CITY COUNCIL MEETING

City Hall—Council Chambers, 590 40th Ave NE
Monday, November 28, 2022
6:00 PM

Mayor
Amáda Márquez Simula
Councilmembers
John Murzyn, Jr.
Connie Buesgens
Nick Novitsky
Kt Jacobs
City Manager
Kelli Bourgeois

AMENDED AGENDA

AGENDA AMENDED ON 11/28/22 TO UPDATE SUPPORTING DOCUMENTS FOR ITEMS 1 AND 12

ATTENDANCE INFORMATION FOR THE PUBLIC
Members of the public who wish to attend may do so in-person, by calling ***1-312-626-6799*** *and* ***entering meeting ID*** **839 1923 8626** *or by Zoom at* https://us02web.zoom.us/j/83919238626*. For questions please call the Administration Department at 763-706-3610.*

WELCOME/CALL TO ORDER/ROLL CALL

MISSION STATEMENT
Our mission is to provide the highest quality public services. Services will be provided in a fair, respectful and professional manner that effectively addresses changing citizen and community needs in a fiscally-responsible and customer-friendly manner.

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA
(The Council, upon majority vote of its members, may make additions and deletions to the agenda. These may be items submitted after the agenda preparation deadline.)

PROCLAMATIONS, PRESENTATIONS, RECOGNITION, ANNOUNCEMENTS, GUESTS

CONSENT AGENDA
(These items are considered to be routine by the City Council and will be enacted as part of the Consent Agenda by one motion. Items removed from consent agenda approval will be taken up as the next order of business.)

MOTION: Move to approve the Consent Agenda as presented.

1. **Approve November 14, 2022 City Council Meeting Minutes.**
   MOTION: Move to approve the November 14, 2022 City Council meeting minutes.

2. **Approve November 16, 2022 Special City Council Meeting Minutes.**
   MOTION: Move to approve the November 16, 2022 Special City Council meeting minutes.

3. **Resolution 2022-109, Approving Classification of Tax Forfeit Property.**
   MOTION: Move to waive the reading of Resolution No. 2022-109, there being ample copies available to the public.
   MOTION: Move to adopt resolution No. 2022-109, approving the classification and sale of tax forfeit property in the City of Columbia Heights, MN.

4. **Resolution 2022-113, being a Resolution in Support of Anoka County Joint Law Enforcement Council's Renewal of Legislation for Future Public Safety Projects.**
MOTION: Move to waive the reading of Resolution 2022-113, there being ample copies available to the public.
MOTION: Move to adopt Resolution 2022-113, being a Resolution in Support of Anoka County Joint Law Enforcement Council's Renewal of Legislation for Future Public Safety Projects.

5. **Final Compensating Change Order and Payment for 37th Avenue Water Main Rehabilitation, City Project 2203.**
MOTION: Move to approve the final compensating change order and accept the work for 37th Avenue Water Main Rehabilitation, City Project 2203, and authorize final payment of $146,227.94 to Fer-Pal Construction USA LLC.

6. **Refuse Cart Purchase.**
MOTION: Move to approve the purchase of 3,000 carts through the Sourcewell Cooperative Purchasing Contract at a price of $200,000 with funding from the Refuse Fund 603, and amending the 2023 Refuse Budget in the amount of $200,000 and, furthermore, to authorize the Mayor and City Manager to enter into a contract for the same.

7. **Renew Annual Audit Contract with Redpath and Company for 2022 at $52,500 and for 2023 at $56,000.**
MOTION: Move to renew the annual audit contract with Redpath and Company for 2022 at $52,500 and for 2023 at $56,000.

8. **Rental Occupancy Licenses for Approval.**
MOTION: Move to approve the items listed for rental housing license applications for November 28, 2022, in that they have met the requirements of the Property Maintenance Code.

9. **License Agenda.**
MOTION: Move to approve the items as listed on the business license agenda for November 28, 2022 as presented.

10. **Review of Bills.**
MOTION: Move that in accordance with Minnesota Statute 412.271, subd. 8 the City Council has reviewed the enclosed list to claims paid by check and by electronic funds transfer in the amount of $1,153,243.25.

PUBLIC HEARINGS

11. **Consideration of Resolution 2022-111, Revocation of the License to Operate Rental Units Within the city of Columbia Heights against the rental property at 1204/1206 Cheery Lane NE for failure to meet the requirements of the Residential Maintenance Codes.**
MOTION: Move to close the public hearing and waive the reading of Resolution 2022-111, there being ample copies available to the public.

MOTION: Move to adopt Resolution 2022-111, being a Resolution of the City Council of the city of Columbia Heights approving revocation pursuant to City Code, Chapter 5A, Article IV, Section 5A.408(A) of the rental license listed.

12. **Consideration of Resolution 2022-112, Revocation of the License to Operate Rental Units Within the city of Columbia Heights against the rental property at 4636/4638 Washington Street NE for failure to meet the requirements of the Residential Maintenance Codes.**
MOTION: Move to close the public hearing and waive the reading of Resolution 2022-112, there being ample copies available to the public.
MOTION: Move to adopt Resolution 2022-112, being a Resolution of the City Council of the city of Columbia Heights approving revocation pursuant to City Code, Chapter 5A, Article IV, Section 5A.408(A) of the rental license listed.

ITEMS FOR CONSIDERATION

13. **Approval Consideration for the Issuance of Series B Multifamily Housing Revenue Bonds (Reuter Walton Project)**
MOTION: Move to waive the reading of Resolution 2022-110, there being ample copies available to the public.
MOTION: Move to approve Resolution 2022-110, a resolution authorizing the issuance, sale, and delivery of multifamily housing revenue bonds (42nd and Central Apartments Project), series 2022B to provide additional financing for the costs of a multifamily housing development; approving the forms of and authorizing the execution and delivery of the series 2022B bonds and related documents; providing for the security, rights, and remedies with respect to the series 2022B bonds; and taking certain other actions.

Ordinances and Resolutions

Bid Considerations

New Business and Reports

CITY COUNCIL AND ADMINISTRATIVE REPORTS

Report of the City Council

Report of the City Manager

COMMUNITY FORUM

At this time, individuals may address the City Council in a respectful manner. Individuals should address their comments to the City Council as a whole, not individual members. Speakers that are inperson are requested to come to the podium. All speakers need to state their name and connection to Columbia Heights, and limit their comments to five (5) minutes. All speakers are also asked to fill out this information as well as their address on a form for the Council Secretary's record. Those in attendance virtually should send this information in the chat function to the moderator and make sure to turn on their video and audio when they address the Council. The City Council will listen

to brief remarks, ask clarifying questions, and if needed, request staff to follow up or direct the matter to be added to an upcoming agenda. Generally, the City Council will not take official action on items raised at the Community Forum at the meeting on which they are raised.

ADJOURNMENT

Auxiliary aids or other accommodations for individuals with disabilities are available upon request when the request is made at least 72 hours in advance. Please contact Administration at 763-706-3610 to make arrangements.

CITY COUNCIL MEETING

City Hall—Council Chambers, 590 40th Ave NE
Monday, November 14, 2022
6:00 PM

Mayor
Amáda Márquez Simula
Councilmembers
John Murzyn, Jr.
Connie Buesgens
Nick Novitsky
Kt Jacobs
City Manager
Kelli Bourgeois

MINUTES

The following are the minutes for the Meeting of the City Council held at 6:00 pm on Monday, November 14, 2022, in the City Council Chambers, City Hall, 590 40th Avenue NE, Columbia Heights, Minnesota.

CALL TO ORDER/ROLL CALL:

Mayor Márquez Simula called the meeting to order at 6:00 pm. Present: Mayor Márquez Simula; Councilmember Buesgens; Councilmember Murzyn, Jr.; Councilmember Novitsky

Absent: Councilmember Jacobs

Also Present: Kelli Bourgeois, City Manager; Kevin Hansen, Public Works Director; Jim Hoeft, City Attorney; Sara Ion, City Clerk; Dan O'Brien, Assistant Fire Chief; Joe Kloiber, Finance Director; Aaron Chirpich, Community Development Director; Bob Kirmis, Planning Consultant; KT Jacobs, City Resident; Russel Stover, Property Owner; Ed Higgins, City Resident; Paul Edner, City Resident; Mark Veronikas, City Resident

MISSION STATEMENT
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PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA
Motion by Councilmember Novitsky, seconded by Councilmember Murzyn, to approve the agenda, as presented. All Ayes, Motion Carried 4-0.

PROCLAMATIONS, PRESENTATIONS, RECOGNITION, ANNOUNCEMENTS, GUESTS

CONSENT AGENDA
Motion by Councilmember Murzyn, seconded by Councilmember Novitsky, to approve the Consent Agenda as presented. All Ayes, Motion Carried 4-0.

1. **Approve October 24, 2022 City Council Meeting Minutes.**
   MOTION: Move to approve the September 26, 2022 City Council meeting minutes.

2. **Accept October 5, 2022 Library Board Minutes.**
   MOTION: Move to Accept the Library Board Minutes from October 5, 2022.

3. **Approve September 7, 2022 Planning Commission Meeting Minutes.**
MOTION: Move to approve the September 7, 2022 Planning Commission Meeting Minutes.

4. **Approve September 26, 2022 Special EDA Meeting Minutes.**
MOTION: Move to approve the Special EDA Meeting Minutes of September 26, 2022.

5. **Adopt Resolution 2022-99, Updating Income Limit for Senior Citizen Utility Rates.**
MOTION: Move to waive the reading of Resolution 2022-99, there being ample copies available to the public.
MOTION: Move to adopt Resolution 2022-99, being a resolution updating the income limit for senior citizen utility rates.

6. **Adopt Resolution 2022-100 submitting a list of eligible nominees to Anoka County for the Open Manager position on the Rice Creek Watershed District Board of Managers.**
MOTION: Move to waive the reading of Resolution 2022-100 there being ample copies available to the public.
MOTION: Move to adopt Resolution 2022-100 being a Resolution Submitting a List of Eligible Nominees to Anoka County for the Open Manager Position on the Rice Creek Watershed District Board of Managers.

7. **Adopt Resolution 2022-103 Accepting the Feasibility Report for 53rd Avenue Turnabout Construction and Ordering the Public Improvement Hearing, City Project No. 2007.**
MOTION: Move to waive the reading of Resolution 2022-103, there being ample copies available for the public.
MOTION: Move to adopt Resolution 2022-103, being a Resolution accepting the Feasibility Report for 53rd Avenue Turnabout Construction, Project 2007, and ordering the Public Improvement Hearing beginning at 6:15 p.m. on February 21, 2023.

8. **Adopt Resolution 2022-104 Accepting the Feasibility Report and Ordering the Public Improvement Hearing for 53rd Avenue Trail, Sidewalk, and Partial Street Reconstruction and Ordering the Public Improvement Hearing, City Project No. 2305.**
MOTION: Move to waive the reading of Resolution 2022-104, there being ample copies available for the public.
MOTION: Move to adopt Resolution 2022-104, being a Resolution accepting the Feasibility Report for 53rd Avenue Trail, Sidewalk, and Partial Street Reconstruction, Project 2305, and ordering the Public Improvement Hearing beginning at 6:00 p.m. on February 21, 2023.

9. **Refuse Dumpster Services Contract with Walters Recycling & Refuse.**
MOTION: Move to approve a refuse dumpster service contract with Walters Recycling & Refuse; and authorize the Mayor and City Manager to enter into a contract for the same.

10. **Approve Change Order for Contract for Painting of Public Safety Building.**
MOTION: Move to authorize the Police Department to enter into an agreement with Allen's Perfect Painting to repair and paint walls not previously budgeted for in the carpeting project completed earlier this year. The change order amount to be $28,155, with monies to come from the Police Department's regular budget.

11. Adopt Resolution 2022-102, Transfer of Funds to the Fire Department 2022 Budget.
MOTION: Move to waive the reading of Resolution No. 2022-102, there being ample copies to the public.
MOTION: Move to adopt Resolution 2022-102, being a resolution amending the 2022 Fire Department budget.

12. Approve the 2023 Contract with Medica for Employee Health Insurance. MOTION: Move to approve Medica as the City's health insurance provider for 2023 and authorize the City Manager to sign the contract.

13. Rental Occupancy Licenses for Approval.
MOTION: Move to approve the items listed for rental housing license applications for November 14, 2022, in that they have met the requirements of the Property Maintenance Code.

14. Review of Bills.
MOTION: Move that in accordance with Minnesota Statute 412.271, subd. 8 the City Council has reviewed the enclosed list to claims paid by check and by electronic funds transfer in the amount of $2,658,291.65.

PUBLIC HEARINGS

15. Approve Resolution 2022-101, Emergency Abatement for Hazardous Situation at 4201 7th Street NE.

Assistant Fire Chief O'Brien gave an overview of the situation at 4201 7th Street NE and explained that the property owner is deceased and the property has been vacant. He stated it was brought to their attention that the water usage was very high and were able to find a distant relative that was able to go in and ensure the water was turned off but the City has not had regular contact with that individual since that time. He reviewed some of the issues that the City has dealt with such as a tree falling on the house, long grass, and various security issues. He stated that he had spoken with an attorney earlier today and found that they have finally filed for probate on the property and noted that he believed a representative for the property was online.

Mayor Márquez Simula asked if there was anyone on-line who has asked to speak.

Russell Stover explained that he was the uncle of the deceased individual, Martin Stover, who owned the house. He stated that he lives out of state and had applied for probate in August. He explained that he has a court date scheduled for February 7, 2023 and noted that he would not have the legal right to sell the house until a few weeks following that court date. He stated that he was at the property the week of November 2, 2022 and placed new locks on the doors, installed a security light in the back, and boarded up a few of the broken windows in the garage. He stated that he had also recently had all the brush cut back so the house is visible from the street. He explained that he wasn't sure what else he needed to do at this time.

Mayor Márquez Simula asked if it changed Assistant Fire Chief O'Brien's request now that he has heard from the lawyer and relative of the property owner.

Assistant Fire Chief O'Brien stated that because Mr. Stover cannot take legal custody of the home for a few months, his recommendation would still stand. He encouraged Mr. Stover to reach out to him so they can communicate about this issue and confirmed that the property is secure right now and everything that Mr. Stover listed off, has been done.

Motion by Councilmember Novitsky, second by Councilmember Murzyn, to close the public hearing and to waive the reading of Resolution 2022-101, there being ample copies available to the public. All Ayes, Motion Carried 4-0.

Motion by Councilmember Novitsky, second by Councilmember Murzyn, to adopt Resolution Number 2022-101, being a resolution of the City Council of the City of Columbia Heights declaring the property listed a nuisance and approving the emergency abatement, and any subsequent abatements, of the hazardous situation located at 4201 7th St NE. All Ayes, Motion Carried 4-0.

ITEMS FOR CONSIDERATION

16. Resolution 2022-98, Conditional Use Permit to Allow Accessory Outdoor Storage at 660 39th Avenue NE.

Community Development Director Aaron Chirpich introduced Planning Consultant, Bob Kirmis.

Bob Kirmis, NAC Consulting, gave an overview of the request by Bona Management for a Conditional Use Permit to allow for outdoor storage of vehicles in conjunction with automobile repair use at Din Auto. He explained that the vehicles to be stored outdoors would be those awaiting repairs or awaiting pick up after the repair work has been completed. He reviewed the site plan, zoning, permitted and conditional uses allowed in the district. He noted that this site is bordered on all sides by industrial uses with several of them also having outdoor storage. He stated that there will also be towing vehicles stored on the site as they are a component of the business operation. He reviewed the required conditions and staff recommendations related to outdoor storage; access; parking; signage; trash handling; and lighting. Staff feels this is a reasonable use of the property and, with conditions, will not negatively impact the surrounding properties. He stated that staff thinks this is a good step in regulating the use of the property and both staff and the Planning Commission recommend approval.

Councilmember Buesgens stated that she was happy to hear that they are cleaning up the back lot. She asked how the City would monitor compliance or if it would just be based on complaints.

Community Development Director Chirpich stated that the guardrails are put into place with this Conditional Use Permit, so, if a complaint is received or if the City has reason to believe that the conditions are being abused, then the City would seek to enforce at that

time. He stated that staff does not contemplate there being monthly check-ins and would only be enforced if there is an observable problem that arises. He noted that there has been a significant clean-up effort made by this new tenant.

Motion by *Councilmember Novitsky, second by Councilmember Murzyn, to waive the reading of Resolution 2022-98, there being ample copies available to the public. All Ayes, Motion Carried 4-0.*

Motion by Councilmember Novitsky, second by Councilmember Murzyn, to approve Resolution 2022-98, a resolution approving a Conditional Use Permit for Accessory Outdoor Storage within the I-2, General Industrial District in the City of Columbia Heights, Minnesota. All Ayes, Motion Carried 4-0.

17. Approve Resolution 2022-105 Early Redemption of Taxable G.O. Housing Improvement Area Bonds, Series 2008A.

Finance Director Joe Kloiber explained that this resolution kicks off the end of a 15 year project by the Sullivan Shores Townhomes Association. He stated that in 2008 they had widespread water damage and they reached out to the City for help coordinating their project to remedy that situation. He explained that they had the City issue bonds on their behalf, for a fee and noted that over the last fourteen years those bonds have been repaid by a special assessment on twenty-two of the townhomes. He stated that the assessments collected through 2022 are enough to pay off the future bonds at the end of the year. He explained that this is something that does not affect other taxpayers, property taxes, or the City budget, and is really a private transaction.

Motion by Councilmember Murzyn, seconded by Councilmember Buesgens, to waive the reading of Resolution 2022-105, there being ample copies available to the public. All Ayes, Motion Carried 4-0.

Motion by Councilmember Murzyn, seconded by Councilmember Buesgens, to adopt Resolution 2022-105, being a resolution calling for redemption of Taxable General Obligation Housing Improvement Area Bonds, Series 2008A. All Ayes, Motion Carried 4-0.

18. Approve Resolution 2022-106 Appropriating $600,000 of Existing Fund Balance for Use in the 2022 Budgets of the Governmental Operating Funds.

Finance Director Joe Kloiber noted that staff is projecting that the original budget forecast for 2022 would be 1% over that can be attributed to the new employee pay scales following the City-wide compensation study, and much higher than expected workers compensation premiums. Staff is recommending increasing the legal level of the 2022 budget in the governmental operating funds by 3% to allow for any variance.

Councilmember Buesgens asked how much of an increase the City saw in the workers compensation premiums.

Finance Director Kloiber stated that between 2021 and 2023, the premiums tripled.

Motion by Councilmember Buesgens, second by Councilmember Novitsky, to waive the reading of Resolution 2022-106, there being ample copies available to the public. All Ayes, Motion Carried 4-0.

Motion by Councilmember Buesgens, second by Councilmember Novitsky, to adopt Resolution 2022-105, being a resolution appropriating $600,000 of existing fund balance for use in the 2022 budgets of the governmental operating funds. All Ayes, Motion Carried 4-0.

CITY COUNCIL AND ADMINISTRATIVE REPORTS

Report of the City Council

Councilmember Murzyn noted that the Lions Club will hold their wrestling match at Murzyn Hall on November 19, 2022. He noted that the doors will open at 6:00 pm with the first match at 7:00 pm. The cost will be $10 for adults and $5 for kids.

Councilmember Buesgens noted that she had attended the Columbia Heights High School Alumni Foundation dinner and the Trunk or Treat event which was very well attended. She expressed her appreciation to the organizations and City staff who worked hard to make it a successful event. She stated that she also recently met U.S. Senator Tina Smith at an event in New Brighton. She explained that she was currently attending a Police Academy seminar where she was learning a lot of interesting information. She attended the MWMO Board meeting and the art gallery event at Homewood Studios and noted that they had displayed a work of art that Mayor Márquez Simula and Neil Granlund helped create from trash that was collected from the Mississippi River. She noted that she had also attended First Lutheran's Holiday Market.

Mayor Márquez Simula stated that since the last meeting she had met with some residents at the Hartlake Apartments, attended the Joint Law Enforcement Committee meeting in Blaine, the Trunk or Treat event, volunteered with Heights Next, attended the alumni dinner for the school at Jax Café. She noted that she had also had an awesome Bavarian dinner at St. Matthews Church, attended the Lions Halloween dance, and a wedding at Silverwood Park. She stated that she attended the Charter dinner, the Youth Commission meeting, a Public Safety meeting with other mayors, and the Community Ed Advisory Council meeting. She stated that, as Councilmember Buesgens shared, she was able to work on a piece of artwork created from the trash collected from the Mississippi River. She stated that if people are interested in seeing the piece, it can be viewed at Homewood Studios in North Minneapolis.

Report of the City Manager

Manager Bourgeois stated that the City has gotten a lot of calls regarding yard waste and noted that yard waste should be collected throughout the entire City by the end of the week. She encouraged people to put out their bags and noted that even though there is snow on the ground, the bags will still be picked up. She noted that there were some missed pickups last week and customers will receive rebates for those zones, but noted that because of billing, they will not see them until February 2023. She stated that there were residents who came to talk about Gould Avenue and Peters Place at the last Council meeting and asked Public Works Director Hansen to update the Council.

Public Works Director Kevin Hansen gave an overview of his understanding of the concerns expressed by the residents at the last City Council meeting. He stated that following the Council meeting, he went back and revisited the area and asked the Assistant City Engineer to take a look at the condition of the roadways. He stated that, in terms of impacts from construction to those two roadways, for Gould Avenue, they do not really see any measurable or discernable impacts. He stated that for Peters Place, it does makes sense to put No Parking signs up at the alley but was not sure if they had been installed yet. He stated that the only area that can be in question, from the City's perspective, is the 90-degree bend on Peters Place, so they will go back and fix that in the spring. He noted that they had checked aerial photos from 2011, 2019, and 2021 which clearly indicate a slow aging of the roadway in the type of distress that is there. He stated that the other thing they are seeing in this location is something that they are seeing throughout the City which is sealcoat stripping. He noted that this is an issue that they are seeing throughout the metro area and is part of the reason that they are not proposing sealcoating as part of their maintenance activity moving forward.

COMMUNITY FORUM

At this time, individuals may address the City Council in a respectful manner. Individuals should address their comments to the City Council as a whole, not individual members. Speakers that are inperson are requested to come to the podium. All speakers need to state their name and connection to Columbia Heights and limit their comments to five (5) minutes. All speakers are also asked to fill out this information as well as their address on a form for the Council Secretary's record. Those in attendance virtually should send this information in the chat function to the moderator and make sure to turn on their video and audio when they address the Council. The City Council will listen to brief remarks, ask clarifying questions, and if needed, request staff to follow up or direct the matter to be added to an upcoming agenda. Generally, the City Council will not take official action on items raised at the Community Forum at the meeting on which they are raised.

Ed Higgins stated that it was cold last night and the landlord for his neighbors at 4401 Jefferson did not fix their heat, so they have been without heat for two days. He stated that a child from that residence came over and asked if they could borrow his heater and when he went over to their house, he found that they had been heating the house with the stove. He stated that the 'Wall Street' landlords are not helping the people in the community and explained that this is the same landlord that got their permits taken away and then had to work to get them fixed. He stated that he was unsure what the City can do about this but reiterated that this was day two of this family having to use a heater to heat their whole house.

Mark Veronikas stated that Public Works Director Hansen had stated that there was just normal wear and tear on the roads near his home. He explained that there were cement trucks that were lined up on the road getting ready to go to the construction project and it destroyed the whole side of the road. He stated that the City had to come out and put in a new curb in that section because the road literally sunk in from the trucks sitting there. He stated that he would disagree with the statement that this was just normal wear and tear. He stated that there are weight limits on the roads of 15,000 and a fully loaded cement truck is 65,000 pounds and explained that they just wanted this information to be on the record.

Paul Edner stated that he also wanted to make sure that his comments were on the record and stated that there were many more concerns than the few shared by Mr. Veronikas. He stated that Mayor Márquez Simula was going to visit the new center and see the drop off and noted that there is still a rope that is blocking off part of the sidewalk. He stated that he feels that people will be falling off it and children will skateboard off of which is right into the curb near the parking for the City Council. He noted that he also believes that there is a lot of wear and tear on the streets that was due to two years of trucks constantly lifting tons of materials. He explained that his goal is to make sure that there is not another ancillary addition to his taxes that make him pay for more road work when the roads had already been resurfaced within the last few years. He noted that there was also handicapped parking that was completely cut off because of the entry way and believes this will create more accidents. He stated that he believes some of the City planning needs to be looked at again.

ADJOURNMENT

Motion by Councilmember Buesgens, second by Councilmember Murzyn to adjourn. All Ayes, motion Carried 4-0.

Meeting adjourned at 6:55 pm.

Respectfully Submitted,

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Sara Ion, City Clerk/Council Secretary

SPECIAL CITY COUNCIL MEETING
ELECTIONS CANVASS

City Hall—Council Chambers, 590 40th Ave NE
Wednesday, November 16, 2022
2:00 PM

Mayor
Amáda Márquez Simula
Councilmembers
John Murzyn, Jr.
Connie Buesgens
Nick Novitsky
Kt Jacobs
City Manager
Kelli Bourgeois

MINUTES

The following are the minutes for the Special Elections Canvassing Meeting of the City Council held at 2:00 pm on Wednesday, November 16, 2022, in the City Council Chambers, City Hall, 590 40th Avenue NE, Columbia Heights, Minnesota.

CALL TO ORDER/ROLL CALL
Mayor Márquez Simula called the meeting to order at 2:05 p.m.

Present: Councilmember Buesgens; Councilmember Jacobs; Councilmember Novitsky

Absent: Councilmember Murzyn Jr

Also Present: Kelli Bourgeois, City Manager; Sara Ion, City Clerk

PLEDGE OF ALLEGIANCE

ITEMS FOR CONSIDERATION

Ordinances and Resolutions

1. **Adopt Resolution 2022-107, Canvassing Primary Election Returns of November 8, 2022.**

   Clerk Ion introduced Resolution 2022-107 and read the November 8, 2022, Election results at the request of Mayor Márquez Simula.

   Motion by Councilmember Buesgens, seconded by Councilmember Jacobs., to waive the reading of Resolution 2022-107, as there are ample copies available to the public. All Ayes, Motion Carried 4-0.

   Motion by Councilmember Buesgens, seconded by Councilmember Novitsky, to adopt Resolution 2022-107 being a Resolution Canvassing Municipal Primary Election Returns and approving the signing of the Abstract. All Ayes, Motion Carried 4-0.

ADJOURNMENT

Meeting adjourned at 2:08 pm.

Respectfully Submitted,

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Sara Ion, City Clerk/Council Secretary

COLUMBIA HEIGHTS
REDISCOVER THE HEIGHTS

CITY COUNCIL MEETING

AGENDA SECTION	**CONSENT AGENDA**
MEETING DATE	**NOVEMBER 28, 2022**

ITEM:	**Approve the Classification of Tax Forfeit Property**
DEPARTMENT: Community Development	**BY/DATE:** Mitchell Forney, 11/17/22

CITY STRATEGY:

_Safe Community	_Diverse, Welcoming "Small-Town" Feel
_Economic Strength	**X** Excellent Housing/Neighborhoods
_Equity and Affordability	_Strong Infrastructure/Public Services
_Opportunities for Play and Learning	_Engaged, Multi-Generational, Multi-Cultural Population

BACKGROUND:

The properties identified in the attached letter from Anoka County are currently going through the tax forfeiture process. As part of the process, the Anoka County Board of Commissioners has passed Anoka County Resolution 2022-118 classifying certain forfeit lands throughout Anoka County as non-Conservation. Non-Conservation classification means that the properties will not be held by the State once the forfeiture process is complete. Non-Conservation properties are typically sold at auction to the highest bidder. It is the City's role during this process to approve the classification and sale of the properties located within Columbia Heights.

As part of the tax forfeiture process, the City is usually given the opportunity to purchase the tax forfeit properties. Of the four properties three had been repurchased prior to the city receiving a chance to purchase them. Community Development staff have deemed the last available parcel as impractical to acquire. The parcel in question is 25-30-24-32-0169 and is a section of sidewalk in front of the Grand central lofts office that was never replatted during the redevelopment. Staff reached out to Grand Central Lofts to notify them that the parcel is in forfeiture and that it is in their best interest to purchase and replat the parcel.

Resolution 2022-109 confirms the classification of the subject properties and allows Anoka County to coordinate the sale of the property with the State.

RECOMMENDED MOTION(S):

MOTION: Move to waive the reading of Resolution No. 2022-109, there being ample copies available to the public.
MOTION: Move to adopt resolution No. 2022-109, approving the classification and sale of tax forfeit property in the City of Columbia Heights, MN.

ATTACHMENT(S):

1. Resolution 2022-109
2. Classification List
3. Anoka County Resolution 2022-118

RESOLUTION NO. 2022-109

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF COLUMBIA HEIGHTS, MINNESOTA APPROVING THE CLASSIFICATION AND SALE OF A TAX FORFEIT PROPERTY IN THE CITY OF COLUMBIA HEIGHTS, MN

WHEREAS, the City of Columbia Heights has received notification from the Anoka County Board of Commissioners that Out lot D Grand Central Lofts 2nd Add, PID 25-30-24-32-0169 has been classified as non-Conservation tax forfeited land; and

WHEREAS, the City of Columbia Heights has received notification from the Anoka County Board of Commissioners that Lot Ten (10), Block Seven (7), HILLTOP, PID 25-30-24-41-0028 has been classified as non-Conservation tax forfeited land; and

WHEREAS, the City of Columbia Heights has received notification from the Anoka County Board of Commissioners that The North Thirty (30) feet of Lot Two (2), Block Thirteen (13), Roslyn Park, PID 26-30-24-24-0195 has been classified as Non-Conservation tax forfeited land; and

WHEREAS, the City of Columbia Heights has received notification from the Anoka County Board of Commissioners that G-50 Incl 0.295% Int of Common Area Condominium No 7 Labelle, PID 36-30-24-32-0237 has been classified as Non-Conservation tax forfeited land; and

WHEREAS, the classification and sale of any tax forfeited land lying within the bounds of any incorporated municipality must be approved by the governing body of such municipality; and

WHEREAS, the City has no need for the above-mentioned parcels.

NOW THEREFORE, BE IT RESOLVED, Now, therefore, in accordance with the foregoing, and all ordinances and regulations of the City of Columbia Heights, the City Council of the City of Columbia Heights makes the following:

1. that the City of Columbia Heights has no need for a parcels described above and know by their PID#'s as: 25-30-24-32-0169, 25-30-24-41-0028, 26-30-24-24-0195, 36-30-24-32-0237; and

2. that the City of Columbia Heights hereby approves the classification and sale of these tax forfeit parcels; and

3. that the City Clerk is hereby authorized to submit a copy of this resolution to Anoka County for their records.

ORDER OF COUNCIL

Passed this 28th day of November, 2022
Offered by:
Seconded by:
Roll Call:

Amáda Márquez Simula, Mayor

Attest:

Sara Ion, City Clerk/Council Secretary

Anoka County
PROPERTY RECORDS & TAXATION DIVISION
Respectful, Innovative, Fiscally Responsible

October 26, 2022

Kelli J. Bourgeois, City Manager
CITY OF COLUMBIA HEIGHTS
590 40th Ave NE
Columbia Heights, MN 55421

RE: 2022 Classification List for Tax-Forfeited Property

25-30-24-32-0169	26-30-24-24-0195
25-30-24-41-0028	36-30-24-32-0237

Dear Kelli,

Enclosed you should find the following:

A. Resolution #2022-118 dated September 27, 2022, classifying certain forfeit lands in Anoka County.

B. A classification and sale approval form listing the lands classified in Resolution #2022-118 that lie within your jurisdiction, which is to be signed, sealed and returned to the county along with a copy of the motion or resolution of your governing body approving the classification and sale.

C. A form for the forfeit parcels shown on the list of forfeit lands in your jurisdiction to help us analyze and appraise the parcel. We ask that you complete and return these form(s) to the county. If the parcel has already been acquired or repurchased, we do not need this form.

D. A verification of special assessments form(s) that is to be completed, signed, sealed and returned to the county.

Chapter 282.01, Subdivision 1, of the Minnesota Statutes requires that the town board or governing body of a municipality must approve the classification and sale of forfeit parcels that lie within their jurisdiction. If disapproval of any parcel is not made within 60 days from the date of this letter, it is deemed that the town board or governing body has approved the classification and sale.

If the town board or governing body desires to acquire any parcel lying within the boundaries of the municipality, it shall, within 60 days of the request for classification and sale approval, file a written application with the county board to withhold the parcel from sale. The county board will then withhold the parcel from sale for six months.

If the town board or governing body fails to acquire the property within the withholding period, the county may offer it for sale upon expiration of the withholding period.

A municipality or township will have to pay maintenance costs incurred by the county (if any) during the six months the property is withheld from public sale, and if the parcel is not offered for public sale after the six-month period.

All parcels on the list are still within the repurchase period. If you desire to acquire any parcels still within the repurchase period, you can file an application which can be acted upon at the appropriate time, assuming the county board does not allow repurchase of the parcel.

If you have any parcels in your packet that are shown as withdrawn under Chapter 282.018, you can apply to acquire them or approve their sale, but a special bill will first have to be passed by the legislature before they could be sold to anyone. That is assuming the Department of Natural Resources (DNR) will support the sale and not require them to remain in public ownership as forfeit land.

We would like to have all the form(s) and paperwork returned by December 27, 2022 .

Thank you in advance for your assistance. If you have any questions, please do not hesitate to call me at 763-324-1121.

Sincerely,

Kristie Olson

Kristie Olson
Anoka County Land Commissioner

KO/jw
Enclosures

BOARD OF COUNTY COMMISSIONERS

Anoka County, Minnesota

DATE: September 27, 2022 **RESOLUTION #2022-118**

OFFERED BY COMMISSIONER: Meisner

2022 TAX-FORFEIT CLASSIFICATION OF NON-CONSERVATION PROPERTY FOR LAND SALE PURPOSES

WHEREAS, the real property described in the attached 2022 Tax-Forfeit Classification List (Exhibit A), has forfeited to the state of Minnesota for the failure to pay ad valorem real estate taxes pursuant to provisions Minnesota Statutes, Chapter 279, Chapter 280 and Chapter 281; and,

WHEREAS, Anoka County Board of Commissioners, Anoka County, Minnesota ("County Board"), has determined that it is advisable to sell the real property described in 2022 Tax-Forfeit Classification List; and,

WHEREAS, pursuant to the provisions of Minnesota Statute, Section 282.01, Subdivision 1, the County Board is required to classify all tax-forfeited property as conservation or non-conservation; and,

WHEREAS, the County Board has considered the present use of adjacent lands found in the 2022 Tax-Forfeit Classification List, the productivity of the soil, the character of forest or other growth, the accessibility of the lands listed to establish roads, schools, and other public services, and their peculiar suitability or desirability for particular uses; and,

WHEREAS, pursuant to the provisions of Minnesota Statutes, Section 282.01, Subdivision 1 (h), if the tax-forfeit property is located within the boundaries of an organized town or incorporated municipality, a classification, reclassification and sale must first be approved by the town board of the town or governing body of the municipality in which the lands are located; and,

WHEREAS, the town board of the town or the governing body of the municipality is considered to have approved the classification or reclassification and sale if the County Board is not notified of the disapproval of the classification or reclassification and sale within 60 days of the date the request for approval was transmitted to the town board of the town or governing body of the municipality; and,

WHEREAS, if the town board or a governing body of a municipality or a park and recreation board in a city of the first-class desires to acquire any parcel lying in the town or municipality, it may file a written request with the county auditor pursuant to the provisions of Minnesota Statutes, Section 282.01, Subdivision 1a; and,

WHEREAS, upon written request to the county auditor from a state agency or governmental subdivision of the state, a parcel of unsold tax-forfeited land must be withheld from sale or lease to others for a maximum of six months ("withholding period"); and,

WHEREAS, if the request is from a governmental subdivision of the state, the governmental subdivision must pay the maintenance cost incurred by the county during the period the parcel is withheld; and,

WHEREAS, if a town board, governing body of the municipality or a governmental subdivision wishes to purchase a parcel of tax forfeit property it shall do so during the withholding period; and,

WHEREAS, if the town board, governing body of the municipality or a governmental subdivision fails to submit an application and a resolution of the board or governing body to acquire the property within the withholding period, the county may offer the property for sale upon the expiration of the withholding period:

NOW, THEREFORE, BE IT RESOLVED that Anoka County, by and through its Board of Commissioners, does hereby classify each parcel shown on 2022 Tax-Forfeit Classification List as non-conservation and approved for sale, subject to review by the town boards, and governing bodies of municipalities in Anoka County under Minnesota Statutes, section 282.01.

BE IT FURTHER RESOLVED that the Anoka County land commissioner shall forward a copy of this resolution to the town board of any organized township and to the governing body of an incorporated municipality in Anoka County for their review.

BE IT FURTHER RESOLVED that if the town board or governing body of a municipality fails to notify the County Board of the disapproval of a classification and sale of any of the lands described herein within sixty days of the date, the request herein is transmitted to the town board or governing body of a municipality, it will be deemed to have approved the classification and sale.

BE IT FURTHER RESOLVED that if the town board or governing body desires to acquire any parcel lying in the town or municipality under Section 282.01, it shall, within sixty days of the request for classification and sale, file a written application with the County Board to withhold the parcel from public sale for six (6) months.

BE IT FURTHER RESOLVED that if a governmental subdivision files a written application with the County Board to withhold a parcel from public sale for six (6) months, the governmental subdivision shall pay maintenance costs incurred by the county during the six-month period while the property is withheld from public sale, provided the property is not offered for public sale after the six-month period.

BE IT FURTHER RESOLVED that if the town board or governing body of the municipality fails to submit an application and a resolution of the board or governing body to acquire the property within the withholding period, the county may offer the property for sale upon the expiration of the withholding period.

STATE OF MINNESOTA)
COUNTY OF ANOKA) ss

I, Dee Guthman, Deputy County Administrator, Anoka County, Minnesota, hereby certify that I have compared the foregoing copy of the resolution of the county board of said county with the original record thereof on file in the Administration Office, Anoka County, Minnesota, as stated in the minutes of the proceedings of said board at a meeting duly held on September 27, 2022, and that the same is a true and correct copy of said original record and of the whole thereof, and that said resolution was duly passed by said board at said meeting.

Witness my hand and seal this 27th day of September 2022.

