

CONSENT TO COLLATERAL ASSIGNMENT OF TAX INCREMENT NOTE AND PURCHASE AND DEVELOPMENT AGREEMENT

JLL REAL ESTATE CAPITAL, LLC, a Delaware limited liability company (“**Lender**”) has agreed, subject to the satisfaction of certain terms and conditions, to make a loan in the original principal amount of \$6,063,000.00 (the “**Mortgage Loan**”) to UNIQUE OPPORTUNITIES GRAND RAPIDS, L.L.C., a Minnesota limited liability company (“**Borrower**”), which loan is or will be secured by a lien on that certain multifamily residential apartment project located at 2105 SE 7th Ave, Grand Rapids, Minnesota 55744 (the “**Mortgaged Property**”). Lender is requiring this Consent to Collateral Assignment of Tax Increment Revenue Note and Purchase and Development Agreement (the “**Consent**”) as a condition to making the Mortgage Loan.

The 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**” and collectively with the City, the “**TIF Issuer**”), hereby consent to the collateral assignment by Borrower of (1) that certain **Purchase and Development Agreement** (the “**Development Agreement**”) between the City, Authority, and Borrower, and (2) that certain **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 22, 2022 (the “**TIF Note**”), from the City, as Maker, pursuant to the terms of that certain Collateral Assignment of Tax Increment Note from Borrower to Lender, dated as of August _____, 2025 (the “**Assignment**”), for the purpose of (i) securing the Mortgage Loan, (ii) assigning the Development Agreement to Lender as collateral for the Mortgage Loan as provided in the Assignment, and (iii) redirecting the payments under the TIF Note directly to Lender in accordance with the Assignment after Lender’s written demand has been delivered to the TIF Issuer subject to the conditions set forth in the Development Agreement. Until such time that Lender succeeds to Borrower’s interest under the Development Agreement and TIF Note pursuant to the terms of the Assignment, TIF Issuer agrees that 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 TIF Issuer 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.

(1) The TIF Issuer Representations and Warranties.

The TIF Issuer hereby represents and warrants to Lender that:

(a) it has the right to exercise and deliver this Consent under the terms of the Development Agreement and the TIF Note. The execution of this Consent and performance and observance of its terms have been duly authorized by necessary action;

(b) to the actual knowledge of the TIF Issuer without inquiry or investigation, 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 to the actual knowledge of the undersigned without inquiry or investigation 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) to the undersigned actual knowledge without inquiry or investigation, the TIF Issuer 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 the Development Agreement or the TIF Note; and

(e) the TIF Issuer has not delivered any notice to Borrower of the TIF Issuer's intention to prepay all or any portion of the TIF Note in advance of the regularly scheduled payments thereunder.

(2) The TIF Issuer Covenants Regarding Collateral Assignment of Tax Increment Revenue Note And Development Agreement.

The TIF Issuer hereby covenants and agrees:

- (a) to comply with the provisions of TIF Note and Development Agreement, if any;
- (b) not to do any act which to its knowledge would destroy or impair the security afforded to Lender under the Assignment;
- (c) to simultaneously deliver to Lender a copy of each notice delivered by the TIF Issuer to 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 Redevelopment Agreement or the TIF Note without the prior written consent of Lender.

The TIF Issuer acknowledges and agrees that at the request of the Borrower it is

- (i) executing this Consent to induce Lender to make (A) the Mortgage Loan and (B) approve of the Development Agreement and TIF Note as additional security for the Mortgage Loan, and
- (ii) Lender will rely on the representations and agreements made by the TIF Issuer herein in connection with Lender's agreement to make the Mortgage Loan and the Authority agrees that Lender may so rely on such representations and agreements.

[SIGNATURES CONTINUE ON NEXT PAGE]

TIF Project Name: Unique Opportunities Project

Executed _____, 2025.

CITY OF GRAND RAPIDS, MINNESOTA, a
municipal corporation organized and existing under
the laws of the State of Minnesota

By: _____
Its Mayor

By: _____
Its City Administrator

AUTHORITY:

GRAND RAPIDS ECONOMIC DEVELOPMENT
AUTHORITY, a public body corporate and politic

By: _____
Name: _____
Title: President

By: _____
Name: _____
Title: Executive Director