

**First Draft  
April 16, 2024**

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**NOTE PURCHASE AGREEMENT**

**between**

**CITY OF ST. FRANCIS, MINNESOTA,  
as Issuer**

**VISTA PRAIRIE AT EAGLE POINTE, LLC,  
as Borrower**

**and**

**SUNRISE BANKS, NATIONAL ASSOCIATION,  
as Lender**

**Dated May \_\_, 2024**

**Relating to:**

**\$10,000,000  
City of St. Francis, Minnesota  
Senior Housing Revenue Note  
(Vista Prairie at Eagle Pointe Project)  
Series 2024A**

**\$1,000,000  
City of St. Francis, Minnesota  
Taxable Senior Housing Revenue Note  
(Vista Prairie at Eagle Pointe Project)  
Series 2024A-T**

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This instrument was drafted by:

Kennedy & Graven, Chartered (JAE)  
150 South Fifth Street, Suite 700  
Minneapolis, Minnesota 55402

**\$10,000,000**  
**City of St. Francis, Minnesota**  
**Senior Housing Revenue Note**  
**(Vista Prairie at Eagle Pointe Project)**  
**Series 2024A**

**\$1,000,000**  
**City of St. Francis, Minnesota**  
**Taxable Senior Housing Revenue Note**  
**(Vista Prairie at Eagle Pointe Project)**  
**Series 2024A-T**

**NOTE PURCHASE AGREEMENT**

**May \_\_\_\_, 2024**

City of St. Francis  
23340 Cree Street NW  
St. Francis, MN 55070  
Attention: City Administrator

Vista Prairie Communities  
11180 Zealand Avenue North  
Champlin, MN 55316  
Attention: \_\_\_\_\_

Sunrise Banks, National Association, a national banking association (the “Lender”), offers to purchase, upon the terms and conditions hereinafter specified, (i) the Senior Housing Revenue Note (Vista Prairie at Eagle Pointe Project), Series 2024A (the “Series 2024A Note”), to be issued by the City of St. Francis, Minnesota, a home rule city and political subdivision organized and existing under its Charter and the Constitution and laws of the State of Minnesota (the “Issuer”), in the original aggregate principal amount of \$10,000,000, in substantially the form attached hereto in EXHIBIT A; and (ii) the Taxable Senior Housing Revenue Note (Vista Prairie at Eagle Pointe Project), Series 2024A-T (the “Series 2024A-T Note”), to be issued by the Issuer in the original aggregate principal amount of \$1,000,000, in substantially the form attached hereto as EXHIBIT B. This document shall constitute a legal, binding, and enforceable obligation of the Lender, the Issuer, and Vista Prairie at Eagle Pointe, LLC, a Minnesota limited liability company (the “Borrower”), the sole member of which is Governmental and Educational Assistance Corporation, an Arkansas nonprofit corporation doing business as Vista Prairie Communities (the “Sole Member”), as of the date and year first written above, and shall be referred to as the “Note Purchase Agreement.”

The offer to purchase the Series 2024A Note and the Series 2024A-T Note is made subject to acceptance by the Issuer on or before \_\_\_\_\_ .m., Central Time, on the date hereof, and upon such acceptance this Note Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer, the Lender, and the Borrower. If not so accepted, this Note Purchase Agreement will be subject to withdrawal by the Lender upon notice delivered by the Lender to the Issuer and the Borrower at any time prior to the acceptance hereof by the Issuer.

1. Purchase and Sale. Subject to the satisfaction by the Issuer and the Borrower of the terms and conditions set forth in this Note Purchase Agreement, subject also to the conditions precedent set forth in this Note Purchase Agreement, and in reliance upon the representations in this Note Purchase Agreement set forth or incorporated by reference, the Lender hereby agrees to purchase from the Issuer, upon the terms and conditions set forth in this Note Purchase Agreement, and the Issuer hereby agrees to sell the Series 2024A Note and the Series 2024A-T Note to the Lender. The Series 2024A Note shall have the terms set forth in the form of the Series 2024A Note attached hereto as EXHIBIT A. The purchase price paid by the Lender for the Series 2024A Note shall be \$10,000,000. The Series 2024A-T Note shall have the terms set forth in the form of the Series 2024A-T Note attached hereto as EXHIBIT B. The purchase price paid by the Lender for the Series 2024A-T Note shall be \$1,000,000.