DEE GUTHMAN
DEPUTY COUNTY ADMINISTRATOR

	YES	NO
DISTRICT #1 – LOOK	X	
DISTRICT #2 – BRAASTAD	X	
DISTRICT #3 – WEST	X	
DISTRICT #4 – MEISNER	X	
DISTRICT #5 – GAMACHE	X	
DISTRICT #6 – REINERT	X	
DISTRICT #7 – SCHULTE	X	

EXHIBIT A
ANOKA COUNTY TAX-FORFEIT CLASSIFICATION LIST 2022

Parcel Number	Description of Property
	CITY OF BLAINE
13-31-23-33-0002 ABSTRACT	LOT 1 BLOCK 1 KIRKS 4TH ADD
13-31-23-33-0003 ABSTRACT	LOT 2 BLOCK 1 KIRKS 4TH ADD
13-31-23-33-0004 ABSTRACT	LOT 3 BLOCK 1 KIRKS 4TH ADD
18-31-23-33-0079 ABSTRACT	LOT 14 BLOCK 3 CUSACK & CARLSONS BLAINE OAKS
31-31-23-22-0011 TORRENS CERTIFICATE #118134	The West 150.41 feet of the South 145 feet, front and rear, of the Northwest Quarter of the Northwest Quarter of Section 31 Township 31 North, Range 23, West of the Fourth Principal meridian according to the government survey thereof.
	CITY OF CIRCLE PINES
25-31-23-21-0015 TORRENS CERTIFICATE #73779	Lot Fourteen (14), Block Nine (9), "Corrected Plat of Blocks 7, 8, 9, 10, 11, 12, 13,18 and 19, Circle Pines-Part 1 East", according to the map or plat thereof on file and of record in the Office of the Registrar of titles within and for the County of Anoka and State of Minnesota.
	CITY OF COLUMBIA HEIGHTS
25-30-24-32-0169 ABSTRACT	OUTLOT D GRAND CENTRAL LOFTS 2ND ADD
25-30-24-41-0028 TORRENS CERTIFICATE #70001	Lot Ten (10), Block Seven (7), HILLTOP, according to the map or plat thereof on file and of record in the office of the Registrar of Titles in and for Anoka County, Minnesota.
26-30-24-24-0195 TORRENS CERTIFICATE #47337	The North Thirty (30) feet of Lot Two (2), Block Thirteen (13), Roslyn Park, according to the map or plat thereof on file and of record in the office of the Register of Deeds in and for Anoka County, Minnesota.
TORRENS CERTIFICATE #28285	Lot Two (2), Block Thirteen (13), EXCEPT the North Thirty (30) feet thereof, Roslyn Park, according to the map or plat thereof on file and of record in the office of the Register of Deeds in and for Anoka County, Minnesota.
ABSTRACT	Lot 1, Block 13, Roslyn Park, Anoka County, Minnesota
	CITY OF COLUMBIA HEIGHTS (CONTINUED)
36-30-24-32-0237 ABSTRACT	G-50 INCL 0.295% INT OF COMMON AREA CONDOMINIUM NO 7 LABELLE PARK CONDO SUBJ TO EASE OF REC
	CITY OF COON RAPIDS
03-30-24-22-0154 TORRENS CERTIFICATE #119751	Lot 2, Block 1, RIVER VILLAGE ESTATES 3RD ADDITION, CIC. NO. 101
	CITY OF EAST BETHEL
08-33-23-23-0012 ABSTRACT	THAT PRT OF N 300 FT OF SW1/4 OF NW1/4 OF SEC 8 TWP 33 RGE 23 LYG NWLY OF 219TH AVE NE & LYG ELY OF FOL DESC LINE: BEG AT A PT ON N LINE OF SD 1/4 1/4 564.20 FT WLY OF NE COR THEREOF, SD N LINE HAS AS SD BRG OF N 89 DEG 48 MIN 00 SEC W, TH S 2 DEG 59 MIN 10 SEC E 300.46 FT TO S LINE OF SD N 300 FT & SD LINE THERE TERM, EX RD, SUBJ TO EASE OF REC

	LINWOOD TOWNSHIP
04-33-22-21-0013 ABSTRACT	LOT 2 BLOCK 2 THE MARTIN LAKE SHORES
34-34-22-13-0004 ABSTRACT	THAT PRT OF SW1/4 OF NE1/4 SEC 34-34-22 LYG NELY OF C/L OF RYAN LAKE DR NE; EX RD; SUBJ TO EASE OF REC
	CITY OF NOWTHEN
33-33-25-43-0014 ABSTRACT	THAT PART OF THE E 500 FT SW1/4 OF SE1/4 OF SEC 33 TWP 33 RGE 25 LYING S OF C/L OF CO RD NO 64 & LYG W OF FOL DESC LINE: COM AT PT ON N LINE OF NW1/4 OF NE1/4 OF SEC 4 TWP 32 RGE 25, 864 FT E OF THE NW COR OF SAID NW1/4, TH N 34 DEG 05 MIN E 164 FT + OR - TO C/L OF CO RD NO 64 AND SD LINE THERE TERM, EX RD, SUBJ TO EASE OF REC
	CITY OF RAMSEY
10-32-25-33-0026 TORRENS CERTIFICATE #135697	That part of the Southwest Quarter of the Southwest Quarter, Section 10, Township 32, Range 25, Anoka County, Minnesota described as follows: Commencing at the southwest corner of said Southwest Quarter of the Southwest Quarter; thence on an assumed bearing of North 00 degrees 28 minutes 10 seconds West, along the West line of said Southwest Quarter of the Southwest Quarter, a distance of 523.30 feet; thence North 89 degrees 59 minutes 43 seconds East, parallel with the south line of said Southwest Quarter of the Southwest Quarter, a distance of 247.46 feet to the point of beginning of the parcel to be described; thence continue North 89 degrees 59 minutes 43 seconds East, a distance of 139.44 feet; thence North 14 degrees 19 minutes 18 seconds East, a distance of 118.40 feet; thence North 75 degrees 40 minutes 42 seconds West, a distance of 33.00 feet; thence southwesterly 173.26 feet along a non-tangential curve concave to the northwest having a radius of 149.02 feet, a central angle of 66 degrees 37 minutes 05 seconds and a chord bearing of South 56 degrees 40 minutes 53 seconds West; thence South 00 degrees 00 minutes 17 seconds East, a distance of 33.00 feet to the point of beginning.
19-32-25-13-0024 TORRENS CERTIFICATE #131743	Outlot B, NORTHFORK ITASCA SHORES ADDITION

COLUMBIA HEIGHTS
REDISCOVER THE HEIGHTS

CITY COUNCIL MEETING

AGENDA SECTION	**CONSENT**
MEETING DATE	**NOVEMBER 28, 2022**

ITEM:	**Resolution 2022-113, being a Resolution in Support of Anoka County Joint Law Enforcement Council's Renewal of Legislation for Future Public Safety Projects**
DEPARTMENT: Police/Fire	**BY/DATE: Chief Lenny Austin, Nov 21, 2022**

CITY STRATEGY: *(please indicate areas that apply by adding a bold "**X**" in front of the selected text below)*

X Safe Community	_Diverse, Welcoming "Small-Town" Feel
X Economic Strength	_Excellent Housing/Neighborhoods
_Equity and Affordability	X Strong Infrastructure/Public Services
_Opportunities for Play and Learning	_Engaged, Multi-Generational, Multi-Cultural Population

BACKGROUND:
The Anoka County Joint Law Enforcement Council (JLEC) is a group comprised of Elected Officials and Chief Law Enforcement Officers from across Anoka County. Mayor Márquez Simula and Chief Austin represent Columbia Heights in this group.

The JLEC works on countywide projects that impact public safety and does so in the spirit of cooperation in an effort to provide cohesion in a cost-effective manner that benefits all municipalities with economy of scale. One important piece of the Anoka County JLEC that was passed years ago was a state statute that authorizes a Public Safety Levy that can be used by the Anoka County Board for public safety projects that the JLEC first approves. That Public Safety Levy is drawn out separately on tax statements but is part of the County's overall Certified Levy. When that statute was passed by the State of Minnesota (with some discussion), it was set to expire at the end of 2023. At the time of the creation of the statute, all of the Cities and Townships in Anoka County passed resolutions of support for the statute to the State of Minnesota.

As that statute is set to expire at the end of 2023, we have had discussions at JLEC and at the Anoka County Chiefs Association about keeping that statute in place. The statute doesn't dictate how much we levy, rather just authorizes the levy to occur for approved projects. The Public Safety Levy has been used for various large projects in the past with Countywide implications, including 800-megahertz two-way radio implementation and the Anoka County Public Safety Data System (which is our CAD dispatch system, records system, etc.).

RECOMMENDED MOTION(S):

MOTION: Move to waive the reading of Resolution 2022-113, there being ample copies available to the public.

MOTION: Move to adopt Resolution 2022-113, being a Resolution in Support of Anoka County Joint Law Enforcement Council's Renewal of Legislation for Future Public Safety Projects.

ATTACHMENT(S): Resolution 2022-113
Draft of proposed legislation 383E.21

RESOLUTION NO. 2022-113

Resolution In Support of Anoka County Joint Law Enforcement Council's Renewal of Legislation for Future Public Safety Projects

Whereas, the Anoka County Joint Law Enforcement Council (JLEC), a joint powers board, was formed in 1970 to benefit the public safety of the citizens of Anoka County; and

Whereas, the JLEC has over five decades of experience successfully creating and managing shared services for its member communities.

Whereas, the City of Columbia Heights has actively participated in the JLEC through the participation of our chief law enforcement officer and our elected officials; and

Whereas, the safety of the public and police and fire personnel will be enhanced by improvements from future county-wide projects; and

Whereas, both residents of and public safety agencies in Anoka County have benefited from improved public safety, increased effectiveness, and resource conservation due to the resulting economies of scale provided by shared and consolidated services; and

Whereas, the JLEC desires to implement future shared public safety projects to help law enforcement, fire, jail, dispatch, and emergency preparedness agencies render the highest quality of public safety services to the populations they serve; and

Whereas, Minn. Stat. 383E.21 has authorized the County of Anoka to levy property taxes for public safety improvements and equipment, and to issue capital improvement bonds and capital notes for such public safety projects as are approved by the JLEC until Dec. 31, 2023; and

Whereas, members of the JLEC supports a legislative change to allow the use of the bonding and capital notes issuance authority, provided in Minnesota Statute 383E.21, to fund countywide public safety projects until Dec. 31, 2033;

Now, Therefore, be it resolved that the City Council of the City of Columbia Heights does with this action, support and endorse the extension of the existing bonding and capital note issuance authority under Minn. Stat. 383E.21 until Dec. 31, 2033; and

Be it further resolved that the City Council does hereby support this expansion of the public safety bonding and capital note issuance authority, provided by Minn. Stat. 383E.21, to county-wide public safety projects.

ORDER OF COUNCIL

Passed this 28th day of November 2022

Offered by:
Seconded by:
Roll Call:

_____
Amáda Márquez Simula, Mayor

Attest:

_____
Sara Ion, City Clerk

383E.21 COUNTYWIDE PUBLIC SAFETY IMPROVEMENTS AND EQUIPMENT; BONDING AND TAX LEVIES.

Subdivision 1. **Authority to levy property taxes and incur debt.** (a) To finance the cost of designing, constructing, and acquiring countywide public safety improvements and equipment, including personal property, benefiting both Anoka County and the municipalities located within Anoka County, the governing body of Anoka County may levy property taxes for public safety improvements and equipment, and issue:

(1) capital improvement bonds under the provisions of section 373.40 as if the infrastructure and equipment qualified as a "capital improvement" within the meaning of section 373.40, subdivision 1, paragraph (b); and

(2) capital notes under the provisions of section 373.01, subdivision 3, as if the equipment qualified as "capital equipment" within the meaning of section 373.01, subdivision 3. Personal property acquired with the proceeds of the bonds or capital notes issued under this section must have an expected useful life at least as long as the term of debt.

(b) The outstanding principal amount of the bonds and the capital notes issued under this section may not exceed $8,000,000 at any time. Any bonds or notes issued pursuant to this section must only be issued after approval by a majority vote of the Anoka County Joint Law Enforcement Council, a joint powers board.

Subd. 2. **Treatment of levy.** Notwithstanding sections 275.065, subdivision 3, and 276.04, the county may report the tax attributable to any levy to fund public safety capital improvements or equipment projects approved by the Anoka County Joint Law Enforcement Council or pay principal and interest on bonds or notes issued under this section as a separate line item on the proposed property tax notice and the property tax statement.

Subd. 3. Any levy issued pursuant to this section shall not be included within the certified levy of the county.

Subd. ~~3~~ 4. **Expiration.** This section expires on December 31, ~~2023~~ 2033. The county may not issue a bond or note under this section with a maturity or payment date after the expiration date of this section. No property tax may be levied under this section for taxes payable in a calendar year after the calendar year in which this section expires. Expiration of this section does not affect the obligation to pay or the authority to collect taxes levied under this section before its expiration.

History: *2002 c 390 s 27; 2005 c 28 s 1; 2011 c 112 art 11 s 12; 2014 c 308 art 2 s 14,15*

COLUMBIA HEIGHTS
REDISCOVER THE HEIGHTS

CITY COUNCIL MEETING

AGENDA SECTION	**CONSENT**
MEETING DATE	**NOVEMBER 28, 2022**

ITEM:	**Final Compensating Change Order and Payment for 37th Avenue Water Main Rehabilitation, City Project 2203**

DEPARTMENT: Public Works

BY/DATE: Kevin Hansen / November 22, 2022

CITY STRATEGY: *(please indicate areas that apply by adding a bold "**X**" in front of the selected text below)*

_Safe Community	_Diverse, Welcoming "Small-Town" Feel
_Economic Strength	_Excellent Housing/Neighborhoods
_Equity and Affordability	**X**_Strong Infrastructure/Public Services
_Opportunities for Play and Learning	_Engaged, Multi-Generational, Multi-Cultural Population

BACKGROUND: On January 10, 2022 the City Council authorized staff to seek bids for the Water Main Lining and Rehabilitation Project. The City Council previously authorized the design for structurally lining the following water mains in 2022:

- 37th Avenue from Central Avenue to Lincoln Street
- Pierce Street from 37th Avenue to the cul-de-sac
- Lincoln Street from 37th Avenue to the cul-de-sac

The water lining construction was completed in July 2022 and in advance of the 37th Avenue road reconstruction scheduled for 2023. In total, 3,735 feet of 6" cast iron pipe was lined. Twenty-three gate valves were replaced or installed and six hydrants were moved and replaced. The engineers proposed cost of the water lining project for 2022 was $1,890,000.00. Fer-Pal Construction USA LLC submitted a bid of $998,851.00. The lower-than-expected bid allowed for an additional 6" watermain in front of the new City Hall to be lined. The additional watermain lining from Gould Avenue to 40th Avenue along Central Avenue was approved by the council on May 23, 2022 at a cost of $98,622.38. Additional costs were incurred outside the original scope of work for the project, and a second compensating change order is required for water service connections along Gould Avenue. The cost of that work is $8,615.25. Federal money through the American Rescue Plan Act (ARPA) offset much of the cost for Pierce and Lincoln Streets and allowed the city to rehabilitate nearly twice as much watermain. The bid price allowed for additional lining along Central Avenue. The final payment due is $146,227.94. The final contract cost of the project was $1,065,759.50.

STAFF RECOMMENDATION: Staff recommends payment to Fer-Pal Construction USA LLC and acceptance of the work. The Engineer's Report of Final Acceptance is attached.

RECOMMENDED MOTION(S):

MOTION: Move to approve the final compensating change order and accept the work for 37th Avenue Water Main Rehabilitation, City Project 2203, and authorize final payment of $146,227.94 to Fer-Pal Construction USA LLC.

ATTACHMENT: Engineer's Report of Final Acceptance
Final Compensating Change Order

FINAL COMPENSATING CHANGE ORDER

Project: 2022 37th Ave NE Watermain Lining **City Projects: 2203**

Owner: City of Columbia Heights 637 - 38th Avenue N.E. Columbia Heights, MN 55421 Contractor: Fer-Pal Construction USA LLC 1350 Gasket Drive Elgin, IL 60120	Date of Issuance: 11/11/2022 Engineer: City Engineer

You are directed to make the following changes in the Contract Documents:

Description: Change in original contract price to compensate for additional work added to the contract by the City.

Purpose of Change Order: The contract has been modified to include the following:

CHANGE IN CONTRACT PRICE	**CHANGE IN CONTRACT TIME**
Original Contract Price: $ 998,851.00	Original Contract Time: 2022
Additions to the contract approved by Council $ 98,622.38	Net Change from Previous Change Order: N/A
Contract Price Prior to this Change Order: $ 1,097,473.38	Contract Time Prior to this Change Order: 2022
Net Increase of this Change Order: $ 8,615.25	Net Increase (Decrease) of Change Order: N/A
Contract Price with all Approved Change Orders: $ 1,106,088.63	Contract Time with Approved Change Orders: N/A
Approved By: _____ City Engineer	Approved By: _____ (Contractor)

_____ _____ _____

City Manager Kelli Bourgeois Mayor Amada Marquez-Simula Date of Council Action

Attachment to Final Compensating Change Order - City Project No. 2203

Owner: City of Columbia Heights
Contractor: Fer-Pal Construction USA LLC
Project: 37th Ave NE Watermain Lining

Description of Changes:

The following work for additions, changes, or modifications to the contract documents was requested:

- Item 1: Additional watermain lining and valve installation between Gould Avenue NE and 40th Avenue NE along Central Avenue NE

  An additional section of 6" cast iron pipe was added to the contract. The watermain broke during the demolition of the Northeast Bank Building and was left off for two years. The line was included in the contract after receiving bids and determining the cost of replacement. The lining of the watermain along Central required Gould Avenue NE to be closed for a period of time, and additional cost for traffic control was also included in the change order. Item 1 was approved by the City Council on May 23, 2022, at the regular City Council Meeting.

  Items 2-5: Move the water services for properties near the corner of Gould Avenue and Central Avenue

  The service connections and water lines near the new valve locations on Gould Avenue needed to be moved. The water service lines were relocated east of the new valves and reconnected to the water main on Gould Avenue NE.

No.	Item Description	Unit	Unit Price	Quantity	Total
1	Approved CO1 from 5/23/22 City Council Meeting	Each	$98,622.38	1	$98,622.38
2	1" Corporation	Each	$510	8	$4,080.00
3	1" Type K Copper	LF	$78.00	40	$3,120.00
4	Connect to Existing Service	Each	$335.00	3	$1,005.00
5	Mobilization	Each	$410.25	1	$410.25
Change Order Project 1705					$107,237.63

Fund: Water Infrastructure Fund 651-9600

Building a Better World for All of Us®

November 9, 2022

RE: City of Columbia Heights, MN
37th Avenue Water Main Rehabilitation Program
Recommendation Final Payment
SEH No. COLHT 166816

Kevin Hansen, PE
City Engineer
City of Columbia Heights
638 38th Avenue NE
Columbia Heights, MN 55421

Dear Kevin:

The following documents for the above-referenced project were previously sent to you on October 31, 2022:

- Application for Payment No. 4 (Final) dated 10/27/22
- Warranty Bond dated October 18, 2022
- Withholding Affidavit for Contractors and Subcontractors (IC 134 form) dated 10/28/22

We have reviewed the Application for Payment and all close out documentation, and recommend payment to Fer-Pal Construction USA LLC in the amount of $146,227.94. This represents 100% completion of the work.

The 3-year warranty period will commence with the final payment for this project. To ensure that any needed corrections are addressed during this warranty period, a final inspection of the project will be made prior to warranty expiration and the findings reported to the City.

Please don't hesitate to contact me with any questions or comments. Thank you.

Sincerely,

David Hutton, PE
Lic. MN, ND, WI
Project Manager

c: Fer-Pal Construction USA LLC
x:\ae\c\colht\166816\7-const-svcs\73-app-pymt\final paperwork\afpfinal_city doc ltr.docx

COLUMBIA HEIGHTS
REDISCOVER THE HEIGHTS

CITY COUNCIL MEETING

AGENDA SECTION	**CONSENT**
MEETING DATE	**NOVEMBER 28, 2022**

ITEM*:*	**Refuse Cart Purchase**
DEPARTMENT: Public Works	**BY/DATE:** Kevin Hansen & Jesse Davies/November 22, 2022

CITY STRATEGY: *(please indicate areas that apply by adding a bold "**X**" in front of the selected text below)*

_Safe Community	_Diverse, Welcoming "Small-Town" Feel
_Economic Strength	_Excellent Housing/Neighborhoods
X_Equity and Affordability	_Strong Infrastructure/Public Services
_Opportunities for Play and Learning	_Engaged, Multi-Generational, Multi-Cultural Population

BACKGROUND: The current refuse hauling contract ends December 31, 2022. One item that is part of the Refuse plan previously reviewed with the Council replacement of the 16,300 carts currently owned by the City.

City purchased carts in the field from Advanced Disposal/Veolia in 2017. Most of those carts were manufactured in 2009. We also have several carts provided by Waste Management, but still owned by the City. So we have a mix of cart brands and cart ages currently in use on the street. In the 2018 Solid Waste Operating Policy it was a stated goal to purchase city "branded" carts for residential use and that goal was reaffirmed in the 2022 update.

The price of carts depends on:

1. The price of plastic resin at the time the carts are bid.
2. The size of the carts.
3. Special cart add-ons (e.g.: QR code for multi-language & instructions, four-color City logo, recycling instructions permanently imbedded in the lid, etc.).
4. The size of the cart order (volume discount).
5. Services accompanying cart purchase (assembly of carts, placement of carts at homes, removal of the old cart, construction of a database with the address, cart ID, education of customers, etc.).

Staff evaluated carts from four manufacturers. Staff is recommending carts from Rehrig-Pacific which are available from the cooperative purchasing organization, Sourcewell. The first year of the five year replacement program is for $200,700 to purchase carts and extra parts this year for distribution starting early 2023. We will need to amend our current 2022 budget to accommodate this purchase. The cart lids colors will be based on the MPCA color scheme for solid waste lines i.e. black for trash, blue for recycling, and green for organics. We assume blue cart body with white logo print on the sides is acceptable, although black body carts have the highest recycle content. The plan will be to phase in city branded carts as the current carts wear out or are exchanged for various reasons (worst-first). Staff plans to have all carts switched out over five years or approximately 3,300/year.

STAFF RECOMMENDATION: Authorize a purchase contract with Sourcewell for the purchase of 3,000 Rehrig-Pacific carts at cost of $200,700 total, including delivery. Funding will be provided by the Refuse Fund.

RECOMMENDED MOTION(S):
MOTION: Move to approve the purchase of 3,000 carts through the Sourcewell Cooperative Purchasing Contract at a price of $200,000 with funding from the Refuse Fund 603, and amending the 2023 Refuse Budget in the amount of $200,000 and, furthermore, to authorize the Mayor and City Manager to enter into a contract for the same.

ATTACHMENT(S): Rehrig Pacific data sheet

Columbia Heights, MN Carts

REHRIG PACIFIC COMPANY

Authored by: Brittany Sorgenfrie - Environmental Sales Representative

THE LEADER IN END TO END ENVIRONMENTAL SOLUTIONS.

Rehrig Pacific is the leading manufacturing partner to the waste and recycling industry providing a complete end-to-end solution.

core We manufacturer sustainable injection molded residential roll-out carts, recycling bins, and industrial containers at our eight plants across North America.

vision We offer a technology solution to improve visibility for collections, routing, work orders and inventory management.

services Our best-in-class service team helps our customers focus on their core business while we manage their Assembly and Distribution, as well as a complete Cart Maintenance program.

Working together, all these solutions provide long-term sustainable benefits.

Leaders in sustainable cart manufacturing

Our line of sustainable smart carts is the result of Rehrig Pacific's unique manufacturing expertise: We've developed a first-of-its-kind process that allows us to combine virgin plastic with unmatched volumes of recycled material. The result is a product that contains more recycled material than previously thought possible, without compromising the structural integrity or desired brand appearance of the final product.

oceancore™ envirocore enviroguard

up to **40%** Post Consumer Recycle
including **10%** Ocean Bound Plastic

up to **40%** Post Consumer Recycle
including **10%** Curbside Bulky Ridge

up to **50%** Post Consumer Recycle

REHRIG PACIFIC COMPANY
4010 East 26th Street
Los Angeles, CA 90058
323-262-5145
800-421-6244
info@rehrig.com
rehrigpacific.com

Cart Details

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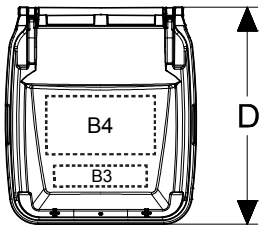
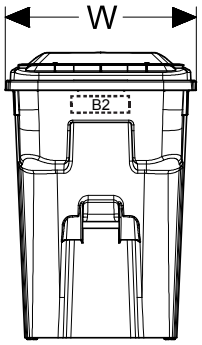
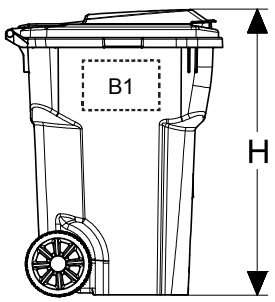
95 Gallon EnviroGuard Roll Out Cart

vision.







Specifications	IN/LB	CM/KG
Capacity (Gallons / Liters)	95 Gal	360 L
Overall Depth (D)	33.3	84.5
Overall Width (W)	29.2	74.1
Overall Height with Lid (H)	43.5	110.4
53' Trailer Quantity	702	

Decoration Areas	WIDTH (IN)	HEIGHT (IN)
Side Brand - Hot Stamp (B1)	11.5	7.5
Barcode & Serial Number (B2)	9.75	1.25
Lid Brand - Hot Stamp (B3)	11.0	2.25
4 Color In Mold Label or Hot Stamp (B4)	12.0	8.0

Features & Benefits

- Proven to withstand the rigors of today's household refuse, recyclables and organics collection programs; Backed by 10 year non-prorated warranty
- Meets/Exceeds all ANSI type B & G container standards; Compatible with all ANSI certified Fully and Semi-Automated Lift Arm Lifters
- Constructed of high quality, resilient UV-Stabilized HDPE; Ability to include Post-Consumer Recycled (PCR) material to support your sustainability goals; Available in a wide range of colors
- Continuous one-piece handle provides strong gripping area designed to provide optimum control of a fully loaded cart while the wide wheelbase is designed for easy maneuvering
- Lid is of one-piece construction with a lid handle throughout the front of the lid
- Carts are shipped with lids already attached reducing assembly time
- One piece blow-molded wheels snap on (BMSO) with integrated spacers, taking seconds to assemble
- Permanently imprint cart bodies and/or lids with customized Hot Stamp Branding of Logos and Recycling Slogans; Multi-Colored In Mold Labels (IML's) are also available
- Barcode & Serial Number imprinted to facilitate A&D distribution and manual inventory control and work order tracking
- RFID Tag Enabled option provides innovative asset and participation tracking programs powered by RVision
- Many additional services and technology offerings available and powered by RVision to improve capital utilization, enhance customer experience and prevent capital and revenue losses
- Additional Cart Options: Internal and external locking lids, lid cut outs or vents, locking options, and lid stops

Corporate Headquarters
4010 East 26th St., Los Angeles, CA 90058
(800) 421-6244 • (323) 262-5145

Locations
Los Angeles, CA • Orlando, FL • Atlanta, GA • De Soto, KS
Erie, PA • Dallas, TX • Kenosha, WI • Quebec, Canada
Querétaro, Qro., Mexico

Web: www.rehrigpacific.com

Rehrig Pacific Company SINCE 1913

A FAMILY TRADITION OF GROWTH, SERVICE AND IN

95GallonEnviroGuardROC-REV NC
© 2017 Rehrig Pacific Company

Cooperative Purchasing Partnerships

© 2022 Rehrig Pacific Company

Cooperative Purchasing

Sourcewell

Compliant, Competitive, and Convenient

Contracts for government, education, and nonprofits

Accomplish More

As a leader in cooperative purchasing, we are passionate about helping public agencies fulfill their public service missions.

We are building stronger relationships with agencies and suppliers to develop practical solutions together.

Learn how we can serve you. For contract documents and participating agency information, visit:

sourcewell-mn.gov

877-585-9706

Supplier related questions:

Jack Weber
949-254-5781
jweber@rehrig.com

Rebecca Vara
610-909-5099
rvara@rehrig.com

Compliant

- Trusted process satisfies bid requirements
- Government agency that works like you
- Achievement of Excellence in Procurement recipient

Competitive

- Buying power of 50,000 participating agencies

Convenient

- More than 400 trusted brands under contract
- Full catalog of options for a complete solution
- Easy, no-cost registration to use

Rehrig Pacific Company SINCE 1913

Contract #041521-REH

Warranty

© 2022 Rehrig Pacific Company

Rehrig Pacific Company - Roll Out Cart Limited Warranty

Rehrig Pacific Company warrants that its standard Roll Out Cart products when purchased new will conform to all applicable manufacturer's specifications, will be free from defects in material and workmanship, and will be fit for normal use in accordance to the terms below from the original date of purchase. The coverage under this warranty includes performance of the cart body, lid, lid attachments, wheels, axles, locks, and all hardware included with the purchased containers, and expressly excludes the normal wear and tear of graphics (including lid graphics). It is the responsibility of the buyer to ensure the product is fit for their specific application, and that proper education and training has been provided throughout their collection process. This warranty applies only to the first purchaser of the covered product.

10 Years	Body, lid and attachments, wheels, axle, grab bar
12 Months	Locks and any other lid restraint devices and associated hardware

Warranty Coverage Exclusions:

(1) use under circumstances exceeding specifications, (2) buyer or user abuse, improper operation, misapplication, induced contamination, overloading, misuse, negligence, vandalism, or use inconsistent with ANSI and manufacturer specifications, (3) damage or failure as a result of incompatible, improperly installed, improperly operated, or defective tipping, lifting, or dumping mechanisms, (4) physical damage caused by wildlife, (5) damage due to handling practice inconsistencies as a result of undefined handling standards and/or training programs, (6) unauthorized or improper repair or alteration, including performance enhancements and/or modifications, (7) damage or failure as a result of neglect in inspections and maintenance in accordance with any published schedules provided by Rehrig Pacific Company, (8) damage or failure caused by natural calamities such as fire, storm, ice, hail, flooding, or high winds, (9) lock or opening issues caused by excessive ice, debris, or residue.

Administration of Warranty:

Any covered component that fails during the applicable warranty period will (at Rehrig Pacific Company's discretion) be repaired or replaced and shipped to Buyer via standard ground shipping at no cost to Buyer provided that:

(1) Buyer notifies Rehrig Pacific Company in writing no later than the end of the applicable warranty period of the claimed defect;

(2) Buyer agrees that Rehrig Pacific Company shall have the right to (i) inspect and test the allegedly defective product(s) and (ii) require Buyer to provide supporting documentation and maintenance records substantiating Buyer's compliance with ANSI and truck manufacturer specifications relating to use of the product(s) in connection with Buyer's other machinery, such as lifting, tipping or dumping mechanisms on trucks;

(3) Determination of the cause of the alleged failure or defect shall be made in the good faith judgment of Rehrig Pacific Company;

(4) Buyer agrees to return to Rehrig Pacific Company any defective product(s) being claimed. In order to receive a replacement part or warranty credit, Rehrig Pacific Company MUST receive the defective products / material. Buyer agrees to empty, disassemble and stack containers for shipment. Rehrig Pacific Company shall be responsible for arranging shipping and associated freight charges.

(5) Warranty claims and any escalation thereof shall be made on Rehrig Pacific's standard electronic warranty form, on which Buyer shall include the serial number of the defective product(s), and the location at which Buyer took delivery of the product(s) at the time of initial purchase. Any warranty claim made by any means other than Rehrig Pacific's standard electronic warranty form shall be rejected.

(6) Any replaced cart or component will assume the remainder of the applicable warranty from the product's original purchase date.

(7) Buyer is responsible for the removal and redeployment and/or reinstallation of any warrantied carts or components.

(8) Buyer is responsible for verifying that Buyer is the "first purchaser" of the defective product(s). "First purchaser" means the legal entity that actually purchased the defective product(s) either directly or through a financing institution that purchased the product(s) solely for Buyer's benefit. Any event or series of events in which the principal owners of Buyer as of the date of purchase collectively no longer own greater than percent (50%) of the beneficial, economic or voting interests of Buyer, or any transfer of Buyer's assets pursuant to which ownership of the product(s) transfers to a third party, shall nullify this warranty.

Buyer may contact their Rehrig Pacific Company Customer Service Representative with questions regarding their Roll Out Cart product and this warranty.

Rehrig Pacific Company will not be liable for any incidental or consequential damages, claims of loss of business, loss of profits, loss of income or any other losses or expense. Rehrig Pacific Company's liability shall not, under any circumstances, exceed the purchase price of the allegedly defective product. This warranty is in lieu of, and Rehrig Pacific Company expressly disclaims, any other warranty, express or implied, including any implied warranty of merchantability or fitness for a particular purpose.

Rehrig Pacific Company reserves the right to deny any claim under this warranty if Buyer is not current on all outstanding invoices.

Many jurisdictions have codes and regulations governing sales, construction, installation, and/or use of products for certain purposes, which may vary from those in neighboring areas. Rehrig Pacific Company cannot guarantee compliance with such codes or regulations and cannot be responsible for how the Roll Out Cart product is deployed or used. Before purchase and use of a Roll Out Cart product, review the product applications, and all applicable national and local codes and regulations, and be sure that the product, installation, and use will comply with them.

COLUMBIA HEIGHTS
REDISCOVER THE HEIGHTS

CITY COUNCIL MEETING

AGENDA SECTION	**ITEMS FOR CONSIDERATION**
MEETING DATE	**NOVEMBER 28, 2022**

ITEM:	**Renew Annual Audit Contract with Redpath and Company for 2022 at $52,500 and for 2023 at $56,000**
DEPARTMENT: Finance	**BY/DATE:** Joseph Kloiber, Finance Director/Nov 21, 2022

CITY STRATEGY: *(please indicate areas that apply by adding a bold "**X**" in front of the selected text below)*

_Safe Community	_Diverse, Welcoming "Small-Town" Feel
X Economic Strength	_ Excellent Housing/Neighborhoods
_ Equity and Affordability	**X** Strong Infrastructure/Public Services
_Opportunities for Play and Learning	_ Engaged, Multi-Generational, Multi-Cultural Population

BACKGROUND:
The City has used the CPA firm, Redpath and Company, for its annual financial audit for more than 20 years. With the 2021 renewal of their contract, Redpath requested and received a base fee increase for the first time since the audit was last publicly bid in 2012.

When the 2021 increase was requested, the unprecedented inflation experienced throughout the economy in 2022 was unforeseen. Also, certain state and federal mandates requiring additional audit testing are first effective for 2022 and 2023. Most critically, the difficulties hiring staff that many businesses are experiencing is particularly acute right now within CPA firms. For these reasons, Redpath is requesting a significant increase to renew the audit contract for 2022.

The staffing shortage within CPA firms is causing an unprecedented reduction of services available compared to prior years. For example, the firm KDV is a primary competitor of Redpath in Minnesota. For many years, KDV has performed the separate annual audit required for the City's paid-on-call (POC) firefighter retirement fund. Due to staffing shortages, KDV has recently decided that they will no longer be performing any fire retirement fund audits. Due to staffing shortages, Redpath and Co. has also declined to take on any new fire retirement fund audits. At this time, it is uncertain how the City's POC firefighter retirement fund will obtain a 2022 audit by the June 30, 2023, statutory deadline. This is the case for a number of fire retirement funds in Minnesota as well.

Staff finds Redpath's work to be well-planned. Their client base, which includes many area cities, contributes to this good planning. Their in-depth prior knowledge of the City's finances provides a certain stability to offset the significant change experienced by the City when it implemented new accounting software in 2021 and 2022, and when it will move to a new city hall in 2023.

Although the requested 2022 fee increase is significant, staff estimates that:

A. Based on the current market, there likely would not be a reasonable number of competitive responses received if a formal request for proposals was publicly issued at this point in the 2022 audit cycle.

B. We cannot be sure how long this current CPA staffing shortage will last or if it will get even worse next year. To reduce the risk of a worse situation next year, it is advisable to condition the City's acceptance of the increased fee on extending the agreement for two years rather than just one year.

C. The increased fee proposed by Redpath for 2022 and 2023 is likely not significantly different than the responses the City will receive when it does eventually publicly issue a formal request for proposals for 2024 during the large window of time provided by a two-year agreement for 2022 and 2023.

	FY21 Redpath contract 2021-4041	FY22 Proposed	FY23 Proposed
AUDIT SERVICES			
Base Audit Fee	37,000	39,000	42,000
Increased Audit Procedures for New Rules	-	3,000	3,000
Federal Grants Audit - 1 Major Program	3,600	7,000	7,000
NONAUDIT SERVICES			
Pension & OPEB prep	2,500	3,500	4,000
TOTAL	**43,100**	**52,500**	**56,000**

RECOMMENDED MOTION(S):

MOTION: Move to renew the annual audit contract with Redpath and Company for 2022 at $52,500 and for 2023 at $56,000.

ATTACHMENT(S):

Proposed Redpath & Company Engagement Letter FY2022 and FY2023

November 18, 2022

Joe Kloiber
City of Columbia Heights
590 40th Avenue Northeast
Columbia Heights, MN 55421

This letter defines the agreement with respect to the terms and objectives of our engagement and the nature and limitations of the services Redpath and Company, Ltd. and affiliated entities (herein referred to as Redpath and Company) will provide to the City of Columbia Heights, Minnesota for the years ended December 31, 2022 and December 31, 2023.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements of the City of Columbia Heights, Minnesota as of and for the years ended December 31, 2022 and December 31, 2023. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City of Columbia Heights, Minnesota's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City of Columbia Heights, Minnesota's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- Management's Discussion and Analysis
- Budgetary Comparison Schedules presented as RSI
- Schedule of Changes in the Total OPEB Liability and Related Ratios
- Schedules of Proportionate Share of Net Pension Liability
- Schedules of Pension Contributions

We have also been engaged to report on supplementary information other than RSI that accompanies the City of Columbia Heights, Minnesota's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements:

- Combining and Individual Nonmajor Fund Financial Statements and Schedules
- Schedule of expenditures of federal awards (if applicable)

In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

- Introductory Section
- Statistical Section

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

We will also issue a report on compliance based on the *Minnesota Legal Compliance Audit Guide for Cities*, promulgated by the State Auditor pursuant to Minnesota Statute 6.65.

Auditor's Responsibilities for the Audit of the Financial Statements and Single Audit

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; the provisions of the Uniform Guidance; and the minimum procedures for auditors as prescribed by Minnesota Statute 6.65, and will include tests of your accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of certain assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

Audit Procedures – Internal Control

We will obtain an understanding of the entity and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Columbia Heights, Minnesota's compliance with the provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City of Columbia Heights, Minnesota's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the City of Columbia Heights, Minnesota's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

The *Minnesota Legal Compliance Audit Guide for Cities* requires that we test whether the entity has complied with certain provisions of Minnesota statutes. Our audit will include such tests of the accounting records and other procedures as we consider necessary in the circumstances.

Other Services

We will also assist with the following other services based on information provided by you:

- Preparation of the financial statements, the schedule of expenditures of federal awards and related notes in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance
- Preparation of pension related workpapers and journal entries
- Preparation of OPEB related workpapers and journal entries

These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the services defined above. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statements, the schedule of expenditures of federal awards, and related notes, the other services listed above, and any other nonattest services we provide. You will be required to acknowledge in the management representation letter our assistance with the nonaudit services listed above, that you have reviewed and approved those services prior to the issuance of the financial statements, and that you have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes) rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, or grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review upon the commencement of our audit.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19 related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you

believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Engagement Administration, Fees and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide copies of our reports to the City of Columbia Heights, Minnesota; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Redpath and Company and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to oversight agencies, regulators, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for the purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Redpath and Company personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

Unless additional work is requested or required, our fee for these services will be as follows:

	2022	2023
Financial audit, including copying and binding of ACFR	$39,000	$42,000
Increased audit scope as a result of new GASB pronouncements	3,000	3,000
Single audit (assumes one major program)	7,000	7,000
Nonaudit services related to GASB 68 and 75 disclosures/calculations	3,500	4,000
Total	$52,500	$56,000

Out-of-pocket costs, such as confirmation and courier fees, will be billed in addition to the fees stated above. We bill our fees monthly as work progresses and expect payment within thirty (30) days. Each invoice includes a detailed description of the services provided. Amounts over thirty (30) days will be considered delinquent. We reserve the right to assess a 1.5% per month service charge on any balance older than thirty (30) days. In the event it becomes necessary to refer this account to an attorney for collection (whether or not suit is commenced), you will be responsible for payment of all reasonable costs of such collections, including reasonable attorney fees. Our policy is to suspend work if your account becomes overdue by sixty (60) days or more, and work will not be resumed until your account is paid in full. Should we elect to discontinue services, you will be responsible for all time and expenses incurred through the date of termination regardless of whether we have issued a report or other final product.

The above fees are based on the anticipated scope of services, anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered. The following circumstances may result in a change in scope of services and an increase in fees:

- Significant audit adjustments, internal control deficiencies or compliance findings,
- New accounting standards,
- Failure to complete the preparation work by the applicable due dates,
- Inaccurate records,
- Turnover in your staff,

- Significant unanticipated or undisclosed transactions, issues, or other such unforeseeable circumstances,
- Delays causing scheduling changes or disruption of previously scheduled timing of work (fieldwork),
- Circumstances requiring revisions to work previously completed or delays in resolution of issues that extend the period of time necessary to complete the audit
- Fraud or misuse of public funds

Our fees do not include bookkeeping or accounting assistance, preparation of audit workpapers, reconciliations or similar assistance (unless otherwise noted in the sections above). Our fees for such services will be dependent on the level of effort required.

Services requested by you that are not included in this engagement letter will be billed dependent on the level of effort required and will be subject to all the terms of this letter.

Our fees and rates are adjusted annually for general economic factors.

If we are requested or required to provide documents or testimony to support litigation proceedings as a professional service on your behalf (that is, litigation in which we are not a party as a result of our engagement), you will be billed for our time at the current standard rates and all out-of-pocket expenditures, including copying costs and legal fees.

The 2023 engagement may be terminated by either party by providing notice by September 30, 2023. Changes in the scope of the 2023 engagement, if any, would be addressed via engagement letter addendum(s). Generally, scope changes involve significant changes in your operations or new accounting or audit standards. If such changes result in a scope change, fees would be updated via an engagement letter addendum.

Record Keeping Responsibilities

The AICPA Code of Professional Conduct requires Redpath and Company to maintain our independence with regards to certain attestation services provided to the City of Columbia Heights, Minnesota. These rules require the City of Columbia Heights, Minnesota to take responsibility for all nonattest services. Redpath and Company cannot serve as custodian for your data in such a way that your data is incomplete and accessible only through Redpath and Company or the Redpath portal. As such, any financial report, reconciliation, document, and calculation (depreciation schedules, journal entries, etc.) that we prepare or update on your behalf will be sent to you at the completion of each attest or nonattest service. You are responsible for downloading and maintaining these records as well as all supporting documents generated in the normal course of business until the retention period expires.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by oversight agencies, regulators, or pass-through entities. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Confidentiality

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Privacy

We have established policies and procedures to ensure that the entity's non-public information is private and secure at all times. We maintain physical, electronic and procedural controls to comply with standards in safeguarding your information from loss, misuse, alteration or destruction (unless the destruction is according to our records retention schedule). We do not sell information to third parties. We do not disclose non-public information except as necessary to provide our services (see Confidentiality above) and as required by law. We do not disclose non-public information we receive to our affiliates unless authorized.

Dispute Resolution

In the event of a dispute over fees for our engagement, the City of Columbia Heights, Minnesota and our firm mutually agree to try in good faith to resolve the dispute through mediation by selecting a third-party to help reach an agreement, in accordance with the following paragraph (Mediation). If we are unable to resolve the fee dispute through mediation, then, with the consent of both parties, such disputes may be settled by binding arbitration. We both acknowledge that should a dispute over fees arise that cannot be resolved through mediation, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury. Instead, we are accepting the use of arbitration for resolution.

We believe that most disagreements can be resolved to mutual satisfaction in a friendly, non-threatening environment. While we do not expect there to be any problems whatsoever with our relationship, misunderstandings can occur. Therefore, we agree that any dispute arising under this agreement (including the scope, nature and quality of services to be performed by us, our fees or other terms of the engagement) shall be submitted to mediation. A competent and impartial third-party, acceptable to both parties, shall be appointed to mediate, and each disputing party shall pay an equal percentage of the mediator's fees and expenses. No suit or arbitration proceeding shall be commenced under this agreement until at least sixty (60) days after the mediator's first meeting with the involved parties. If the dispute requires litigation, the court shall be authorized to impose all defense costs against any non-prevailing party found not to have participated in the mediation process in good faith.

