

AMENDMENT TO FUNDING LOAN AGREEMENT

by and among

CITIBANK, N.A.,
as the Funding Lender

and

CITY OF SPRING LAKE PARK, MINNESOTA,
as the Governmental Lender

and

U.S. BANK NATIONAL ASSOCIATION,
as the Fiscal Agent

dated as of February 1, 2021

relating to:

\$22,242,684
Original Principal Amount
City of Spring Lake Park, Minnesota
Multifamily Housing Revenue Funding Note, Series 2017A
(Legends of Spring Lake Park Project)

and

\$10,770,000
Original Principal Amount
City of Spring Lake Park, Minnesota
Taxable Multifamily Housing Revenue Funding Note, Series 2017B
(Legends of Spring Lake Park Project)

AMENDMENT TO FUNDING LOAN AGREEMENT

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AMENDMENT TO FUNDING LOAN AGREEMENT

This **AMENDMENT TO FUNDING LOAN AGREEMENT** dated as of February 1, 2021 (this "**Amendment**"), by and among **CITIBANK, N.A.** (together with any successor to its rights, duties and obligations hereunder, the "**Funding Lender**"), **CITY OF SPRING LAKE PARK, MINNESOTA** (together with any successor to its rights, duties and obligations hereunder, the "**Governmental Lender**") and **U.S BANK NATIONAL ASSOCIATION** (together with any successor to its rights, duties and obligations hereunder, the "**Fiscal Agent**").

A. Pursuant to the terms of that certain Funding Loan Agreement dated as of July 1, 2017 (the "**Original Funding Loan Agreement**"), the Governmental Lender issued its promissory note in the maximum principal amount of \$22,242,684 and its promissory note in the maximum principal amount of \$10,770,000 (collectively, the "**Funding Notes**").

B. The proceeds of the Funding Notes were used to fund a loan in the total principal amount of \$33,012,684 to Spring Lake Park Leased Housing Associates I, LLLP, a Minnesota limited liability limited partnership (the "**Borrower**") from the Governmental Lender pursuant to that certain Borrower Loan Agreement dated as of July 1, 2017, by and between the Governmental Lender and the Borrower for the purposes described therein.

C. The Funding Lender is now the holder of the Funding Notes and is the Funding Lender under the Original Funding Loan Agreement.

D. The Funding Lender, the Governmental Lender and the Fiscal Agent have agreed to make certain changes to the Original Funding Loan Agreement.

For and in consideration of the mutual agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.1. Definitions. The capitalized words and terms used in this Amendment shall have the meanings as set forth in the Original Funding Loan Agreement, unless the context or use indicates a different meaning or intent, or unless a different meaning is ascribed to them herein.

Section 1.2. Interpretation. Unless the context clearly requires otherwise, words of masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to included correlative words of the plural number and vice versa. This Amendment and all the terms and provisions hereof shall be construed to effectuate the purpose set forth herein and to sustain the validity hereof.

Section 1.3. Titles and Headings. The title and headings of the articles and sections of this Amendment have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Amendment or any provision hereof or in ascertaining intent, if any question of intent should arise.

ARTICLE II

AMENDMENTS

Section 2.1. Amendment to Article I. Section 1.1 of the Original Funding Loan Agreement is hereby amended by deleting the definition for “*Approved Transferee*” in its entirety and replacing it with the following:

“Approved Transferee” means (1) a “qualified institutional buyer” (“QIB”) as defined in Rule 144A promulgated under the Securities Act of 1933, as in effect on the date hereof (the “Securities Act”) that is a financial institution or commercial bank having capital and surplus of \$5,000,000,000 or more, (2) an affiliate of the Funding Lender, (3) a trust or custodial arrangement established by the Funding Lender or one of its affiliates or any state or local government or any agency or entity which is a political subdivision of a federal, state or local government (a “Governmental Entity”), in each case (i) the beneficial interests in which will be owned only by QIBs or (ii) the beneficial interests in which will be rated in the “BBB” category or higher without regard to modifier (or the equivalent investment grade category) by at least one nationally recognized rating agency, or (4) a Governmental Entity.