The proceeds derived from the issuance and sale of the Series 2024A Note and the Series 2024A-T Note will be loaned to the Borrower to (i) finance a portion of the cost of the acquisition, construction, and equipping by the Borrower of 134-unit senior living community, including approximately 59 independent living units and 1 guest suite for visitors, 43 assisted living units, 8 assisted living care suites, and 24 memory care units, to be located at 23440 Ambassador Boulevard NW, St. Francis, Minnesota (the “Project”); (ii) finance capitalized interest during the construction of the Project, if necessary; (iii) fund required reserves, if any; and (iv) pay costs of issuance of the Series 2024A Note and the Series 2024A-T Note.

The Issuer will apply the proceeds derived from the sale of the Series 2024A Note and the Series 2024A-T Note to make a loan (the “Loan”) to the Borrower under the terms of a Loan Agreement, dated as of \_\_\_\_\_ 1, 2024 (the “Loan Agreement”), between the Issuer and the Borrower, for the purposes set forth above. The Series 2024A Note and the Series 2024A-T Note will be secured by (i) an Assignment of Loan Agreement, dated as of \_\_\_\_\_ 1, 2024 (the “Assignment of Loan Agreement”), between the Issuer and the Lender, under which the Loan repayments to be received by the Issuer under the terms of the Loan Agreement are assigned to the Lender; (ii) a Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Financing Statement, dated the date of issuance of the Series 2024A Note and the Series 2024A-T Note (the “Mortgage”), by the Borrower in favor of the Lender; (iii) a Security Agreement, dated the date of issuance of the Series 2024A Note and the Series 2024A-T Note (the “Security Agreement”), by the Borrower in favor of the Lender; (iv) a Continuing Guaranty Agreement, dated the date of issuance of the Series 2024A Note and the Series 2024A-T Note (the “Guaranty”), by the Sole Member, as guarantor, in favor of the Lender; and (v) the other Security Documents (as that term is defined in the Loan Agreement). The Loan Agreement, the Assignment of Loan Agreement, the Mortgage, the Security Agreement, the Guaranty, the Security Documents, this Note Purchase Agreement, and the other documents to which the Borrower is a party are collectively referred to as the “Borrower Documents.”

It is understood and agreed that the Series 2024A Note and the Series 2024A-T Note and the interest thereon are special, limited obligations of the Issuer payable solely from: (i) payments to be made under the Loan Agreement; (ii) amounts realized upon foreclosure of the Mortgage and enforcement of the other Borrower Documents; (iii) amounts paid under the Guaranty. The Series 2024A Note and the Series 2024A-T Note shall never constitute a general or moral obligation of the Issuer, are not secured by the full faith and credit or taxing powers of the Issuer, and do not constitute a charge against the Issuer’s property, general credit, or tax revenues.

2. Issuer’s Representations and Warranties. The Issuer makes the following representations and warranties:

(a) The Issuer a home rule city and political subdivision organized and existing under its Charter and the Constitution and laws of the State of Minnesota (the “State”). The Issuer has full legal right, power and authority under the Constitution and laws of the State, including Minnesota Statutes, Chapter 462C, as amended, and Sections 471.59 and 471.656, as amended (the “Act”), to issue the Series 2024A Note and the Series 2024A-T Note for the purposes stated in the Loan Agreement, to enter into this Note Purchase Agreement, the Loan Agreement, and the Assignment of Loan Agreement, and to loan the proceeds of the Series 2024A Note and the Series 2024A-T Note to the Borrower to be applied to the purposes stated in the Loan Agreement.

(b) The execution and delivery of this Note Purchase Agreement does not, and the execution and delivery of the Series 2024A Note and the Series 2024A-T Note, the Loan Agreement, and the Assignment of Loan Agreement, and the Resolution (hereinafter defined), and compliance with the provisions of each of them, under the circumstances contemplated thereby, will not, in any material respect, conflict with or constitute on the part of the Issuer a breach of or default under any other agreement or instrument to which the Issuer is a party or any existing law, administrative regulation, court order, or consent decree to which the Issuer is subject.

(c) With respect to such matters that are preconditions to the issuance of the Series 2024A Note and the Series 2024A-T Note that are identified in the Act and the Loan Agreement, the Issuer has, to its knowledge, and at the Closing Date (hereinafter defined) will have, in all respects complied therewith.