Non-Solicitation of Employees

In recognition of the importance of our employees, it is hereby agreed that the City of Columbia Heights, Minnesota will not solicit our employees for employment or enter into an independent contractor arrangement with any individual who is or was an employee of Redpath and Company for a period of twelve months following the date of the conclusion of this engagement. If the City of Columbia Heights, Minnesota violates this non-solicitation clause, the City of Columbia Heights, Minnesota agrees to pay Redpath and Company a fee equal to 25% of the hired person's last annual salary at Redpath and Company at the time of violation so as to reimburse Redpath and Company for the costs of hiring and training a replacement.

Reporting

We will issue a written report upon completion of our Single Audit and our audit of the City of Columbia Heights, Minnesota's financial statements which will also address other information in accordance with AU-C 720, *The Auditor's Responsibilities Relating to Other Information Included in Annual Reports*. Our reports will be addressed to the Honorable Mayor and Members of the City Council of the City of Columbia Heights, Minnesota. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing on internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal

control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

We appreciate the opportunity to be of service to the City of Columbia Heights, Minnesota and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign this letter and return it to us via email.

Sincerely,

REDPATH AND COMPANY

Rebecca M. Petersen, CPA

RMP/ajf

Response

This letter correctly sets forth the understanding of the City of Columbia Heights, Minnesota.

_____	_____
Signature	Signature
_____	_____
Title	Title
_____	_____
Date	Date

Nonaudit Services

The individual(s) assigned to oversee the nonaudit services is the finance director, unless indicated below:

_____ (name and title)

COLUMBIA HEIGHTS
REDISCOVER THE HEIGHTS

CITY COUNCIL MEETING

AGENDA SECTION	**CONSENT**
MEETING DATE	**NOVEMBER 28, 2022**

ITEM:	**Rental Occupancy Licenses for Approval**
DEPARTMENT: Fire	**BY/DATE: Assistant Chief Dan O'Brien, 11/28/22**

CITY STRATEGY: *(please indicate areas that apply by adding a bold "**X**" in front of the selected text below)*

_Safe Community	_Diverse, Welcoming "Small-Town" Feel
_Economic Strength	X Excellent Housing/Neighborhoods
_Equity and Affordability	_Strong Infrastructure/Public Services
_Opportunities for Play and Learning	_Engaged, Multi-Generational, Multi-Cultural Population

BACKGROUND: Consideration of approval of attached list of rental housing license applications

RECOMMENDED MOTION:

MOTION: Move to approve the items listed for rental housing license applications for November 28, 2022, in that they have met the requirements of the Property Maintenance Code.

ATTACHMENT:
Rental Occupancy Licenses for Approval – 11-28-22

COLUMBIA HEIGHTS
PROPERTY MAINTENANCE

825 41st Avenue NE • Columbia Heights, MN 55421 • Ph: (763) 706-8156 • Email: fireinspections@columbiaheightsmn.gov • heightsfire.com

Rental Occupancy Licenses for Approval - 11-28-22

LICENSEE	LICENSE ADDRESS	LICENSE INFORMATION
Abdirashid, Farhan 954 42nd Ave NE Columbia Heights, MN 55421	954 42nd Ave NE	22-0005731 Rental License [1 - 3 Units] Number of licensed units: 1 $450.00
Alkaied, Homam 1000 41st Ave NE#309 Columbia Heights, MN 55421	4209 2nd St NE 4207 2nd St NE	22-0004983 Rental License [1 - 3 Units] Number of licensed units: 2 $450.00
Arcos-Martinez, Carlos 5228 4th St. NE Columbia Heights, MN 55421	5230 4th St NE	22-0005222 Rental License [1 - 3 Units] Number of licensed units: 1 $450.00
Bulle, Mujahidin 3577 Woodland Ct Eagan, MN 55123	3955 Hayes St NE	22-0005633 Rental License [1 - 3 Units] Number of licensed units: 1 $450.00
Christ, Dennis 10609 W Welk Dr Sun City, AZ 85373-1903	4855 5th St NE 4857 5th St NE	22-0005707 Rental License [1 - 3 Units] Number of licensed units: 2 $300.00
Domino, Paul 1215 154th Lane NE Ham Lake, MN 55304	1401 Circle Terrace Blvd NE 1403 Circle Terrace Blvd NE	22-0005137 Rental License [1 - 3 Units] Number of licensed units: 2 $300.00
Fluegel, Curtis Invest Property Management 400 S 4th St#410 Minneapolis, MN 55415	4144 Quincy St NE Up/Down	22-0005170 Rental License [1 - 3 Units] Number of licensed units: 2 $300.00
**New License* Forsyth, Austin 4131 Washington St NE Columbia Heights, MN 55421	4131 Washington St NE	22-0005778 Rental License [1 - 3 Units] Number of licensed units: 1 $300.00
Harlan, Bradley 1799 Chatham Ave Saint Paul, MN 55112	5200 Washington St NE 5202 Washington St NE	22-0004839 Rental License [1 - 3 Units] Number of licensed units: 2 $300.00
Jensen, Jeffrey 3324 Skycroft Circle Saint Anthony, MN 55418	3909 Polk St NE	22-0005628 Rental License [1 - 3 Units] Number of licensed units: 1 $450.00

**New License*

LICENSEE	LICENSE ADDRESS	LICENSE INFORMATION
Khan, Mujtaba TSK Properties 2641 Ashley Terrace New Brighton, MN 55112	1124 45th Ave NE	22-0005806 License Transfer: Rental License Transfer Fee Number of licensed units: 2 $25.00
Kindem, Timothy Two Guys Enterprise LLC 4821 Aldrich Ave S Minneapolis, MN 55419	4701 5th St NE 4703 5th St NE	22-0005344 Rental License [1 - 3 Units] Number of licensed units: 2 $450.00
**New License* Lundahl, Erik Imagine Homes 10800 Lyndale Ave S#295 Bloomington, MN 55420	5024 Monroe St NE	22-0005819 Rental License [1 - 3 Units] Number of licensed units: 1 $300.00
Monger, Alois 1431 Washington Blvd Detroit, MI 48226	4433 4th St NE	22-0005682 Rental License [1 - 3 Units] Number of licensed units: 1 $300.00
Moore, Rafik 7401 Bush Lk Rd Edina, MN 55439	3911 Van Buren St NE	22-0005298 Rental License [1 - 3 Units] Number of licensed units: 1 $450.00
Owens, Robert 1790 Tipton Circle NW Elk River, MN 55330	4550 Madison St NE	22-0005334 Rental License [Over 3 Units] Number of licensed units: 4 $338.00
Prokop, Mark 3rd St NE Investment LLC 2197 Stanford Ave Saint Paul, MN 55105	4242 3rd St NE	22-0004761 Rental License [Over 3 Units] Number of licensed units: 11 $492.00
Sentyrz, Walter & Shirley 1612 2nd St NE Minneapolis, MN 55413	4632 6th St NE	22-0005200 Rental License [1 - 3 Units] Number of licensed units: 1 $450.00
Skelton, Patrick Robert John Properties, LLC 3215 Overlook Dr Bloomington, MN 55431	3925 3rd St NE	22-0005630 Rental License [Over 3 Units] Number of licensed units: 12 $514.00
Skurat, Kerby 1143 S Shore Dr Plymouth, MN 55441	1225 43rd Ave NE	22-0005598 Rental License [1 - 3 Units] Number of licensed units: 1 $450.00
Sultana, Zehra Woodbridge Partners, LLC 8445 Center Dr Spring Lake Park, MN 55432	1026 40th Ave NE	22-0005588 Rental License [Over 3 Units] Number of licensed units: 4 $338.00
Thao, Mai IH2 Property Illinois, LP 1210 Northland Dr#180 Mendota Heights, MN 55120	4240 6th St NE	22-0005659 Rental License [1 - 3 Units] Number of licensed units: 1 $300.00

LICENSEE	LICENSE ADDRESS	LICENSE INFORMATION
Yan, Li Midwest GIRG 3853 Central Ave NE Columbia Heights, MN 55421	3816 Stinson Blvd NE	22-0005619 Rental License [Over 3 Units] Number of licensed units: 17 $774.00
Yang, Yongzhi 4700 Narcissus Ln N Plymouth, MN 55446	4020 Quincy St NE	22-0005639 Rental License [1 - 3 Units] Number of licensed units: 1 $300.00

COLUMBIA HEIGHTS
REDISCOVER THE HEIGHTS

CITY COUNCIL MEETING

AGENDA SECTION	**CONSENT AGENDA**
MEETING DATE	**NOVEMBER 28, 2022**

ITEM:	**License Agenda.**
DEPARTMENT: COMMUNITY DEVELOPMENT	**BY/DATE: Alicia Howe (October 19, 2022)**

CITY STRATEGY: *(please indicate areas that apply by adding a bold "**X**" in front of the selected text below)*

XSafe Community	_Diverse, Welcoming "Small-Town" Feel
_Economic Strength	_Excellent Housing/Neighborhoods
_Equity and Affordability	_Strong Infrastructure/Public Services
_Opportunities for Play and Learning	_Engaged, Multi-Generational, Multi-Cultural Population

BACKGROUND: Attached is the business license agenda for the November 28, 2022, City Council meeting. This agenda consists of applications for 2022 Contractor Licenses. At the top of the license agenda there is a phrase stating "*Signed Waiver Form accompanied application", noting that the data privacy form has been submitted as required. If not submitted, certain information cannot be released to the public.

RECOMMENDED MOTION(S):

MOTION: Move to approve the items as listed on the business license agenda for November 28, 2022 as presented.

ATTACHMENT(S):
Contractor Licenses – 2022

TO CITY COUNCIL NOVEMBER 28, 2022

*Signed Waiver Form accompanied application

Contractor Licenses – 2022

Renewal:

*KRAFT MECHANICAL	2415 VENTURA DR STE 100, WOODBURY, MN	$80.00
*D.A.S. HEATING & COOLING	8060 153RD LN NW, RAMSEY, MN	$80.00
*BUDGET CONSTRUCTION	1010 88TH AVE NW, COON RAPIDS, MN	$80.00
*AIR COMFORT SPECIALISTS INC	662 116TH LN NE, BLAINE, MN	$80.00
*INTER CITY WATER & SEWER CO INC	11491 HAMILTON TRL, PEQUOT LAKES, MN	$80.00
*FASTSIGNS OF EDEN PRAIRIE	10340 VIKING DR, EDEN PRAIRIE, MN	$80.00

New:

*SIGNCOINK	37646 JASPER ST NW, DALBO, MN	$80.00

CITY OF COLUMBIA HEIGHTS

FINANCE DEPARTMENT

COUNCIL MEETING OF: November 28, 2022.

STATE OF MINNESOTA

COUNTY OF ANOKA

CITY OF COLUMBIA HEIGHTS

Motion: Move that in accordance with Minnesota Statutes the City Council has reviewed the enclosed list of claims paid by check and by electronic funds transfer in the amount of $1,153,243.25.

Check Date	Bank	Check #	Invoice	Payee	Description	GL #	Amount
11/15/2022	MAIN	178(E)	2-030-127-0008	MINNESOTA DEPARTMENT OF REVI	OCTOBER SALES & USE TAX	101.0000.20810	364.00
		178(E)	2-030-127-0008		OCTOBER SALES & USE TAX	101.0000.20815	244.00
							608.00
11/16/2022	MAIN	187(E)	1-524-991-904	MINNESOTA DEPARTMENT OF REVI	OCTOBER UB SALES TAX 2022	601.0000.20810	15,133.00
11/17/2022	MAIN	179(A)	0105968400	BELLBOY BAR SUPPLY	110222 INV,BAGS	609.0000.14500	39.00
		179(A)	0105969300		110222 INV	609.0000.14500	45.41
		179(A)	0105985700		110322 INV	609.0000.14500	(39.00)
		179(A)	0105968400		110222 INV,BAGS	609.9792.42171	518.50
							563.91
11/17/2022	MAIN	180(A)	0097183700	BELLBOY CORPORATION	110222 INV/DEL	609.0000.14500	1,762.00
		180(A)	0097187000		110222 INV/DEL	609.0000.14500	1,870.80
		180(A)	0097050100		102022 INV/DEL	609.0000.14500	(476.00)
		180(A)	0097050100		102022 INV/DEL	609.9791.42199	(1.65)
		180(A)	0097183700		110222 INV/DEL	609.9792.42199	28.00
		180(A)	0097187000		110222 INV/DEL	609.9793.42199	18.00
							3,201.15
11/17/2022	MAIN	181(A)	346389689	BREAKTHRU BEVERAGE MN W&S LI	110422 INV/DEL 700297736	609.0000.14500	5,183.65
		181(A)	346389690		110422 INV/DEL 700297736	609.0000.14500	121.20
		181(A)	346389684		110422 INV/DEL 700297717	609.0000.14500	1,360.00
		181(A)	346389688		110422 INV/DEL 700297717	609.0000.14500	182.76
		181(A)	346389691		110422 INV/DEL 700297736	609.0000.14500	233.80
		181(A)	346389685		110422 INV/DEL 700297717	609.0000.14500	2,562.90
		181(A)	346389687		110422 INV/DEL 700297717	609.0000.14500	479.50
		181(A)	346389682		110422 INV/DEL 700297717	609.0000.14500	4,882.35
		181(A)	346389681		110422 INV/DEL 700297717	609.0000.14500	3,641.92
		181(A)	346389686		110422 INV/DEL 700297717	609.0000.14500	555.00
		181(A)	346389683		110422 INV/DEL 700297717	609.0000.14500	338.19
		181(A)	410275567		110222 INV/DEL 700297782	609.0000.14500	(22.73)
		181(A)	410275566		110222 INV/DEL 700297736	609.0000.14500	(95.00)
		181(A)	346389684		110422 INV/DEL 700297717	609.9791.42199	13.80
		181(A)	346389688		110422 INV/DEL 700297717	609.9791.42199	6.90
		181(A)	346389685		110422 INV/DEL 700297717	609.9791.42199	11.50
		181(A)	346389687		110422 INV/DEL 700297717	609.9791.42199	6.90
		181(A)	346389682		110422 INV/DEL 700297717	609.9791.42199	28.75
		181(A)	346389681		110422 INV/DEL 700297717	609.9791.42199	18.40
		181(A)	346389686		110422 INV/DEL 700297717	609.9791.42199	11.50
		181(A)	346389683		110422 INV/DEL 700297717	609.9791.42199	4.60
		181(A)	346389689		110422 INV/DEL 700297736	609.9792.42199	
		181(A)	346389690		110422 INV/DEL 700297736	609.9792.42199	

Check Date	Bank	Check #	Invoice	Payee	Description	GL #	Amount
		181(A)	346389691		110422 INV/DEL 700297736	609.9792.42199	4.60
		181(A)	410275566		110222 INV/DEL 700297736	609.9792.42199	(1.15)
		181(A)	410275567		110222 INV/DEL 700297782	609.9793.42199	(1.15)
							19,556.94
11/17/2022	MAIN	182(A)	2170844	JOHNSON BROTHERS LIQUOR CO.	110222 INV	609.0000.14500	1,366.99
		182(A)	2170840		110222 INV	609.0000.14500	1,998.00
		182(A)	2170842		110222 INV	609.0000.14500	1,026.00
		182(A)	2170837		110222 INV	609.0000.14500	1,170.00
		182(A)	2170835		110222 INV	609.0000.14500	216.00
		182(A)	2170836		110222 INV	609.0000.14500	147.50
		182(A)	2170834		110222 INV	609.0000.14500	234.00
		182(A)	2170843		110222 INV	609.0000.14500	702.00
		182(A)	2172009		110322 INV	609.0000.14500	768.00
		182(A)	2173101		110422 INV	609.0000.14500	270.00
		182(A)	2173099		110422 INV	609.0000.14500	697.84
		182(A)	21700852		110222 INV	609.0000.14500	2,587.50
		182(A)	2170855		110222 INV	609.0000.14500	405.00
		182(A)	2170854		110222 INV	609.0000.14500	1,416.00
		182(A)	2170853		110222 INV	609.0000.14500	702.00
		182(A)	2170848		110222 INV	609.0000.14500	710.13
		182(A)	2170838		110222 INV	609.0000.14500	1,115.02
		182(A)	2170849		110222 INV	609.0000.14500	126.00
		182(A)	2173103		110422 INV	609.0000.14500	270.00
		182(A)	2172015		110322 INV	609.0000.14500	152.00
		182(A)	2172014		110322 INV	609.0000.14500	504.00
		182(A)	2172017		110322 INV	609.0000.14500	255.25
		182(A)	2172018		110322 INV	609.0000.14500	243.00
		182(A)	2170850		110222 INV	609.0000.14500	78.00
		182(A)	2170846		110222 INV	609.0000.14500	162.00
		182(A)	2170845		110222 INV	609.0000.14500	198.00
		182(A)	21700847		110222 INV	609.0000.14500	553.00
		182(A)	2170844		110222 INV	609.9791.42199	10.81
		182(A)	2170840		110222 INV	609.9791.42199	9.45
		182(A)	2170842		110222 INV	609.9791.42199	4.39
		182(A)	2170837		110222 INV	609.9791.42199	16.20
		182(A)	2170835		110222 INV	609.9791.42199	6.75
		182(A)	2170836		110222 INV	609.9791.42199	1.35
		182(A)	2170834		110222 INV	609.9791.42199	2.70
		182(A)	2170843		110222 INV	609.9791.42199	4.05
		182(A)	2172009		110322 INV	609.9791.42199	
		182(A)	2173101		110422 INV	609.9791.42199	

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		182(A)	2173099		110422 INV	609.9791.42199	5.40
		182(A)	21700852		110222 INV	609.9792.42199	37.80
		182(A)	2170855		110222 INV	609.9792.42199	7.20
		182(A)	2170854		110222 INV	609.9792.42199	10.80
		182(A)	2170853		110222 INV	609.9792.42199	4.05
		182(A)	2170848		110222 INV	609.9792.42199	12.16
		182(A)	2170838		110222 INV	609.9792.42199	4.06
		182(A)	2170849		110222 INV	609.9792.42199	1.35
		182(A)	2173103		110422 INV	609.9792.42199	10.50
		182(A)	2172015		110322 INV	609.9792.42199	5.40
		182(A)	2172014		110322 INV	609.9792.42199	5.40
		182(A)	2172017		110322 INV	609.9792.42199	9.46
		182(A)	2172018		110322 INV	609.9792.42199	6.75
		182(A)	2170850		110222 INV	609.9792.42199	2.70
		182(A)	2170846		110222 INV	609.9793.42199	4.05
		182(A)	2170845		110222 INV	609.9793.42199	2.70
		182(A)	21700847		110222 INV	609.9793.42199	9.45
							18,281.66
11/17/2022	MAIN	183(A)	0001138707	METROPOLITAN COUNCIL WASTEW	VACTOR PERMIT FEE 2022	602.9600.44390	425.00
11/17/2022	MAIN	184(A)	502854387	MIDWEST TAPE	DVD ORDER	240.5500.42189	23.24
		184(A)	502837615		DVD ORDER	240.5500.42189	22.49
							45.73
11/17/2022	MAIN	185(A)	6489911	PHILLIPS WINE & SPIRITS INC	110322 INV	609.0000.14500	100.00
		185(A)	6488912		110222 INV	609.0000.14500	260.88
		185(A)	6489915		110322 INV	609.0000.14500	578.20
		185(A)	6489911		110322 INV	609.9791.42199	2.70
		185(A)	6488912		110222 INV	609.9792.42199	2.70
		185(A)	6489915		110322 INV	609.9792.42199	18.90
							963.38
11/17/2022	MAIN	186(A)	2277612	SOUTHERN GLAZER'S	110322 INV/DEL	609.0000.14500	269.98
		186(A)	2277615		110322 INV/DEL	609.0000.14500	827.68
		186(A)	2277616		110322 INV/DEL	609.0000.14500	1,170.00
		186(A)	2277618		110322 INV/DEL	609.0000.14500	320.35
		186(A)	2277622		110322 INV/DEL	609.0000.14500	846.64
		186(A)	2277623		110322 INV/DEL	609.0000.14500	850.08
		186(A)	2277624		110322 INV/DEL	609.0000.14500	971.40
		186(A)	2277626		110322 INV/DEL	609.0000.14500	320.35
		186(A)	9434951		091322 INV	609.0000.14500	(1)
		186(A)	9426306		081622 INV	609.0000.14500	(3)

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		186(A)	9447953		101722 INV	609.0000.14500	(29.75)
		186(A)	9434950		091322 INV	609.0000.14500	(87.50)
		186(A)	9447952		101722 INV	609.0000.14500	(57.75)
		186(A)	9426305		081622 INV	609.0000.14500	(183.75)
		186(A)	SGWS 111622		OVER PMT DUE TO ROUNDING ERRORS	609.0000.14500	(6.37)
		186(A)	2277612		110322 INV/DEL	609.9791.42199	1.28
		186(A)	2277615		110322 INV/DEL	609.9791.42199	11.52
		186(A)	2277616		110322 INV/DEL	609.9791.42199	8.96
		186(A)	2277618		110322 INV/DEL	609.9791.42199	4.16
		186(A)	2277619		110322 DEL	609.9791.42199	1.28
		186(A)	2277622		110322 INV/DEL	609.9792.42199	8.96
		186(A)	2277623		110322 INV/DEL	609.9792.42199	8.96
		186(A)	2277624		110322 INV/DEL	609.9792.42199	8.96
		186(A)	2277626		110322 INV/DEL	609.9792.42199	4.16
		186(A)	2277627		110322 DEL	609.9792.42199	1.28
		186(A)	2253969		083122 INV/DEL CORR OVER PMT	609.9792.42199	(1.00)
							4,753.63
11/17/2022	MAIN	192945	12	1-800-GOT-JUNK?	OUTSIDE STORAGE REMOVAL 102022 - 10	415.6450.44000	2,511.01
11/17/2022	MAIN	192946	11/15/2022	AARON PICKREL	UB refund for account: 108-0245-00-	433.0000.20120	4.16
		192946	11/15/2022		UB refund for account: 108-0245-00-	601.0000.20120	75.44
		192946	11/15/2022		UB refund for account: 108-0245-00-	602.0000.20120	54.73
		192946	11/15/2022		UB refund for account: 108-0245-00-	603.0000.20120	24.02
		192946	11/15/2022		UB refund for account: 108-0245-00-	604.0000.20120	21.88
							180.23
11/17/2022	MAIN	192947	3550269	ADAM'S PEST CONTROL, INC	PEST CONTROL PS 102822	101.2100.44020	46.85
		192947	3550269		PEST CONTROL PS 102822	101.2200.44020	46.85
							93.70
11/17/2022	MAIN	192948	10024112022	AI TECHNOLOGIES, LLC.	BSWIFT EDI SET UP	101.1320.43050	1,000.00
11/17/2022	MAIN	192949	6482-2023	ALCOHOL & GAMBLING ENFORCEMI	2023 RETAILER CARD	609.9791.44390	20.00
		192949	7710-2023		2023 RETAILER CARD	609.9792.44390	20.00
		192949	6248-2023		2023 RETAILER CARD	609.9793.44390	20.00
							60.00
11/17/2022	MAIN	192950	11/15/2022	ALICIA HELEN BERG	UB refund for account: 107-0175-00-	433.0000.20120	2.52
		192950	11/15/2022		UB refund for account: 107-0175-00-	601.0000.20120	57.55
		192950	11/15/2022		UB refund for account: 107-0175-00-	602.0000.20120	40.29
		192950	11/15/2022		UB refund for account: 107-0175-00-	603.0000.20120	
		192950	11/15/2022		UB refund for account: 107-0175-00-	604.0000.20120	

Check Date	Bank	Check #	Invoice	Payee	Description	GL #	Amount
							164.88
11/17/2022	MAIN	192951	3564001424	AMERICAN BOTTLING COMPANY	110722 INV	609.0000.14500	242.45
11/17/2022	MAIN	192952	20251	AMERICAN LEGAL PUBLISHING I	2022 S-18 SUPPLEMENT EDITING PAGES	101.1410.43050	2,620.00
11/17/2022	MAIN	192953	11/15/2022	AMINE EZNAIDI	UB refund for account: 100-0600-00-	433.0000.20120	0.64
		192953	11/15/2022		UB refund for account: 100-0600-00-	601.0000.20120	23.38
		192953	11/15/2022		UB refund for account: 100-0600-00-	602.0000.20120	15.54
		192953	11/15/2022		UB refund for account: 100-0600-00-	603.0000.20120	3.76
		192953	11/15/2022		UB refund for account: 100-0600-00-	604.0000.20120	3.42
							46.74
11/17/2022	MAIN	192954	1691	ANOKA COUNTY LIBRARY	1022 NOTICES	240.5500.43050	100.00
11/17/2022	MAIN	192955	AR020358	ANOKA COUNTY TREASURER	LANGUAGE LINE 0922	101.2100.43250	838.42
		192955	AR020375		CJDN ACCESS 070122-063023	101.2100.44000	2,880.00
							3,718.42
11/17/2022	MAIN	192956	2500124157	ARAMARK UNIFORM & CAREER AP	110122 MOPS,MATS,TOWELS	609.9791.44020	90.56
		192956	2500126557		110322 MOPS,MATS,TOWELS	609.9792.44020	96.06
		192956	2500126468		110322 MOPS,MATS,TOWELS	609.9793.44020	94.59
							281.21
11/17/2022	MAIN	192957	303074	ASPEN MILLS, INC.	UNDER VEST SHIRTS, GLOVES	101.2100.42172	141.75
		192957	303117		PANTS	101.2100.42172	48.95
		192957	300814		SHIRT PATCHES, EMBROIDERY	101.2200.42172	30.85
							221.55
11/17/2022	MAIN	192958	01P85613	ASTLEFORD INTERNATIONAL	RADIO	701.0000.14120	131.90
11/17/2022	MAIN	192959	2037116456	BAKER & TAYLOR	BOOK ORDER	240.5500.42180	35.99
		192959	2037091300		BOOK ORDER	240.5500.42180	14.66
		192959	2037108514		BOOK ORDER	240.5500.42180	468.15
		192959	2037067975		BOOK ORDER	240.5500.42180	559.67
		192959	2037100195		BOOK ORDER	240.5500.42180	723.37
		192959	2037076956		BOOK ORDER	240.5500.42180	710.41
							2,512.25
11/17/2022	MAIN	192960	833723	BALISTRIERI/JAKE	BOOT REIMBURSEMENT 2022	101.3121.42173	169.95
11/17/2022	MAIN	192961	4033374	BARTOLIC/NICHOLLE	BOOT REIMBURSEMENT 2022	601.9600.42173	100.00
		192961	4033374		BOOT REIMBURSEMENT 2022	602.9600.42173	100.00
							2
11/17/2022	MAIN	192962	111901	BENEFIT EXTRAS, INC.	RETIREE BILLING 1022, PARTICIPATION	101.1320.43050	112.00

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		192962	111901		RETIREE BILLING 1022, PARTICIPATION	887.9250.43050	33.25
							145.25
11/17/2022	MAIN	192963	INV1112	BETTER FUTURES MN	YARD WASTE PICK UP 103122-110522	603.9510.42930	16,107.75
		192963	INV1120		YARD WASTE PICK UP 110722-111122	603.9510.42930	19,575.00
							35,682.75
11/17/2022	MAIN	192964	0299341	BOLTON & MENK, INC	ZONES 6 & 7 STAKING	415.9999.43050.2202	3,942.50
		192964	0299344		CONSTRUCTION SERVICES CENTRAL AVE	652.9999.43050.2204	4,547.50
							8,490.00
11/17/2022	MAIN	192965	11/15/2022	BRIANNA SCOTT	UB refund for account: 103-0847-00-	603.0000.20120	115.01
11/17/2022	MAIN	192966	110322	BURNS/KYLE	UNIFORM REIMBURSEMENT 2022	601.9600.42172	159.96
11/17/2022	MAIN	192967	11/15/2022	CAMI TRAN	UB refund for account: 100-0168-00-	433.0000.20120	4.23
		192967	11/15/2022		UB refund for account: 100-0168-00-	601.0000.20120	53.37
		192967	11/15/2022		UB refund for account: 100-0168-00-	602.0000.20120	41.61
		192967	11/15/2022		UB refund for account: 100-0168-00-	603.0000.20120	91.63
		192967	11/15/2022		UB refund for account: 100-0168-00-	604.0000.20120	22.31
							213.15
11/17/2022	MAIN	192968	11/15/2022	CARLOS BUNAY	UB refund for account: 109-0435-00-	433.0000.20120	4.37
		192968	11/15/2022		UB refund for account: 109-0435-00-	601.0000.20120	84.92
		192968	11/15/2022		UB refund for account: 109-0435-00-	602.0000.20120	60.90
		192968	11/15/2022		UB refund for account: 109-0435-00-	603.0000.20120	25.21
		192968	11/15/2022		UB refund for account: 109-0435-00-	604.0000.20120	22.94
							198.34
11/17/2022	MAIN	192969	79535986	CENGAGE LEARNING INC	LARGEPRINT BOOK	240.5500.42180	28.49
		192969	79537303		LARGEPRINT BOOK	240.5500.42180	28.49
							56.98
11/17/2022	MAIN	192970	8268239-4	CENTERPOINT ENERGY	110722 8268239-4	101.2100.43830	127.51
		192970	8268239-4		110722 8268239-4	101.2200.43830	127.51
		192970	5467671-3		110722 5467671-3	101.5200.43830	16.80
		192970	10802324-3		110722 10802324-3	101.5200.43830	25.43
		192970	5452216-4		110722 5452216-4	101.5200.43830	16.80
		192970	10570341-7		110722 10570341-7	240.5500.43830	898.79
		192970	9644621-6		110722 9644621-6	602.9600.43830	17.89
		192970	11299887-7		110722 11299887-7	602.9600.43830	25.43
		192970	6402970054-5		110722 6402970054-5	609.9794.43830	[illegible]
							1,3[illegible]

Check Date	Bank	Check #	Invoice	Payee	Description	GL #	Amount
11/17/2022	MAIN	192971	7637880290045	CENTURYLINK	110722 763 788-0290 045	609.9792.43210	52.58
		192971	7637880064164		110722 763 788-0064 164	609.9792.43210	52.58
							105.16
11/17/2022	MAIN	192972	4136467629	CINTAS INC	TOWELS, AIR FRESH PS 110422	101.2100.44020	7.40
		192972	4136467629		TOWELS, AIR FRESH PS 110422	101.2200.44020	7.40
		192972	4136467683		UNIFORM RENTAL 110422	701.9950.42172	31.99
							46.79
11/17/2022	MAIN	192973	711061	CITY WIDE WINDOW SERVICE IN(	WINDOW CLEANING 0822	101.0000.20815	(1.72)
		192973	711061		WINDOW CLEANING 0822	609.9792.44020	26.72
							25.00
11/17/2022	MAIN	192974	0039821	CONTINENTAL RESEARCH CORP	SNOW BLOWER WAX, LOCK DE-ICER	101.5200.42171	450.00
11/17/2022	MAIN	192975	093022	COSTELLO/TOM	MILEAGE 070122-093022	609.9791.43310	93.50
11/17/2022	MAIN	192976	9001023	CRYSTAL SPRINGS ICE LLC	110722 INV/DEL	609.0000.14500	128.60
		192976	9001020		110722 INV/DEL	609.0000.14500	88.10
		192976	9001021		110722 INV/DEL	609.0000.14500	223.60
		192976	9001021		110722 INV/DEL	609.9791.42199	4.00
		192976	9001023		110722 INV/DEL	609.9792.42199	4.00
		192976	9001020		110722 INV/DEL	609.9793.42199	4.00
							452.30
11/17/2022	MAIN	192977	4006131	DALCO ENTERPRISES INC	TP, WIPES, SOAP, LNR, CLNR	101.2100.42171	145.33
		192977	4006131		TP, WIPES, SOAP, LNR, CLNR	101.2200.42171	145.33
							290.66
11/17/2022	MAIN	192978	11/15/2022	DAN HAMERNICK	UB refund for account: 102-0390-00-	601.0000.20120	333.31
11/17/2022	MAIN	192979	917857	ECM PUBLISHERS INC	ELECTION NOTICE 102822	101.1410.43500	249.90
		192979	1266679		SAMPLE BALLOT NOTICE 102122	101.1410.43500	96.80
		192979	916718		PHN-CUP BANQUET HALL 102122	201.2400.43500	66.55
		192979	916719		PHN-CUP OUTDOOR STORAGE 102122	204.6314.43500	60.50
		192979	905406		2021 ANNUAL DISCLOSURE	389.7000.43500	287.95
							761.70
11/17/2022	MAIN	192980	MP103122-51	EMERGENCY AUTOMOTIVE TECH II	CHARGING JACK	701.0000.14120	76.80
11/17/2022	MAIN	192981	CC8858	ESS BROTHERS & SONS INC	MANHOLE PROTECTION RINGS	101.3121.42160	440.00
		192981	CC8858		MANHOLE PROTECTION RINGS	601.9600.42160	220.00
		192981	CC8858		MANHOLE PROTECTION RINGS	602.9600.42160	220.00
							880.00

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11/17/2022	MAIN	192982	11/15/2022	ESTATE OF RENEE JESKE	UB refund for account: 101-0520-00-	101.0000.20120	3.01
		192982	11/15/2022		UB refund for account: 101-0520-00-	433.0000.20120	3.00
		192982	11/15/2022		UB refund for account: 101-0520-00-	601.0000.20120	69.87
		192982	11/15/2022		UB refund for account: 101-0520-00-	602.0000.20120	48.79
		192982	11/15/2022		UB refund for account: 101-0520-00-	603.0000.20120	17.30
		192982	11/15/2022		UB refund for account: 101-0520-00-	604.0000.20120	15.76
							157.73
11/17/2022	MAIN	192983	103536188	FLEETPRIDE INC	HOSE ASSY	701.0000.14120	222.74
		192983	103463055		FILTER	701.0000.14120	78.30
		192983	103462988		FILTERS	701.0000.14120	94.48
							395.52
11/17/2022	MAIN	192984	11/15/2022	FLOYD SMITH	UB refund for account: 106-0650-00-	603.0000.20120	89.94
11/17/2022	MAIN	192985	MN00121332	GRAPE BEGINNINGS INC	110222 INV/DEL	609.0000.14500	562.00
		192985	MN00121332		110222 INV/DEL	609.9791.42199	1.00
							563.00
11/17/2022	MAIN	192986	9011124	HOME DEPOT #2802	PLEXIGLASS, POLYCARBONATE SHEET, SE	101.5200.42171	38.63
11/17/2022	MAIN	192987	11/15/2022	HOMES 4 REAL CASH LLC	UB refund for account: 110-0430-00-	601.0000.20120	181.43
11/17/2022	MAIN	192988	11/15/2022	HOPE FORSMAN	UB refund for account: 109-0455-00-	433.0000.20120	1.21
		192988	11/15/2022		UB refund for account: 109-0455-00-	601.0000.20120	28.43
		192988	11/15/2022		UB refund for account: 109-0455-00-	602.0000.20120	19.83
		192988	11/15/2022		UB refund for account: 109-0455-00-	603.0000.20120	6.98
		192988	11/15/2022		UB refund for account: 109-0455-00-	604.0000.20120	6.36
							62.81
11/17/2022	MAIN	192989	IN3981475	INNOVATIVE OFFICE SOLUTIONS	CALENDARS, APPOINTMENT BOOKS, RUBBE	101.3100.42000	35.08
		192989	IN3981475		CALENDARS, APPOINTMENT BOOKS, RUBBE	101.3121.42000	99.16
		192989	IN3981475		CALENDARS, APPOINTMENT BOOKS, RUBBE	101.5200.42000	51.70
		192989	IN3981475		CALENDARS, APPOINTMENT BOOKS, RUBBE	603.9530.42000	10.79
							196.73
11/17/2022	MAIN	192990	11/15/2022	J. A. LANDBERG	UB refund for account: 106-0515-00-	433.0000.20120	6.17
		192990	11/15/2022		UB refund for account: 106-0515-00-	601.0000.20120	77.53
		192990	11/15/2022		UB refund for account: 106-0515-00-	602.0000.20120	60.50
		192990	11/15/2022		UB refund for account: 106-0515-00-	603.0000.20120	35.59
		192990	11/15/2022		UB refund for account: 106-0515-00-	604.0000.20120	32.44
							212.23
11/17/2022	MAIN	192991	11/15/2022	JAMES FULTON	UB refund for account: 112-0370-00-	603.0000.20120	1

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11/17/2022	MAIN	192992	11/15/2022	JAMES H LAPITZ, JR	UB refund for account: 108-0085-00-	601.0000.20120	83.49
11/17/2022	MAIN	192993	11/15/2022	JODI HASTINGS	UB refund for account: 100-0678-00-	433.0000.20120	2.45
		192993	11/15/2022		UB refund for account: 100-0678-00-	601.0000.20120	50.52
		192993	11/15/2022		UB refund for account: 100-0678-00-	602.0000.20120	35.95
		192993	11/15/2022		UB refund for account: 100-0678-00-	603.0000.20120	14.24
		192993	11/15/2022		UB refund for account: 100-0678-00-	604.0000.20120	12.96
							116.12
11/17/2022	MAIN	192994	11/15/2022	JODY FOSTER	UB refund for account: 112-0280-00-	433.0000.20120	2.00
		192994	11/15/2022		UB refund for account: 112-0280-00-	601.0000.20120	56.17
		192994	11/15/2022		UB refund for account: 112-0280-00-	602.0000.20120	38.31
		192994	11/15/2022		UB refund for account: 112-0280-00-	603.0000.20120	11.63
		192994	11/15/2022		UB refund for account: 112-0280-00-	604.0000.20120	10.57
							118.68
11/17/2022	MAIN	192995	11/15/2022	KATHERINE VAGTS	UB refund for account: 101-0600-00-	601.0000.20120	50.22
11/17/2022	MAIN	192996	11/15/2022	KELLY WATSON OSTROOT	UB refund for account: 102-0270-00-	433.0000.20120	2.36
		192996	11/15/2022		UB refund for account: 102-0270-00-	601.0000.20120	35.93
		192996	11/15/2022		UB refund for account: 102-0270-00-	602.0000.20120	26.92
		192996	11/15/2022		UB refund for account: 102-0270-00-	603.0000.20120	60.38
		192996	11/15/2022		UB refund for account: 102-0270-00-	604.0000.20120	12.45
							138.04
11/17/2022	MAIN	192997	11/15/2022	KEVIN GILBERTSON	UB refund for account: 112-0135-00-	603.0000.20120	39.32
11/17/2022	MAIN	192998	110322	KIWANIS COLUMBIA HTS-FRIDLE	PROCEEDS SHARE BULB REBATE #46760	603.9530.44200	176.10
11/17/2022	MAIN	192999	1105520	KRIESEL/TED	BOOT REIMBURSEMENT 2022	101.3170.42173	200.00
11/17/2022	MAIN	193000	4183499	LOFFLER COMPANIES INC	MAINT 110122-113022	101.0000.20815	(0.70)
		193000	4183499		MAINT 110122-113022	101.1940.44000	733.69
							732.99
11/17/2022	MAIN	193001	11/15/2022	LYDIA FULTON	UB refund for account: 102-0190-00-	601.0000.20120	135.60
11/17/2022	MAIN	193002	11/15/2022	MARCELLA DESORMEY	UB refund for account: 109-0410-00-	601.0000.20120	150.00
11/17/2022	MAIN	193003	INV10514320	MARCO, INC	CAMERA/WIRE INSTALL LABOR	101.2100.42012	1,658.75
		193003	INV10488518		COPY MAINT SERVICES	240.5500.44000	214.66
							1,873.41
11/17/2022	MAIN	193004	11/15/2022	MARGARET BUCKO	UB refund for account: 108-0195-00-	603.0000.20120	
11/17/2022	MAIN	193005	11/15/2022	MARISSA KOLMER	UB refund for account: 109-0190-00-	433.0000.20120	