Section 2.2. Amendments to Article II. Section 2.5(b) of the Original Funding Loan Agreement is hereby deleted in its entirety and replaced with the following paragraph:

The Funding Lender shall have the right to sell (i) the Funding Notes and the Funding Loan or (ii) any portion off or a participation interest in the Funding Notes and the Funding Loan, to the extent permitted by paragraph (f) of this Section 2.5, provided that such sale shall be only to Approved Transferees that execute and deliver the Required Transferee Representations to the Funding Lender and the Governmental Lender; provided, however, that no Required Transferee Representations shall be required to be delivered by transferees or beneficial interest holders described in clauses (3) or (4) of the definition of “Approved Transferee.”

Section 2.5(f) of the Original Funding Loan Agreement is hereby amended by adding the following proviso to the end:

provided, however, that beneficial ownership interests in the Funding Notes and Funding Loan described in clause (3) of the definition of “Approved Transferee” may be sold in any amount without regard to the Minimum Beneficial Ownership Amount.

Section 2.3. Amendment to add new Exhibit B, a form of Required Transferee Representations.

Exhibit B to the Original Funding Loan Agreement shall be amended and restated as follows:

EXHIBIT B

FORM OF REQUIRED TRANSFEREE REPRESENTATIONS

_____, 20__

City of Spring Lake Park
1301 81st Avenue Northeast
Spring Lake Park, Minnesota 55432
Attention: City Administrator

U.S. Bank National Association
60 Livingston Avenue, 3rd Avenue
EP-MN-WS3C
Satin Paul, Minnesota 55107-2292
Attention: Dan Sheff, Vice President

Re: Loan in the Maximum Amount of \$33,012,684 from Citibank, N.A. (the "Funding Lender") to the City of Spring Lake Park, Minnesota (the "Governmental Lender") under a Funding Loan Agreement dated as of July 1, 2017 (the "Funding Loan Agreement"), among the Funding Lender, U.S. Bank National Association, as fiscal agent (the "Fiscal Agent") and the Governmental Lender (the "Funding Loan") evidenced by that certain \$22,242,684 City of Spring Lake Park, Minnesota Multifamily Housing Revenue Funding Note, Series 2017A (Legends of Spring Lake Park Project) and \$10,770,000 City of Spring Lake Park, Minnesota Multifamily Housing Revenue Funding Note, Series 2017B (Legends of Spring Lake Park Project), each dated July 11, 2017 (the "Funding Notes")

The Funding Lender has made the Funding Loan to the Governmental Lender which is evidenced by the Funding Notes. As the holder (the "Holder") of the Funding Notes executed and delivered under the Funding Loan Agreement, the undersigned hereby represents that:

1. The Holder has sufficient knowledge and experience in financial and business matters with respect to the evaluation of residential real estate developments such as the Project to be able to evaluate the risk and merits of the investment represented by the Funding Loan. We are able to bear the economic risks of such investment.

2. The Holder acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, to which a reasonable investor would attach significance in making investment decisions, and the Holder has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Governmental Lender, the Project, the use of proceeds of the Funding Notes and the security therefor so that, as a reasonable lender, the Holder has been able to make its decision to make the Funding Loan and to acquire the Funding Notes.

The Holder acknowledges that it has not relied upon the addressees hereof for any information in connection with the Holder's purchase of the Funding Notes. In addition, the Funding Lender has not relied upon the use of any offering memorandum, placement memorandum or any other similar document with regards to its decision to make the Funding Loan and to acquire the Funding Notes. The holder is making its decision to make the Funding Loan to the Governmental Lender directly through its credit review and due diligence concerning the Project. The undersigned is acquiring the Funding Notes directly from the Governmental Lender and not through a placement of the Funding Notes with the Holder through any financial institution actin as an intermediary between the Governmental Lender and the Holder.