(d) To the knowledge of the Issuer, all approvals, consents, and orders of any governmental authority, board, agency, council, commission, or other body in or of the Issuer or the State having jurisdiction which would constitute a condition precedent to the performance by the Issuer of its obligations hereunder and under the Loan Agreement, the Assignment of Loan Agreement, the Series 2024A Note, and the Series 2024A-T Note have been obtained or, if not, will be obtained at the Closing Date.

(e) On May 6, 2024, the City Council of the Issuer duly adopted a resolution (the “Resolution”) authorizing the issuance, execution, delivery, and performance of the Series 2024A Note, the Series 2024A-T Note, the Loan Agreement, the Assignment of Loan Agreement, this Note Purchase Agreement, and all other documents necessary to the sale and issuance of the Series 2024A Note and the Series 2024A-T Note.

(f) No litigation is pending or, to the actual knowledge of the Issuer, threatened (i) seeking to restrain or enjoin the issuance or delivery of any of the Series 2024A Note and the Series 2024A-T Note or the application of proceeds of the Series 2024A Note and the Series 2024A-T Note as provided in the Loan Agreement or the collection of revenues pledged under the Loan Agreement; (ii) in any way contesting or affecting any authority for the issuance of the Series 2024A Note and the Series 2024A-T Note or the validity of the Series 2024A Note, the Series 2024A-T Note, the Loan Agreement, the Assignment of Loan Agreement, the Resolution, or this Note Purchase Agreement; or (iii) in any way contesting the existence or powers of the Issuer.

3. Borrower’s Representations and Warranties. The Borrower makes the following representations and warranties:

(a) The Borrower is duly organized and existing as a limited liability company under the laws of the State and the Borrower has full legal right, power, and authority to enter into the Borrower Documents, and to carry out and consummate all transactions contemplated by such documents.

(b) The execution and delivery of this Note Purchase Agreement does not, and the execution and delivery of the Borrower Documents and compliance with the provisions of each of them, under the circumstances contemplated thereby, will not, in any material respect, conflict with or constitute on the part of the Borrower a breach of or default under any other agreement or instrument to which the Borrower is a party or, to the Borrower’s knowledge, any existing law, administrative regulation, court order, or consent decree to which the Borrower is subject.

(c) All approvals, consents, and orders of any governmental authority, board, agency, council, commission, or other body in or of any state and the federal government having jurisdiction which would constitute a condition precedent to the performance by the Borrower of its obligations hereunder and under the other Borrower Documents have been obtained or, if not, are expected to be promptly obtained by the Borrower.

(d) This Note Purchase Agreement does, and the other Borrower Documents, when each of them has been executed and delivered by the Borrower, will, assuming due authorization, execution, and delivery by the other parties thereto, each constitute a valid and binding obligation of the Borrower, enforceable in accordance with its terms, subject to any applicable bankruptcy, insolvency, or other laws affecting creditors’ rights or remedies heretofore or hereafter enacted.

(e) No litigation to which the Borrower is a party is pending or, to the knowledge of the Borrower, threatened: (i) seeking to restrain or enjoin the issuance or delivery of the Series 2024A Note and the Series 2024A-T Note or the application of proceeds of the Series 2024A Note and the Series 2024A-T Note as provided in the Loan Agreement, (ii) in any way contesting or affecting any authority for the issuance of the Series 2024A Note and the Series 2024A-T Note or the validity of the Series 2024A Note and the Series 2024A-T Note, or any other Borrower Documents, or (iii) in any way affecting, in a material adverse manner, the property of the Borrower or contesting the existence or powers of the Borrower (other than what has been previously disclosed to Lender).

4. Lender's Representations and Warranties. The Lender makes the following representations and warranties:

(a) The Lender is a national banking association and has full legal right, power, and authority to enter into this Note Purchase Agreement, and to carry out and consummate all transactions contemplated herein.

(b) The Lender is a financial institution with experience in financial matters and is capable of evaluating the merits and risks of an investment in the Series 2024A Note and the Series 2024A-T Note and will provide a certificate to this effect to the Issuer upon Closing.

5. Purchase, Sale, and Delivery of the Series 2024A Note and the Series 2024A-T Note. On the basis of the representations and warranties and subject to the terms and conditions set forth herein, the Lender agrees to purchase the Series 2024A Note at a purchase price of \$10,000,000 and the Series 2024A-T Note at a purchase price of \$1,000,000. The Series 2024A Note shall bear interest at the rate of \_\_\_\_\_% per annum, and the Series 2024A-T Note shall bear interest at the rate of \_\_\_\_\_% per annum. With respect to the purchase of the Series 2024A Note, the Lender will charge the Borrower a fee of \$25,000 (twenty-five (25) basis points of the principal amount of the Series 2024A Note) on the date the Series 2024A Note is issued and delivered to the Lender. With respect to the purchase of the Series 2024A-T Note, the Lender will charge the Borrower a fee of \$2,500 (twenty-five (25) basis points of the principal amount of the Series 2024A-T Note) on the date the Series 2024A-T Note is issued and delivered to the Lender. Payment for the Series 2024A Note and the Series 2024A-T Note shall be made to the Issuer or its order in immediately available funds on or before \_\_\_\_\_ .m. Central Time on \_\_\_\_\_, 2024, or at such later date as may be agreed upon by appropriate representatives of the Issuer and the Lender against delivery of the Series 2024A Note and the Series 2024A-T Note to the Lender. The date and time of such payment and delivery are herein called the "Closing Date," and the payment and delivery of the Series 2024A Note and the Series 2024A-T Note are herein called the "Closing."

6. Conditions of Purchase Obligation of the Lender. The obligation of the Lender to purchase and pay for the Series 2024A Note and the Series 2024A-T Note is subject to the following conditions:

(a) The representations and warranties of the Issuer and the Borrower contained in this Note Purchase Agreement and the Loan Agreement shall be true, complete, and correct on the date of acceptance hereof and on and as of the Closing Date with the same effect as if made on the Closing Date.

(b) On the Closing Date, the Resolution, the Act, the Loan Agreement, the Assignment of Loan Agreement, the Mortgage, the Security Agreement, the Guaranty, the other Security Documents, and the other Loan Documents (as defined in the Loan Agreement) shall be in full force and effect, shall each be in form and substance acceptable to the Lender in all respects, and shall not have been amended, modified, or supplemented except as may have been agreed to in writing by the Lender; and the Issuer and the Borrower shall have duly adopted and there shall be in full force and effect such ordinances and resolutions, and entered into such agreements, as, in the opinion of Bond Counsel, and in the opinion of Moss & Barnett, a Professional

Association, counsel to the Lender, shall be necessary in connection with the transactions contemplated hereby or the documentation of security for the Series 2024A Note and the Series 2024A-T Note.

(c) The Lender may terminate this Note Purchase Agreement by notification in writing to the Issuer and the Borrower at any time in the sole discretion of the Lender if the Lender determines that: (i) all documentation in connection with the issuance of the Series 2024A Note and the Series 2024A-T Note shall not be satisfactory in form and substance to the Lender or its counsel; or (ii) the results of any due diligence efforts by the Lender with respect to the proposed issuance of the Series 2024A Note and the Series 2024A-T Note shall not, in the sole discretion of the Lender, be satisfactory to the Lender; or (iii) the Lender, the Borrower, and the Issuer shall not have reached agreement as to the terms of any of the agreements referred to in this Note Purchase Agreement on terms and conditions acceptable to the Lender in its sole discretion; or (iv) the Series 2024A Note and the Series 2024A-T Note are not issued on the terms and conditions satisfactory to the Lender in its sole discretion on or before \_\_\_\_\_, 2024.

(d) On or before the Closing Date, the Lender shall have received the documents and the other items listed in Section 3.2 of the Loan Agreement.

(e) The Notes (other than the Series 2024A Note and the Series 2024A-T Note) are issued as of the Closing Date.

If the Issuer or the Borrower shall be unable for any reason to satisfy the conditions of the Lender's obligation contained in this Note Purchase Agreement or if the Lender's obligation shall be terminated for any reason permitted by this Note Purchase Agreement, this Note Purchase Agreement shall terminate and neither the Lender, the Issuer, nor the Borrower shall have any further obligations or liability hereunder, except that the respective obligations of the Issuer, the Borrower, and the Lender set forth in Section 7 hereof, shall continue in full force and effect.

7. Representations, Warranties, and Agreements to Survive Delivery. The representations, warranties, indemnities, agreements, and other statements of the Issuer, the Borrower, and the Lender or its or their officers set forth in or made under the terms of this Note Purchase Agreement will remain operative and in full force and effect regardless of any investigation made by or on behalf of the Issuer or the Lender or controlling person and will survive delivery of and payment for the Series 2024A Note and the Series 2024A-T Note.

8. Payment of Expenses. The Borrower agrees to pay either directly or, to the extent permitted under federal tax law as determined by Bond Counsel, from the proceeds of the Series 2024A Note and the Series 2024A-T Note and Borrower funds, all expenses and costs with respect to the authorization, preparation, issuance, delivery, and sale of the Series 2024A Note and the Series 2024A-T Note, including without limitation (i) the Lender's fee and miscellaneous expenses; (ii) the fees and disbursements of Bond Counsel, the fees and disbursements of the Borrower's counsel, and the fees and disbursements of the Issuer; (iii) the fees and expenses of Lender's counsel; and (iv) the various other expenses and costs of Closing.

9. Covenants and Indemnifications for the Benefit of the Issuer.

(a) The Borrower and the Lender hereby consent and agree that the Issuer's execution and delivery of this Note Purchase Agreement, and any action taken by the Issuer hereunder and any failure or alleged failure on the part of the Issuer to abide by such terms hereof as may be applicable to the Issuer, shall not give rise to any pecuniary liability of the Issuer.

(b) The issuance of the Series 2024A Note and the Series 2024A-T Note by the Issuer shall be subject to the condition that the Issuer, in its sole and absolute discretion, shall have executed and delivered the

Loan Agreement, and nothing in this Note Purchase Agreement shall impose or imply an obligation on the Issuer to do so.

(c) All indemnifications of the Issuer and other agreements respecting payment of costs of the Issuer provided in this Note Purchase Agreement shall not be subject to limitation and shall survive expiration or termination of this Note Purchase Agreement, notwithstanding any provision in this Note Purchase Agreement to the contrary.

10. Notices. Any notice or other communication to be given to the Issuer, the Borrower, or the Lender under this Note Purchase Agreement may be given by delivering the same in writing to the addresses set forth below.

To the Issuer: City of St. Francis, Minnesota  
23340 Cree Street NW  
St. Francis, MN 55070  
Attention: City Administrator

To the Borrower: Vista Prairie at Eagle Pointe, LLC  
c/o Vista Prairie Communities  
11180 Zealand Avenue North  
Champlin, MN 55316  
Attention: \_\_\_\_\_

with a copy to: Best & Flanagan LLP  
225 South Sixth Street, Suite 4000  
Minneapolis, MN 55402  
Attention: Dan Kaplan, Esq.

To the Lender: Sunrise Banks, National Association  
2300 Como Avenue  
Saint Paul, MN 55108  
Attention: \_\_\_\_\_

with a copy to: Moss & Barnett, a Professional Association  
150 South Fifth Street, Suite 1200  
Minneapolis, MN 55402  
Attention: Christopher Ferreira, Esq.

11. Parties in Interest. This Note Purchase Agreement shall be binding upon and shall inure to the benefit of the Lender, the Issuer, the Borrower, and, to the extent expressed, any person controlling the Lender, the Issuer, or the Borrower, and their respective successors and assigns, and no other person shall acquire or have any right under or by virtue of this Note Purchase Agreement.

12. Governing Law. This Note Purchase Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

13. Counterparts. This Note Purchase Agreement may be executed in any number of counterparts.

14. Severability. In the event any provision of this Note Purchase Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions of this Note Purchase Agreement.

(The remainder of this page is intentionally left blank.)



IN WITNESS WHEREOF, the parties have executed this Note Purchase Agreement with respect to the Series 2024A Note and the Series 2024A-T Note, as of the date and year first written above.

**SUNRISE BANKS, NATIONAL ASSOCIATION**

By \_\_\_\_\_  
Its \_\_\_\_\_

Execution page of the Borrower to the Note Purchase Agreement with respect to the Series 2024A Note and the Series 2024A-T Note, dated the date and year first written above.

**VISTA PRAIRIE AT EAGLE POINTE, LLC**

By \_\_\_\_\_  
Its \_\_\_\_\_

Execution page of the Issuer to the Note Purchase Agreement with respect to the Series 2024A Note and the Series 2024A-T Note, dated the date and year first written above.

**CITY OF ST. FRANCIS, MINNESOTA**

By \_\_\_\_\_  
Its Mayor

By \_\_\_\_\_  
Its City Administrator

**EXHIBIT A**

**FORM OF SERIES 2024A NOTE**

[Insert form of Series 2024A Note]

**EXHIBIT B**

**FORM OF SERIES 2024A-T NOTE**

[Insert form of Series 2024A-T Note]

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