Law; Venue.

(a) The validity, enforceability, interpretation, and performance of this Assignment shall be governed by State (as defined in the Security Instrument) law without giving effect to any conflict of law or choice of law rules that would result in the application of the laws of another jurisdiction.

(b) In the administration or litigation of a controversy arising under or in relation to this Assignment or the security for the Indebtedness, Borrower consents to the exercise of personal jurisdiction by State (as defined in the Security Instrument) court or federal court in such State. Borrower agrees that the State courts have subject matter jurisdiction over such controversies. If Lender elects to sue in State court, Borrower waives any right to remove to federal court or to contest the State court's jurisdiction. Borrower waives any objection to venue in any State court

or federal court in such State, and covenants and agrees not to assert any objection to venue, whether based on inconvenience, domicile, habitual residence, or other ground.

Section 21. Entire Agreement; Amendments and Waivers.

The invalidity or unenforceability of any provision of this Assignment shall not affect the validity or enforceability of any other provision of this Assignment, all of which shall remain in full force and effect. This Assignment contains the complete and entire agreement among the parties as to the matters covered, rights granted and the obligations assumed in this Assignment. This Assignment may not be amended or modified except with the prior written consent of Lender.

Section 22. Construction.

(a) The captions and headings of the sections of this Assignment are for convenience only and shall be disregarded in construing this Assignment.

(b) Any reference in this Assignment to an “Exhibit” or “Schedule” or a “Section” or an “Article” shall, unless otherwise explicitly provided, be construed as referring, respectively, to an Exhibit or Schedule attached to this Assignment or to a Section or Article of this Assignment. All Exhibits and Schedules attached to or referred to in this Assignment, if any, are incorporated by reference into this Assignment.

(c) Any reference in this Assignment to a statute or regulation shall be construed as referring to that statute or regulation as amended from time to time.

(d) Use of the singular in this Assignment includes the plural and use of the plural includes the singular.

(e) As used in this Assignment, the term “including” means “including, but not limited to” or “including, without limitation,” and is for example only and not a limitation.

(f) Unless otherwise provided in this Assignment, if Lender’s approval, designation, determination, selection, estimate, action or decision is required, permitted or contemplated hereunder, such approval, designation, determination, selection, estimate, action or decision shall be made in Lender’s sole and absolute discretion.

(g) All references in this Assignment to a separate instrument or agreement shall include such instrument or agreement as the same may be amended or supplemented from time to time pursuant to the applicable provisions thereof.

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IN WITNESS WHEREOF, Borrower has caused this Assignment to be executed as of the day and year first above written.

BORROWER:

UNIQUE OPPORTUNITIES GRAND RAPIDS, L.L.C.,
a Minnesota limited liability company

By: _____
Name: Samuel P. Herzog
Title: Manager

STATE OF MINNESOTA

COUNTY OF _____

This instrument was acknowledged before me _____, 2025 by Samuel P. Herzog as Manager of UNIQUE OPPORTUNITIES GRAND RAPIDS, L.L.C., a Minnesota limited liability company.

Notary Public

Printed Name: _____

My Commission Expires: _____

EXHIBIT A
[DESCRIPTION OF MORTGAGED PROPERTY]