3. The Holder is an Approved Transferee.

4. The Holder acknowledges that it is making the Funding Loan and purchasing the Funding Notes for investment for its own account and not with a present view toward resale or the distribution thereof, in that it does not now intend to resell or otherwise dispose of all or any part of its interests in the Funding

Loan; provided, however, that the Holder may sell or transfer the Funding Notes and the Funding Loan as provided in Section 2.5 of the Funding Loan Agreement.

5. The Holder will not utilize any placement memorandum in connection with any sale or transfer of the Funding Notes without providing the Governmental Lender with a draft of any placement memorandum to be provided to any subsequent buyer or beneficial owners of such portion of the Funding Notes evidencing the Funding Loan, and the Governmental Lender shall have the right to approve any description of the Governmental Lender therein (which approval shall not be unreasonably withheld).

6. The Holder understands that the Funding Notes are a limited obligation of the Governmental Lender; payable solely from funds and moneys pledged and assigned under the Funding Loan Agreement, and that the liabilities and obligations of the Governmental Lender with respect to the Funding Notes are expressly limited as set forth in the Funding Loan Agreement and related documents.

7. Capitalized terms used herein and not otherwise defined have the meanings given such terms in the Funding Loan Agreement.

ARTICLE III

MISCELLANEOUS

Section 3.1. Ratification of the Original Funding Loan Agreement. Except as supplemented and amended hereby, the Original Funding Loan Agreement is in all respects ratified and confirmed and the Original Funding Loan Agreement as so supplemented and amended hereby shall be read, taken and construed as one and the same instrument. Except insofar as herein otherwise expressly provided, all the provisions, definitions, terms and conditions of the Original Funding Loan Agreement as supplemented and amended hereby, shall be deemed to be incorporated in, and made a part of, this Amendment, and the Original Funding Loan Agreement as supplemented and amended by this Amendment and as otherwise supplemented and amended is in all respects ratified and confirmed.

Section 3.2. Authorization of Amendment. This Amendment shall be construed as having been authorized, executed and delivered under the provisions of Section 10.1 of the Original Funding Loan Agreement. The Funding Lender, the Governmental Lender and, solely in reliance on the direction of the Governmental Lender and the consent of the Funding Lender provided in Section 3.7 hereof, the Fiscal Agent hereby waive the provisions of Section 10.3 requiring the delivery of an Opinion of Counsel and a Tax Counsel No Adverse Effect Opinion in connection with the execution of this Amendment.

Section 3.3. Binding Effect. This Amendment shall inure to the benefit of and shall be binding upon the Governmental Lender, the Funding Lender, the Fiscal Agent, any Approved Transferee and their respective successors and assigns.

Section 3.4. Severability. If any provision of this Amendment shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative, or unenforceable to any extent whatsoever.

Section 3.5. Governing Law. This Amendment shall be governed exclusively by and construed in accordance with the internal laws of the State applicable to contracts made and performed in the State.

Section 3.6. Inclusion as Part of the Funding Loan Agreement. This Amendment on its delivery shall be a part of the Funding Loan Agreement and all references herein to “Funding Loan Agreement” shall include reference to this Amendment as well as the Original Funding Loan Agreement.

Section 3.7. Governmental Lender Direction of Fiscal Agent; Approval of Funding Lender. By its execution of this Amendment, the Governmental Lender hereby directs the Fiscal Agent to execute this Amendment and the Funding Lender hereby approves the execution of this Amendment by the Fiscal Agent.

Section 3.8. Counterparts. This Amendment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature Page for Legends of Spring Lake Park Project Funding Loan Agreement Amendment]

IN WITNESS WHEREOF, the parties have executed this Amendment to Funding Loan Agreement, all as of the date first above written.

CITY OF SPRING LAKE PARK,
MINNESOTA

By: _____
Name:
Title:

CITIBANK, N.A., as Funding Lender

By: _____
Name:
Title: Vice President
Citi Deal ID #24771

U.S. BANK NATIONAL ASSOCIATION, as
Fiscal Agent

By: _____
Name:
Title: