

First Draft
April 16, 2024

COOPERATIVE AGREEMENT

THIS COOPERATIVE AGREEMENT, dated as of _____ 1, 2024 (the “Cooperative Agreement”), is between 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 “City of St. Francis” or the “Host City”), the CITY OF NOWTHEN, MINNESOTA, a statutory city and political subdivision organized and existing under the Constitution and laws of the State of Minnesota (the “City of Nowthen”), and the CITY OF HAM LAKE, 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 “City of Ham Lake,” and collectively with the City of St. Francis and the City of Nowthen, the “Issuers”).

RECITALS

WHEREAS, the Issuers are authorized by the provisions of Minnesota Statutes, Chapter 462C, as amended (the “Act”), to issue revenue obligations to finance multifamily housing developments (including independent living, assisted living, and memory care facilities); and

WHEREAS, pursuant to Minnesota Statutes, Section 471.656, as amended, municipalities may issue obligations to finance the acquisition or improvement of property located outside of the corporate boundaries of such municipality if the obligations are issued under a joint powers agreement in which one or more of the parties to the joint powers agreement issue such obligations and the property is located entirely within the boundaries of one or more of the parties to the joint powers agreement; and

WHEREAS, pursuant to Minnesota Statutes, Section 471.59, as amended, by the terms of a joint powers agreement entered into through action of their governing bodies, two or more municipalities may jointly or cooperatively exercise any power common to the contracting parties or any similar powers, including those which are the same except for the territorial limits within which they may be exercised, and the joint powers agreement may provide for the exercise of such powers by one or more of the participating municipalities on behalf of the other participating municipalities; and

WHEREAS, Vista Prairie at Eagle Pointe, LLC, a Minnesota limited liability company, or any of its affiliates (collectively, 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”), has proposed to acquire, construct, and equip a 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 in the City of St. Francis (the “Project”), which will be owned and operated by the Borrower; and

WHEREAS, the revenue obligations proposed to be issued by the Issuers for the benefit of the Borrower will not constitute general or moral obligations of, or pledge the full faith and credit or taxing powers of the Issuers, the State of Minnesota, or any other agency or political subdivision thereof, but will be payable solely from the revenues pledged and assigned thereto pursuant to one or more revenue agreements between the Issuers and the Borrower; and

WHEREAS, the governing bodies of the Issuers have authorized the execution and delivery of this Cooperative Agreement; and

NOW, THEREFORE, the Issuers agree as follows:

1. In order to finance the costs of the Project, (i) the City of St. Francis shall issue its Senior Housing Revenue Note (Vista Prairie at Eagle Pointe Project), Series 2024A (the “Series 2024A Note”), in the original aggregate principal amount of \$10,000,000; (ii) the City of St. Francis shall issue its Taxable Senior Housing Revenue Note (Vista Prairie at Eagle Pointe Project), Series 2024A-T (the “Series 2024A-T Note,” and together with the Series 2024A Note, the “St. Francis Notes”), in the original aggregate principal amount of \$1,000,000; (iii) the City of Nowthen shall issue its Senior Housing Revenue Note (Vista Prairie at Eagle Pointe Project), Series 2024B (the “Nowthen Note”), in the original aggregate principal amount of \$10,000,000; and (iv) the City of Ham Lake shall issue its Senior Housing Revenue Note (Vista Prairie at Eagle Pointe Project), Series 2024C (the “Ham Lake Note,” and collectively with the St. Francis Notes and the Nowthen Note, the “Notes”), in the original aggregate principal amount of \$10,000,000.

2. The governing bodies of the Issuers have each conducted a public hearing with respect to the issuance of the Notes and the Project.

3. The governing bodies of the Issuers have each adopted a resolution approving this Cooperative Agreement and authorizing its execution and delivery.

4. The Host City hereby consents to and approves the issuance of the Nowthen Note by the City of Nowthen and the issuance of the Ham Lake Note by the City of Ham Lake for the purposes stated herein.

5. Except to the extent specifically provided herein, the Issuers shall not incur any obligations or liabilities to each other as a result of the issuance of the Notes. The St. Francis Notes, the Nowthen Note, and the Ham Lake Note shall be special, limited obligations of the City of St. Francis, the City of Nowthen, and the City of Ham Lake, respectively, payable solely from proceeds, revenues, and other amounts specifically pledged to the payment of the St. Francis Notes, the Nowthen Note, and the Ham Lake Note. The St. Francis Notes, the Nowthen Note, and the Ham Lake Note and the interest thereon shall not constitute or give rise to a pecuniary liability, general or moral obligation, or a pledge of the full faith and credit or taxing powers of the City of St. Francis, the City of Nowthen, the City of Ham Lake, the State of Minnesota, or any political subdivision of the above, within the meaning of any constitutional or statutory provisions.

6. All costs incurred by the Issuers in the authorization, execution, delivery, and performance of this Cooperative Agreement and all related transactions shall be paid by the Borrower.

7. Pursuant to the loan agreements between each issuer and the Borrower (collectively, the “Loan Agreements”), the Borrower has agreed to indemnify and hold harmless the respective Issuer and their officers, agents and employees harmless from and against all liabilities, losses, damages, costs, expenses (including attorneys’ fees and expenses), causes of action, suits, claims, demands and judgments of any nature arising from the acts or omissions of the respective officers, agents, or employees of the Borrower, to the extent such acts or omissions are related to activities conducted by the Borrower under the Loan Agreements, as the case may be.

8. This Cooperative Agreement may not be terminated by any party so long as any Notes are outstanding.

9. This Cooperative Agreement may be amended by the Issuers at any time. No amendment may impair the rights of the Borrower or the holders of the Notes.

10. This Cooperative Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same agreement.

11. This Cooperative Agreement shall be governed by the laws of the State of Minnesota.

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

IN WITNESS WHEREOF, duly authorized officers of the Issuers have executed this Cooperative Agreement as of the date and year first written above.

CITY OF ST. FRANCIS, MINNESOTA,
as the Host City and an Issuer

By _____
Its Mayor

By _____
Its City Administrator

Execution page of the City of Nowthen to the Cooperative Agreement, dated as of the date and year first written above.

CITY OF NOWTHEN, MINNESOTA,
as an Issuer

By _____
Its Mayor

By _____
Its City Administrator

Execution page of the City of Ham Lake to the Cooperative Agreement, dated as of the date and year first written above.

CITY OF HAM LAKE, MINNESOTA,
as an Issuer

By _____
Its Mayor

By _____
Its City Administrator

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