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		193005	11/15/2022		UB refund for account: 109-0190-00-	601.0000.20120	32.35
		193005	11/15/2022		UB refund for account: 109-0190-00-	602.0000.20120	21.84
		193005	11/15/2022		UB refund for account: 109-0190-00-	603.0000.20120	22.70
		193005	11/15/2022		UB refund for account: 109-0190-00-	604.0000.20120	5.53
							83.47
11/17/2022	MAIN	193006	14930	MARTIN-MCALLISTER INC	PUBLIC SAFETY ASSESSMENTS SD, AK, M	101.2200.43050	2,400.00
11/17/2022	MAIN	193007	INV867419	MAVERICK WINE COMPANY	110422 INV/DEL	609.0000.14500	484.02
		193007	INV867419		110422 INV/DEL	609.9792.42199	3.00
							487.02
11/17/2022	MAIN	193008	76996	MENARDS CASHWAY LUMBER-FRID	GLOVES, TAPE, WATER	101.3170.42171	21.14
		193008	77426		PAPER TOWELS, SPRAY BOTTLE, CLEANER	101.5200.42171	28.35
							49.49
11/17/2022	MAIN	193009	11/15/2022	MICHAEL BORGEN	UB refund for account: 111-0125-00-	603.0000.20120	237.04
11/17/2022	MAIN	193010	333647	MIDWEST SECURITY PRODUCTS, I	SECURE KEYBOX CLOUD SYSTEM	101.2100.44030	640.48
11/17/2022	MAIN	193011	110422	MINNEAPOLIS FINANCE DEPT.	WATER PURCHASE 1022	601.9400.42990	139,323.33
11/17/2022	MAIN	193012	10601	MN FIRE SERVICE CERTIFICATI	FAO CERTIFICATION EXAMS	101.2200.43105	304.50
11/17/2022	MAIN	193013	S072008	MODERN HEATING & AIR INC	MOTOR BEARINGS ON AHU #1	101.2100.44020	1,200.00
		193013	S072008		MOTOR BEARINGS ON AHU #1	101.2200.44020	1,200.00
							2,400.00
11/17/2022	MAIN	193014	272777360001	OFFICE DEPOT	PENS/MARKERS, PLANNERS, CLEANING SP	240.5500.42000	54.72
		193014	273014962001		PORTABLE MIRRORS	240.5500.42171	53.98
							108.70
11/17/2022	MAIN	193015	232710951	ORKIN INC	PEST CONTROL LIB 102122	240.5500.44020	111.00
11/17/2022	MAIN	193016	211515	PAPER ROLL PRODUCTS	THERMAL RECEIPT ROLLS	240.5500.42171	132.00
11/17/2022	MAIN	193017	110522	PIONEER PHOTOGRAPHY SRVCS II	HEARTLAND LAKES TOUR 110522	883.5500.43050	250.00
11/17/2022	MAIN	193018	10357622	PIONEER PRESS	26 WEEK SUBSCRIPTION	240.5500.42181	705.00
11/17/2022	MAIN	193019	200-1039490	PRECISE MRM LLC	DATA PLAN 0922	101.3121.43250	80.00
		193019	200-1039490		DATA PLAN 0922	604.9600.43250	80.00
							160.00
11/17/2022	MAIN	193020	319097699	PREMIUM WATERS INC	110922 WATER	609.9791.42171	13.50
11/17/2022	MAIN	193021	INV-1022-002	RESPEC INC	GIS COMPUTER SOFTWARE	101.3121.44030	

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		193021	INV-1022-002		GIS COMPUTER SOFTWARE	101.5200.44030	89.25
		193021	INV-1022-002		GIS COMPUTER SOFTWARE	101.6102.44030	401.75
		193021	INV-1022-002		GIS COMPUTER SOFTWARE	601.9600.44030	401.75
		193021	INV-1022-002		GIS COMPUTER SOFTWARE	602.9600.44030	401.75
		193021	INV-1022-002		GIS COMPUTER SOFTWARE	604.9600.44030	401.75
							1,785.50
11/17/2022	MAIN	193022	586350	ROHN INDUSTRIES INC	SHREDDING 102422	101.1410.44000	17.73
11/17/2022	MAIN	193023	00463830	SCHAAF FLORAL	FLOWERS K. BOURGEIOS	101.1110.48200	60.00
11/17/2022	MAIN	193024	T21204	SETPOINT SYSTEMS CORPORATIO	TECH SUPPORT 0922-1022	240.5500.44020	184.00
		193024	T21205		TECH SUPPORT 0522-0622	240.5500.44020	184.00
		193024	T21206		TECH SUPPORT 0722-0822	240.5500.44020	184.00
							552.00
11/17/2022	MAIN	193025	708351	SPECIALIZED ENVIRO TECHNO I	ORGANICS 1022	603.9510.42930	160.66
		193025	708361		ORGANICS 1022	603.9510.42930	57.42
		193025	708596		ORGANICS 1022	603.9510.42930	201.24
		193025	708935		ORGANICS 1022	603.9510.42930	209.84
		193025	709241		ORGANICS 1022	603.9510.42930	160.82
		193025	709547		ORGANICS 1022	603.9510.42930	145.34
		193025	709842		ORGANICS 1022	603.9510.42930	137.60
		193025	710298		ORGANICS 1022	603.9510.42930	230.26
		193025	710345		ORGANICS 1022	603.9510.42930	171.10
		193025	710377		ORGANICS 1022	603.9510.42930	146.16
		193025	710549		ORGANICS 1022	603.9510.42930	224.46
		193025	710928		ORGANICS 1022	603.9510.42930	372.38
		193025	711174		ORGANICS 1022	603.9510.42930	218.66
		193025	711219		ORGANICS 1022	603.9510.42930	188.34
		193025	711231		ORGANICS 1022	603.9510.42930	182.12
		193025	711287		ORGANICS 1022	603.9510.42930	204.74
		193025	711466		ORGANICS 1022	603.9510.42930	152.22
		193025	711910		ORGANICS 1022	603.9510.42930	302.72
		193025	712299		ORGANICS 1022	603.9510.42930	259.72
		193025	712685		ORGANICS 1022	603.9510.42930	225.32
		193025	713046		ORGANICS 1022	603.9510.42930	294.12
		193025	713102		ORGANICS 1022	603.9510.42930	229.68
		193025	713134		ORGANICS 1022	603.9510.42930	203.00
		193025	713369		ORGANICS 1022	603.9510.42930	183.18
		193025	713494		ORGANICS 1022	603.9510.42930	219.82
		193025	713522		ORGANICS 1022	603.9510.42930	1
		193025	713947		ORGANICS 1022	603.9510.42930	4

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		193025	714420		ORGANICS 1022	603.9510.42930	393.02
		193025	714622		ORGANICS 1022	603.9510.42930	206.40
		193025	714649		ORGANICS 1022	603.9510.42930	146.20
		193025	715259		ORGANICS 1022	603.9510.42930	216.92
		193025	715281		ORGANICS 1022	603.9510.42930	312.18
		193025	715311		ORGANICS 1022	603.9510.42930	186.18
		193025	715525		ORGANICS 1022	603.9510.42930	197.20
		193025	715583		ORGANICS 1022	603.9510.42930	205.54
		193025	716291		ORGANICS 1022	603.9510.42930	432.58
							8,047.26
11/17/2022	MAIN	193026	I1596800	STREICHER'S GUN'S INC/DON	SURVEILLANCE EARPIECE	101.2100.42172	36.99
		193026	I1597260		ALTERATION, TQ CASE, MOLLE LOKS	101.2100.42172	73.98
							110.97
11/17/2022	MAIN	193027	68548	T A SCHIFSKY & SONS INC	AC 3/8" AGGREGATE MIXES	101.3121.42160	372.75
11/17/2022	MAIN	193028	45179	TEE JAY NORTH INC	FRONT DOOR REPAIR	609.9791.44020	2,301.70
11/17/2022	MAIN	193029	M27714	TIMESAVER OFF SITE SECRETR	COUNCIL MINUTES 101022	101.1410.43050	200.38
11/17/2022	MAIN	193030	799172	TRIO SUPPLY COMPANY INC	TP, TOWELS	240.5500.42171	188.59
		193030	801641		NITRILE GLOVES	609.9791.42171	138.00
							326.59
11/17/2022	MAIN	193031	6106202	UNIQUE MANAGEMENT SERVICES	1022 PLACEMENTS	240.5500.43050	104.85
11/17/2022	MAIN	193032	9919678554	VERIZON WIRELESS	110322 442044911-00002	609.9791.43250	43.50
		193032	9919678554		110322 442044911-00002	609.9792.43250	86.99
							130.49
11/17/2022	MAIN	193033	0316340-IN	VINOCOPIA INC	110222 INV/DEL	609.0000.14500	175.25
		193033	0316341-IN		110222 INV/DEL	609.0000.14500	240.00
		193033	0316341-IN		110222 INV/DEL	609.9791.42199	5.00
		193033	0316340-IN		110222 INV/DEL	609.9792.42199	2.50
							422.75
11/17/2022	MAIN	193034	2504360981	WHOLESALE TRUCK-TRLR PRTS	ROTOR	701.0000.14120	124.52
11/17/2022	MAIN	193035	11/15/2022	WILLIAM HELENBOLT	UB refund for account: 108-0585-00-	601.0000.20120	322.23
11/17/2022	MAIN	193036	999280616	XCEL ENERGY (N S P)	110122 51-4941920-1	101.3160.43810	10.64
		193036	999528871		110222 51-4174399-1	101.3160.43810	10.63
		193036	0999922881		110322 51-0011136455-0	240.5500.43810	1,2
							1,2

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11/21/2022	MAIN	188(E)	1-725-335-456	MINNESOTA DEPARTMENT OF REVI	OCTOBER LIQUOR SALES TAX	609.0000.20810	73,581.00
11/23/2022	MAIN	189(A)	2753913	CAPITOL BEVERAGE SALES LP	102022 INV	609.0000.14500	3,190.43
		189(A)	2753912		102022 INV	609.0000.14500	(9.55)
							3,180.88
11/23/2022	MAIN	193037	11	1-800-GOT-JUNK?	OUTSIDE STORAGE REMOVAL 100522 - 10	415.6450.44000	2,641.71
11/23/2022	MAIN	193038	5620587	56 BREWING LLC	102622 INV	609.0000.14500	106.00
		193038	5620565		102522 INV	609.0000.14500	176.00
							282.00
11/23/2022	MAIN	193039	229268-001	ABLE HOSE & RUBBER INC	NOZZLE	101.3121.42171	33.50
		193039	229268-001		NOZZLE	101.5200.42171	33.50
		193039	229268-001		NOZZLE	601.9600.42171	33.50
		193039	229268-001		NOZZLE	602.9600.42171	33.50
		193039	229268-001		NOZZLE	604.9600.42171	33.50
							167.50
11/23/2022	MAIN	193040	CI00028863	ALLINA HEALTH SYSTEMS	MED DIRECTORSHIP Q4 1022-1222	101.2200.43105	1,060.50
11/23/2022	MAIN	193041	130217	AMERICAN PRESSURE INC	ROTATING NOZZLE	601.9600.42010	156.86
		193041	130217		ROTATING NOZZLE	602.9600.42010	156.87
							313.73
11/23/2022	MAIN	193042	363024320046	ANOKA COUNTY PROPERTY RECORI	960 40TH AVE NE 2ND HALF	408.6414.44390	1,461.11
		193042	363024320042		1002 40TH AVE 2ND HALF	408.6414.44390	1,181.35
		193042	263024210094		5233 UNIVERSITY AVE 2ND HALF	609.9794.44390	1,848.24
							4,490.70
11/23/2022	MAIN	193043	2500130903	ARAMARK UNIFORM & CAREER API	111022 MOPS,MATS,TOWELS	609.9792.44020	96.06
		193043	2500130852		111022 MOPS,MATS,TOWELS	609.9793.44020	94.59
							190.65
11/23/2022	MAIN	193044	444	ARTEDUTC LLC	MARVELOUS DRAWINGS 0922-1022	262.5016.43050	800.00
11/23/2022	MAIN	193045	62962	ASSOC OF MN COUNTIES	MCCFMA FALL CONFERENCE	705.9970.43105	50.00
11/23/2022	MAIN	193046	224015	ASSURED SECURITY INC	BREAKROOM DOOR LOCK REPAIR	101.2200.44020	175.00
11/23/2022	MAIN	193047	287307857001110320	AT&T MOBILITY II, LLC	102522 287307857001	601.9600.43211	11.26
		193047	287307857001110320		102522 287307857001	602.9600.43211	11.26
		193047	287307857001110320		102522 287307857001	604.9600.43211	11.26
11/23/2022	MAIN	193048	254498	BARNA GUZY & STEFFEN LTD	CIVIL CHGS 1022	101.1610.43041	4,209.00

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		193048	254502		PROSECUTION 1022	101.1610.43042	9,318.00
		193048	254503		IN CUSTODY 1022	101.1610.43042	600.00
		193048	254462		PERSONNEL MATTERS 1022	101.1610.43045	45.00
		193048	254463		COUNCIL MATTERS 1022	101.1610.43045	45.00
							14,217.00
11/23/2022	MAIN	193049	E-8212	BERGMAN LEDGE LLC	110422 INV	609.0000.14500	379.00
11/23/2022	MAIN	193050	19723	BLACK STACK BREWING	101922 INV	609.0000.14500	176.00
		193050	19790		102622 INV	609.0000.14500	50.00
		193050	19791		102622 INV	609.0000.14500	158.00
		193050	19913		110222 INV	609.0000.14500	216.00
							600.00
11/23/2022	MAIN	193051	INV-012021	BLUME BRAUHAUS LLC	110222 INV	609.0000.14500	82.22
		193051	INV-012024		110222 INV	609.0000.14500	155.40
							237.62
11/23/2022	MAIN	193052	7012	BROKEN CLOCK BREWING COOP	102522 INV	609.0000.14500	126.00
		193052	7038		110222 INV	609.0000.14500	84.00
							210.00
11/23/2022	MAIN	193053	111622	CALDAS/BLANCA	REFUND DAMAGE DEPOSIT LESS SECURITY	101.0000.20810	32.43
		193053	111622		REFUND DAMAGE DEPOSIT LESS SECURITY	101.0000.34781	455.11
							487.54
11/23/2022	MAIN	193054	15904	CARLSON COMMUNITY SOLAR LLC	111622 SOLAR POWER	101.1940.43810	184.14
		193054	15904		111622 SOLAR POWER	602.9600.43810	110.75
		193054	15904		111622 SOLAR POWER	701.9950.43810	1,039.47
							1,334.36
11/23/2022	MAIN	193055	8000014661-5	CENTERPOINT ENERGY	111522 8000014661-5	101.1940.43830	578.39
		193055	8000014661-5		111522 8000014661-5	101.5129.43830	603.78
		193055	8000014661-5		111522 8000014661-5	101.5200.43830	130.30
		193055	8000014661-5		111522 8000014661-5	601.9600.43830	107.88
		193055	8000014661-5		111522 8000014661-5	609.9791.43830	369.67
		193055	8000014661-5		111522 8000014661-5	609.9792.43830	502.26
		193055	8000014661-5		111522 8000014661-5	609.9793.43830	44.43
		193055	8000014661-5		111522 8000014661-5	701.9950.43830	864.62
							3,201.33
11/23/2022	MAIN	193056	7637894821851	CENTURYLINK	110422 763 789-4821 851	101.2200.43210	3
11/23/2022	MAIN	193057	416332-00	CHAMBERLAIN OIL COMPANY INC	OIL, PURUS, KEROSENE	701.0000.14120	1,

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11/23/2022	MAIN	193058	4137386683	CINTAS INC	MOPS JPM 111522	101.5129.44020	30.10
11/23/2022	MAIN	193059	713120	CITY WIDE WINDOW SERVICE IN(	WINDOW CLEANING 1022	101.0000.20815	(3.09)
		193059	712824		WINDOW CLEANING 1022	101.0000.20815	(1.72)
		193059	713120		WINDOW CLEANING 1022	609.9791.44020	48.09
		193059	712824		WINDOW CLEANING 1022	609.9792.44020	26.72
							70.00
11/23/2022	MAIN	193060	R872813	CORE & MAIN LP	OMNI WATER METERS, FITTINGS	601.9600.42990	5,468.25
11/23/2022	MAIN	193061	15905	CORNILLIE 2 COMMUNITY SOLAR	111622 SOLAR POWER	101.5129.43810	1,167.64
		193061	15905		111622 SOLAR POWER	604.9600.43810	48.40
							1,216.04
11/23/2022	MAIN	193062	4007628	DALCO ENTERPRISES INC	HEPA CARTRIDGES	101.2200.42171	16.76
11/23/2022	MAIN	193063	22-556-00002	DORAN SPECIAL PROJECTS, LLC	CONSTRUCTION MANAGEMENT SERVICES FO	411.0000.20610	(284.79)
		193063	22-556-00002		CONSTRUCTION MANAGEMENT SERVICES FO	411.9999.43050.1911	66,301.68
							66,016.89
11/23/2022	MAIN	193064	916421	ECM PUBLISHERS INC	DIGITAL PROGRAMMATIC 101522	609.9791.43420	399.50
		193064	916422		SEM OCTOBER 2022	609.9791.43420	188.00
		193064	916421		DIGITAL PROGRAMMATIC 101522	609.9792.43420	314.50
		193064	916422		SEM OCTOBER 2022	609.9792.43420	148.00
		193064	916421		DIGITAL PROGRAMMATIC 101522	609.9793.43420	136.00
		193064	916422		SEM OCTOBER 2022	609.9793.43420	64.00
							1,250.00
11/23/2022	MAIN	193065	CG110322-54	EMERGENCY AUTOMOTIVE TECH II	STROBE LIGHT	701.0000.14120	436.31
		193065	CG11032254A		STROBE LIGHT	701.0000.14120	413.54
							849.85
11/23/2022	MAIN	193066	7-933-79172	FEDERAL EXPRESS	SHIP CAMERA TO CUES	602.9600.43220	78.44
11/23/2022	MAIN	193067	0502709	FERGUSON WATERWORKS INC	CLAMPS, VALVE BOX RISERS	601.9600.42160	4,106.38
11/23/2022	MAIN	193068	103660754	FLEETPRIDE INC	FILTERS	701.0000.14120	29.49
11/23/2022	MAIN	193069	INV03007	FRIDLEY/CITY OF	MORITZ POND ALGAE TREATMENT	604.9600.43050	1,109.80
11/23/2022	MAIN	193070	4342-891542	GENUINE PARTS/NAPA AUTO	BRAKELIGHTS - E2	101.2200.42010	6.17
		193070	4342-890328		PUSH RETAINER	701.0000.14120	6.99
							13.16
11/23/2022	MAIN	193071	2100310	GOPHER STATE ONE CALL INC	CALLOUT TICKETS	601.9600.43050	
		193071	2100310		CALLOUT TICKETS	602.9600.43050	97.65

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		193071	2100310		CALLOUT TICKETS	604.9600.43050	97.65
							292.95
11/23/2022	MAIN	193072	3582202154	GREAT LAKES COCA-COLA DISTRI	103122 INV	609.0000.14500	483.33
11/23/2022	MAIN	193073	281780	HANSON/ERIC	LODGING MCCFMA FALL CONFERENCE	705.9970.43320	103.13
11/23/2022	MAIN	193074	E-4073	HEADFLYER BREWING	110322 INV	609.0000.14500	184.31
11/23/2022	MAIN	193075	SP-035-000134	HINTERLAND CSG, LLC	111622 SOLAR POWER	101.2100.43810	166.84
		193075	SP-035-000134		111622 SOLAR POWER	101.2200.43810	166.85
							333.69
11/23/2022	MAIN	193076	552112	HOHENSTEINS INC	102122 INV	609.0000.14500	3,747.15
		193076	551809		102122 INV	609.0000.14500	2,882.50
		193076	552111		102122 INV	609.0000.14500	184.80
		193076	555808		110422 INV	609.0000.14500	342.35
		193076	554019		102822 INV	609.0000.14500	1,141.15
		193076	553743		102822 INV	609.0000.14500	1,771.50
		193076	554020		102822 INV	609.0000.14500	2,389.90
		193076	556031		110422 INV	609.0000.14500	3,906.00
		193076	555796		110422 INV	609.0000.14500	4,920.70
		193076	552426		102122 INV	609.0000.14500	(12.00)
		193076	530325		080922 INV	609.0000.14500	(32.60)
							21,241.45
11/23/2022	MAIN	193077	4903514	HOME DEPOT #2802	6FT T POSTS	101.6102.42160.2013	837.60
11/23/2022	MAIN	193078	S500002036	HORWITZ INC	TROBULE SHOOT WATER HEATER ISSUES	101.2100.44020	197.70
11/23/2022	MAIN	193079	110122	ION/SARA	SNACKS - ELECTION JUDGES	101.1410.42171	192.40
11/23/2022	MAIN	193080	100622	LUCIOW/ALLEN	POLICE STATION PAINTING	411.2100.45120	10,450.00
11/23/2022	MAIN	193081	SP-150-000058	MADISON ENERGY INVESTMENTS	111620 SOLAR POWER	101.2100.43810	113.40
		193081	SP-151-000058		111622 SOLAR POWER	101.2100.43810	134.44
		193081	SP-150-000058		111620 SOLAR POWER	101.2200.43810	113.40
		193081	SP-151-000058		111622 SOLAR POWER	101.2200.43810	134.43
							495.67
11/23/2022	MAIN	193082	SP-001-000199	MADISON ENERGY INVESTMENTS	111622 SOLAR POWER	101.1940.43810	67.47
11/23/2022	MAIN	193083	INV10522221	MARCO, INC	COPIER MAINT 102522 TO 012423	101.3100.44000	24.88
		193083	INV10522221		COPIER MAINT 102522 TO 012423	101.3121.44000	23.36
		193083	INV10522221		COPIER MAINT 102522 TO 012423	101.5200.44000	
		193083	INV10522221		COPIER MAINT 102522 TO 012423	601.9600.44000	

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		193083	INV10522221		COPIER MAINT 102522 TO 012423	602.9600.44000	23.36
		193083	INV10522221		COPIER MAINT 102522 TO 012423	701.9950.44000	23.36
							141.68
11/23/2022	MAIN	193084	656616	MCDONALD DISTRIBUTING CO	102122 INV	609.0000.14500	984.55
		193084	657361		102822 INV	609.0000.14500	1,330.60
		193084	657683		102822 INV	609.0000.14500	1,588.20
		193084	658660		110422 INV	609.0000.14500	285.50
							4,188.85
11/23/2022	MAIN	193085	19157	MEGA BEER LLC	102622 INV	609.0000.14500	260.00
		193085	19302		110222 INV	609.0000.14500	289.10
							549.10
11/23/2022	MAIN	193086	77670	MENARDS CASHWAY LUMBER-FRID	EPOXY, WD-40, BATTERIES, SUPERGLUE	101.5129.42171	36.75
		193086	77183		METAL CLAMP	602.9600.42171	4.98
		193086	78028		OIL DRY, SPILL FIX	604.9600.42171	72.41
							114.14
11/23/2022	MAIN	193087	744157	MIDWAY FORD	BRAKE PADS	701.0000.14120	49.49
11/23/2022	MAIN	193088	11083	MILK AND HONEY LLC	102722 INV	609.0000.14500	601.00
11/23/2022	MAIN	193089	ABR0292225X	MN DEPT OF LABOR & INDUSTRY	PRESSURE VESSEL LICENSE	101.2200.44390	10.00
11/23/2022	MAIN	193090	E-35860	MODIST BREWING CO LLC	102722 INV	609.0000.14500	287.00
		193090	E-36113		110322 INV	609.0000.14500	234.00
							521.00
11/23/2022	MAIN	193091	41324	MORRELL ENTERPRISES LP	LEAF DISPOSAL 102722-102822	603.9510.42930	803.28
11/23/2022	MAIN	193092	45	MUSICAL THEATER MINNESOTA L	MUSICAL THEATER LESSONS - 1ST HALF	262.5016.43050	720.00
11/23/2022	MAIN	193093	26039	NORTHWEST ASSOC CONSULTNTS	TECHNICAL ASSISTANCE 1022	201.2400.43050	11,363.10
11/23/2022	MAIN	193094	273957755001	OFFICE DEPOT	W2 & 1099 ENVELOPES, 1099R BLANK FO	101.1510.42030	217.87
11/23/2022	MAIN	193095	0001430638	ON SITE SANITATION INC	SATELLITE RENT-MCKENNA	101.5129.44100	204.00
		193095	0001430637		SATELLITE RENT-HUSET	101.5200.44100	368.00
		193095	0001430636		SATELLITE RENT-HUSET	101.5200.44100	136.00
		193095	0001430635		SATELLITE RENT-SILVER LAKE BEACH	101.5200.44100	58.00
		193095	0001430634		SATELLITE RENT-LABELLE	101.5200.44100	62.00
		193095	0001430633		SATELLITE RENT-KEYES	101.5200.44100	62.00
		193095	0001430632		SATELLITE RENT-SULLIVAN LAKE PARK	101.5200.44100	140.00
		193095	0001430631		SATELLITE RENT-MCKENNA	101.5200.44100	
		193095	0001430630		SATELLITE RENT-HUSET	101.5200.44100	2

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		193095	0001438467		SATELLITE REPLACEMENT-LABELLE	884.5200.44342	250.00
							1,531.00
11/23/2022	MAIN	193096	6168	OPG-3 INC	BS&A IMPORT WORKFLOW UPDATE	101.1510.43050	370.00
11/23/2022	MAIN	193097	234068851	ORKIN INC	PEST CONTROL JPM 111522	101.5129.44020	116.00
11/23/2022	MAIN	193098	111622	ORTIZ ULLAHUARI/DORA	REFUND DAMAGE DEPOSIT & SECURITY DE	101.0000.20810	36.17
		193098	111622		REFUND DAMAGE DEPOSIT & SECURITY DE	101.0000.34781	507.61
							543.78
11/23/2022	MAIN	193099	15139351	PARAGON DEVELOPMENT SYSTMS	ARUBA 2530 SWITCH	101.2200.42011	276.75
		193099	15139177		SMART UPS 30000 LCD UPS	411.9999.42012.1911	5,669.01
		193099	15139179		SMART UPS 30000 LCD UPS	437.9980.45180	3,779.34
							9,725.10
11/23/2022	MAIN	193100	183829	PAUSTIS & SONS WINE COMPANY	110922 INV/DEL	609.0000.14500	1,358.30
		193100	183829		110922 INV/DEL	609.9791.42199	33.00
							1,391.30
11/23/2022	MAIN	193101	01CP2674	PIONEER RIM & WHEEL CO.	RIMS	701.0000.14120	155.16
11/23/2022	MAIN	193102	992757800	POPP.COM INC	110422 10013125	601.9600.43210	13.41
		193102	992757800		110422 10013125	602.9600.43210	13.40
		193102	992757800		110422 10013125	604.9600.43210	13.40
							40.21
11/23/2022	MAIN	193103	319077292	PREMIUM WATERS INC	103122 COOLER RENTAL	101.0000.20815	(0.27)
		193103	319077291		103122 COOLER RENTAL	101.0000.20815	(0.27)
		193103	319077290		103122 COOLER RENTALS	101.0000.20815	(0.55)
		193103	319110162		111722 WATER	101.1110.42171	21.75
		193103	319077290		103122 COOLER RENTALS	609.9791.42171	8.55
		193103	319077291		103122 COOLER RENTAL	609.9792.42171	4.27
		193103	319094806		110822 WATER	609.9792.42171	13.50
		193103	319077292		103122 COOLER RENTAL	609.9793.42171	4.27
							51.25
11/23/2022	MAIN	193104	W-45503	PRYES BREWING COMPANY LLC	103122 INV	609.0000.14500	1,544.84
		193104	W-45502		103122 INV	609.0000.14500	284.00
		193104	W-45775		110422 INV	609.0000.14500	401.00
							2,229.84
11/23/2022	MAIN	193105	N9672866	QUADIENT LEASING USA, INC.	LEASE 091622-121522	101.1940.43220	6
		193105	N9672866		LEASE 091622-121522	101.1940.44100	

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		193105	N9672866		LEASE 091622-121522	601.9690.44100	225.47
		193105	N9672866		LEASE 091622-121522	602.9690.44100	225.47
		193105	N9672866		LEASE 091622-121522	603.9520.44100	112.73
		193105	N9672866		LEASE 091622-121522	603.9530.44100	112.73
							1,445.28
11/23/2022	MAIN	193106	5003680105	RED BULL DISTRIBUTION CO IN(	110722 INV	609.0000.14500	207.84
11/23/2022	MAIN	193107	120122	ROSS NESBIT AGENCIES, INC	INSURANCE SERVICE 1222	884.0000.15510	1,000.00
11/23/2022	MAIN	193108	849	ROTARY CLUB OF FRIDLEY-COL !	DUES, MEETINGS - BOURGEOIS	101.1320.44330	156.00
11/23/2022	MAIN	193109	2022CI-76675	SAVE ON EVERYTHING INC	1/4 PAGE AD DEC 2022	609.9791.43420	232.28
		193109	2022CI-76675		1/4 PAGE AD DEC 2022	609.9792.43420	182.86
		193109	2022CI-76675		1/4 PAGE AD DEC 2022	609.9793.43420	79.08
							494.22
11/23/2022	MAIN	193110	T21194	SETPOINT SYSTEMS CORPORATIO!	TECH SUPPORT 0522-0622	101.2100.44020	94.50
		193110	T21195		TECH SUPPORT 0722-0822	101.2100.44020	94.50
		193110	T21196		TECH SUPPORT 0922-1022	101.2100.44020	94.50
		193110	T21194		TECH SUPPORT 0522-0622	101.2200.44020	94.50
		193110	T21195		TECH SUPPORT 0722-0822	101.2200.44020	94.50
		193110	T21196		TECH SUPPORT 0922-1022	101.2200.44020	94.50
							567.00
11/23/2022	MAIN	193111	2830027	SHAMROCK GROUP-ACE ICE	POP JPM 110522	101.5129.42990	338.00
11/23/2022	MAIN	193112	111122	SHOREVIEW HUNKS LLC	BULK, APPLIANCE & ELECTRONICS PICKU	603.9510.42910	2,470.00
		193112	111122		BULK, APPLIANCE & ELECTRONICS PICKU	603.9510.42920	1,385.00
		193112	111222		YARD WASTE PICK UP 110722-111222	603.9510.42930	10,633.00
		193112	111122		BULK, APPLIANCE & ELECTRONICS PICKU	603.9540.43050	135.00
							14,623.00
11/23/2022	MAIN	193113	435822	SHORT ELLIOT HENDRICKSON IN(	37TH AVE WM REHAB	651.9999.43050.2203	1,486.98
11/23/2022	MAIN	193114	W-167926	SP3 LLC	110222 INV	609.0000.14500	384.00
		193114	W-138823		033022 INV	609.0000.14500	(37.38)
							346.62
11/23/2022	MAIN	193115	47680	STEEL TOE BREWING LLC	102522 INV	609.0000.14500	279.00
11/23/2022	MAIN	193116	75257	SYLVA CORPORATION INC	MULCH	101.6102.42160.2013	1,752.08
11/23/2022	MAIN	193117	85866-00	TERMINAL SUPPLY CO, INC	COPPER LUGS	701.9950.42171	24.31
		193117	85859-00		CONNECTORS, BATTERY TERMINALS, CABL	701.9950.42171	2
							259.19

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11/23/2022	MAIN	193118	33952	TRADITION WINE & SPIRITS LL(	103122 INV/DEL	609.0000.14500	450.00
		193118	33952		103122 INV/DEL	609.9791.42199	9.00
							459.00
11/23/2022	MAIN	193119	E33848	TRI-STATE BOBCAT INC	BOBCAT RENTAL 101722-102122	101.6102.44100	1,374.25
11/23/2022	MAIN	193120	800383	TRIO SUPPLY COMPANY INC	GLOVES, TP, TOWELS, CLEANERS	701.9950.42171	629.68
11/23/2022	MAIN	193121	168620591	TRUGREEN CHEMLAWN	LAWN SERVICE-PARKS 101022	101.5200.44000	483.89
		193121	168620593		LAWN SERVICE-TV1 & TV2 101022	609.9791.44000	113.03
		193121	168620593		LAWN SERVICE-TV1 & TV2 101022	609.9792.44000	94.75
							691.67
11/23/2022	MAIN	193122	18226	TWIN CITY WATER CLINIC INC	COLIFORM TESTING 0922	601.9600.43050	220.00
		193122	18287		COLIFORM TESTING 1022	601.9600.43050	220.00
							440.00
11/23/2022	MAIN	193123	E-31590	URBAN GROWLER BREWING CO LL(	110422 INV	609.0000.14500	272.00
11/23/2022	MAIN	193124	9919446221	VERIZON WIRELESS	110122 342019817-00001	101.3100.43211	239.85
		193124	9919446221		110122 342019817-00001	101.3121.43211	236.03
		193124	9919446221		110122 342019817-00001	101.5200.43211	236.03
		193124	9919446221		110122 342019817-00001	101.6102.43211	51.21
		193124	9919446221		110122 342019817-00001	601.9600.43211	167.58
		193124	9919446221		110122 342019817-00001	602.9600.43211	167.58
		193124	9919446221		110122 342019817-00001	603.9520.43211	25.61
		193124	9919446221		110122 342019817-00001	603.9530.43211	25.60
		193124	9919446221		110122 342019817-00001	604.9600.43211	61.21
		193124	9919446221		110122 342019817-00001	701.9950.43211	51.21
		193124	9919446221		110122 342019817-00001	705.9970.43211	51.21
							1,313.12
11/23/2022	MAIN	193125	S006334351.001	VIKING ELECTRIC SUPPLY	LIGHTS	101.5200.42171	62.16
11/23/2022	MAIN	193126	594	VIP WINE & SPIRITS, LTD	102222 INV	609.0000.14500	108.00
11/23/2022	MAIN	193127	CH-11162022	VIRIDI INVESTMENTS LLC	111622 SOLAR POWER	609.9791.43810	327.14
11/23/2022	MAIN	193128	219299	WINE COMPANY/THE	110222 INV/DEL	609.0000.14500	1,234.00
		193128	219299		110222 INV/DEL	609.9791.42199	28.35
							1,262.35
11/23/2022	MAIN	193129	R-019494-000-7	WSB & ASSOCIATES INC	MS4 SVCS 0922	604.9600.43050	2,654.21
11/23/2022	MAIN	193130	1000110762	XCEL ENERGY (N S P)	110422 51-7867659-8	101.3160.43810	2
		193130	1000114490		110422 51-7867950-2	101.3160.43810	

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		193130	1000078699		110422 51-4697130-6	101.5129.43810	169.79
		193130	1000154686		110422 51-0012266105-3	101.5200.43810	71.94
		193130	1000376786		110722 51-0010057576-7	101.5200.43810	77.48
		193130	1000129531		110422 51-9597586-9	101.5200.43810	17.11
		193130	1000116713		110422 51-8042065-3	101.5200.43810	67.12
		193130	1000144009		110422 51-0011039127-7	101.5200.43810	54.19
		193130	1002057833		111522 51-7654903-4	101.5200.43810	217.42
		193130	1001732809		111422 51-5950185-0	101.5200.43810	151.80
		193130	1000141792		110422 51-9893848-4	212.3190.43810	54.20
		193130	1000160789		110422 51-0011980129-4	212.3190.43810	168.29
		193130	1000416598		110722 51-0013059132-8	228.6317.43810	776.42
		193130	1000180894		110422 51-0013099828-3	602.9600.43810	152.10
		193130	1000149782		110422 51-0010836533-8	604.9600.43810	28.83
		193130	1000356684		110722 51-8335212-3	609.9792.43810	444.74
		193130	1000085141		110422 51-4436024-5	609.9793.43810	492.16
		193130	1000189926		110422 51-0014068181-7	609.9794.43810	107.14
							3,298.57
11/23/2022	MAIN	193131	IN000757248	ZIEGLER INC	SWITCH, BRAKE PADS	701.0000.14120	126.36
		193131	IN000755004		GASS CYLINDER KIT	701.0000.14120	64.30
							190.66
11/25/2022	MAIN	190(A)	13504425	ALLIED UNIVERSAL SECURITY SI	SECURITY JPM 110522-110622	101.5129.43050	176.00
11/25/2022	MAIN	191(A)	17-000264	ARES NEE HOLDINGS, LLC	111722 SOLAR POWER	609.9791.43810	1,302.56
		191(A)	17-000264		111722 SOLAR POWER	609.9792.43810	837.94
							2,140.50
11/25/2022	MAIN	192(A)	3567397	ARTISAN BEER COMPANY	102122 INV	609.0000.14500	1,308.50
		192(A)	3567037		102022 INV	609.0000.14500	211.00
		192(A)	3570043		110422 INV	609.0000.14500	428.00
		192(A)	3567739		102522 INV	609.0000.14500	2,648.20
		192(A)	3567740		102522 INV	609.0000.14500	569.35
		192(A)	3568379		102722 INV	609.0000.14500	1,212.10
		192(A)	344338		092322 INV	609.0000.14500	(30.00)
		192(A)	346885		102522 INV	609.0000.14500	(10.00)
		192(A)	344339		092322 INV	609.0000.14500	(151.20)
		192(A)	346867		102422 INV	609.0000.14500	(110.80)
		192(A)	347071		102622 INV	609.0000.14500	(11.16)
							6,063.99
11/25/2022	MAIN	193(A)	0105935300	BELLBOY BAR SUPPLY	102622 BAGS,INV	609.0000.14500	2
		193(A)	0105936100		102622 INV	609.0000.14500	1

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		193(A)	0105935300		102622 BAGS,INV	609.9791.42171	305.95
							668.38
11/25/2022	MAIN	194(A)	0097002800	BELLBOY CORPORATION	101922 INV/DEL	609.0000.14500	2,670.15
		194(A)	0097085800		102622 INV/DEL	609.0000.14500	2,879.35
		194(A)	0097099900		102622 INV/DEL	609.0000.14500	204.00
		194(A)	0097085000		102622 INV/DEL	609.0000.14500	2,100.42
		194(A)	0097002300		101922 INV/DEL	609.0000.14500	3,659.35
		194(A)	0097278600		110922 INV/DEL	609.0000.14500	1,821.50
		194(A)	0097085800		102622 INV/DEL	609.9791.42199	42.00
		194(A)	0097002300		101922 INV/DEL	609.9791.42199	48.00
		194(A)	0097085000		102622 INV/DEL	609.9792.42199	32.00
		194(A)	0097278600		110922 INV/DEL	609.9792.42199	18.00
		194(A)	0097002800		101922 INV/DEL	609.9793.42199	16.00
		194(A)	0097099900		102622 INV/DEL	609.9793.42199	6.00
							13,496.77
11/25/2022	MAIN	195(A)	100980639	BLUE CLOUD DISTRIBUTION OF M	102122 INV	609.0000.14500	568.00
11/25/2022	MAIN	196(A)	346133629	BREAKTHRU BEVERAGE MN BEER]	101922 INV 700297736	609.0000.14500	6,237.95
		196(A)	346133628		101922 INV 700297736	609.0000.14500	67.70
		196(A)	346181103		102122 INV 700297782	609.0000.14500	2,766.45
		196(A)	346335426		110122 INV 700297717	609.0000.14500	120.00
		196(A)	346336465		110122 INV 700297717	609.0000.14500	184.80
		196(A)	346335329		110122 INV 700297717	609.0000.14500	87.65
		196(A)	346444671		110922 INV 700297736	609.0000.14500	470.00
		196(A)	346282973		102822 INV 700297782	609.0000.14500	117.50
		196(A)	346282972		102822 INV 700297782	609.0000.14500	13,276.15
		196(A)	346236318		102622 INV 700297736	609.0000.14500	85.75
		196(A)	346394672		110422 INV 700297782	609.0000.14500	3,469.85
		196(A)	346394671		110422 INV 700297782	609.0000.14500	216.00
							27,099.80
11/25/2022	MAIN	197(A)	346176397	BREAKTHRU BEVERAGE MN W&S LJ	102122 INV/DEL 700297717	609.0000.14500	692.00
		197(A)	346176401		102122 INV/DEL 700297736	609.0000.14500	414.82
		197(A)	346176400		102122 INV/DEL 700297736	609.0000.14500	878.41
		197(A)	346176399		102122 INV/DEL 700297736	609.0000.14500	684.00
		197(A)	346279841		102822 INV 700297717	609.0000.14500	63.00
		197(A)	346279846		102822 INV/DEL 700297736	609.0000.14500	197.28
		197(A)	346279847		102822 INV/DEL 700297782	609.0000.14500	613.71
		197(A)	346279845		102822 INV/DEL 700297736	609.0000.14500	1,083.71
		197(A)	346389694		110422 INV/DEL 700297782	609.0000.14500	8
		197(A)	346490973		111122 INV/DEL 700297736	609.0000.14500	4

Check Date	Bank	Check #	Invoice	Payee	Description	GL #	Amount
		197(A)	346490971		111122 INV/DEL 700297736	609.0000.14500	981.75
		197(A)	346490969		111122 INV/DEL 700297736	609.0000.14500	558.60
		197(A)	346490974		111122 INV/DEL 700297736	609.0000.14500	1,377.66
		197(A)	346490970		111122 INV/DEL 700297736	609.0000.14500	319.20
		197(A)	346490975		111122 INV/DEL 700297736	609.0000.14500	784.00
		197(A)	346176397		102122 INV/DEL 700297717	609.9791.42199	13.80
		197(A)	346176401		102122 INV/DEL 700297736	609.9792.42199	6.90
		197(A)	346176400		102122 INV/DEL 700297736	609.9792.42199	5.75
		197(A)	346176399		102122 INV/DEL 700297736	609.9792.42199	6.90
		197(A)	346279846		102822 INV/DEL 700297736	609.9792.42199	6.90
		197(A)	346279845		102822 INV/DEL 700297736	609.9792.42199	20.70
		197(A)	346490973		111122 INV/DEL 700297736	609.9792.42199	3.45
		197(A)	346490971		111122 INV/DEL 700297736	609.9792.42199	17.25
		197(A)	346490969		111122 INV/DEL 700297736	609.9792.42199	9.20
		197(A)	346490974		111122 INV/DEL 700297736	609.9792.42199	9.20
		197(A)	346490970		111122 INV/DEL 700297736	609.9792.42199	5.75
		197(A)	346490975		111122 INV/DEL 700297736	609.9792.42199	9.20
		197(A)	346279847		102822 INV/DEL 700297782	609.9793.42199	28.75
		197(A)	346389694		110422 INV/DEL 700297782	609.9793.42199	6.90
							10,124.62
11/25/2022	MAIN	198(A)	2757705	CAPITOL BEVERAGE SALES LP	103122 INV	609.0000.14500	3,182.10
		198(A)	2754982		102422 INV	609.0000.14500	2,520.04
		198(A)	2760715		110422 INV	609.0000.14500	2,560.00
		198(A)	2756694		102722 INV	609.0000.14500	6,501.56
		198(A)	2756188		102622 INV	609.0000.14500	2,070.45
		198(A)	2758998		110222 INV	609.0000.14500	11,135.65
		198(A)	2765559		111722 INV	609.0000.14500	6,831.97
		198(A)	2763070		111422 INV	609.0000.14500	2,509.85
		198(A)	2762079		110922 INV	609.0000.14500	6,763.60
		198(A)	2762481		111022 INV	609.0000.14500	5,366.23
		198(A)	2759202		110322 INV	609.0000.14500	6,352.72
		198(A)	2754981		102422 INV	609.0000.14500	(23.58)
		198(A)	23160067		102722 INV	609.0000.14500	(28.60)
		198(A)	23160065		102622 INV	609.0000.14500	(30.00)
		198(A)	21510086		110222 INV	609.0000.14500	(90.00)
		198(A)	2762480		111022 INV	609.0000.14500	(17.10)
							55,604.89
11/25/2022	MAIN	199(A)	82560	FLUID INTERIORS	DELIVERY DATE CHANGE FEE	411.9999.43050.1911	220.00
11/25/2022	MAIN	200(A)	2168859	JOHNSON BROTHERS LIQUOR CO.	103122 INV	609.0000.14500	1,5
		200(A)	2050908		051222 INV	609.0000.14500	2

Check Date	Bank	Check #	Invoice	Payee	Description	GL #	Amount
		200(A)	2170841		110222 INV	609.0000.14500	22.50
		200(A)	2175472		110922 INV	609.0000.14500	320.00
		200(A)	2175479		110922 INV	609.0000.14500	727.50
		200(A)	2175467		110922 INV	609.0000.14500	625.50
		200(A)	2175468		110922 INV	609.0000.14500	50.40
		200(A)	2175464		110922 INV	609.0000.14500	324.00
		200(A)	2175470		110922 INV	609.0000.14500	540.00
		200(A)	2176593		111022 INV	609.0000.14500	256.00
		200(A)	2176591		111022 INV	609.0000.14500	215.00
		200(A)	2176592		111022 INV	609.0000.14500	351.00
		200(A)	2177631		111122 INV	609.0000.14500	60.00
		200(A)	2177632		111122 INV	609.0000.14500	3,499.85
		200(A)	2176594		111022 INV	609.0000.14500	495.00
		200(A)	2176595		111022 INV	609.0000.14500	1,680.00
		200(A)	2175471		110922 INV	609.0000.14500	454.20
		200(A)	2175474		110922 INV	609.0000.14500	255.00
		200(A)	2175466		110922 INV	609.0000.14500	135.00
		200(A)	2177623		111122 INV	609.0000.14500	420.00
		200(A)	2177630		111122 INV	609.0000.14500	59.00
		200(A)	2177626		111122 INV	609.0000.14500	220.00
		200(A)	2177627		111122 INV	609.0000.14500	287.00
		200(A)	2177628		111122 INV	609.0000.14500	3,466.75
		200(A)	2176587		111022 INV	609.0000.14500	2,100.00
		200(A)	2176588		111022 INV	609.0000.14500	94.00
		200(A)	2173102		110422 INV	609.0000.14500	280.00
		200(A)	2172010		110322 INV	609.0000.14500	699.25
		200(A)	2172011		110322 INV	609.0000.14500	233.00
		200(A)	2172008		110322 INV	609.0000.14500	84.00
		200(A)	2173100		110422 INV	609.0000.14500	519.00
		200(A)	2176586		111022 INV	609.0000.14500	1,551.50
		200(A)	2176589		111022 INV	609.0000.14500	1,479.64
		200(A)	2176584		111022 INV	609.0000.14500	351.00
		200(A)	2175465		110922 INV	609.0000.14500	747.15
		200(A)	2175463		110922 INV	609.0000.14500	324.00
		200(A)	2177624		111122 INV	609.0000.14500	553.00
		200(A)	2182456		111822 INV	609.0000.14500	1,218.40
		200(A)	2180121		111622 INV	609.0000.14500	520.00
		200(A)	2180122		111622 INV	609.0000.14500	511.68
		200(A)	2180127		111622 INV	609.0000.14500	32.00
		200(A)	2180120		111622 INV	609.0000.14500	550.00
		200(A)	2180131		111622 INV	609.0000.14500	1
		200(A)	2181295		111722 INV	609.0000.14500	1

Check Date	Bank	Check #	Invoice	Payee	Description	GL #	Amount
		200(A)	2181294		111722 INV	609.0000.14500	1,237.32
		200(A)	2181293		111722 INV	609.0000.14500	801.25
		200(A)	2180134		111622 INV	609.0000.14500	650.63
		200(A)	197556		041522 INV	609.0000.14500	(13.33)
		200(A)	197555		041522 INV	609.0000.14500	(3.33)
		200(A)	197552		041522 INV	609.0000.14500	(199.96)
		200(A)	221582		091522 INV	609.0000.14500	(47.63)
		200(A)	217752		082322 INV	609.0000.14500	(22.48)
		200(A)	2168859		103122 INV	609.9791.42199	21.60
		200(A)	2177626		111122 INV	609.9791.42199	2.70
		200(A)	2177627		111122 INV	609.9791.42199	8.11
		200(A)	2177628		111122 INV	609.9791.42199	40.50
		200(A)	2176587		111022 INV	609.9791.42199	35.10
		200(A)	2176588		111022 INV	609.9791.42199	2.71
		200(A)	2172010		110322 INV	609.9791.42199	13.50
		200(A)	2172011		110322 INV	609.9791.42199	6.75
		200(A)	2172008		110322 INV	609.9791.42199	1.35
		200(A)	2173100		110422 INV	609.9791.42199	13.50
		200(A)	2176586		111022 INV	609.9791.42199	33.76
		200(A)	2176589		111022 INV	609.9791.42199	28.34
		200(A)	2176584		111022 INV	609.9791.42199	2.70
		200(A)	2175465		110922 INV	609.9791.42199	3.50
		200(A)	2175463		110922 INV	609.9791.42199	7.00
		200(A)	2177624		111122 INV	609.9791.42199	9.45
		200(A)	2182456		111822 INV	609.9791.42199	22.95
		200(A)	2180121		111622 INV	609.9791.42199	6.75
		200(A)	2180122		111622 INV	609.9791.42199	10.80
		200(A)	2180127		111622 INV	609.9791.42199	1.35
		200(A)	2180120		111622 INV	609.9791.42199	8.10
		200(A)	2181295		111722 INV	609.9791.42199	4.05
		200(A)	2181294		111722 INV	609.9791.42199	22.08
		200(A)	2181293		111722 INV	609.9791.42199	21.06
		200(A)	220017		090222 DEL	609.9791.42199	(24.30)
		200(A)	2050908		051222 INV	609.9792.42199	8.10
		200(A)	2175472		110922 INV	609.9792.42199	13.50
		200(A)	2175479		110922 INV	609.9792.42199	20.25
		200(A)	2175467		110922 INV	609.9792.42199	6.75
		200(A)	2175468		110922 INV	609.9792.42199	1.35
		200(A)	2175464		110922 INV	609.9792.42199	1.35
		200(A)	2175470		110922 INV	609.9792.42199	4.05
		200(A)	2176593		111022 INV	609.9792.42199	
		200(A)	2176591		111022 INV	609.9792.42199	

Check Date	Bank	Check #	Invoice	Payee	Description	GL #	Amount
		200(A)	2176592		111022 INV	609.9792.42199	2.70
		200(A)	2177631		111122 INV	609.9792.42199	1.35
		200(A)	2177632		111122 INV	609.9792.42199	39.15
		200(A)	2177629		111122 DEL	609.9792.42199	1.35
		200(A)	2176594		111022 INV	609.9792.42199	17.55
		200(A)	2176595		111022 INV	609.9792.42199	28.35
		200(A)	2175471		110922 INV	609.9792.42199	14.85
		200(A)	2175474		110922 INV	609.9792.42199	8.11
		200(A)	2175466		110922 INV	609.9792.42199	4.05
		200(A)	2177623		111122 INV	609.9793.42199	8.75
		200(A)	2177630		111122 INV	609.9793.42199	1.75
		200(A)	2173102		110422 INV	609.9793.42199	10.80
		200(A)	2180131		111622 INV	609.9793.42199	4.06
		200(A)	2180134		111622 INV	609.9793.42199	10.80
							31,317.42
11/25/2022	MAIN	201(A)	P45877	MAC QUEEN EQUIPMENT LLC	BROOM COVERS	701.0000.14120	116.04
11/25/2022	MAIN	202(A)	6490788	PHILLIPS WINE & SPIRITS INC	110422 INV	609.0000.14500	100.00
		202(A)	6492634		110922 INV	609.0000.14500	1,643.75
		202(A)	6493549		111022 INV	609.0000.14500	640.00
		202(A)	6493550		111022 INV	609.0000.14500	221.25
		202(A)	6493552		111022 INV	609.0000.14500	144.00
		202(A)	6490789		110422 INV	609.0000.14500	123.90
		202(A)	6489912		110322 INV	609.0000.14500	1,362.90
		202(A)	6493551		111022 INV	609.0000.14500	740.05
		202(A)	6494411		111122 INV	609.0000.14500	475.20
		202(A)	6497368		111722 INV	609.0000.14500	176.00
		202(A)	6497370		111722 INV	609.0000.14500	300.00
		202(A)	6497372		111722 INV	609.0000.14500	565.00
		202(A)	6497371		111722 INV	609.0000.14500	240.00
		202(A)	6496375		111622 INV	609.0000.14500	479.55
		202(A)	6493550		111022 INV	609.9791.42199	8.10
		202(A)	6493552		111022 INV	609.9791.42199	2.70
		202(A)	6489912		110322 INV	609.9791.42199	44.55
		202(A)	6493551		111022 INV	609.9791.42199	8.11
		202(A)	6494411		111122 INV	609.9791.42199	7.43
		202(A)	6497368		111722 INV	609.9791.42199	6.08
		202(A)	6497370		111722 INV	609.9791.42199	5.40
		202(A)	6497372		111722 INV	609.9791.42199	27.00
		202(A)	6497371		111722 INV	609.9791.42199	4.73
		202(A)	6492634		110922 INV	609.9792.42199	
		202(A)	6493549		111022 INV	609.9792.42199	

Check Date	Bank	Check #	Invoice	Payee	Description	GL #	Amount
		202(A)	6490788		110422 INV	609.9793.42199	2.70
		202(A)	6490789		110422 INV	609.9793.42199	4.05
		202(A)	6496375		111622 INV	609.9793.42199	6.75
							7,383.73
11/25/2022	MAIN	203(A)	2274578	SOUTHERN GLAZER'S	102622 INV/DEL	609.0000.14500	269.98
		203(A)	2274582		102622 INV/DEL	609.0000.14500	315.00
		203(A)	2274584		102622 INV/DEL	609.0000.14500	192.00
		203(A)	2274583		102622 INV/DEL	609.0000.14500	1,258.75
		203(A)	2274585		102622 INV/DEL	609.0000.14500	540.00
		203(A)	2274586		102622 INV/DEL	609.0000.14500	202.49
		203(A)	2274588		102622 INV/DEL	609.0000.14500	669.37
		203(A)	2274589		102622 INV/DEL	609.0000.14500	269.98
		203(A)	2274592		102622 INV/DEL	609.0000.14500	983.60
		203(A)	2274594		102622 INV/DEL	609.0000.14500	268.00
		203(A)	2274598		102622 INV/DEL	609.0000.14500	202.49
		203(A)	2274597		102622 INV/DEL	609.0000.14500	192.00
		203(A)	2274596		102622 INV/DEL	609.0000.14500	337.45
		203(A)	2274595		102622 INV/DEL	609.0000.14500	5,074.92
		203(A)	2274580		102622 INV/DEL	609.0000.14500	1,034.55
		203(A)	2274591		102622 INV/DEL	609.0000.14500	584.75
		203(A)	2274593		102622 INV/DEL	609.0000.14500	827.64
		203(A)	2278483		110422 INV/DEL	609.0000.14500	723.00
		203(A)	2278482		110422 INV/DEL	609.0000.14500	554.40
		203(A)	2278481		110422 INV/DEL	609.0000.14500	487.75
		203(A)	2280313		111022 INV/DEL	609.0000.14500	554.40
		203(A)	2277621		110322 INV/DEL	609.0000.14500	3,261.45
		203(A)	2280315		111022 INV/DEL	609.0000.14500	599.70
		203(A)	2280314		111022 INV/DEL	609.0000.14500	805.95
		203(A)	2280316		111022 INV/DEL	609.0000.14500	1,136.32
		203(A)	2280318		111022 INV/DEL	609.0000.14500	1,196.00
		203(A)	2277625		110322 INV/DEL	609.0000.14500	120.00
		203(A)	2280311		111022 INV/DEL	609.0000.14500	580.00
		203(A)	2280308		111022 INV/DEL	609.0000.14500	3,151.30
		203(A)	2277614		110322 INV/DEL	609.0000.14500	611.12
		203(A)	0081367		111022 INV	609.0000.14500	(1,350.00)
		203(A)	9441152		092822 INV	609.0000.14500	(300.00)
		203(A)	9441151		092822 INV	609.0000.14500	(300.00)
		203(A)	9434960		091322 INV	609.0000.14500	(25.00)
		203(A)	2274578		102622 INV/DEL	609.9791.42199	1.28
		203(A)	2274582		102622 INV/DEL	609.9791.42199	
		203(A)	2274584		102622 INV/DEL	609.9791.42199	

Check Date	Bank	Check #	Invoice	Payee	Description	GL #	Amount
		203(A)	2274583		102622 INV/DEL	609.9791.42199	3.95
		203(A)	2274585		102622 INV/DEL	609.9791.42199	5.12
		203(A)	2274586		102622 INV/DEL	609.9791.42199	1.71
		203(A)	2274580		102622 INV/DEL	609.9791.42199	6.40
		203(A)	2280311		111022 INV/DEL	609.9791.42199	16.64
		203(A)	2280308		111022 INV/DEL	609.9791.42199	71.89
		203(A)	2277614		110322 INV/DEL	609.9791.42199	14.08
		203(A)	2274588		102622 INV/DEL	609.9792.42199	6.82
		203(A)	2274589		102622 INV/DEL	609.9792.42199	1.28
		203(A)	2274592		102622 INV/DEL	609.9792.42199	12.80
		203(A)	2274594		102622 INV/DEL	609.9792.42199	8.96
		203(A)	2274598		102622 INV/DEL	609.9792.42199	1.71
		203(A)	2274597		102622 INV/DEL	609.9792.42199	4.27
		203(A)	2274596		102622 INV/DEL	609.9792.42199	1.49
		203(A)	2274595		102622 INV/DEL	609.9792.42199	16.64
		203(A)	2274591		102622 INV/DEL	609.9792.42199	7.68
		203(A)	2274593		102622 INV/DEL	609.9792.42199	5.12
		203(A)	2280313		111022 INV/DEL	609.9792.42199	10.24
		203(A)	2277621		110322 INV/DEL	609.9792.42199	14.40
		203(A)	2280315		111022 INV/DEL	609.9792.42199	3.95
		203(A)	2280314		111022 INV/DEL	609.9792.42199	14.08
		203(A)	2280316		111022 INV/DEL	609.9792.42199	24.32
		203(A)	2280318		111022 INV/DEL	609.9792.42199	33.28
		203(A)	2277625		110322 INV/DEL	609.9792.42199	1.28
		203(A)	2278483		110422 INV/DEL	609.9793.42199	1.49
		203(A)	2278482		110422 INV/DEL	609.9793.42199	10.24
		203(A)	2278481		110422 INV/DEL	609.9793.42199	7.89
							25,347.12
11/25/2022	MAIN	204(A)	7403394	WINE MERCHANTS	111022 INV	609.0000.14500	189.00
		204(A)	7403393		111022 INV	609.0000.14500	3,576.00
		204(A)	7404206		111622 INV	609.0000.14500	2,083.15
		204(A)	7403394		111022 INV	609.9791.42199	8.10
		204(A)	7403393		111022 INV	609.9791.42199	43.21
		204(A)	7404206		111622 INV	609.9791.42199	39.39
							5,938.85
				TOTAL - ALL FUNDS	TOTAL OF 214 CHECKS		779,230.07

Check Date	Bank	Check Number	Name	Check Gross	Physical Check Amount	Direct Deposit	Status
11/18/2022	PR	90839	INSCCU	112.00	112.00	0.00	Open
11/18/2022	PR	90840	UNION 49	630.00	630.00	0.00	Open
11/18/2022	PR	90841	DELTA DENTAL OF MINNESOTA	10,083.27	10,083.27	0.00	Open
11/18/2022	PR	90842	SUN LIFE FINANCIAL	2,034.70	2,034.70	0.00	Open
11/18/2022	PR	90843	SUN LIFE FINANCIAL	1,702.75	1,702.75	0.00	Open
11/18/2022	PR	90844	MEDICA HEALTH PLANS	2,691.00	2,691.00	0.00	Open
11/18/2022	PR	90845	MEDICA	132,339.56	132,339.56	0.00	Open
11/18/2022	PR	90846	MEDICA	299.00	299.00	0.00	Open
11/18/2022	PR	90847	NCPERS GROUP LIFE INS MBR BEN	496.00	496.00	0.00	Open
11/18/2022	PR	90848	FIDELITY SECURITY LIFE INSURANCE COMPANY	399.35	399.35	0.00	Open
11/18/2022	PR	90849	SUN LIFE FINANCIAL	1,047.38	1,047.38	0.00	Open
11/18/2022	PR	EFT748	COL HTS LOCAL 1216	200.00	200.00	0.00	Open
11/18/2022	PR	EFT749	MSRS MNDCP PLAN 650251	2,312.63	2,312.63	0.00	Open
11/18/2022	PR	EFT750	HSA BANK	8,144.95	8,144.95	0.00	Open
11/18/2022	PR	EFT751	VANTAGEPOINT TRANSFER 457	18,185.67	18,185.67	0.00	Open
11/18/2022	PR	EFT752	IRS	86,837.50	86,837.50	0.00	Open
11/18/2022	PR	EFT753	PERA 397400	84,927.70	84,927.70	0.00	Open
11/18/2022	PR	EFT754	COL HGTS POLICE ASSN	144.50	144.50	0.00	Open
11/18/2022	PR	EFT755	VANTAGEPOINT TRANSFER AGENTS	724.81	724.81	0.00	Open
11/18/2022	PR	EFT756	VANTAGEPOINT TRANSFER -401	2,052.23	2,052.23	0.00	Open
11/18/2022	PR	EFT757	STATE OF MN TAX	18,109.33	18,109.33	0.00	Open
11/18/2022	PR	EFT758	AFSCME COUNCIL 5	538.85	538.85	0.00	Open
Totals:			Number of Checks: 022	374,013.18	374,013.18	0.00	

Total Physical Checks: 11
Total Check Stubs: 11

COLUMBIA HEIGHTS
REDISCOVER THE HEIGHTS

CITY COUNCIL MEETING

AGENDA SECTION	**PUBLIC HEARINGS**
MEETING DATE	**NOVEMBER 28, 2022**

ITEM:	**Consideration of Resolution 2022-111, Revocation of the License to Operate Rental Units Within the city of Columbia Heights against the rental property at 1204/1206 Cheery Lane NE for failure to meet the requirements of the Residential Maintenance Codes.**
DEPARTMENT: Fire	**BY/DATE: Assistant Chief Dan O'Brien, 11/28/22**

CITY STRATEGY: *(please indicate areas that apply by adding a bold "**X**" in front of the selected text below)*

_Safe Community	_Diverse, Welcoming "Small-Town" Feel
_Economic Strength	X Excellent Housing/Neighborhoods
_Equity and Affordability	_Strong Infrastructure/Public Services
_Opportunities for Play and Learning	_Engaged, Multi-Generational, Multi-Cultural Population

BACKGROUND:

Revocation of the license to operate rental units within the city of Columbia Heights is requested against the rental property at:

1204/1206 Cheery Lane NE

RECOMMENDED MOTIONS:

MOTION: Move to close the public hearing and waive the reading of Resolution 2022-111, there being ample copies available to the public.
MOTION: Move to adopt Resolution 2022-111, being a Resolution of the City Council of the city of Columbia Heights approving revocation pursuant to City Code, Chapter 5A, Article IV, Section 5A.408(A) of the rental license listed.

ATTACHMENT:
Res. 2022-111 – Rental Vio NOT Corrected – 1204-1206 Cheery Lane

RESOLUTION NO. 2022-111

Resolution of the city council for the city of Columbia Heights approving revocation pursuant to city code of that certain property rental license held by Sasha Visnjic of Vlado Construction, LLC (Hereinafter "License Holder").

Whereas, license holder is the legal owner of the real property located at 1204/1206 Cheery Lane NE, Columbia Heights, Minnesota,

Whereas, pursuant to city code, written notice setting forth the causes and reasons for the proposed council action contained herein was given to the License Holder on October 24, 2022, of a public hearing to be held on November 28, 2022.

Now, therefore, in accordance with the foregoing, and all ordinances and regulations of the city of Columbia Heights, the city council of the city of Columbia Heights makes the following:

FINDINGS OF FACT

1. That on July 8, 2022, inspectors for the city of Columbia Heights, inspected the property described above and noted violations. A compliance letter listing the violations was mailed by regular mail to the owner at the address listed on the rental housing license application.
2. That on August 15, 2022, September 12, 2022, October 11, 2022, and October 24, 2022, inspectors for the city of Columbia Heights performed re-inspections and noted that violations remained uncorrected. A Statement of Cause was mailed via regular mail to the owner at the address listed on the rental housing license application.
3. That on November 16, 2022, inspectors for the city of Columbia Heights checked records for this property and noted that the violations remained uncorrected.
4. That based upon said records of the enforcement office, the following conditions and violations of the city's Property Maintenance Code were found to exist, to-wit:

    a. Shall repair/replace displaced storm windows next to 1204 entry door and southwest window. Repairs shall be performed in a workmanlike manner and conform to surrounding areas.
    b. Shall repair/replace rotted deck boards.
    c. Shall repair/replace deteriorated (rotted) windowsill in 1204 lower-level southwest corner.
    d. Shall supply for every openable window and other outside openings required for ventilation, approved tightly fitting screens.

5. That all parties, including the License Holder and any occupants or tenants, have been given the appropriate notice of this hearing according to the provisions of the city code.

ORDER OF COUNCIL

1. The rental license belonging to the License Holder described herein and identified by license number 22-0005123 is hereby revoked.

2. The city will post for the purpose of preventing occupancy a copy of this order on the buildings covered by the license held by License Holder.

3. All tenants shall remove themselves from the premises within 45 days from the first day of posting of

this order revoking the license as held by License Holder.

Passed this _____ day of _____, 2022

Offered by:
Seconded by:
Roll Call:

_____
Amáda Márquez Simula, Mayor

Attest:

_____
Sara Ion, City Clerk/Council Secretary

COLUMBIA HEIGHTS
REDISCOVER THE HEIGHTS

CITY COUNCIL MEETING

AGENDA SECTION	**PUBLIC HEARINGS**
MEETING DATE	**NOVEMBER 28, 2022**

ITEM:	**Consideration of Resolution 2022-112, Revocation of the License to Operate Rental Units Within the city of Columbia Heights against the rental property at 4636/4638 Washington Street NE for failure to meet the requirements of the Residential Maintenance Codes.**
DEPARTMENT: Fire	**BY/DATE: Assistant Chief Dan O'Brien, 11/28/22**

CITY STRATEGY: *(please indicate areas that apply by adding a bold "**X**" in front of the selected text below)*

_Safe Community	_Diverse, Welcoming "Small-Town" Feel
_Economic Strength	X Excellent Housing/Neighborhoods
_Equity and Affordability	_Strong Infrastructure/Public Services
_Opportunities for Play and Learning	_Engaged, Multi-Generational, Multi-Cultural Population

BACKGROUND:

Revocation of the license to operate rental units within the city of Columbia Heights is requested against the rental property at:

4636/4638 Washington Street NE

RECOMMENDED MOTIONS:

MOTION: Move to close the public hearing and waive the reading of Resolution 2022-112, there being ample copies available to the public.
MOTION: Move to adopt Resolution 2022-112, being a Resolution of the City Council of the city of Columbia Heights approving revocation pursuant to City Code, Chapter 5A, Article IV, Section 5A.408(A) of the rental license listed.

ATTACHMENT:
Res. 2022-112 – Rental Vio NOT Corrected – 4636/4638 Washington St.

AMENDED

RESOLUTION NO. 2022-112

Resolution of the city council for the city of Columbia Heights approving revocation pursuant to city code of that certain property rental license held by Ernest Dacosta (Hereinafter "License Holder").

Whereas, license holder is the legal owner of the real property located at 4636/4638 Washington Street NE, Columbia Heights, Minnesota,

Whereas, pursuant to city code, written notice setting forth the causes and reasons for the proposed council action contained herein was given to the License Holder on October 17, 2022, of a public hearing to be held on November 28, 2022.

Now, therefore, in accordance with the foregoing, and all ordinances and regulations of the city of Columbia Heights, the city council of the city of Columbia Heights makes the following:

FINDINGS OF FACT

1. That on July 14, 2020, inspectors for the city of Columbia Heights, inspected the property described above and noted violations. A compliance letter listing the violations was mailed by regular mail to the owner at the address listed on the Rental Housing License Application.
2. That on August 22, 2022, September 9, 2022, and October 17, 2022, inspectors for the city of Columbia Heights performed re-inspections and noted that violations remained uncorrected. A Statement of Cause was mailed via regular mail to the owner at the address listed on the rental housing license application.
3. That on November 14, 2022, inspectors for the city of Columbia Heights checked records for this property and noted that the violations remained uncorrected.
4. That based upon said records of the Enforcement Office, the following conditions and violations of the city's Property Maintenance Code were found to exist, to-wit:

    a. Shall repair/replace deteriorated rear driveway concrete.
    ~~b. Shall repair/replace deteriorated main drive.~~ (complete)

5. That all parties, including the License Holder and any occupants or tenants, have been given the appropriate notice of this hearing according to the provisions of the City Code.

ORDER OF COUNCIL

1. The rental license belonging to the License Holder described herein and identified by license number 22-0005010 is hereby revoked.

2. The city will post for the purpose of preventing occupancy a copy of this order on the buildings covered by the license held by License Holder.

3. All tenants shall remove themselves from the premises within 45 days from the first day of posting of this Order revoking the license as held by License Holder.

Passed this _____ day of _____, 2022

Offered by:
Seconded by:
Roll Call:

_____
Amáda Márquez Simula, Mayor

Attest:

_____
Sara Ion, City Clerk/Council Secretary

COLUMBIA HEIGHTS
REDISCOVER THE HEIGHTS

CITY COUNCIL MEETING

AGENDA SECTION	**ITEMS FOR CONSIDERATION**
MEETING DATE	**NOVEMBER 28, 2022**

ITEM:	**Approval Consideration for the Issuance of Series B Multifamily Housing Revenue Bonds (Reuter Walton Project)**
DEPARTMENT: Community Development	**BY/DATE: Aaron Chirpich - 11/21/2022**

CITY STRATEGY: *(please indicate areas that apply by adding a bold "**X**" in front of the selected text below)*

_Safe Community	_Diverse, Welcoming "Small-Town" Feel
X Economic Strength	X Excellent Housing/Neighborhoods
X Equity and Affordability	_Strong Infrastructure/Public Services
_Opportunities for Play and Learning	_Engaged, Multi-Generational, Multi-Cultural Population

BACKGROUND:

The City has received a request from Reuter Walton Development to issue additional tax-exempt bonds on their behalf to support the construction of their 62-unit affordable housing development that is currently under construction on the vacant City owned development site just north of the Public Safety building.

On June 22, 2021, the City Council approved Resolution 2021-53, a resolution which authorized the preparation and submission of a Housing Program to the Metropolitan Council and granted the preliminary issuance of multi-family housing revenue bonds (tax-exempt bonds) to finance the Reuter Walton affordable housing project in an amount not to exceed $11,000,000. Thus, the City submitted the Housing Program to the Metropolitan Council and submitted an allocation application to the Minnesota Department of Management and Budget (MMB) requesting the tax-exempt bonds.

On January 11, 2022, the MMB notified the City that the Reuter Walton project was allocated tax-exempt bonds in the amount of $9,886,000, and the City closed on the sale and completed the issuance of the initial series 2022A bonds on June 28, 2022. Subsequent to this allocation, Rueter Walton requested that the City submit a second application for an additional allocation to MMB in the amount of $560,000. The second allocation request was approved by MMB on July 5, 2022, bringing the total allocation for the project to $10,426,000. Because the original authorizing resolution, and Housing Program approved by the City in 2021 had a limit of $11,000,000, the second bond allocation can be authorized under the authority of the initial approval. This means that rather than repeat the entire bond authorization process, the City can amend the original bond closing and sales agreements to include the second allocation. To this end, the City's public finance counsel at Kennedy and Graven have prepared the attached amended and restated loan agreement, indenture, regulatory agreement, and purchase agreement to reflect the proposed second allocation.

Bonds of this type are not an obligation of the City or its taxpayers, rather an obligation of the developer. Only project revenues of the developer, in this case, rent collected after completion of the project would be pledged for repayment of the bonds. While the City must approve issuance of the bonds and all bond documents, the transaction is largely handled by the private borrower and the underwriter that serves as the initial purchaser of the bonds.

The City has previously issued tax-exempt bonds for other various developments, such as the Sullivan Shores townhomes, Crestview senior care facilities, the Legends of Columbia Heights, and Grand Central Flats. With the issuance of tax-exempt bonds, the City has required that the developer reimburse the City for all costs associated with the issuance of the bonds, as well as pay an issuance fee in the amount of 1% of the principal amount issued for the tax-exempt bonds. In the case of the second request by Reuter Walton, the City would realize an issuance fee in the amount of $5,600.

RECOMMENDATION:
Staff recommend approval of Resolution 2022-110, a resolution which formally approves the issuance and delivery of the series 2022B housing revenue bonds.

RECOMMENDED MOTION(S):
MOTION: Move to waive the reading of Resolution 2022-110, there being ample copies available to the public. **MOTION**: Move to approve Resolution 2022-110, a resolution authorizing the issuance, sale, and delivery of multifamily housing revenue bonds (42nd and Central Apartments Project), series 2022B to provide additional financing for the costs of a multifamily housing development; approving the forms of and authorizing the execution and delivery of the series 2022B bonds and related documents; providing for the security, rights, and remedies with respect to the series 2022B bonds; and taking certain other actions.

ATTACHMENT(S):

- **Resolution 2022-110**
- **Loan Agreement**
- **Indenture**
- **Regulatory Agreement**
- **Bond Purchase Agreement**

CITY OF COLUMBIA HEIGHTS, MINNESOTA

RESOLUTION NO. 2022-110

AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF MULITIFAMILY HOUSING REVENUE BONDS (42ND & CENTRAL APAREMTNS PROJECT), SERIES 2022B TO PROVIDE ADDITIONAL FINANCING FOR THE COSTS OF A MULTIFAMILY HOUSING DEVELOPMENT; APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF THE SERIES 2022B BONDS AND RELATED DOCUMENTS; PROVIDING FOR THE SECURITY, RIGHTS, AND REMEDIES WITH RESPECT TO THE SERIES 2022B BONDS; AND TAKING CERTAIN OTHER ACTIONS

BE IT RESOLVED by the City Council (the "Council") of the City of Columbia Heights, Minnesota (the "City" or "Issuer"), as follows:

Section 1. Recitals.

1.01. The City is a home rule charter city duly organized and existing under its Charter and the Constitution and laws of the State of Minnesota.

1.02. Pursuant to Minnesota Statutes, Chapter 462C, as amended (the "Act"), the City is authorized to carry out the public purposes described in the Act by providing for the issuance of revenue bonds or other obligations to finance or refinance multifamily housing developments located within the City, as, and as a condition to the issuance of such revenue bonds or other obligations under the Act, the Issuer must prepare and, adopt a housing program providing the information required by Section 462C.03, subdivision 1a of the Act after one publication of notice in a newspaper circulating generally in the City at least fifteen (15) days before the hearing.

1.03. 42 Central Limited Partnership, a Minnesota limited partnership (the "Borrower") has requested that the Issuer issue its multifamily housing revenue bonds or other obligations, in one or more series, at one time or from time to time pursuant to the Act, in an aggregate amount not to exceed, in the aggregate principal amount not to exceed $11,000,000 (the "Obligations"), under the terms of the Act and lend the proceeds thereof to the Borrower for application by the Borrower to finance the acquisition, construction and equipping of an approximately 62-unit workforce multifamily rental housing development and facilities functionally related and subordinate thereto, comprised of one four-story apartment building including one, two, and three-bedroom units, with both surface lot and below-ground parking, and other amenities, including multiple gathering spaces and an outdoor playground, to be located at 800 42nd Avenue NE in the City (825 41st Avenue prior to replatting) (the Project").

1.04. In accordance with the Act, a Program for a Multifamily Housing Development (the "Housing Program") was prepared on behalf of the Issuer with respect to the Project, and the Council of the Issuer held a public hearing on March 14, 2022 with respect to the Housing Program following one publication of a notice of public hearing in *The Life*, a newspaper of general circulation in the City, on February 25, 2022, a date at least fifteen (15) days before the public hearing. As required by the provisions of the Act, on or before the date the notice of public hearing was published, the Housing Program was submitted to the Metropolitan Council for review and comment. By letter dated March 7, 2022, the Metropolitan Council submitted comments to the Issuer with regard to the Housing Program. On March 14, 2022, the Council adopted the Housing Program and approved the issuance of the Obligations pursuant to Resolution No. 2022-35 (the "Original Bond Resolution").

1.05. Pursuant to the Act and the Indenture of Trust, dated as of June 1, 2022 (the "Original Indenture"), between the Issuer and U.S. Bank Trust Company, National Association, a national banking association (the "Trustee"), the Issuer issued its Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022A, dated June 28, 2022, in the original aggregate principal amount of $9,886,000 (the "Series A Bonds"), as a portion of the Obligations authorized under the Housing Program and the Original Bond Resolution. The proceeds derived from the sale of the Series A Bonds were loaned by the Issuer to the Borrower (the "Series A Loan") pursuant to the Loan agreement, dated as of June 1, 2022 (the "Original Loan Agreement"), between the Issuer and the Borrower. The Series A Loan is evidenced by a Promissory Note, in the original principal amount of $9,886,000 (the "Series A Note"), executed by the Borrower and delivered to the Issuer on the date of issuance of the Series A Bonds, and assigned by the Issuer to the Trustee.

1.06. Pursuant to Original Bond Resolution and for the purpose of financing all or a portion of the costs of the acquisition, construction, and equipping of the Project and related costs, the Issuer authorized the issuance of the Obligations in accordance with the terms and conditions of the Act, the Housing Program, and the Original Bond Resolution, in an aggregate principal amount not to exceed $11,000,000, in any number of series, as determined in the discretion of the Mayor and the City Manager of the City (together, the "City Officials"), and the execution and delivery of the Original Indenture, the Original Loan Agreement, the Regulatory Agreement (the "Regulatory Agreement") between the City, the Borrower, and the Trustee (the "Original Regulatory Agreement"), and such other documents and certificates necessary or appropriate in connection with the issuance, sale, and delivery of the Obligations.

1.07. The Series A Bonds were issued by the Issuer pursuant to volume cap (or bonding authority) allocated to the Issuer by the State of Minnesota Department of Management & Budget ("MMB") pursuant to Certificate of Allocation No. 422, dated January 11, 2022, in accordance with the requirements of Section 146 of the Internal Revenue Code of 1986, as amended (the "Code") and Minnesota Statutes, Chapter 474A, as amended (the "Allocation Act").

1.08. Upon request of the Borrower, the Issuer submitted a subsequent application for an allocation of additional bonding authority to MMB in the amount of $560,000. The Issuer received an additional allocation of the bonding authority of the State of Minnesota, in the amount of $560,000 pursuant to Certificate of Allocation No. 431, dated July 5, 2022, to issue tax-exempt multifamily housing revenue obligations for the Project.

1.09. The Borrower has requested that the Issuer issue, sell, and deliver its Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022B (the "Series B Bonds"), in the original aggregate principal amount not to exceed $560,000, as a portion of the Obligations authorized under the Housing Program and the Original Bond Resolution.

1.10. The Series B Bonds are proposed to be issued as "exempt facility bonds" the interest on which is not includable in gross income for federal income tax purposes under Sections 103 and 141(e)(1)(A) of the Code. Under the provisions of Section 147(f) of the Code and applicable Treasury Regulations, the Series B Bonds will not constitute exempt facility bonds unless the Series B Bonds are approved by the applicable elected representative of the governmental unit which issued the bond or on behalf of which the bond is issued after a public hearing following reasonable public notice.

1.11. Reasonable public notice includes publication in a newspaper of general circulation available to residents in the City no fewer than seven (7) calendar days before the public hearing. As provided in section 1.04 of this resolution, a notice of public hearing was published in *The Life*, a newspaper of general circulation in the City, at least seven (7) days before the public hearing held by the Council on

March 14, 2022. The notice stated the time and place of the public hearing, a general description of the Project, the address of the site of the Project, the initial legal owner or principal user of the Project, and the maximum principal amount of the tax-exempt obligations to be issued to finance the Project of 11,000,000. A reasonable opportunity was provided at the public hearing for interested individuals to express their views orally or in writing with respect to the Project and the proposed issuance of revenue obligations to finance the Project.

1.12. Resolution No. 2021-53, adopted by the Council on June 22, 2021 (the "Preliminary Resolution") constitutes a reimbursement resolution and an official intent of the Issuer to reimburse expenditures with respect to the Project from the proceeds of tax-exempt revenue obligations in accordance with the provisions of Section 1.150-2 of the Regulations.

Section 2. Findings, Determinations, and Declarations. Based on representations made by the Borrower to the Issuer to date, the Council hereby makes the following findings, determinations, and declarations:

2.01. The Project constitutes a "qualified residential rental project" within the meaning of Section 142(d) of the Code, and a "multifamily housing development" authorized by the Act, and furthers the purposes of the Act. The purpose of the Project is, and the effect thereof will be, to promote the public welfare by the acquisition and construction of a facility for use as a multifamily housing development designed primarily for occupancy by persons of low and moderate income.

2.02. The Issuer hereby authorizes the Borrower, in accordance with the provisions of the Act to provide for the development of the Project and the payment of the costs of the Project by such means as shall be available to the Borrower and in the manner determined by the Borrower.

Section 3. Authorization to Issue the Series B Bonds; Approving the Forms of and Authorizing the Execution and Delivery of the Series B Bonds and Related Documents; and Providing for the Security Rights, and Remedies with Respect to the Series B Bonds.

3.01. For the purpose of financing all or a portion of the costs of the acquisition, construction, and equipping of the Project and related costs, the issuance of the Series B Bonds, in an aggregate principal amount not to exceed $560,000, in accordance with the terms and conditions of the Act, the Housing Program, the Original Bond Resolution and this resolution, is hereby approved.

3.02. The Series B Bonds, substantially in the form set forth in an Amended and Restated Indenture of Trust, dated as of or after December 1, 2022 (the "Indenture"), between the City and the Trustee, now on file with the City, are hereby approved with the amendments referenced herein. The Series B Bonds shall not constitute a debt of the City within the meaning of any state constitutional provision or statutory limitation, the Series B Bonds shall not constitute or give rise to a charge against the general credit or taxing powers of the City, the Series B Bonds shall not constitute or give rise to a pecuniary liability of the City, and the Series B Bonds shall be payable solely out of any funds and properties expressly pledged as security therefor.

3.03. The Indenture is hereby approved, and the City Officials are hereby authorized to execute and deliver the Indenture on behalf of the City. All of the provisions of the Indenture, when executed and delivered as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Indenture shall be substantially in the form now on file with the City with such necessary and appropriate variations, omissions, and insertions as do not materially change the substance

thereof, as the City Officials in their discretion, shall determine, and the execution and delivery thereof by the City Officials shall be conclusive evidence of such determination.

3.04. The proceeds derived from the sale of the Series B Bonds are to be loaned by the City to the Borrower under the terms of an Amended and Restated Loan Agreement, dated as of or after December 1, 2022 (the "Loan Agreement"), between the City and the Borrower. The Loan Agreement is hereby approved, and the City Officials are hereby authorized to execute and deliver the Loan Agreement on behalf of the City. All of the provisions of the Loan Agreement, when executed and delivered as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Loan Agreement shall be substantially in the form now on file with the City with such necessary and appropriate variations, omissions, and insertions as do not materially change the substance thereof, as the City Officials, in their discretion, shall determine, and the execution and delivery thereof by the City Officials shall be conclusive evidence of such determination. The proceeds of the loan to be made under the terms of the Loan Agreement are hereby authorized to be applied to the payment of a portion of the costs of the acquisition, construction, and equipping of the Project and related costs, the financing of capitalized interest during construction of the Project, the funding of any required reserves, and the payment of costs of issuance.

3.05. The Borrower's repayment obligations under the Loan Agreement will be evidenced by a Promissory Note delivered by the Borrower to the City (the "Series B Note"), which will be assigned by the City to the Trustee pursuant to an assignment thereof (the "Note Assignment").

3.06. To ensure continuing compliance with certain rental and occupancy restrictions imposed by the Act, the Allocation Act, and Section 142(d) of the Code, and to ensure continuing compliance with certain restrictions imposed by the City, the City Officials are hereby authorized and directed to execute and deliver an Amended and Restated Regulatory Agreement, dated as of or after December 1, 2022 (the "Regulatory Agreement") between the City, the Borrower, and the Trustee. The Regulatory Agreement shall be substantially in the form now on file with the City, which is hereby approved, with such omissions and insertions as do not materially change the substance thereof, as the City Officials, in their discretion, shall determine, and the execution thereof by the City Officials shall be conclusive evidence of such determination. All of the provisions of the Regulatory Agreement, when executed and delivered as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof.

3.07. The City acknowledges, finds, determines, and declares that the issuance of the Series B Bonds is authorized by the Act and is consistent with the purposes of the Act and that the issuance of the Series B Bonds, and the other actions of the City under this resolution and the Loan Agreement constitute a public purpose and are in the interests of the City. In authorizing the issuance of the Series B Bonds for the financing of the Project and related costs, the City's purpose is, and the effect thereof will be, to promote the public welfare of the City and its residents by providing multifamily housing developments for low and moderate-income residents of the City and otherwise furthering the purposes and policies of the Act.

3.08. The City hereby authorizes the Series B Bonds to be issued as "tax-exempt bonds" the interest on which is not includable in gross income for federal income tax purposes and net taxable income of individuals, trusts, and estates for State of Minnesota income tax purposes.

3.09. All of the provisions of the Series B Bonds, when executed as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Series B Bonds shall

bear interest at the rates, shall be designated, shall be numbered, shall be dated, shall mature, shall be issued in the aggregate principal amount, shall be subject to redemption prior to maturity, shall be in such form, and shall have such other terms, details, and provisions as are prescribed in the Indenture, in the form now on file with the City, which form is hereby approved, with such necessary and appropriate variations, omissions, and insertions (including changes to the aggregate principal amount of the Series B Bonds, the stated maturities of the Series B Bonds, the interest rates on the Series B Bonds, and the terms of redemption of the Series B Bonds) as the City Officials, in their discretion, shall determine. The execution of the Series B Bonds with the manual or facsimile signature of the City Officials and the delivery of the Series B Bonds by the City shall be conclusive evidence of such determination.

3.10. The Series B Bonds shall not constitute general or moral obligations of the City but shall be special, limited obligations of the City payable solely from the revenues provided by the Borrower under the terms of the Loan Agreement and from the revenues and security pledged, assigned, and granted under the terms of this resolution, the Series B Bonds, the Loan Agreement, and any other security documents provided by the Borrower or any other party to secure the timely payment of the principal of, premium, if any, and interest on the Series B Bonds. As provided in the Loan Agreement, the Series B Bonds shall not be payable from or charged upon any funds other than the revenue pledged to their payment, nor shall the City be subject to any liability thereon, except as otherwise provided in this paragraph. No holder of the Series B Bonds shall ever have the right to compel any exercise by the City of any taxing powers of the City to pay the Series B Bonds or the interest or premium thereon, or to enforce payment thereof against any property of the City except the interests of the City in the Loan Agreement and the revenues and assets thereunder, which will be assigned to the Trustee under the terms of the Indenture.

3.11. The City acknowledges and hereby approves any one or more security documents, including but not limited to the Series B Note. All such security documents, if any are delivered, shall be substantially in the forms authorized and approved by the Borrower.

3.12. The Series B Bonds, when executed and delivered, shall contain a recital that they are issued in accordance with the Act, and such recital shall be conclusive evidence of the validity of the Series B Bonds and the regularity of the issuance thereof, and that all acts, conditions, and things required by the laws of the State of Minnesota relating to the adoption of this resolution, to the issuance of the Series B Bonds, and to the execution of the aforementioned documents to happen, exist, and be performed precedent to the execution of the aforementioned documents have happened, exist, and have been performed as so required by law. The Series B Bonds shall also recite that the Series B Bonds, including interest and premium, if any, thereon, are payable solely from the revenues and assets pledged to the payment thereof, and the Series B Bonds shall not constitute a debt of the City within the meaning of any constitutional or statutory limitations.

3.13 The City Officials are hereby designated as the representatives of the City with respect to the issuance of the Series B Bonds and the transactions related thereto. The City Manager is authorized, upon request, to furnish certified copies of all proceedings and records of the City relating to the Series B Bonds, and such other affidavits and certificates as may be required to show the facts relating to the Series B Bonds as such facts appear from the books and records in the custody and control of the City; and all such certified copies, certificates, and affidavits, including any heretofore furnished, shall constitute representations of the City as to the truth of all statements contained therein. The City Officials are hereby further authorized to execute and deliver, on behalf of the City, all other certificates, instruments, and other written documents that may be requested by Kennedy & Graven, Chartered, as bond counsel to the City ("Bond Counsel"), the Trustee, the Borrower, or other persons or entities in conjunction with the issuance of the Series B Bonds and the expenditure of the proceeds of the Series B Bonds. Without imposing any limitations on the scope of the preceding sentence, the City Officials are specifically authorized to execute and deliver such other documents and certificates as are necessary or appropriate in connection with the

issuance, sale, and delivery of the Series B Bonds, including a Bond Purchase Agreement between the City, the Borrower, and Colliers Securities LLC, as original purchaser of one or more series of the Series B Bonds (the "Underwriter"), an assignment of Series B Note, if necessary, one or more general certificates of the City, an Information Return for Tax-Exempt Private Activity Bond Issues, Form 8038, with respect to the Series B Bonds, an endorsement to any tax certificates as to arbitrage, rebate, and other federal tax matters executed and delivered in connection with the issuance of the Series B Bonds, appropriate amendments to the Housing Program, and all other documents and certificates as the City Officials shall deem to be necessary or appropriate in connection with the issuance, sale, and delivery of the Series B Bonds (the "Financing Documents"). The City Officials are hereby further authorized and directed to execute and deliver all other instruments and documents necessary to accomplish the purposes for which the Series B Bonds are to be issued.

Section 4. Additional Findings and Certifications.

4.01 The City will not participate in the preparation or distribution of any official statements or other disclosure documents relating to the offer and sale of the Series B Bonds (the "Disclosure Documents"), except only for certain information relating specifically to the City as approved by the City Officials, and will make no independent investigation with respect to the information contained in the Disclosure Documents, including the appendices thereto, and the City assumes no responsibility for the sufficiency, accuracy, or completeness of such information. Subject to the foregoing, the City hereby consents to the distribution and the use by the Underwriter of the Disclosure Documents in connection with the offer and sale of the Series B Bonds to be offered and sold pursuant to such Disclosure Documents. The Disclosure Documents are the sole materials consented to by the City for use in connection with the offer and sale of the Series B Bonds.

4.02 The authority to approve, execute and deliver future amendments to the Financing Documents and consents required under the Financing Documents is hereby delegated to the City Officials, subject to the following conditions: (a) such amendments or consents do not materially adversely affect the interests of the City; (b) such amendments or consents do not contravene or violate any policy of the City, (c) such amendments or consents do not require the consent of the holder or such consent has been obtained; and (d) such amendments or consents are acceptable in form and substance to Bond Counsel and the City attorney. The authorization hereby given shall be further construed as authorization for the execution and delivery of such certificates and related items as may be required to demonstrate compliance with the agreements being amended and the terms of this resolution. The execution of any instrument by the City Manager shall be conclusive evidence of the approval of such instruments in accordance with the terms hereof. In the absence of the City Manager, any instrument authorized by this paragraph to be executed and delivered may be executed by the officer of the City authorized to act in his or her place and stead. The City Manager may impose any terms or conditions on the execution and delivery of any such amendment or supplement as the City Manager deems appropriate.

4.03 No covenant, stipulation, obligation, or agreement herein contained or contained in the aforementioned documents shall be deemed to be a covenant, stipulation, obligation, or agreement of any member of the Council of the City, or any officer, agent, or employee of the City in that person's individual capacity, and neither the Council of the City nor any officer, agent, or employee executing the Series B Bonds or any such documents shall be personally liable on the Series B Bonds or such documents or be subject to any personal liability or accountability by reason of the issuance of the Series B Bonds or the execution and delivery of such documents. No provision, covenant, or agreement contained in the aforementioned documents, the Series B Bonds, or in any other document relating to the Series B Bonds, and no obligation therein or herein imposed upon the City or the breach thereof, shall constitute or give rise to a general or moral obligation of the City or any pecuniary liability of the City or any charge upon its general credit or taxing powers. In making the agreements, provisions, covenants, and representations set

forth in such documents, the City has not obligated itself to pay or remit any funds or revenues, other than funds and revenues derived from the Loan Agreement, which are to be applied to the payment of the Series B Bonds, as provided therein.

4.04 Except as herein otherwise expressly provided, nothing in this resolution or in the aforementioned documents expressed or implied, is intended or shall be construed to confer upon any person or firm or corporation, other than the City, and any holders of the Series B Bonds issued under the provisions of this resolution, any right, remedy or claim, legal or equitable, under and by reason of this resolution or any provisions hereof, this resolution, the aforementioned documents, and all of their provisions being intended to be and being for the sole and exclusive benefit of the City, the Borrower, the Underwriter, and any beneficial owners from time to time of the Series B Bonds issued under the provisions of this resolution.

4.05 In case any one or more of the provisions of this resolution, other than the provisions limiting the liability of the City, or of the aforementioned documents, or of the Series B Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this resolution, or of the aforementioned documents, or of the Series B Bonds, but this resolution, the aforementioned documents, and the Series B Bonds shall be construed and endorsed as if such illegal or invalid provisions had not been contained therein.

4.06 In anticipation of the issuance of the Series B Bonds to finance all or a portion of the Project, and in order that completion of the Project will not be unduly delayed when approved, the Borrower is hereby authorized to make such expenditures and advances toward payment of that portion of the costs of the Project to be financed from the proceeds of the Series B Bonds, as the Borrower considers necessary, including the use of interim, short-term financing, subject to reimbursement from the proceeds of the Series B Bonds if and when delivered but otherwise without liability on the part of the City.

4.07 The officers of the City, Bond Counsel, the City attorney, other attorneys, and other agents or employees of the City are hereby authorized to do all acts and things required of them by or in connection with this resolution, the aforementioned documents, or the Series B Bonds, for the full, punctual, and complete performance of all the terms, covenants, and agreements contained in the Series B Bonds, the aforementioned documents, and this resolution.

4.08 The staff of the City is hereby authorized, in cooperation with Bond Counsel, to take all steps necessary and desirable to proceed to develop the Housing Program and to issue the Series B Bonds.

4.09 The Borrower has agreed to pay the administrative fees of the City in accordance with the applicable policies and procedures of the City. It is hereby determined that any and all costs incurred by the City in connection with the financing of the Project will be paid by the Borrower.

4.10. It is understood and agreed by the Borrower that the Borrower shall indemnify the City against all liabilities, losses, damages, costs, and expenses (including attorneys' fees and expenses incurred by the City) arising with respect to the Project and the Series B Bonds, as provided for and agreed to by and between the Borrower and the City in the Loan Agreement.

4.11. The financing transaction represented by the Series B Bonds is subject to all existing policies and procedures of the City and is also subject to any conduit bond policies and procedures subsequently adopted by the City to the extent the provisions thereof are intended to be applied retroactively to conduit revenue obligations issued prior to the adoption of such conduit bond policies and procedures.

Section 5. Effective Date. This resolution shall be in full force and effect from and after its passage.

Adopted: November 28, 2022

Amáda Márquez Simula, Mayor

ATTEST:

Sarah Ion, City Clerk

STATE OF MINNESOTA)
)
COUNTY OF ANOKA) SS.
)
CITY OF COLUMBIA HEIGHTS)

I, the undersigned, being the duly qualified and acting City Clerk of the City of Columbia Heights, Minnesota (the "City"), do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the City Council held on November 28, 2022, with the original thereof on file in my office and the same is a full, true and complete transcript therefrom insofar as the same relates to a resolution authorizing the issuance, sale, and delivery of Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022B (the "Series B Bonds"), in the original aggregate principal amount not to exceed $560,000, to finance the costs of a multifamily housing development; approving the forms of and authorizing the execution and delivery of the Series B Bonds and related documents; providing for the security, rights, and remedies with respect to the Series B Bonds; and taking certain other actions.

WITNESS My hand as Clerk and the corporate seal of the City this ____ day of _____, 2022.

_____
City Clerk
City of Columbia Heights, Minnesota

First Draft
Monday, November 14, 2022

AMENDED AND RESATED
LOAN AGREEMENT

between

CITY OF COLUMBIA HEIGHTS, MINNESOTA,
as Issuer

and

42 CENTRAL LIMITED PARTNERSHIP,
as Borrower

Dated as of December 1, 2022

Relating to:

$9,886,000
City of Columbia Heights, Minnesota
Multifamily Housing Revenue Bonds
(42nd & Central Apartments Project)
Series 2022A

$560,000
City of Columbia Heights, Minnesota
Multifamily Housing Revenue Bonds
(42nd & Central Apartments Project)
Series 2022B

With the exception of certain reserved rights, the interest of the City of Columbia Heights, Minnesota in this Loan Agreement has been assigned to U.S. Bank Trust Company, National Association, as trustee for the above-referenced Bonds.

This instrument drafted by:

Kennedy & Graven, Chartered (SEL)
150 South Fifth Street, Suite 700
Minneapolis, Minnesota 55402-1299

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(This Index is not a part of the Loan Agreement
but rather is for convenience of reference only.)

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AMENDED AND RESTATED LOAN AGREEMENT

THIS AMENDED AND RESTATED LOAN AGREEMENT, made and entered into as of December 1, 2022 (the "Loan Agreement"), is between the CITY OF COLUMBIA HEIGHTS, MINNESOTA, a municipal corporation, home rule city, and political subdivision of the State of Minnesota (the "Issuer"), and 42 CENTRAL LIMITED PARTNERSHIP, a Minnesota limited partnership (the "Borrower"), under the following circumstances summarized in the following recitals.

RECITALS

WHEREAS, pursuant to and in accordance with the laws of the State of Minnesota (the "State"), including without limitation, Minnesota Statutes, Chapters 462C and 474A, as amended (the "Act"), the Issuer issued and sold on June 28, 2022 (the "Series A Closing Date") its Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022A, in the original aggregate principal amount of $9,886,000 (the "Series A Bonds"), and has determined to issue and sell on December [__], 2022 (the "Series B Closing Date") its Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022B, in the original aggregate principal amount of $560,000 (the "Series B Bonds" and together with the Series A Bonds, the "Bonds"); and

WHEREAS, Issuer loaned the proceeds derived from the sale of the Series A Bonds, and will loan the proceeds to be derived from the sale of the Series B Bonds, to the Borrower to assist in the financing of the acquisition, construction and equipping of an approximately 62-unit workforce multifamily rental housing development and facilities functionally related and subordinate thereto, comprised of one four-story apartment building including one, two, and three-bedroom units, with both surface lot and below-ground parking, and other amenities, including multiple gathering spaces and an outdoor playground, owned by the Borrower on a site located at 800 42nd Avenue NE, Columbia Heights, Minnesota and known as 42nd & Central Apartments or another name selected by the Borrower (the "Project"); and

WHEREAS, the Borrower and the Issuer each have full right and lawful authority to enter into this Loan Agreement and to perform and observe the provisions hereof on their respective parts to be performed and observed; and

WHEREAS, reference is hereby made to the Amended and Restated Indenture of Trust, dated as of December 1, 2022 (the "Indenture"), between the Issuer and U.S. Bank Trust Company, National Association, a national banking association (the "Trustee"), for the recitals and the definitions of various terms used herein; and

NOW THEREFORE, in consideration of the premises and the mutual representations and agreements hereinafter contained, the Issuer and the Borrower agree as follows (provided that any obligation of the Issuer created by or arising out of this Loan Agreement shall never constitute a general debt of the Issuer or give rise to any pecuniary liability of the Issuer but shall be payable solely out of Issuer Revenues):

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

ARTICLE I

DEFINITIONS

Section 1.1. Use of Defined Terms. In addition to the words and terms defined elsewhere in this Loan Agreement, the words and terms in this Loan Agreement shall have the meanings set forth in the Indenture.

Section 1.2. Interpretation. Any reference herein to the Issuer, its City Council, or to any member or officer of either includes entities or officials succeeding to their respective functions, duties or responsibilities pursuant to or by operation of law or lawfully performing their functions.

Any reference to a section or provision of the Constitution of the State or the Act, or to a section, provision or chapter of the Minnesota Statutes or to any statute of the United States of America, includes that section, provision or chapter as amended, modified, revised, supplemented or superseded from time to time; provided, that no amendment, modification, revision, supplement or superseding section, provision or chapter shall be applicable solely by reason of this provision, if it constitutes in any way an impairment of the rights or obligations of the Issuer, the Holders, the Trustee or the Borrower under this Loan Agreement.

Unless the context indicates otherwise, words importing the singular number include the plural number, and vice versa; the terms "hereof," "hereby," "herein," "hereto," "hereunder" and similar terms refer to this Loan Agreement; and the term "hereafter" means after, and the term "heretofore" means before, the date of delivery of the Bonds. Words of any gender include the correlative words of the other genders, unless the sense indicates otherwise.

Section 1.3. Captions and Headings. The captions and headings in this Loan Agreement are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Articles, Sections, subsections, paragraphs, subparagraphs or clauses hereof.

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

ARTICLE II

REPRESENTATIONS AND COVENANTS

Section 2.1. Representations of the Issuer. The Issuer represents that:

(a) The Issuer is a municipal corporation organized and existing under its Charter and the Constitution and laws of the State.

(b) There is no pending or, to the Issuer's actual knowledge, without inquiry or investigation, threatened suit, action, or proceeding against the Issuer before any court, arbitrator, administrative agency, or other governmental authority that challenges the Issuer's execution and delivery of the Bonds, the Indenture, the Regulatory Agreement, or this Loan Agreement.

(c) To the actual knowledge of the Issuer, without inquiry or investigation, the execution and delivery of the Bonds, the Indenture, the Regulatory Agreement and this Loan Agreement will not constitute a breach of or default under any existing (i) provision of any special legislative act or charter provision relating to the establishment of the Issuer; or (ii) agreement, indenture, mortgage, lease, or other instrument to which the Issuer is a party or by which it is bound.

(d) No proceeding of the Issuer for the issuance, execution, or delivery of the Bonds, the Indenture, the Regulatory Agreement or this Loan Agreement has been repealed, rescinded, amended or revoked.

Section 2.2. Representations and Covenants of the Borrower. The Borrower represents, warrants and covenants that:

(a) The Borrower is a Minnesota limited partnership duly organized under the laws of the State and is authorized to conduct its business in the State.

(b) The Borrower has full power and authority to execute, deliver and perform the Borrower Documents and to enter into and carry out the transactions on its part contemplated by those documents. The execution, delivery and performance by it of the Borrower Documents do not, and will not, violate any provision of law applicable to the Borrower and do not, and will not, conflict with or result in a default under any agreement or instrument to which the Borrower is a party or by which it is bound. The Borrower Documents have, by proper action, been duly authorized, executed and delivered by the Borrower and all steps necessary have been taken to constitute the Borrower Documents valid and binding obligations of the Borrower.

(c) The provision of financial assistance to be made available to it under this Loan Agreement and the commitments therefor made by the Issuer have induced the Borrower to undertake the transactions contemplated by this Loan Agreement.

(d) The Borrower presently intends to use or operate the Project in a manner consistent with the Act and in accordance with the Regulatory Agreement and knows of no reason why the Project will not be so operated. If, in the future, there is a cessation of that operation, it will use its best efforts to resume that operation or accomplish an alternate use by the Borrower or others approved in writing by the Issuer which will be consistent with the Act and the Regulatory Agreement.

(e) The acquisition, construction and equipping of the Project will be completed in accordance with the Plans and Specifications in all material respects and the portion of the Project funded with the

proceeds of the Bonds will constitute a qualified residential rental project within the meaning of Section 142(d) of the Code and will be operated and maintained in such manner as to conform in all material respects with all applicable zoning, planning, building, environmental and other applicable Governmental regulations and as to be consistent with the Act.

(f) The Project will be located entirely within the boundaries of the City.

(g) At least ninety-five percent (95%) of the net proceeds (as defined in Section 150 of the Code) of the Bonds will be used to provide a "qualified residential rental project" (as defined in Section 142(d) of the Code), and the Borrower will not request or authorize any disbursement from the Project Fund pursuant to Section 3.4 hereof, which, if paid, would result in less than ninety-five percent (95%) of the net proceeds of the Bonds being so used.

(h) The costs of issuance financed by the Bonds will not exceed two percent (2%) of the proceeds (within the meaning of Section 147(g) of the Code) of the Bonds, and the Borrower will not request or authorize any disbursement from the Project Fund pursuant to Section 3.4 hereof or otherwise, which, if paid, would result in more than two percent (2%) of the proceeds of the Bonds being so used. Except as permitted by Section 1.148-6(d)(3)(ii) of the Treasury Regulations, none of the proceeds of the Bonds will be used for working capital purposes.

(i) The proceeds of the Bonds shall be used exclusively to pay costs that (i) are (A) capital expenditures (as defined in Section 1.150-1(a) of the Treasury Regulations) and (B) not made for the acquisition of existing property, to the extent prohibited in Section 147(d) of the Code, and (ii) are made exclusively with respect to a "qualified residential rental project" within the meaning of Section 142(d) of the Code so that the Project and the land on which it is located will have been financed fifty percent (50%) or more by the proceeds of the Bonds for the purpose of complying with Section 42(h)(4)(B) of the Code.

(j) Upon the execution and delivery thereof by the other parties thereto, each of the Borrower Documents will constitute valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their respective terms, except as limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws or judicial decisions affecting creditors' rights generally and by judicial discretion in the exercise of equitable remedies.

(k) The Borrower acknowledges, represents and warrants that it understands the nature and structure of the Project; that it is familiar with the provisions of all of the documents and instruments relating to the financing of the Project to which it is a party; that it understands the risks inherent in such transactions, including without limitation the risk of loss of the Project; and that it has not relied on the Issuer for any guidance or expertise in analyzing the financial or other consequences of such financing transactions or otherwise relied on the Issuer in any manner except to issue the Bonds in order to provide funds for the Loan.

(l) The Borrower intends to hold the Project for its own account, has no current plans to sell and has not entered into any agreement to sell any of the units that comprise the Project. It is hereby acknowledged, however, that the Borrower's partnership agreement may provide for certain rights of the General Partner or an Affiliate to acquire the Project, and for the possible acquisition of the Project following the fifteen (15) year tax credit compliance period as identified in the Borrower's partnership agreement, and those provisions shall not result in a breach of this subsection. Nothing herein shall prohibit the General Partner's acquisition of interest of the Investor Limited Partner in accordance with the Borrower's partnership agreement.

(m) The Borrower shall use its best efforts to cause there to be deposited from time to time in the Collateral Fund, Available Money in such amount and at such times as may be necessary to allow the Trustee to disburse funds from the Project Fund pursuant to Section 5.03 of the Indenture upon the Trustee's receipt of a Disbursement Request from the Borrower to pay Project Costs.

(n) In the event the Loan proceeds are not sufficient to complete the acquisition, construction, and equipping of the Project and the payment of all costs of issuance of the Bonds, the Borrower will furnish any additional money from any source determined by the Borrower as necessary to complete the acquisition, construction and equipping of the Project and pay all costs of issuance of the Bonds.

(o) Less than twenty-five percent (25%) of the proceeds of the Bonds will be used to pay or reimburse the Borrower for the cost of land or any interest therein.

(p) The Borrower has not knowingly taken or permitted to be taken and will not knowingly take or permit to be taken any action which would have the effect, directly or indirectly, of causing interest on any of the Bonds to be included in the gross income of the owners thereof for purposes of federal income taxation.

(q) The Borrower shall not take, or knowingly permit or suffer to be taken by the Trustee or any party acting on its behalf, any action with respect to the proceeds of the Bonds which if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Bonds would have caused the Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code.

(r) The Borrower acknowledges that regulations of the Comptroller of the Currency grant the Borrower the right to receive brokerage confirmations of the security transactions as they occur and hereby specifically waives such notification to the extent permitted by law. The Borrower further acknowledges that it will receive periodic cash transaction statements that will detail all investment transactions.

The Borrower acknowledges that the representations and covenants herein made by the Borrower have been expressly and specifically relied upon by the Issuer in determining to make the Loan to the Borrower and the Loan would not have been made but for such representations and covenants.

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

ARTICLE III

COMPLETION OF THE PROJECT; ISSUANCE OF THE BONDS

Section 3.1. Acquisition, Installation, Equipment and Improvement. The Borrower (a) has acquired the Project site and shall construct, install, improve and equip the Project with all reasonable dispatch and in substantial accordance with the Plans and Specifications; (b) shall pay when due all fees, costs and expenses incurred in connection with that acquisition, construction, installation, equipping and improving from funds made available therefor in accordance with this Loan Agreement or otherwise, except to the extent being contested in good faith; and (c) shall ask, demand, sue for, levy, recover and receive all those sums of money, debts and other demands whatsoever which may be due, owing and payable under the terms of any contract, order, receipt, writing and instruction in connection with the acquisition, construction, and equipping of the Project and shall enforce the provisions of any contract, agreement, obligation, bond or other performance security with respect thereto. It is understood that the Project is that of the Borrower and any contracts made by the Borrower with respect thereto, whether acquisition contracts, construction contracts, or otherwise, or any work to be done by the Borrower on the Project are made or done by the Borrower in its own behalf and not as agent or contractor for the Issuer. The Borrower agrees that it will compensate all workers employed in the construction and improvement of the Project as required by law.

Section 3.2. Plans and Specifications. The Borrower may revise the Plans and Specifications from time to time, provided that no revision shall be made which would change the Project Purposes to purposes other than those permitted by the Act and the Regulatory Agreement.

Section 3.3. Issuance of the Bonds; Application of Proceeds. To provide funds to make the Loan for purposes of assisting in paying the Project Costs, the Issuer has issued, sold, and delivered the Series A Bonds to the Underwriter, and will issue, sell and deliver the Series B Bonds to the Underwriter. The Bonds will be issued pursuant to the Indenture in the aggregate principal amount, will bear interest, will mature and will be subject to redemption, mandatory tender and remarketing as set forth therein. The Borrower hereby approves the terms and conditions of the Indenture and the Bonds, and of the terms and conditions under which the Bonds will be issued, sold and delivered.

The proceeds from the sale of the Series A Bonds in the amount of $9,886,000 were loaned, and the proceeds from the sale of the Series B Bonds in the amount of $560,000 shall be loaned, to the Borrower and paid over to the Trustee for the benefit of the Borrower and the Holders of the Bonds. The proceeds of the sale of the Series A Bonds (including without limitation premium, if any, and interest accrued thereon) in the amount of $9,886,000, and the proceeds of the sale of the Series B Bonds (including without limitation premium, if any, and interest accrued thereon) in the amount of $560,000, were deposited and shall be deposited by the Trustee on the Closing Date, respectively, to the Project Fund pursuant to Section 5.01 of the Indenture. Pending disbursement pursuant to Section 3.4 hereof, the proceeds of the Bonds deposited in the Project Fund, together with any investment earnings thereon, shall constitute a part of the Issuer Revenues assigned by the Issuer to the Trustee as security for the payment of Bond Debt Service Charges as provided in the Indenture.

Section 3.4. Disbursements from the Project Fund. Subject to the provisions below and so long as no Event of Default hereunder has occurred and is continuing for which the Loan Payments and principal amount of the Bonds has been declared to be immediately due and payable pursuant to Section 7.2 hereof and Section 7.03 of the Indenture, respectively, disbursements from the Project Fund shall be made only to pay any of the following Project Costs:

(a) Costs incurred directly or indirectly for or in connection with the acquisition, construction, and equipping of the Project, including costs incurred in respect of the Project for preliminary planning and studies; architectural, legal, engineering, accounting, consulting, supervisory and other services; labor, services and materials; and recording of documents and title work.

(b) Premiums attributable to any surety bonds and insurance required to be taken out and maintained during the Construction Period with respect to the Project.

(c) Taxes, assessments and other governmental charges in respect of the Project that may become due and payable during the Construction Period.

(d) Costs incurred directly or indirectly in seeking to enforce any remedy against any contractor or subcontractor in respect of any actual or claimed default under any contract relating to the Project.

(e) Any other costs, expenses, fees and charges properly chargeable to the cost of acquisition, construction, and equipping of the Project.

(f) Payment of interest on the Bonds during the Construction Period.

(g) Payments to the Rebate Fund.

Any disbursements from the Project Fund shall be made by the Trustee only as permitted pursuant to Section 5.03 of the Indenture and upon the written request of the Borrower in a disbursement request in substantially the form attached hereto as EXHIBIT E (a "Disbursement Request") in compliance with the provisions hereof and of the Disbursing Agreement. No disbursement shall be made by the Trustee upon the basis of any such Disbursement Request except upon satisfaction of the following conditions and pursuant to the following procedures:

(1) An executed Certificate of the FHA Lender substantially in the form attached hereto as EXHIBIT C, or an executed Certificate of the Borrower substantially in the form attached hereto as EXHIBIT D, in each case related to the deposit of Available Money into the Collateral Fund for the applicable Disbursement Request.

(2) All Loan Payments that are then due shall have been paid.

Each Disbursement Request for a disbursement of funds from the Project Fund shall be made in accordance with the Disbursing Agreement and shall be deemed a representation by the Borrower that:

(i) All items for which disbursement is requested thereunder either (A) are presently due and payable, constitute Project Costs properly incurred by the Borrower in connection with the Project being financed with the proceeds of the Loan, or are reimbursable Project Costs properly chargeable against the Loan; or (B) are to be deposited to an escrow fund to be disbursed therefrom solely for Project Costs properly incurred by the Borrower in connection with the Project; and in each case none of the items for which disbursement is requested has formed the basis for any disbursement heretofore made from said Project Fund.

(ii) Each such item is or was necessary in connection with the acquisition and construction of the Dwelling Units (as defined in the Regulatory Agreement) of the Project.

(iii) The costs specified in the Disbursement Request, when added to all previous disbursements under the Loan, will result in at least ninety-five percent (95%) of the aggregate amount of all disbursements having been used to pay costs properly chargeable to the capital account of a qualified residential rental project within the meaning of Section 142(d) of the Code and functionally related and subordinate property thereto.

(iv) To the knowledge of the Borrower, there is no current or existing event of default pursuant to the terms of the Loan Agreement or the Regulatory Agreement and no event exists which by notice or passage of time or both would constitute an event of default under any of the foregoing documents.

(v) No representation or warranty of the Borrower contained in the Loan Agreement or the Regulatory Agreement is materially incorrect or inaccurate, except as the Borrower has set forth in writing, and there has been no event of default under the terms of any of those documents and which is continuing and no event shall exist which by notice, passage of time or both would constitute an event of default under any of those documents.

(vi) Each expense for which disbursement is requested was or will be paid on or after the date of issuance of the Bonds. Notwithstanding the foregoing, the Borrower may be reimbursed for Project Costs incurred prior to the Closing Date of the Bonds in accordance with Section 1.150-2 of the Code.

(vii) The Borrower has received a notice to proceed from the Issuer.

Any money in the Project Fund remaining after the Completion Date and payment, or provision for payment, in full of the Project Costs, at the direction of the Authorized Borrower Representative, promptly shall be paid into the Bond Fund for payment of Bond Debt Service Charges.

All payments made from the Project Fund shall be presumed by the Trustee to be made for the purposes certified in said written requests, and the Trustee shall not be required to see to the application of any payments made from the Project Fund or to inquire into the purposes for which withdrawals are being made from the Project Fund. The Trustee shall not be bound to make an investigation into the facts or matters stated in any written request. The Trustee shall not be responsible for determining whether the funds on hand in the Project Fund are sufficient to complete the Project. The Trustee shall have no responsibility whatsoever to disburse or transfer funds absent written instructions from the Borrower.

Section 3.5. FHA Lender Funds.

(a) The Borrower hereby acknowledges that the FHA Lender has determined to fund the FHA Insured Mortgage Loan, on the condition that the FHA Lender originate and service the FHA Insured Mortgage Loan in accordance with the FHA Loan Documents, the FHA Insurance Regulations and the GNMA Regulations, and the FHA Lender has further agreed pursuant to the related FHA Loan Documents to issue the GNMA Securities in accordance with the GNMA Regulations, based on and backed by the FHA Insured Mortgage Loan.

(b) The Borrower will direct the FHA Lender to deliver or cause to be delivered to the Trustee the FHA Lender Funds upon the FHA Lender's receipt and approval of a requisition from the Borrower requesting an advance under the FHA Insured Mortgage Loan for payments of Project Costs up to an amount equal to the proceeds of the Bonds to be disbursed from the Project Fund.

(c) The Borrower agrees to pay to the FHA Lender all amounts when due under the FHA Note and to abide by the provisions of the FHA Loan Documents and the GNMA Documents.

(d) Pursuant to the Disbursing Agreement, the Trustee shall, upon receipt from the FHA Lender of (i) the FHA Lender Funds and (ii) an approved requisition, disburse amounts from the Project Fund, in the exact same amount of the FHA Lender Funds received by the Trustee from the FHA Lender, to the Borrower, or to the Title Company by or at the direction of the FHA Lender for application to the payment of the Project Costs set forth in the approved requisition.

(e) The Borrower acknowledges that, to the extent that an advance of FHA Lender Funds as requested by the Borrower is approved by FHA Lender, the Borrower has directed the FHA Lender that all funds be wired by the FHA Lender directly to the Trustee and that such funds shall be disbursed and invested and applied by the Trustee in accordance with the provisions of Section 5.03 of the Indenture.

Section 3.6. Borrower Required to Pay Costs in Event Project Fund Insufficient. If money in the Project Fund is not sufficient to pay all Project Costs, the Borrower, nonetheless, will complete the Project in substantial accordance with the Plans and Specifications and shall pay all such additional Project Costs from its own funds (or from other public or private financing sources available to the Borrower). The Borrower shall pay all costs of issuing the Bonds. The Borrower shall not be entitled to any reimbursement for any such additional Project Costs or payment of issuance costs from the Issuer, the Trustee or any Holder, nor shall it be entitled to any abatement, diminution or postponement of the Loan Payments.

Section 3.7. Completion Date. The Borrower shall notify the Issuer and the Trustee of the Completion Date by the delivery of a Completion Certificate signed by the Authorized Borrower Representative substantially in the form of EXHIBIT B attached hereto. The Completion Certificate shall be delivered as promptly as practicable after the occurrence of the events and conditions referred to in paragraphs (a) through (d) of the Completion Certificate.

Section 3.8. Investment of Fund Money; Valuation. At the written direction of the Borrower, any money held as part of the Bond Fund, the Project Fund, the Collateral Fund and the Rebate Fund shall be invested or reinvested by the Trustee in Eligible Investments as provided in Section 5.05 of the Indenture. The Borrower covenants that it will restrict that investment and reinvestment and the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time of delivery of and payment for the Bonds or subsequent intentional acts, so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code. No provision of this Loan Agreement shall be construed to impose upon the Trustee any obligation or responsibility for compliance with arbitrage regulations.

The Borrower acknowledges that values shall be determined in accordance with the price provided by pricing services and sources relied upon by the Trustee, and the Trustee does not have any duty to independently value any asset or an obligation other than the price provided by pricing services and sources relied upon by the Trustee.

Section 3.9. Rebate Fund. The Borrower agrees to make such payments to the Trustee as are required of it under Section 5.09 of the Indenture as well as the expenses of any Independent certified public accounting firm or qualified rebate analyst engaged in accordance with that Section. The obligation of the Borrower to make such payments shall remain in effect and be binding upon the Borrower notwithstanding the release and discharge of the Indenture.

Section 3.10. Remarketing of Bonds. The Borrower is hereby granted the right to (a) request a remarketing of the Bonds in the manner and to the extent set forth in Section 4.05 of the Indenture; and (b) with the written consent of the Remarketing Agent (which consent shall not be unreasonably withheld), designate the length of the Remarketing Period and the related Mandatory Tender Date in the manner and to the extent set forth in Sections 4.03 and 4.05 of the Indenture.

ARTICLE IV

LOAN BY ISSUER; REPAYMENT OF THE LOAN; LOAN PAYMENTS AND ADDITIONAL PAYMENTS

Section 4.1. Loan Repayment; Delivery of Note. Upon the terms and conditions of this Loan Agreement and the Note, the Issuer will make the Loan to the Borrower. In consideration of and in repayment of the Loan, the Borrower shall deliver or cause to be delivered to the Trustee on or before each Loan Payment Date, Loan Payments, equal to the amount necessary to pay Bond Debt Service Charges due on the next Bond Payment Date for the Bonds. All such Loan Payments shall be paid to the Trustee in accordance with the terms of the Note for the account of the Issuer and shall be held and disbursed in accordance with the provisions of the Indenture and this Loan Agreement.

The Borrower shall be entitled to a credit against the Loan Payments required to be made hereunder, on any date, equal to the amounts, if any, transferred by the Trustee from the Interest Account of the Bond Fund, the Project Fund or the Collateral Fund on such date for the payment of Bond Debt Service Charges.

To secure the Borrower's performance of its obligations under this Loan Agreement, the Borrower shall execute and deliver, concurrently with the issuance and delivery of the Bonds, the Note and the Regulatory Agreement.

Upon payment in full of the Bond Debt Service Charges on any or all of the Bonds, in accordance with the Indenture, whether at maturity, upon acceleration or otherwise, or upon provision for the payment of all other obligations herein and therein having been made in accordance with the provisions of the Indenture, (i) if with respect to less than all of the Bonds then Outstanding, an appropriate notation shall be endorsed on the Note evidencing the date and amount of the principal payment (or prepayment) equal to the Bonds so paid, or with respect to which provision for payment has been made, and (ii) with respect to all of the Bonds then Outstanding, the Note shall be deemed fully paid, the obligations of the Borrower shall be terminated, and the Note shall be surrendered by the Trustee to the Borrower for cancellation. Unless the Borrower is entitled to a credit under express terms of this Loan Agreement or the Note, all payments on the Note shall be in the full amount required thereunder.

The Borrower and the Issuer each acknowledge that neither the Borrower nor the Issuer has any interest in the Bond Fund or the Collateral Fund and any money deposited therein shall be in the custody of and held by the Trustee in trust for the benefit of the Holders.

Section 4.2. Additional Payments. The Borrower shall pay to the Issuer or the Trustee, as the case may be, as Additional Payments hereunder the following:

(a) To the Issuer or the Trustee, as the case may be, whether or not an Event of Default has occurred hereunder, as payment for or reimbursement or prepayment of any and all costs, expenses, and liabilities (i) incurred or paid by the Issuer or the Trustee, as the case may be, in satisfaction of any obligations of the Borrower hereunder not performed by the Borrower in accordance with the provisions hereof; (ii) incurred as a result of a request by the Borrower or of a requirement of any Borrower Document or the Indenture and not otherwise required to be paid by the Borrower under this Loan Agreement; (iii) incurred in the defense of any action or proceeding with respect to the Project or any Borrower Document, or in enforcing any Borrower Document, or arising out of or based upon any other document related to the issuance of the Bonds; or (iv) any rebate amount required with respect to the Bonds as required by the Indenture or the Tax Certificate.

(b) To the applicable party, as payment for or reimbursement or prepayment of any Ordinary Services and Ordinary Expenses and Extraordinary Services and Extraordinary Expenses of the Trustee as trustee, registrar, authenticating agent and paying agent, and of any other paying agent, authenticating agent, and registrar on the Bonds under the Indenture, all as provided in the Indenture, as and when the same become due; provided that the Borrower may, without creating an Event of Default hereunder, contest in good faith the necessity for any Extraordinary Services and Extraordinary Expenses and the amount of any such Ordinary Services, Ordinary Expenses, Extraordinary Services or Extraordinary Expenses; provided that fees for Ordinary Services provided for by the respective letter agreements agreed to by the Borrower and the Trustee, the Registrar, and any Paying Agents and Authenticating Agents, respectively, shall be considered to be customary.

(c) All Extension Payments and other sums required under Section 4.05 of the Indenture in order to revise or extend the Mandatory Tender Date or remarket the Bonds, and the Borrower further agrees to execute any and all certificates required by the Issuer, the Trustee or the Remarketing Agent in order to effectuate such revision, extension or remarketing.

(d) To the Remarketing Agent, the Remarketing Agent's Fee and any Remarketing Expenses.

(e) To the Issuer in immediately available funds: upon demand, for all costs and expenses, including without limitation attorneys' fees, paid or incurred by the Issuer in connection with (i) the discussion, negotiation, preparation, approval, execution and delivery of the Bonds, the Indenture, this Loan Agreement, the Regulatory Agreement, and the documents and instruments related hereto or thereto; (ii) any amendments or modifications to any of the foregoing documents, instruments or agreements and the discussion, negotiation, preparation, approval, execution and delivery of any and all documents necessary or desirable to effect such amendments or modifications; (iii) the servicing and administration of the Loan during the term hereof or thereafter; and (iv) the enforcement by the Issuer during the term hereof or thereafter of any of the rights or remedies of the Issuer hereunder or under the foregoing documents, or any document, instrument or agreement related hereto or thereto, including, without limitation, costs and expenses of collection in the Event of Default, whether or not suit is filed with respect thereto.

(f) To the Issuer in immediately available funds a one-time administrative fee equal to one percent (1%) of the original aggregate principal amount of the Bonds, payable on the Closing Date. The administrative fee is not pledged to payment of the Bonds and may be used by the Issuer for any proper purpose of the Issuer.

Upon the payment, prepayment, or incurrence of any such cost, expense, or liability described in this Section by any such party, the Additional Payments in respect thereof shall be payable upon written demand to the Borrower, which demand shall be accompanied by invoices or other appropriate documentation concerning the nature, amount and incurrence of such cost, expense or liability. If the Additional Payments payable under this Section are not paid by the Borrower within ten (10) days of the Borrower's receipt of such demand, such Additional Payments shall bear interest from such tenth date at the Interest Rate for Advances until the amount due shall have been fully paid.

Section 4.3. Place of Payments. The Borrower shall make all Loan Payments directly to the Trustee at its designated corporate trust office. Additional Payments shall be made directly to the person or entity to whom or to which they are due.

Section 4.4. Obligations Unconditional. The obligations of the Borrower to make Loan Payments, Additional Payments and any payments required of the Borrower under Sections 5.09 and 6.03 of the Indenture shall be absolute and unconditional, and the Borrower shall make such payments without abatement, diminution or deduction regardless of any cause or circumstances whatsoever including, without

limitation, any defense, set-off, recoupment or counterclaim which the Borrower may have or assert against the Issuer, the Trustee or any other Person; provided that the Borrower may contest in good faith the necessity for any Extraordinary Services and Extraordinary Expenses and the amount of any Ordinary Services, Ordinary Expenses, Extraordinary Services or Extraordinary Expenses.

Section 4.5. Assignment of Loan Agreement and Issuer Revenues. To secure the payment of Bond Debt Service Charges, the Issuer shall assign to the Trustee, by the Indenture, its rights under and interest in this Loan Agreement (except for the Unassigned Issuer's Rights) and the Note. The Borrower hereby agrees and consents to those assignments. The Issuer shall not attempt to further assign, transfer or convey its interest in the Issuer Revenues or this Loan Agreement or create any pledge or Lien of any form or nature with respect to the Issuer Revenues or Loan Payments hereunder.

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ARTICLE V

ADDITIONAL AGREEMENTS AND COVENANTS

Section 5.1. Right of Inspection. At all reasonable times and upon reasonable notice, the Borrower shall allow any duly authorized representative of the Issuer or the Trustee to visit and inspect the Project, to examine and make copies of and from its books of record and account, and to discuss its affairs, finances, and accounts with its officers, and shall furnish to the Issuer and the Trustee any information reasonably required regarding its business affairs and financial condition within a reasonable time after receipt of written request therefor.

Section 5.2. Borrower to Maintain Its Existence; Sales of Assets or Mergers. The Borrower shall maintain its existence, not dissolve or sell, transfer or otherwise dispose of all or substantially all of its assets, not consolidate with or merge into another entity or permit one (1) or more other entities to consolidate with or merge into it, and not sell or transfer the Project; provided, that it may do so if the surviving, resulting or transferee entity is other than the Borrower, it assumes in writing all of the obligations of the Borrower under this Loan Agreement and the Regulatory Agreement and it has a net worth equal to or greater than that of the Borrower immediately prior to such consolidation, merger, sale or transfer or if the Bonds are repaid in full. Nothing herein contained shall limit the rights of (a) any direct or indirect owners of interests in the Borrower to (i) transfer, convey, sell or otherwise dispose (a "Transfer") their ownership interests to any Affiliate of such owner or of any other owner of interests in the Borrower, or in connection with any estate planning, or by operation of law, or (ii) make Transfers among and between themselves; or (b) the Borrower to make Transfers as otherwise permitted by (or subject to the terms and conditions set forth in) the Regulatory Agreement.

Notwithstanding anything to the contrary contained herein or in any other Subordinate Bond Document and subject to the consent of HUD and the FHA Lender prior to each occurrence to the extent such consent is required under the FHA Loan Documents, the following shall be permitted and shall not require the prior written approval of the Issuer or the Trustee, (a) the transfer by the Investor Limited Partner of its interest in Borrower in accordance with the terms of Borrower's agreement of limited partnership, as it may be amended from time to time (the "Partnership Agreement"); (b) the removal of the General Partner of the Borrower in accordance with the Partnership Agreement and the replacement thereof with the Investor Limited Partner, or any of its affiliates; (c) the transfer of ownership interests in the Investor Limited Partner; (d) the transfer of the interests of the Investor Limited Partner in the Borrower to the Borrower's General Partner or any of its affiliates; and (e) any amendment to the Partnership Agreement to memorialize the transfers or removal described above.

Nothing herein shall prohibit the transfer, sale or assignment of the general partnership interest held by General Partner in the Borrower to the Equity Bridge Lender in connection with the Equity Bridge Loan, which shall be permitted and shall not require the prior written approval of the Issuer or the Trustee.

Section 5.3. Indemnification. The Borrower releases the Issuer and the Trustee from, agrees that the Issuer and the Trustee shall not be liable for, and indemnifies, defends and holds the Issuer and the Trustee harmless from and against, all liabilities, claims, costs and expenses and reasonable attorneys' fees imposed upon, incurred or asserted against the Issuer or the Trustee on account of: (i) any loss or damage to property or injury to or death of or loss by any person that may be occasioned by any cause whatsoever pertaining to the acquisition, financing, construction, occupation, possession, management, equipping, furnishing, maintenance, operation and use of the Project or from any work or thing done in or about the Project site, or any sidewalks, passageways, driveways, curbs, vaults and vault space, streets or parking areas on the Project site or adjacent thereto; (ii) any breach or default on the part of the Borrower in the performance of any covenant or agreement of the Borrower under this Loan Agreement, the Regulatory

Agreement, the Note or any related document, or arising from any act or failure to act by the Borrower, or any of its agents, contractors, servants, employees or licensees; (iii) the Borrower's failure to comply with any requirement of this Loan Agreement, including the covenant in Section 5.4 hereof; (iv) any action taken or omitted to be taken by the Issuer or the Trustee under this Loan Agreement, the Indenture or the Regulatory Agreement; (v) the issuance of the Bonds; and (vi) any claim, action or proceeding brought with respect to any matter set forth in clause (i), (ii), (iii), (iv) or (v) above, provided, however, that the indemnification provided in this Section shall not apply to any matter arising or resulting from the gross negligence or willful misconduct of the party proposed to be indemnified hereunder.

The Borrower agrees to indemnify the Trustee for and to hold it harmless against all liabilities, claims, costs and expenses incurred without gross negligence or willful misconduct on the part of the Trustee, on account of any action taken or omitted to be taken by the Trustee in accordance with the terms of this Loan Agreement, the Bonds, the Regulatory Agreement, the Note or the Indenture or any action taken at the request of or with the consent of the Borrower, including the costs and expenses of the Trustee in defending itself against any such claim, action or proceeding brought in connection with the exercise or performance of any of its powers or duties under this Loan Agreement, the Bonds, the Indenture, the Regulatory Agreement or the Note.

In case any action or proceeding is brought against the Issuer or the Trustee in respect of which indemnity may be sought hereunder, the party seeking indemnity promptly shall give notice of that action or proceeding to the Borrower, and the Borrower upon receipt of that notice shall have the obligation and the right to assume the defense of the action or proceeding; provided, that failure of a party to give that notice shall not relieve the Borrower from any of its obligations under this Section unless that failure prejudices the defense of the action or proceeding by the Borrower. The indemnified party shall have the right to employ separate counsel in any such action or proceedings and to participate in the defense thereof, but, unless such separate counsel is employed with the approval and consent of the Borrower, or because the indemnified party has been advised by counsel that there may be a conflict of interest between the Borrower and the indemnified party, the Borrower shall not be required to pay the fees and expenses of such separate counsel. The Borrower shall not be liable for any settlement made without its consent, which consent shall not be unreasonably withheld, conditioned or delayed.

The indemnification set forth above is intended to and shall include the indemnification of all affected officials, directors, officers, agents, representatives and employees of the Issuer and the Trustee, respectively. That indemnification is intended to and shall be enforceable by the Issuer and the Trustee, respectively, to the full extent permitted by law.

Section 5.4. Borrower Not to Adversely Affect Exclusion from Gross Income of Interest on Bonds. The Borrower hereby represents that it has taken and caused to be taken, and covenants that it will take and cause to be taken, all actions that may be required of it, alone or in conjunction with the Issuer, for the interest on the Bonds to be and to remain excluded from gross income for federal income tax purposes (other than interest on the Bonds for any period during which the Bonds are held by a "substantial user" of any facility financed with the proceeds of the Bonds or a "related person," as such terms are used in Section 147(a) of the Code), and represents that it has not taken or permitted to be taken on its behalf, and covenants that it will not take or permit to be taken on its behalf, any actions that would adversely affect such exclusion under the provisions of the Code.

Section 5.5. Affirmative Covenants. Unless the Issuer or the FHA Lender shall otherwise consent in writing:

(a) Maintenance of Properties. The Borrower shall maintain and preserve in good working order and condition, ordinary wear and tear and casualty loss excepted, all of its properties which are

necessary or useful in the proper conduct of its business, and shall from time to time make all necessary repairs, renewals, replacements, additions and improvements to said properties. All damage to apartment units shall be repaired promptly and apartment units shall be maintained so as to be available at all times for habitation.

(b) Keeping of Records and Books of Account. The Borrower shall keep adequate records and books of account in which complete entries will be made in accordance with GAAP or indicating deviations therefrom, reflecting all financial transactions. The Borrower shall deliver to the Trustee annually, not later than one hundred twenty (120) days following the end of the Borrower's fiscal year, commencing with the fiscal year ending in 2022, its year-end financial statements accompanied by a written statement of the Borrower that the Borrower has not violated any of the terms, covenants or provisions of this Loan Agreement insofar as it relates to accounting matters. The Trustee shall have no duty to review or analyze any such financial statements. The Trustee shall not be deemed to have notice of any information contained therein or event of default which may be disclosed in any manner therein.

(c) Payment of Taxes, Etc. The Borrower shall promptly pay and discharge all taxes, assessments, fees, and other Government charges or levies imposed upon it or upon any of its properties, income or profits, before the same shall become delinquent; all lawful claims of materialmen, mechanics, carriers, warehousemen, landlords and other similar Persons for labor, materials, supplies and rentals, which if unpaid might by law become a Lien upon its properties; any Indebtedness heretofore or hereafter incurred by it when due, and discharge, perform and observe covenants, provisions and conditions to be discharged, performed and observed by it in connection therewith, or in connection with any agreement or other instrument relating thereto or in connection with any Lien existing at any time upon any of its properties; provided, however, that the Borrower shall not be required to pay any of the foregoing if (a) the amount, applicability or validity thereof shall currently be contested in good faith by appropriate proceedings; (b) the Borrower shall have set aside on its books adequate reserves with respect thereto; and (c) the title of the Borrower to, and its right to use, its properties is not materially and adversely affected thereby. The Borrower hereby agrees that, in the event it fails to pay or cause to be paid taxes, assessments, fees and other Government charges or levies or the premium on any required insurance and such failure constitutes a default under the FHA Loan Documents, the Trustee may make such payment, but is not obligated to do so, and the Trustee shall be reimbursed by the Borrower therefor with interest on the amount so advanced at the Interest Rate for Advances as provided in Section 4.2 hereof.

(d) Insurance. The Borrower shall at all times maintain, or cause to be maintained, insurance of such types and in such amounts as required by the FHA Loan Documents.

(e) Notice of Material Litigation. The Borrower shall promptly notify the Issuer and a Responsible Officer of the Trustee in writing of any litigation, arbitration proceeding or administrative investigation, inquiry or other proceeding to which it may hereafter become a party or be subject to which may result in a change in the business or assets or in the condition, financial or otherwise, of the Borrower which would materially impair the ability of the Borrower to perform this Loan Agreement, the Regulatory Agreement, the Borrower guaranties or the Note, or any other agreement or instrument herein or therein contemplated.

(f) Notice of Default. In the event that any Event of Default occurs under this Loan Agreement, the Borrower shall give prompt notice in writing of such happening to a Responsible Officer of the Trustee.

(g) Performance of Contracts, Etc. Except to the extent contested in good faith, the Borrower shall perform according to and shall comply with all of its Contractual Obligations and all Requirements of Law if nonperformance thereof would result in a change in the business or assets or in the condition,

financial or otherwise, of the Borrower which would materially impair the ability of the Borrower to perform this Loan Agreement, the Regulatory Agreement or the Note or any other agreement or instrument herein or therein contemplated.

(h) Notice of Other Matters. The Borrower shall promptly notify a Responsible Officer of the Trustee in writing of any of the following events:

(i) Any event with respect to the business or assets or in the condition, financial or otherwise, of the Borrower which would materially impair the ability of the Borrower to perform its obligations under this Loan Agreement, the Regulatory Agreement or the Note or any other agreement or instrument herein or therein contemplated.

(ii) A default by the Borrower in any material respect under any material agreement to which the Borrower is a party or by which the Borrower or its properties or assets may be bound which would materially impair the ability of the Borrower to repay the Loan, giving in each case the details thereof and specifying the action proposed to be taken with respect thereto.

(i) Cooperation in Perfecting Security Interests, Etc. The Borrower shall promptly perform such acts as may be necessary or advisable to perfect and maintain any Lien provided for in this Loan Agreement or in any agreement or document contemplated herein or therein, or otherwise to carry out the intent of this Loan Agreement. The Borrower shall promptly execute, deliver and perform or cause to be done, executed, delivered and performed all such documents, instruments, agreements, things and acts, including, without limitation, financing statements, continuation statements and mortgages as may be necessary or advisable to perfect or maintain a Lien on any and all assets or rights owned by the Borrower, or any interest of the Borrower therein.

(j) Environmental Matters. The Borrower will take and continue to take prompt action to remedy all environmental pollution and contamination, hazardous waste disposal and other environmental cleanup problems, if any, whether or not such cleanup problems have resulted from the order or request of a municipal, state, federal, administrative or judicial authority, or otherwise. The foregoing covenant shall not constitute or create a waiver of any rights the Borrower may have to pursue any legal rights or remedies against any third party for any environmental claims.

(k) Non-discrimination. The Borrower will not discriminate, and will require each contractor, subcontractor and commercial tenant of the Project to covenant that it will not discriminate by reason of race, creed, color, handicap, national origin or sex in the employment of any Person employed by it in connection with the Project or working in or on the Project. The Borrower will require each manager of the Project to covenant that in the leasing of the Project it will not discriminate by reason of race, creed, color, handicap, national origin or sex.

(l) Patriot Act. The Borrower covenants and agrees to provide documentation as reasonably requested or required by the Trustee to enable the Trustee to comply with the requirements of the USA Patriot Act as described in Section 13.13 of the Indenture.

Section 5.6. Additional Indebtedness. The FHA Insured Mortgage Loan, the LCDA Loan, and the Equity Bridge Loan (each, as defined in the Indenture) are permitted Indebtedness. In addition, so long as no Event of Default or default hereunder shall have occurred and be continuing, the Borrower shall be permitted to incur any additional Indebtedness for any Project Cost or other costs associated with the Project or other obligation or payment due under this Loan Agreement, the Indenture or the Regulatory Agreement.

Section 5.7. Nature of Business. The Borrower will not change the general character of its business as conducted at the date hereof, or engage in any type of business not reasonably related to its business as normally conducted.

Section 5.8. Cooperation in Enforcement of Regulatory Agreement. In order to maintain the exclusion from gross income under federal tax law of interest on the Bonds and to assure compliance with the laws of the State (including the Act), the Borrower hereby agrees that it shall, concurrently with or before the execution and delivery of the Bonds, execute and deliver and cause to be recorded the Regulatory Agreement. The Borrower hereby covenants and agrees as follows:

(a) to comply with all provisions of the Regulatory Agreement;

(b) to advise the Issuer in writing promptly upon learning of any default with respect to the covenants, obligations and agreements of the Borrower set forth in the Regulatory Agreement;

(c) upon written direction by the Issuer, to cooperate fully and promptly with the Issuer in enforcing the terms and provisions of the Regulatory Agreement; and

(d) to file in accordance with the time limits established by the Regulatory Agreement all reports and certificates required thereunder, and the annual certification to the Secretary of the Treasury required by the Regulatory Agreement.

The Issuer shall not incur any liability in the event of any breach or violation of the Regulatory Agreement by the Borrower, and the Borrower agrees to indemnify the Issuer from any claim or liability for such breach pursuant to Section 5.3 hereof.

Section 5.9. Tax-Exempt Status of the Bonds.

(a) It is the intention of the Issuer and the Borrower that interest on the Bonds shall be and remain excludable from gross income for federal income taxation purposes, and to that end the covenants and agreements of the Borrower in this Section 5.9 are for the benefit of the owners of the Bonds and the Issuer.

(b) The Borrower covenants and agrees that it will not (i) use or permit the use of any of the funds provided by the Issuer hereunder or any other funds of the Borrower, directly or indirectly, in such manner as would, or (ii) enter into, or allow any "related person" (as defined in Section 147(a)(2) of the Code) to enter into, any arrangement, formal or informal, for the purchase of the Bonds that would, or (iii) take or omit to take any other action that would, in each case cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

(c) In the event that at any time the Borrower is of the opinion or becomes otherwise aware that for purposes of this Section 5.9 it is necessary to restrict or to limit the yield on the investment of any money held under the Indenture or otherwise by the Trustee, the Borrower shall determine the limitations and so instruct the Trustee in writing and cause the Trustee to comply with those limitations under the Indenture.

(d) The Borrower will take such action or actions as may be necessary to fully comply with the Tax Certificate and with Section 148 of the Code as applicable to the Bonds.

(e) The Borrower further agrees that it shall not discriminate on the basis of race, creed, color, sex, sexual preference, source of income (e.g. AFDC, SSI), physical disability, national origin or marital

status in the lease, use or occupancy of the Project or in connection with the employment or application for employment of persons for the operation and management of the Project, to the extent required by applicable State or federal law.

(f) The Borrower further warrants and covenants that it has not executed and will not execute any other agreement, or any amendment or supplement to any other agreement, with provisions contradictory to, or in opposition to, the provisions, of this Loan Agreement and of the Regulatory Agreement, and that in any event, the requirements of this Loan Agreement and the Regulatory Agreement are paramount and controlling as to the rights and obligations herein set forth and supersede any other requirements in conflict herewith and therewith.

(g) The Borrower will use due diligence to complete the acquisition, construction, and equipping of all of the units comprising the Project and reasonably expects to fully expend the entire $9,886,000 principal amount of the Loan by the Initial Mandatory Tender Date.

(h) The Borrower will take such action or actions as necessary to ensure compliance with Section 2.2(e), (g), (h), (i), (l), (o), (p), and (q) hereof.

Section 5.10. Useful Life. The Borrower hereby represents and warrants that, within the meaning of Section 147(b) of the Code, the average maturity of the Bonds does not exceed one hundred twenty percent (120%) of the average reasonably expected economic life of the facilities being financed with the proceeds of the Bonds.

Section 5.11. Federal Guarantee Prohibition. The Borrower shall take no action, nor permit nor suffer any action to be taken if the result of the same would be to cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 5.12. Prohibited Facilities. The Borrower represents and warrants that no portion of the proceeds of the Loan shall be used to provide any airplane, skybox or other private luxury box, health club facility, facility primarily used for gambling, or store the principal business of which is the sale of alcoholic beverages for consumption off premises, and no portion of the proceeds of the Loan shall be used for an office unless (a) the office is located on the premises of facilities constituting a portion of the Project; and (b) not more than a de minimis amount of the functions to be performed at such office is not related to the day-to-day operations of the Project.

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ARTICLE VI

PREPAYMENT

Section 6.1. Optional Prepayment. The Note may be prepaid by the Borrower in whole or in part any Business Day occurring on or after the later of (i) the Optional Redemption Date, or (ii) the date the Borrower has provided written notice to the Trustee that the Project has been placed in service under Section 42 of the Code, and must be prepaid by the Borrower in whole as soon as practicable after the Borrower has advised the Trustee in writing that the Project is placed in service for all purposes within the meaning of Section 42 of the Code, without penalty at a prepayment price equal to the outstanding principal amount plus any unpaid accrued interest on the Note. In order to prepay the Note, the Borrower shall give the Trustee written notice at least thirty (30) days prior to the prepayment date to effect a redemption of the Bonds pursuant to Section 4.01 of the Indenture.

Section 6.2. Borrower's Obligations Upon Tender of Bonds. If any Tendered Bond is not remarketed on any Mandatory Tender Date and a sufficient amount is not available in the Collateral Fund, the Interest Account of the Bond Fund, and the Project Fund as provided in Section 4.03(e) of the Indenture for the purpose of paying the purchase price of such Bond, the Borrower will cause to be paid to the Trustee by the applicable times provided in the Indenture, an amount of Available Money equal to the amount by which the principal amount of all Bonds tendered and not remarketed, together with interest accrued to the Mandatory Tender Date, exceeds the amount otherwise available pursuant to Section 4.03(e) of the Indenture.

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ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

Section 7.1. Events of Default. Each of the following shall be an Event of Default:

(a) The Borrower shall fail to pay any Loan Payment on or prior to the date on which that Loan Payment is due and payable or within the Loan Payment Cure Period;

(b) The Borrower shall fail to observe and perform any other agreement, term or condition contained in this Loan Agreement and the continuation of such failure for a period of thirty (30) days after written notice thereof shall have been given to the Borrower and the Investor Limited Partner by the Issuer or the Trustee, or for such longer period as the Issuer may agree to in writing; provided, that if the failure is other than the payment of money and is of such nature that it can be corrected but not within the applicable period, that failure shall not constitute an Event of Default so long as the Borrower institutes curative action within the applicable period and diligently pursues that action to completion, which must be resolved within one hundred eighty (180) days after the aforementioned notice; provided that the Trustee is provided with a certification from the Borrower to the effect that such default cannot through the exercise of diligence be wholly cured within such thirty (30) day period but can be wholly cured and the Borrower has commenced or will promptly commence with due diligence and dispatch the curing of such default and shall thereafter prosecute and complete the same with due diligence and dispatch;

(c) The Borrower shall (i) admit in writing its inability to pay its debts generally as they become due; (ii) have an order for relief entered in any case commenced by or against it under the federal bankruptcy laws, as now or hereafter in effect, which is not dismissed within ninety (90) days; (iii) voluntarily commence a proceeding under any other federal or state bankruptcy, insolvency, reorganization or similar law, or have such a proceeding commenced against it and either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed and unstayed for ninety (90) days; (iv) make an assignment for the benefit of creditors; or (v) have a receiver or trustee appointed for it or for the whole or any substantial part of its property which appointment is not vacated within a period of ninety (90) days;

(d) Any representation or warranty made by the Borrower herein or any statement in any report, certificate, financial statement or other instrument furnished in connection with this Loan Agreement or with the purchase of the Bonds shall at any time prove to have been false or misleading in any adverse material respect when made or given; and

(e) There shall occur an "Event of Default" as defined in the Indenture or the Regulatory Agreement.

Notwithstanding the foregoing, if, by reason of Force Majeure, the Borrower is unable to perform or observe any agreement, term or condition hereof which would give rise to an Event of Default under subsection (b) above, the Borrower shall not be deemed in default during the continuance of such inability. However, the Borrower shall promptly give notice in writing to the Trustee and the Issuer of the existence of an event of Force Majeure and shall use commercially reasonable efforts to remove the effects thereof; provided that the settlement of strikes or other industrial disturbances shall be entirely within its discretion.

The term "Force Majeure" shall mean, without limitation, the following:

(i) acts of God; strikes, lockouts or other industrial disturbances; acts of terrorism or of public enemies; orders or restraints of any kind of the government of the United States of America or of the State

or any of their departments, agencies, political subdivisions or officials, or any civil or military authority; insurrections; civil disturbances; riots; epidemics; landslides; lightning; earthquakes; fires; hurricanes; tornados; storms; droughts; floods; arrests; restraint of government and people; explosions; breakage, malfunction or accident to facilities, machinery, transmission pipes or canals; partial or entire failure of utilities; shortages of labor, materials, supplies or transportation; or

(ii) any cause, circumstance or event not reasonably within the control of the Borrower.

The declaration of an Event of Default under subsection (c) above, and the exercise of remedies upon any such declaration, shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding that declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

Section 7.2. Remedies on Default. Whenever an Event of Default shall have happened and be subsisting, any one (1) or more of the following remedial steps may be taken:

(a) If acceleration of the principal amount of the Bonds has been declared pursuant to Section 7.03 of the Indenture, the Trustee shall declare all Loan Payments to be immediately due and payable together with any other amounts payable by the Borrower under this Loan Agreement and the Note whereupon the same shall become immediately due and payable.

(b) The Trustee may exercise any or all or any combination of the remedies specified in this Loan Agreement.

(c) The Issuer or the Trustee may have access to, inspect, examine and make copies of the books, records, accounts and financial data of the Borrower pertaining to the Project.

(d) The Issuer or the Trustee may pursue all remedies now or hereafter existing at law or in equity to collect all amounts then due and thereafter to become due under this Loan Agreement, the Regulatory Agreement and the Note or to enforce the performance and observance of any other obligation or agreement of the Borrower under those instruments.

Notwithstanding the foregoing, neither the Issuer nor the Trustee, as assignee of the Issuer, shall be obligated to take any step which in its respective opinion will or might cause it to expend time or money or otherwise incur liability unless and until a satisfactory indemnity bond has been furnished to the Issuer or the Trustee, as applicable, at no cost or expense to the Issuer or the Trustee. Any amounts collected as Loan Payments or applicable to Loan Payments and any other amounts which would be applicable to payment of Bond Debt Service Charges collected pursuant to action taken under this Section shall be paid into the Bond Fund and applied in accordance with the provisions of the Indenture or, if the Outstanding Bonds have been paid and discharged in accordance with the provisions of the Indenture, shall be paid as provided in Section 5.08 of the Indenture for transfers of remaining amounts in the Bond Fund.

The provisions of this Section are subject to the further limitation that the rescission by the Trustee of its declaration that all of the Bonds are immediately due and payable also shall constitute an annulment of any corresponding declaration made pursuant to subsection (a) above and a waiver and rescission of the consequences of that declaration and of the Event of Default with respect to which that declaration has been made, provided that no such waiver or rescission shall extend to or affect any subsequent or other default or impair any right consequent thereon.

Section 7.3. No Remedy Exclusive. No remedy conferred upon or reserved to the Issuer or the Trustee by this Loan Agreement is intended to be exclusive of any other available remedy or remedies, but

each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement, the Regulatory Agreement or the Note, or now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair that right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer or the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than any notice required by law or for which express provision is made herein.

Section 7.4. Agreement to Pay Attorneys' Fees and Expenses. As further provided in Section 4.2, if the Issuer or the Trustee should incur expenses, including reasonable attorneys' fees, in connection with the enforcement of this Loan Agreement, the Regulatory Agreement or the Note or the collection of sums due thereunder, the Borrower shall reimburse the Issuer and the Trustee, as applicable, for the expenses so incurred upon demand.

Section 7.5. No Waiver. No failure by the Issuer or the Trustee to insist upon the strict performance by the Borrower of any provision hereof shall constitute a waiver of their right to strict performance and no express waiver shall be deemed to apply to any other existing or subsequent right to remedy the failure by the Borrower to observe or comply with any provision hereof.

Section 7.6. Notice of Default. The Borrower shall notify the Issuer and a Responsible Officer of the Trustee immediately if it becomes aware of the occurrence of any Event of Default hereunder or of any fact, condition or event which, with the giving of notice or passage of time or both, would become an Event of Default.

Section 7.7. Investor Limited Partner's Cure Rights. The Issuer hereby agrees that any cure of any Event of Default hereunder made or tendered by the Investor Limited Partner shall be deemed to be cured by the Borrower, and shall be accepted or rejected by the Issuer on the same basis as if made or tendered by the Borrower.

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ARTICLE VIII

MISCELLANEOUS

Section 8.1. Term of Agreement. This Loan Agreement shall be and remain in full force and effect from the date of delivery of the Bonds to the Holder until such time as all of the Bonds shall have been fully paid (or provision made for such payment) pursuant to the Indenture and all other sums payable by the Borrower under this Loan Agreement and the Note shall have been paid, except for obligations of the Borrower under Sections 3.9, 4.2 and 5.3 hereof, which shall survive any termination of this Loan Agreement.

Section 8.2. Amounts Remaining in Funds. Any amounts in the Bond Fund remaining unclaimed by the Holders of Bonds for two (2) years after the due date thereof (whether at stated maturity or otherwise), at the option of the Borrower, shall be deemed to belong to and shall be paid, at the written request of the Borrower, to the Borrower by the Trustee as overpayment of Loan Payments. With respect to that principal of and interest on the Bonds to be paid from money paid to the Borrower pursuant to the preceding sentence, the Holders of the Bonds entitled to such money shall look solely to the Borrower for the payment of such money. Further, any amounts remaining in the Bond Fund, the Project Fund and any other special funds or accounts created under this Loan Agreement, the Regulatory Agreement or the Indenture after all of the Outstanding Bonds shall be deemed to have been paid and discharged under the provisions of the Indenture and all other amounts required to be paid under this Loan Agreement, the Note, the Regulatory Agreement and the Indenture have been paid, shall be paid to the Borrower to the extent that such money is in excess of the amounts necessary to effect the payment and discharge of the Outstanding Bonds.

Section 8.3. Notices. All notices, certificates, requests or other communications hereunder shall be given in the same manner as notices, certificates, requests and other communications are to be given under Section 13.03 of the Indenture.

Section 8.4. Extent of Covenants of the Issuer; No Personal Liability. All covenants, obligations and agreements of the Issuer contained in this Loan Agreement and the Indenture shall be effective to the extent authorized and permitted by applicable law. No such covenant, obligation or agreement shall be deemed to be a covenant, obligation or agreement of any present or future member, officer, agent or employee of the Issuer or the City Council of the Issuer in other than his official capacity, and neither the members of the City Council of the Issuer nor any official executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof or by reason of the covenants, obligations or agreements of the Issuer contained in this Loan Agreement or in the Indenture.

Section 8.5. Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the Issuer, the Borrower and their respective permitted successors and assigns provided that this Loan Agreement may not be assigned by the Borrower (except in connection with a sale or transfer of assets pursuant to Section 5.2 hereof) and may not be assigned by the Issuer except to the Trustee pursuant to the Indenture or as otherwise may be necessary to enforce or secure payment of Bond Debt Service Charges. This Loan Agreement may be enforced only by the parties, their assignees and others who may, by law, stand in their respective places.

Section 8.6. Amendments and Supplements. Except as otherwise expressly provided in this Loan Agreement or the Indenture, subsequent to the issuance of the Bonds and prior to all conditions provided for in the Indenture for release of the Indenture having been met, this Loan Agreement, the

Regulatory Agreement and the Note may not be effectively amended, changed, modified, altered or terminated except in accordance with the provisions of Article XI of the Indenture, as applicable.

Section 8.7. Execution Counterparts. This Loan Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one (1) and the same instrument.

Section 8.8. Severability. If any provision of this Loan Agreement, or any covenant, obligation or agreement contained herein is determined by a court to be invalid or unenforceable, that determination shall not affect any other provision, covenant, obligation or agreement, each of which shall be construed and enforced as if the invalid or unenforceable portion were not contained herein. That invalidity or unenforceability shall not affect any valid and enforceable application thereof, and each such provision, covenant, obligation or agreement shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 8.9. Governing Law. This Loan Agreement shall be deemed to be a contract made under the laws of the State and for all purposes shall be governed by and construed in accordance with the laws of the State.

Section 8.10. Non-Recourse Obligations. Notwithstanding anything to the contrary set forth herein, in the Note and in any other document delivered in connection herewith, it is hereby expressly agreed and understood that the obligations of the Borrower hereunder, under the Note and under every document executed and delivered in connection herewith, are non-recourse. Neither the Borrower nor any partner, member, officer, director or employee of the Borrower (each, a "Related Party") shall have any personal liability for the repayment of the Loan. In furtherance thereof, the Issuer and the Trustee shall be entitled to look solely and exclusively to the Issuer Revenues, the Project and any income derived therefrom for the payment and other obligations of the Borrower hereunder, under the Note and all evidences of indebtedness secured hereby, and shall not seek a personal judgment against any partner, member, officer, director, or stockholder of the Borrower, provided that nothing herein shall relieve any such Related Party from liability for any of the following:

(a) rent collected for more than one (1) month in advance and received by such Related Party and not applied to the reasonable operating requirements of the Project;

(b) misappropriation or misapplication by such Related Party of insurance or eminent domain proceeds;

(c) fraud or material misrepresentation by such Related Party against the Issuer or the Holder;

(d) conversion by such Related Party of all or a material portion of the Project; or

(e) gross negligence, willful misconduct or intentional torts of such Related Party that adversely affects the repayment of the Loan or the excludability from gross income for federal income taxation purposes of interest on the Bonds.

Section 8.11. HUD-Required Provisions. The Borrower and the Issuer acknowledge that this Loan Agreement and all the Borrower's obligations hereunder are subject and subordinate to the FHA Loan Documents and the Program Obligations. Notwithstanding any provisions of this Loan Agreement to the contrary, no obligations of the Borrower hereunder shall be payable except from (a) Surplus Cash; (b) funds that are not derived from (1) revenues of the Project (as defined in the FHA Mortgage), (2) the proceeds of the FHA Note, or (3) any reserve or deposit made with the FHA Lender or any other party as required by

HUD in connection with the FHA Loan Documents; or (c) FHA Lender Funds which have been deposited into the Collateral Fund by or at the direction of the FHA Lender (collectively, "Non-Project Sources"). No claims or actions shall be made (or payable) under this Loan Agreement against the Project, the FHA Lender, the proceeds of the FHA Note, or the assets of the Borrower, except from Non-Project Sources. In addition, the rights and obligations of the parties under this Loan Agreement and all other documents evidencing, implementing, or securing this Loan Agreement (collectively, the "Subordinate Bond Documents") are and shall be subordinated in all respects to the rights and obligations of the parties to and under the FHA Loan Documents. In the event of any conflict between the provisions of (i) this Loan Agreement or the Subordinate Bond Documents and (ii) the provisions of the FHA Loan Documents or the Program Obligations, the provisions of the FHA Loan Documents or the Program Obligations shall control. The provisions of this Section 8.11 shall control over any inconsistent provisions in this Loan Agreement or the Subordinate Bond Documents. This Loan Agreement shall not be amended or modified without the prior written consent of HUD.

Section 8.12. Limitation on Liability of the Issuer. The Issuer shall not be obligated to pay the principal of or interest on the Bonds, except from money and assets received by the Trustee on behalf of the Issuer pursuant to this Loan Agreement, or from amounts held by the Trustee under the Indenture. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof, nor the full faith and credit of the Issuer is pledged to the payment of the principal of or interest on the Bonds. The Issuer shall not be liable for any costs, expenses, losses, damages, claims or actions, of any conceivable kind on any conceivable theory, under or by reason of or in connection with this Loan Agreement, the Note, the Bonds, the Indenture or the Regulatory Agreements except only to the extent amounts are received for the payment thereof from the Borrower under this Loan Agreement, or from amounts held by the Trustee under the Indenture.

The Borrower hereby acknowledges that the Issuer's sole source of money to repay the Bonds will be provided by the payments made by the Borrower pursuant to this Loan Agreement, and amounts in certain funds and accounts held by the Trustee under the Indenture, and hereby agrees that if the payments to be made hereunder shall ever prove insufficient to pay all principal of and interest on the Bonds as the same shall become due (whether by maturity, redemption, acceleration or otherwise), then upon notice from the Trustee, the Borrower shall pay such amounts as are required from time to time to prevent any deficiency or default in the payment of such principal of or interest on the Bonds, including but not limited to any deficiency caused by acts, omissions, nonfeasance or malfeasance on the part of the Trustee, the Borrower, the Issuer or any third party, subject to any right of reimbursement from the Trustee, the Issuer or any such third party, as the case may be, therefor.

Section 8.13. Waiver of Personal Liability. No commissioner, officer, agent or employee of the Issuer shall be individually or personally liable for the payment of any principal of or interest on the Bonds or any other sum hereunder or be subject to any personal liability or accountability by reason of the execution and delivery of this Loan Agreement, but nothing herein contained shall relieve any such commissioner, member, officer, agent or employee from the performance of any official duty provided by law or by this Loan Agreement.

Section 8.14. Delivery of Reports, Etc. The delivery of reports, information and documents to the Issuer as provided herein is for informational purposes only and the Issuer's receipt of such shall not constitute constructive knowledge of any information contained therein or determinable from information contained therein. The Issuer shall have no duties or responsibilities except those that are specifically set forth herein, and no other duties or obligations shall be implied in this Loan Agreement against the Issuer.

Section 8.15. Audit Expenses. The Borrower agrees to pay any costs incurred by the Issuer, including fees of Issuer's counsel, as a result of an audit by the Issuer or the Issuer's compliance with an

audit or inquiry of any kind, random or otherwise, by the Internal Revenue Service, the Minnesota Department of Revenue, the Minnesota Office of the State Auditor, or any other governmental agency with respect to the Bonds or the Project.

Section 8.16. **Investor Rider**. The rider attached as Exhibit F is incorporated herein.

Section 8.17. **Amendment to Original Loan Agreement.** This Loan Agreement amends, replaces and restates the Original Loan Agreement, but does not extinguish or constitute a modification of the Series A Bonds, the proceeds of which funded the Series A Loan (the "Existing Indebtedness"), which is evidenced by the Series A Note, and the liens and security interests securing the Existing Indebtedness shall continue in effect and secure the Series A Loan.

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IN WITNESS WHEREOF, the Issuer and the Borrower have caused this Amended and Restated Loan Agreement to be duly executed in their respective names, all as of the date and year first written above.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

By _____
Its Mayor

By _____
Its City Manager

Execution page of the Borrower to the Amended and Restated Loan Agreement, dated as of the date and year first written above.

42 CENTRAL LIMITED PARTNERSHIP, a Minnesota limited partnership

By: 42 Central GP, LLC, a Minnesota limited liability company
Its: General Partner

By:_____
Name: Nicholas Walton
Its: Manager

EXHIBIT A-1

FORM OF SERIES A NOTE

This Note has not been registered under the Securities Act of 1933. Its transferability is restricted by the Trust Indenture and the Loan Agreement referred to herein.

$9,886,000 June 28, 2022

42 Central Limited Partnership, a Minnesota limited partnership (the "Borrower"), for value received, promises to pay in installments to the City of Columbia Heights, Minnesota, as Issuer (the "Issuer") under an Indenture of Trust, dated as of June 1, 2022 (the "Indenture"), between the Issuer and U.S. Bank Trust Company, National Association, a national banking association (the "Trustee"), the principal sum of

NINE MILLION EIGHT HUNDRED EIGHTY-SIX THOUSAND AND 00/100 DOLLARS

and to pay interest on the unpaid balance of such principal sum from and after the date hereof at the rate of 2.70% per annum, to but not including the Initial Mandatory Tender Date, and thereafter at the applicable Remarketing Rate until the payment of such principal sum has been made or provided for. The principal amount stated above shall be paid on or before the fifth Business Day immediately preceding the Maturity Date. Interest shall be calculated on the basis of a three hundred sixty (360) day year of twelve (12) equal months. Interest on this Note shall be paid in Federal Reserve funds on the fifth Business Day next preceding each January 1 and July 1 (the "Interest Payment Dates"), commencing January 1, 2023.

This Note has been executed and delivered by the Borrower to the Issuer pursuant to a certain Loan Agreement, dated as of June 1, 2022 (the "Loan Agreement"), between the Issuer and the Borrower. Terms used but not defined herein shall have the meanings ascribed to such terms in the Indenture.

Under the Loan Agreement, the Issuer has loaned the Borrower a portion of the principal proceeds received from the sale of the Issuer's Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022A (the "Bonds"), in the original aggregate principal amount of $9,886,000 dated as of the date hereof, to assist in the financing of the Project, and the Borrower has agreed to repay such loan by making payments (the "Loan Payments") at the times and in the amounts set forth in this Note for application to the payment of Bond Debt Service Charges on the Bonds as and when due. The Bonds have been issued, concurrently with the execution and delivery of this Note, pursuant to, and are secured by, the Indenture, and the Indenture has been assigned by the Issuer to the Trustee to secure the repayment of principal and interest on the Bonds and other amounts under the Indenture.

To provide funds to pay the principal of and interest on the Bonds as and when due as specified herein, the Borrower hereby agrees to and shall make Loan Payments in United States Federal Reserve funds on the fifth Business Day immediately preceding each Interest Payment Date in an amount equal to the Bond Debt Service Charges on the Bonds payable on the next succeeding Interest Payment Date related thereto. In addition, to provide funds to pay the Bond Debt Service Charges on the Bonds as and when due at any other time, the Borrower hereby agrees to and shall make Loan Payments in United States Federal Reserve funds on the fifth Business Day immediately preceding any other date on which any Bond Debt Service Charges on the Bonds shall be due and payable, whether at maturity, upon redemption, mandatory tender, acceleration or otherwise, in an amount equal to those Bond Debt Service Charges.

If payment or provision for payment in accordance with the Indenture is made in respect of the Bond Debt Service Charges on the Bonds from money other than Loan Payments, this Note shall be deemed paid to the extent such payments or provision for payment of Bonds has been made. Consistent with the provisions of the immediately preceding sentence, the Borrower shall have credited against its obligation to make Loan Payments any amounts transferred from the Project Fund or the Collateral Fund to the Bond Fund. Subject to the foregoing, all Loan Payments shall be in the full amount required hereunder.

All Loan Payments shall be made to the Trustee at its designated corporate trust office for the account of the Issuer and deposited in the Bond Fund created by the Indenture. Except as otherwise provided in the Indenture, the Loan Payments shall be used by the Trustee to pay the Bond Debt Service Charges on the Bonds as and when due.

The obligation of the Borrower to make the payments required hereunder shall be absolute and unconditional and the Borrower shall make such payments without abatement, diminution or deduction regardless of any cause or circumstances whatsoever including, without limitation, any defense, set-off, recoupment or counterclaim which the Borrower may have or assert against the Issuer, the Trustee or any other person.

This Note is subject to optional prepayment by the Borrower on the terms stated in the Loan Agreement.

Whenever an Event of Default under Section 7.01 of the Indenture shall have occurred and, as a result thereof, the principal of and any premium on all Bonds then Outstanding, and interest accrued thereon, shall have been declared to be immediately due and payable pursuant to Section 7.03 of the Indenture, the unpaid principal amount of and any premium and accrued interest on this Note shall also be due and payable in Federal Reserve funds on the date on which the principal of and premium and interest on the Bonds shall have been declared due and payable; provided that the annulment of a declaration of acceleration with respect to the Bonds shall also constitute an annulment of any corresponding declaration with respect to this Note.

The payment obligations of this Note are non-recourse to the Borrower to the extent set forth in Sections 8.10 and 8.11 of the Loan Agreement.

The Borrower, Trustee and Issuer acknowledge that, after closing of the FHA Insured Mortgage Loan, this Note, and all Borrower's obligations hereunder, will be subject and subordinate to the FHA Loan Documents: (i) Note (Multistate), dated as of June 1, 2022, from Borrower to FHA Lender, initially endorsed for mortgage insurance by the United States Department of Housing and Urban Development ("HUD") pursuant to Section 221(d)(4) of the National Housing Act, as amended (the "FHA Note"); (ii) Multifamily Mortgage, Assignment of Leases and Rents, and Security Agreement (Minnesota), dated as of the date of the FHA Note, from Borrower for the benefit of FHA Lender to secure the FHA Note (the "FHA Mortgage"); (iii) Regulatory Agreement for Multifamily Projects, dated as of the date of the FHA Note, between Borrower and HUD (the "HUD Regulatory Agreement"); and (iv) any and all other documents, agreements, or instruments which evidence or secure the indebtedness evidenced by the FHA Note. Notwithstanding any provision in this Note to the contrary, this Note shall not be due and payable prior to the maturity date of the FHA Note, provided that it may be prepaid at any time from (A) Surplus Cash (as defined in the HUD Regulatory Agreement), (B) funds that are not derived from revenues of the Project (as defined in the FHA Mortgage), the proceeds of the FHA Note, or any reserve or deposit made with the FHA Lender or any other party as required by HUD in connection with the FHA Loan Documents, or (C) FHA Lender Funds which have been deposited into the Collateral Fund by or at the direction of the FHA Lender (collectively, "Non-Project Sources"), but provided further that no prepayment of this Note is permitted prior to "placement in service" of the Project as such term is used in Section 42 of the Internal Revenue

Code of 1986, as amended. Payments due under this Note may only be paid from Surplus Cash (but in no event greater than seventy-five percent (75%) of the total amount of Surplus Cash) or from Non-Project Sources; provided that this restriction on payment shall not excuse any default caused by the failure of the Borrower to pay the indebtedness evidenced by this Note. In addition, (1) the indebtedness evidenced by this Note and all other documents evidencing or securing this Note (collectively, the "Subordinate Loan Documents") are and shall be subordinated in right of payment, to the prior payment in full of the indebtedness evidenced by the FHA Loan Documents, and (2) the Subordinate Loan Documents are and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the FHA Mortgage and the other FHA Loan Documents and to all advances heretofore made or which may hereafter be made pursuant to the FHA Mortgage and the other FHA Loan Documents (including but not limited to, all sums advanced for the purposes of (a) protecting or further securing the lien of the FHA Mortgage, curing defaults by Borrower under the FHA Loan Documents or for any other purpose expressly permitted by the FHA Mortgage, or (b) constructing, rehabilitating, renovating, repairing, furnishing, fixturing, or equipping the Project).

In the event of any conflict between the provisions of (i) this Note or the Subordinate Loan Documents and (ii) the provisions of the FHA Loan Documents or the Program Obligations (as defined in the FHA Mortgage), the provisions of the FHA Loan Documents or the Program Obligations shall control.

IN WITNESS WHEREOF, the Borrower has caused this Note to be executed in its name as of the date first above written.

42 CENTRAL LIMITED PARTNERSHIP, a Minnesota limited partnership

By: 42 Central GP, LLC, a Minnesota limited liability company
Its: General Partner

By:_____
Name: Nicholas Walton
Its: Manager

EXHIBIT A-2

FORM OF SERIES B NOTE

This Note has not been registered under the Securities Act of 1933. Its transferability is restricted by the Trust Indenture and the Loan Agreement referred to herein.

$560,000 December [__], 2022

42 Central Limited Partnership, a Minnesota limited partnership (the "Borrower"), for value received, promises to pay in installments to the City of Columbia Heights, Minnesota, as Issuer (the "Issuer") under an Amended and Restated Indenture of Trust, dated as of December 1, 2022 (the "Indenture"), between the Issuer and U.S. Bank Trust Company, National Association, a national banking association (the "Trustee"), the principal sum of

FIVE HUNDRED SIXTY THOUSDAND AND 00/100 DOLLARS

and to pay interest on the unpaid balance of such principal sum from and after the date hereof at the rate of [_____]% per annum, to but not including the Initial Mandatory Tender Date, and thereafter at the applicable Remarketing Rate until the payment of such principal sum has been made or provided for. The principal amount stated above shall be paid on or before the fifth Business Day immediately preceding the Maturity Date. Interest shall be calculated on the basis of a three hundred sixty (360) day year of twelve (12) equal months. Interest on this Note shall be paid in Federal Reserve funds on the fifth Business Day next preceding each January 1 and July 1 (the "Interest Payment Dates"), commencing July 1, 2023.

This Note has been executed and delivered by the Borrower to the Issuer pursuant to a certain Amended and Restated Loan Agreement, dated as of December 1, 2022 (the "Loan Agreement"), between the Issuer and the Borrower. Terms used but not defined herein shall have the meanings ascribed to such terms in the Indenture.

Under the Loan Agreement, the Issuer has loaned the Borrower a portion of the principal proceeds received from the sale of the Issuer's Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022B (the "Bonds"), in the original aggregate principal amount of $560,000 dated as of the date hereof, to assist in the financing of the Project, and the Borrower has agreed to repay such loan by making payments (the "Loan Payments") at the times and in the amounts set forth in this Note for application to the payment of Bond Debt Service Charges on the Bonds as and when due. The Bonds have been issued, concurrently with the execution and delivery of this Note, pursuant to, and are secured by, the Indenture, and the Indenture has been assigned by the Issuer to the Trustee to secure the repayment of principal and interest on the Bonds and other amounts under the Indenture.

To provide funds to pay the principal of and interest on the Bonds as and when due as specified herein, the Borrower hereby agrees to and shall make Loan Payments in United States Federal Reserve funds on the fifth Business Day immediately preceding each Interest Payment Date in an amount equal to the Bond Debt Service Charges on the Bonds payable on the next succeeding Interest Payment Date related thereto. In addition, to provide funds to pay the Bond Debt Service Charges on the Bonds as and when due at any other time, the Borrower hereby agrees to and shall make Loan Payments in United States Federal Reserve funds on the fifth Business Day immediately preceding any other date on which any Bond Debt Service Charges on the Bonds shall be due and payable, whether at maturity, upon redemption, mandatory tender, acceleration or otherwise, in an amount equal to those Bond Debt Service Charges.

If payment or provision for payment in accordance with the Indenture is made in respect of the Bond Debt Service Charges on the Bonds from money other than Loan Payments, this Note shall be deemed paid to the extent such payments or provision for payment of Bonds has been made. Consistent with the provisions of the immediately preceding sentence, the Borrower shall have credited against its obligation to make Loan Payments any amounts transferred from the Project Fund or the Collateral Fund to the Bond Fund. Subject to the foregoing, all Loan Payments shall be in the full amount required hereunder.

All Loan Payments shall be made to the Trustee at its designated corporate trust office for the account of the Issuer and deposited in the Bond Fund created by the Indenture. Except as otherwise provided in the Indenture, the Loan Payments shall be used by the Trustee to pay the Bond Debt Service Charges on the Bonds as and when due.

The obligation of the Borrower to make the payments required hereunder shall be absolute and unconditional and the Borrower shall make such payments without abatement, diminution or deduction regardless of any cause or circumstances whatsoever including, without limitation, any defense, set-off, recoupment or counterclaim which the Borrower may have or assert against the Issuer, the Trustee or any other person.

This Note is subject to optional prepayment by the Borrower on the terms stated in the Loan Agreement.

Whenever an Event of Default under Section 7.01 of the Indenture shall have occurred and, as a result thereof, the principal of and any premium on all Bonds then Outstanding, and interest accrued thereon, shall have been declared to be immediately due and payable pursuant to Section 7.03 of the Indenture, the unpaid principal amount of and any premium and accrued interest on this Note shall also be due and payable in Federal Reserve funds on the date on which the principal of and premium and interest on the Bonds shall have been declared due and payable; provided that the annulment of a declaration of acceleration with respect to the Bonds shall also constitute an annulment of any corresponding declaration with respect to this Note.

The payment obligations of this Note are non-recourse to the Borrower to the extent set forth in Sections 8.10 and 8.11 of the Loan Agreement.

The Borrower, Trustee and Issuer acknowledge that, after closing of the FHA Insured Mortgage Loan, this Note, and all Borrower's obligations hereunder, will be subject and subordinate to the FHA Loan Documents: (i) Note (Multistate), dated as of June 1, 2022, from Borrower to FHA Lender, initially endorsed for mortgage insurance by the United States Department of Housing and Urban Development ("HUD") pursuant to Section 221(d)(4) of the National Housing Act, as amended (the "FHA Note"); (ii) Multifamily Mortgage, Assignment of Leases and Rents, and Security Agreement (Minnesota), dated as of the date of the FHA Note, from Borrower for the benefit of FHA Lender to secure the FHA Note (the "FHA Mortgage"); (iii) Regulatory Agreement for Multifamily Projects, dated as of the date of the FHA Note, between Borrower and HUD (the "HUD Regulatory Agreement"); and (iv) any and all other documents, agreements, or instruments which evidence or secure the indebtedness evidenced by the FHA Note. Notwithstanding any provision in this Note to the contrary, this Note shall not be due and payable prior to the maturity date of the FHA Note, provided that it may be prepaid at any time from (A) Surplus Cash (as defined in the HUD Regulatory Agreement), (B) funds that are not derived from revenues of the Project (as defined in the FHA Mortgage), the proceeds of the FHA Note, or any reserve or deposit made with the FHA Lender or any other party as required by HUD in connection with the FHA Loan Documents, or (C) FHA Lender Funds which have been deposited into the Collateral Fund by or at the direction of the FHA Lender (collectively, "Non-Project Sources"), but provided further that no prepayment of this Note is permitted prior to "placement in service" of the Project as such term is used in Section 42 of the Internal Revenue

Code of 1986, as amended. Payments due under this Note may only be paid from Surplus Cash (but in no event greater than seventy-five percent (75%) of the total amount of Surplus Cash) or from Non-Project Sources; provided that this restriction on payment shall not excuse any default caused by the failure of the Borrower to pay the indebtedness evidenced by this Note. In addition, (1) the indebtedness evidenced by this Note and all other documents evidencing or securing this Note (collectively, the "Subordinate Loan Documents") are and shall be subordinated in right of payment, to the prior payment in full of the indebtedness evidenced by the FHA Loan Documents, and (2) the Subordinate Loan Documents are and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the FHA Mortgage and the other FHA Loan Documents and to all advances heretofore made or which may hereafter be made pursuant to the FHA Mortgage and the other FHA Loan Documents (including but not limited to, all sums advanced for the purposes of (a) protecting or further securing the lien of the FHA Mortgage, curing defaults by Borrower under the FHA Loan Documents or for any other purpose expressly permitted by the FHA Mortgage, or (b) constructing, rehabilitating, renovating, repairing, furnishing, fixturing, or equipping the Project).

In the event of any conflict between the provisions of (i) this Note or the Subordinate Loan Documents and (ii) the provisions of the FHA Loan Documents or the Program Obligations (as defined in the FHA Mortgage), the provisions of the FHA Loan Documents or the Program Obligations shall control.

IN WITNESS WHEREOF, the Borrower has caused this Note to be executed in its name as of the date first above written.

42 CENTRAL LIMITED PARTNERSHIP, a Minnesota limited partnership

By: 42 Central GP, LLC, a Minnesota limited liability company
Its: General Partner

By:_____
Name: Nicholas Walton
Its: Manager

EXHIBIT B

FORM OF COMPLETION CERTIFICATE

$[9,886,000][560,000]
City of Columbia Heights, Minnesota
Multifamily Housing Revenue Bonds
(42nd & Central Apartments Project)
Series 2022[A][B]

COMPLETION CERTIFICATE

To:

U.S. Bank Trust Company, National Association, as Trustee
EP-MN-WS3C
60 Livingston Avenue, Third Floor
Saint Paul, MN 55107
Attn: Corporate Trust Services

and

City of Columbia Heights, Minnesota
590 – 40th Avenue NE
Columbia Heights, Minnesota 55421
Attention: Community Development Director

Pursuant to Section 3.7 of the Amended and Restated Loan Agreement, dated as of December 1, 2022 (the "Loan Agreement"), between the City of Columbia Heights, Minnesota (the "Issuer") and 42 Central Limited Partnership, a Minnesota limited partnership (the "Borrower"), and relating to the above-captioned bonds, the undersigned Authorized Borrower Representative hereby certifies that (with capitalized words and terms used and not defined in this Completion Certificate (the "Certificate") having the meanings assigned in the Amended and Restated Indenture of Trust, dated as of December 1, 2022, between the Issuer and the Trustee):

(a) The Project was substantially completed and available and suitable for use as multifamily housing on _____.

(b) All other facilities necessary in connection with the Project have been acquired, constructed, equipped and improved.

(c) The acquisition, construction, equipping and improvement of the Project and those other facilities have been accomplished in such a manner as to conform in all material respects with all applicable zoning, planning, building, environmental and other similar governmental regulations.

(d) Except as provided in subsection (e) of this Certificate, all costs of that acquisition, construction, equipping and improvement due on or after the date of this Certificate and now payable have been paid.

(e) The Trustee shall retain $_____ in the Project Fund for the payment of costs of the Project not yet due or for liabilities which the Borrower is contesting or which otherwise should be retained, for the following reasons:

(f) This Certificate is given without prejudice to any rights against third parties that now exist or subsequently may come into being.

IN WITNESS WHEREOF, the Authorized Borrower Representative has set his or her hand as of the ___ day of _____, 20__.

Authorized Borrower Representative

By: _____
Its: _____

EXHIBIT C

FORM OF FHA LENDER'S CERTIFICATE TO TRUSTEE

FHA LENDER'S CERTIFICATE TO TRUSTEE

Pursuant to Section 3.4 of the Amended and Restated Loan Agreement, dated as of December 1, 2022 (the "*Loan Agreement*"), between the City of Columbia Heights, Minnesota (the "*Issuer*") and 42 Central Limited Partnership, a Minnesota limited partnership (the "*Borrower*"), the undersigned representative of the FHA Lender (the "*Authorized Lender Representative*") hereby certifies that the deposit of $_____ into the Collateral Fund on _____, 20__ was fully derived from FHA Lender Funds or other Available Money.

Capitalized terms used herein and not otherwise defined herein shall have the meanings given them in the Indenture referenced in the Loan Agreement.

This ___ day of _____, 20__.

Authorized Lender Representative

By: _____
Its: _____

EXHIBIT D

FORM OF BORROWER'S CERTIFICATE TO TRUSTEE

BORROWER'S CERTIFICATE TO TRUSTEE

Pursuant to Section 3.4 of the Amended and Restated Loan Agreement, dated as of December 1, 2022 (the "*Loan Agreement*"), between the City of Columbia Heights, Minnesota (the "*Issuer*") and 42 Central Limited Partnership, a Minnesota limited partnership (the "*Borrower*"), the undersigned Authorized Borrower Representative hereby certifies that the deposit of $_____ into the Collateral Fund on _____, 20__ was fully derived from Available Money.

Capitalized terms used herein and not otherwise defined herein shall have the meanings given them in the Indenture referenced in the Loan Agreement.

This ___ day of _____, 20__.

Authorized Borrower Representative

By: _____
Its: _____

EXHIBIT E

FORM OF DISBURSEMENT REQUEST

$[9,886,000][560,000]
City of Columbia Heights, Minnesota
Multifamily Housing Revenue Bonds
(42nd & Central Apartments Project)
Series 2022[A][B]

STATEMENT NO. _____ REQUESTING DISBURSEMENT OF FUNDS FROM PROJECT FUND PURSUANT TO SECTION 3.4 OF THE AMENDED AND RESTATED LOAN AGREEMENT, DATED AS OF DECEMBER 1, 2022, BETWEEN THE CITY OF COLUMBIA HEIGHTS, MINNESOTA AND 42 CENTRAL LIMITED PARTNERSHIP

Pursuant to Section 3.4 of the Amended and Restated Loan Agreement, dated as of December 1, 2022 (the "*Agreement*"), between the City of Columbia Heights, Minnesota (the "*Issuer*") and 42 Central Limited Partnership, a Minnesota limited partnership (the "*Borrower*"), relating to the above-referenced bonds of the Issuer, the undersigned Authorized Borrower Representative hereby requests and authorizes U.S. Bank Trust Company, National Association, a national banking association (the "*Trustee*"), as depository of the Project Fund created by the Indenture, to disburse out of the moneys deposited in the Project Fund in the amount(s) and to the person(s) set forth in this certificate immediately upon a corresponding amount of FHA Lender Funds or other Available Moneys being deposited by the FHA Lender or the Borrower into the Collateral Fund. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Indenture referenced in the Agreement.

To induce the Trustee to release moneys deposited in the Project Fund pursuant to the terms of the Indenture and the Agreement in the amounts(s) and to the person(s) set forth herein and in the Disbursement Schedule attached hereto, the undersigned Borrower represents, warrants and certifies to the Issuer and the Trustee:

(a) Each item for which disbursement is requested hereunder either (i) are presently due and payable, constitute Project Costs properly incurred by the Borrower in connection with the Project being financed with the proceeds of the Loan, or are reimbursable Project Costs properly chargeable against the Loan; or (ii) are to be deposited to an escrow fund to be disbursed therefrom solely for Project Costs properly incurred by the Borrower in connection with the Project; and in each case none of the items for which disbursement is requested has formed the basis for any disbursement heretofore made from said Project Fund. The amount or amounts and the party or parties to whom the disbursements shall be made are specified in the Disbursement Schedule attached hereto (and may be the undersigned in the case of reimbursement for advances and payments made or cost incurred for work done by the undersigned).

(b) Each such item is or was necessary in connection with the acquisition and construction of the Dwelling Units (as defined in the Regulatory Agreement) of the Project.

(c) The costs specified in the Disbursement Schedule attached hereto, when added to all previous disbursements under the Loan, will result in at least ninety-five percent (95%) of

the aggregate amount of all disbursements having been used to pay costs properly chargeable to the capital account of a qualified residential rental project within the meaning of Section 142(d) of the Code and functionally related and subordinate property thereto.

(d) To the knowledge of the undersigned, there is no current or existing event of default pursuant to the terms of the Agreement or the Regulatory Agreement and no event exists which by notice or passage of time or both would constitute an event of default under any of the foregoing documents.

(e) No representation or warranty of the Borrower contained in the Agreement or the Regulatory Agreement is materially incorrect or inaccurate, except as the Borrower has set forth in writing, and there has been no event of default under the terms of any of those documents and which is continuing and no event shall exist which by notice, passage of time or both would constitute an event of default under any of those documents.

(f) This statement and all exhibits hereto, including the Disbursement Schedule attached hereto, shall be conclusive evidence of the facts and statements set forth herein and shall constitute full warrant, protection and authority to the Trustee for its actions taken pursuant hereto.

This statement constitutes the approval of the Borrower of the disbursement hereby requested and authorized.

This _____ day of _____, 20__.

42 CENTRAL LIMITED PARTNERSHIP, a Minnesota limited partnership

By: 42 Central GP, LLC, a Minnesota limited liability company
Its: General Partner

By:_____
Name: Nicholas Walton
Its: Manager

_____

DISBURSEMENT SCHEDULE 1

TO STATEMENT NO. _____ REQUESTING AND AUTHORIZING DISBURSEMENT OF FUNDS FROM PROJECT FUND PURSUANT TO SECTION 3.4 OF THE AMENDED AND RESTATED LOAN AGREEMENT, DATED AS OF DECEMBER 1, 2022, BETWEEN THE CITY OF COLUMBIA HEIGHTS, MINNESOTA AND 42 CENTRAL LIMITED PARTNERSHIP

PAYEE	AMOUNT	PURPOSE

EXHIBIT E

INVESTOR RIDER

MORTGAGE LOAN RIDER

THIS RIDER is attached to and made a part of the Amended and Restated Loan Agreement, dated as of December 1, 2022, or other document(s) evidencing, securing and governing a loan in the amount of Nine Million Eight Hundred Eighty-Six Thousand and No/100 Dollars ($9,886,000.00) and a loan in the amount of Five Hundred Sixty Thousand and No/100 Dollars ($560,000.00) (individually or collectively as the context may dictate, the "Loan") made to **42 CENTRAL LIMITED PARTNERSHIP**, a Minnesota limited partnership ("Borrower") by **CITY OF COLUMBIA HEIGHTS, MINNESOTA**, a municipal corporation, home rule city, and political subdivision of the State of Minnesota ("Lender") for the construction of sixty-two (62) units of affordable housing for families located at 800 42nd Avenue NE, Columbia Heights, Anoka County, Minnesota (the "Project"). The Amended and Restated Limited Partnership Agreement continuing the Partnership is referred to herein as the "Partnership Agreement".

The parties hereto agree that the following covenants, terms and conditions shall be part of and shall modify or supplement each of the documents evidencing or securing the disbursement of the Loan (the "Loan Documents"), and that in the event of any inconsistency or conflict between the covenants, terms, and conditions of the Loan Documents and this Rider, the following covenants, terms and conditions shall control and prevail:

1. **General Partner Change**. The withdrawal, removal, transfer and/or replacement of the general partner of Borrower pursuant to the terms of the [First Amendment to] Amended and Restated Agreement of Limited Partnership of Borrower ("**Borrower's Partnership Agreement**") shall not require the consent of Lender nor constitute a default under any of the Loan Documents, and any such actions shall not accelerate the maturity of the Loan; provided that Borrower agrees to notify the Lender of any proposed replacement general partner prior to replacement, and, upon replacement, shall notify the Lender of the name and contact information of the replacement general partner within seven (7) days after the change has occurred.

2. **Non-Recourse Obligation**. The Loan is a non-recourse obligation of Borrower and its General Partner and Limited Partner. Neither Borrower nor the General Partner or Limited Partner shall have any personal liability for repayment of the Loan. The sole recourse of Lender under the Loan Documents for repayment of the Loan shall be the exercise of its rights against the Project and related security thereunder.

3. **Transfer of Limited Partner Interests.** Nothing in the Loan Documents shall limit or restrict the ability of Borrower's limited partner, Bridgewater Bank, its successors and assigns (the "**Limited Partner**") to transfer, sell or assign its ownership interest in Borrower, from time to time, without the consent of or notice to Lender, provided that the Limited Partner remains liable for payment of any then unpaid capital contributions to Borrower, as and when payable, as set forth in Borrower's Partnership Agreement, notwithstanding any such transfer, sale or assignment. In particular, Lender hereby consents to any transfers, sales or assignments of limited partnership interests in Borrower to any affiliate of the Limited Partner or any entity in which the Limited Partner, or an affiliate, is the manager, managing member, or general partner and agrees that such transfers shall not constitute a default under the Loan Documents. However, the General Partner agrees to deliver written notice of the change in Limited Partner to Lender within seven (7) days after the change has occurred.

4. **Replacement of Management Agent.** The Lender acknowledges that Borrower's Limited Partner has the right, under the Borrower's Partnership Agreement, to direct the general partner to remove the

Project's property management agent. Borrower agrees to give Lender notice of the proposed replacement property management agent, and the Lender agrees to consent to same, assuming that such replacement property management agent is acceptable to Borrower's Limited Partner and has experience in managing projects occupied by low-income households pursuant to Section 42 of the Internal Revenue Code.

5. Notice. All notices to Borrower's Limited Partner shall be sent in accordance with the procedures for delivering notices set forth in the Loan Documents to the following address or such alternate or additional contact names and/or addresses of which Lender is so notified in writing by the Limited Partner:

Limited Partner:	Bridgewater Bank 4450 Excelsior Boulevard, Suite 100 St. Louis Park, MN 55416 Attn: Ross Wieser
With a copy to:	Faegre Drinker Biddle & Reath LLP 2200 Wells Fargo Center 90 South Seventh Street Minneapolis, MN 55402 Attn: Angela M. Christy

6. Notice and Cure Rights. The Lender agrees to give the Limited Partner written notice of any and all defaults by the Borrower under the Loan Documents, and an opportunity, at the Limited Partner's option, to cause the cure of such default within the cure periods set forth below, prior to exercising any remedies under the Loan Documents. The Lender agrees to accept cure by the Limited Partner as if such cure were made by Borrower.

7. Monetary Default. If a monetary Event of Default occurs under the terms of any of the Loan Documents, prior to exercising any remedies thereunder, Lender shall give Borrower and the Limited Partner, simultaneous written notice of such Event of Default, Borrower shall have a period of ten (10) days after such notice is given within which to cure the Event of Default prior to exercise of remedies by Lender under the Loan Documents, or such longer period of time as may be specified in the Loan Documents.

8. Non-Monetary Default. If a non-monetary Event of Default occurs under the terms of any of the Loan Documents, prior to exercising any remedies thereunder, Lender shall give Borrower and the Limited Partner simultaneous written notice of such Event of Default. If the Event of Default is reasonable capable of being cured within thirty (30) days, Borrower shall have such period to effect a cure prior to exercise of remedies by Lender under the Loan Documents, or such longer period of time as may be specified in the Loan Documents. If the Event of Default is such that it is not reasonably capable of being cured within thirty (30) days or such longer period if so specified, and if Borrower (a) initiates corrective action within said period, and (b) diligently, continually, and in good faith works to effect a cure as soon as possible, then Borrower shall have such additional time as is reasonably necessary to cure the Event of Default prior to exercise of any remedies by Lender. If Borrower fails to take corrective action or to cure the Event of Default within a reasonable time, Lender shall give Borrower and the Limited Partner written notice thereof, whereupon the Limited Partner may remove and replace the General Partner with a substitute General Partner who shall effect a cure within a reasonable time thereafter in accordance with the foregoing provisions. In no event shall Lender be precluded from exercising remedies if its security becomes or is about to become materially jeopardized by any failure to cure an Event of Default or the Event of Default is not cured within sixty (60) days after the first notice of the Event of Default is given, or such longer period of time as may be specified in the Loan Documents. Notwithstanding the foregoing, it shall not be a non-monetary Event of Default under the terms of any of the Loan Documents if (y) Borrower

defaults on an obligation to a third party and the amount subject to default is less than $50,000.00 and (z) any guarantor defaults on an obligation to a third party.

9. **Cross-Default**. Lender shall not have the right to take any action against Borrower for a default of any party relating to a financing which is not secured by the Project.

10. **Insecurity**. Lender shall not take any actions against Borrower solely related to a default for "insecurity".

11. **Casualty Condemnation, Etc**. In the event of any fire or other casualty to the Project or eminent domain proceedings resulting in condemnation of the Project or any part thereof, Borrower shall have the right to rebuild the Project, and to use all available insurance or condemnation proceeds therefor, provided that (a) such proceeds are sufficient to keep the Loan in balance and rebuild the Project in a manner that provides adequate security to Lender for repayment of the Loan or if such proceeds are insufficient then Borrower shall have funded any deficiency, (b) Lender shall have the right to approve plans and specifications for any rebuilding and the right to approve disbursements of insurance or condemnation proceeds for rebuilding under a construction escrow or similar arrangement, and (c) no Event of Default then exists under the Loan Documents. If the casualty or condemnation affects only part of the Project and total rebuilding is infeasible, then proceeds may be used for partial rebuilding and partial repayment of the Loan in a manner that provides adequate security to Lender for repayment of the remaining balance of the Loan.

12. **Partial Subordination to Section 42 Extended Use Agreement.** Notwithstanding anything in the Loan Documents to the contrary, if the Lender takes title to the Project through foreclosure or deed in lieu of foreclosure, the Project shall remain subject to the provisions of Section 42(h)(6)(E)(ii) of the Internal Revenue Code of 1986 ("**Code**") or any similar successor provision of the Code. This section shall apply notwithstanding the order of recording of any of the Loan Documents and the Extended Use Agreement (as such term is defined in the Borrower's Partnership Agreement), executed in connection with the allocation of federal low-income housing tax credits to the Borrower for the Project pursuant to Section 42 of the Code.

13. **Debt Service Coverage Requirements.** So long as Borrower is current on all debt service payments payable under the Loan, the failure to meet any debt service coverage requirements at any time or times shall not constitute a default under the Loan

14. **Force Majeure.** There shall be no default under the Loan Documents for construction delays beyond the reasonable control of the Borrower.

15. **Purchase Rights.** The Lender consents to those purchase options, put rights and rights of first refusal in favor of the general partner of Borrower or its designee which are set forth in Borrower's Partnership Agreement, and agrees that transfer of title to the Project in accordance therewith shall not constitute a default under the Loan Documents.

16. **Lender Approvals**. Lender agrees that all approvals and consents of the Lender under the Loan Documents shall not be unreasonably withheld, delayed or conditioned. Further, amendments to Borrower's Partnership Agreement entered into in order to effect transfers or assignments of the Limited Partner's or the general partner's interest shall not require the consent or approval of the Lender.

17. **Third Party Beneficiary**. Borrower's Limited Partner, and its successors and assigns, is a third-party beneficiary of the rights of Borrower under the Loan Documents, as modified by this Rider and has the right to directly enforce such rights.

First Draft
Monday, November 14, 2022

AMENDED AND RESTATED
INDENTURE OF TRUST

between

CITY OF COLUMBIA HEIGHTS, MINNESOTA
as Issuer

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

Dated as of December 1, 2022

Relating to:

$9,886,000
City of Columbia Heights, Minnesota
Multifamily Housing Revenue Bonds
(42nd & Central Apartments Project)
Series 2022A

$560,000
City of Columbia Heights, Minnesota
Multifamily Housing Revenue Bonds
(42nd & Central Apartments Project)
Series 2022B

This instrument drafted by:

Kennedy & Graven, Chartered (SEL)
150 South Fifth Street, Suite 700
Minneapolis, Minnesota 55402-1299

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(This Index is not a part of the Indenture
but rather is for convenience of reference only)

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AMENDED AND RESTATED INDENTURE OF TRUST

THIS AMENDED AND RESTATED INDENTURE OF TRUST (the "Indenture"), dated as of December 1, 2022, is made by and between the CITY OF COLUMBIA HEIGHTS, MINNESOTA, a municipal corporation, home rule city, and political subdivision of the State of Minnesota (the "Issuer"), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association, with its designated corporate trust office located in Saint Paul, Minnesota (the "Trustee"), under the circumstances summarized in the following recitals. The capitalized terms not defined in the recitals and granting clauses being used therein are defined in Article I hereof.

RECITALS

WHEREAS, pursuant to and in accordance with the laws of the State of Minnesota (the "State"), including without limitation Minnesota Statutes, Chapters 462C and 474A, as amended (the "Act"), the Issuer issued and sold on June 28, 2022 (the "Series A Closing Date") its Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022A, in the original aggregate principal amount of $9,886,000 (the "Series A Bonds"), and has determined to issue and sell on December [__], 2022 (the "Series B Closing Date") its Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022B, in the original aggregate principal amount of $560,000 (the "Series B Bonds" and together with the Series A Bonds, the "Bonds"); and

WHEREAS, the Issuer loaned the proceeds derived from the sale of the Series A Bonds (the "Series A Loan") and will loan the proceeds to be derived from the sale of the Series B Bonds (the "Series B Loan") to 42 Central Limited Partnership, a Minnesota limited partnership (the "Borrower"), for the purpose of financing the acquisition, construction and equipping of an approximately 62-unit workforce multifamily rental housing development and facilities functionally related and subordinate thereto, comprised of one four-story apartment building including one, two, and three-bedroom units, with both surface lot and below-ground parking, and other amenities, including multiple gathering spaces and an outdoor playground, owned by the Borrower on a site located at 800 42nd Avenue NE, Columbia Heights, Minnesota and known as 42nd & Central Apartments or another name selected by the Borrower (the "Project"); and

WHEREAS, the Bonds will be secured by this Indenture, which amends and restates the Indenture of Trust, dated as of June 1, 2022, between the Issuer and the Trustee in its entirety, and the Issuer is authorized to execute and deliver this Indenture and to do or cause to be done all acts provided or required herein to be performed on its part; and

WHEREAS, pursuant to its lawful authority under the Act, the Issuer and the Borrower have executed that certain Amended and Restated Loan Agreement, dated as of December 1, 2022, between the Issuer and the Borrower (the "Loan agreement"), which amends and restated the Loan Agreement, dated as of June 1, 2022, between the Issuer and the Borrower in its entirety, by the terms of which the Issuer agrees to make the Series A Loan and the Series B Loan (individually or collectively as the context may dictate, the "Loan") to the Borrower for the Project; and

WHEREAS, the Series A Loan is evidenced by a Promissory Note (the "Series A Note"), in the original principal amount of $9,886,000, executed by the Borrower and delivered to the Issuer on the Series A Closing Date, and assigned by the Issuer to the Trustee, and the Series B Loan will be evidenced by a Promissory Note (the "Series B Note"), in the form attached as Exhibit A-2 to the Loan Agreement, in the original principal amount of $560,000, executed by the Borrower and delivered to the Issuer on the Series B Closing Date, and assigned by the Issuer to the Trustee; and

WHEREAS, all acts and conditions required to happen, exist and be performed precedent to and in the issuance of the Bonds and the execution and delivery of this Indenture have happened, exist and have been performed, or at the delivery of the Bonds will exist, will have happened and will have been performed (i) to make the Bonds, when issued, delivered and authenticated, valid obligations of the Issuer in accordance with the terms thereof and hereof; and (ii) to make this Indenture a valid, binding and legal trust agreement for the security of the Bonds in accordance with its terms; and

WHEREAS, the Trustee has accepted the trusts created by this Indenture, and in evidence thereof has joined in the execution hereof; and

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that to secure the payment of Bond Debt Service Charges on the Bonds according to their true intent and meaning, to secure the performance and observance of all of the covenants, agreements, obligations and conditions contained therein and herein, and to declare the terms and conditions upon and subject to which the Bonds are and are intended to be issued, held, secured and enforced, and in consideration of the premises and the acceptance by the Trustee of the trusts created herein and of the purchase and acceptance of the Bonds by the Holders, and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Issuer has executed and delivered this Indenture and absolutely assigns hereby to the Trustee, and to its successors in trust, and its and their assigns, all right, title and interest of the Issuer, except for the Unassigned Issuer's Rights, in and to (i) the Issuer Revenues, including, without limitation, all Loan Payments and other amounts receivable by or on behalf of the Issuer under the Loan Agreement in respect of repayment of the Loan; (ii) the Special Funds, including all accounts in those funds and all money deposited therein and the investment earnings on such money; and the earnings derived from the investment of any of the foregoing sums as provided herein; (iii) all right, title and interest of the Issuer in the proceeds derived from the sale of the Bonds, and any securities in which money in the Special Funds is invested, and (except for money in the Rebate Fund and otherwise required to be rebated to the United States of America under the Code) the proceeds derived therefrom, and any and all other real or personal property of every name and nature from time to time hereafter by delivery or by writing of any kind pledged, assigned or transferred, as and for additional security hereunder by the Issuer or by anyone in its behalf, or with its written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of this Indenture; and (iv) the Loan Agreement (the foregoing collectively referred to as the "Trust Estate");

TO HAVE AND TO HOLD unto the Trustee and its successors in that trust and its and their assigns forever;

BUT IN TRUST, NEVERTHELESS, and subject to the provisions hereof,

(a) except as provided otherwise herein, for the equal and proportionate benefit, security and protection of all present and future Holders of the Bonds issued or to be issued under and secured by this Indenture,

(b) for the enforcement of the payment of the principal of and interest on the Bonds, when payable, according to the true intent and meaning thereof and of this Indenture, and

(c) to secure the performance and observance of and compliance with the covenants, agreements, obligations, terms and conditions of this Indenture,

in each case, without preference, priority or distinction, as to lien or otherwise, of any one Bond over any other by reason of designation, number, date of the Bonds or of authorization, issuance, sale, execution, authentication, delivery or maturity thereof, or otherwise, so that each Bond and all Bonds shall have the

same right, lien and privilege under this Indenture and shall be secured equally and ratably hereby; provided, however, that

(i) if the principal of the Bonds and the interest due or to become due thereon shall be well and truly paid, at the times and in the manner to which reference is made in the Bonds, according to the true intent and meaning thereof, or the Outstanding Bonds shall have been paid and discharged in accordance with Article IX hereof, and

(ii) if all of the covenants, agreements, obligations, terms and conditions of the Issuer under this Indenture shall have been kept, performed and observed and there shall have been paid to the Trustee, the Registrar and the Paying Agents all sums of money due or to become due to them in accordance with the terms and provisions hereof,

then this Indenture and the rights assigned hereby shall cease, determine and be void, except as provided in Section 9.03 hereof with respect to the survival of certain provisions hereof; otherwise, this Indenture shall be and remain in full force and effect.

It is declared that all Bonds issued hereunder and secured hereby are to be issued, authenticated and delivered, and that all Issuer Revenues assigned hereby are to be dealt with and disposed of under, upon and subject to, the terms, conditions, stipulations, covenants, agreements, obligations, trusts, uses and purposes provided in this Indenture. The Issuer has agreed and covenanted, and agrees and covenants with the Trustee and with each and all Holders, as follows:

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

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. In addition to the words and terms defined elsewhere in this Indenture or by reference to the Loan Agreement, unless the context or use clearly indicates another meaning or intent:

"*Act*" means Minnesota Statutes, Chapters 462C and 474A, as amended.

"*Additional Payments*" means the amounts required to be paid by the Borrower pursuant to the provisions of Section 4.2 of the Loan Agreement.

"*Affiliate*" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control" when used with respect to any specified Person means the power to direct the policies of such Person, directly or indirectly, whether through the power to appoint and remove its directors, the ownership of voting securities, by contract, or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"*Authorized Borrower Representative*" means any person who, at any time and from time to time, is designated as the Borrower's authorized representative by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Borrower by or on behalf of any authorized general partner of the Borrower if the Borrower is a general or limited partnership, by any authorized managing member of the Borrower if the Borrower is a limited liability company, or by any authorized officer of the Borrower if the Borrower is a corporation, which certificate may designate an alternate or alternates. The Trustee may conclusively presume that a person designated in a written certificate filed with it as an Authorized Borrower Representative is an Authorized Borrower Representative until such time as the Borrower files with it (with a copy to the Issuer) a written certificate revoking such person's authority to act in such capacity.

"*Authorized Denomination*" means (a) so long as the Bonds are rated "A," without regard to a modifier (or the equivalent) or higher by a Rating Agency, $5,000 or any integral multiple of $1,000 in excess thereof; or (b) at any other time, $100,000, or any integral multiple of $0.01 in excess thereof, except that in each case one Bond may be in a principal amount equal to the then Outstanding principal amount of the Bonds.

"*Authorized Official*" means the Mayor and City Manager of the Issuer, and any other officer of the Issuer designated by certificate of any of the foregoing as authorized by the Issuer to perform a specified act, sign a specified document or otherwise take action with respect to the Bonds. The Trustee may conclusively presume that a person designated in a written certificate filed with it as an Authorized Official is an Authorized Official until such time as such provider files with it a written certificate identifying a different person or persons to act in such capacity.

"*Available Money*" means, as of any date of determination, any of the following, as applicable:

(a) the proceeds of the Bonds (including any additional amount paid by the Underwriter to the Trustee as the purchase price of the Bonds);

(b) moneys drawn on a letter of credit;

(c) moneys received by the Trustee representing advances to the Borrower of FHA Lender Funds, proceeds from the sale of GNMA Securities provided by the FHA Lender, and proceeds of the Equity Bridge Loan;

(d) remarketing proceeds of the Bonds (including any additional amount paid by the Remarketing Agent to the Trustee as the remarketing price of the Bonds) received from the Remarketing Agent or any purchaser of Bonds (other than funds provided by the Borrower, the Issuer, or any Affiliate of either the Borrower or the Issuer);

(e) any other amounts for which the Trustee has received an Opinion of Counsel selected by the Issuer to the effect that the use of such amounts to make payments on the Bonds would not violate Section 362(a) of the Bankruptcy Code (or that relief from the automatic stay provisions of such Section 362(a) would be available from the bankruptcy court) or be avoidable as preferential payments under Section 547 or 550 of the Bankruptcy Code should the Issuer or the Borrower become a debtor in proceedings commenced under the Bankruptcy Code;

(f) any payments made by the Borrower and held by the Trustee for a continuous period of one hundred twenty-three (123) days, provided that no Act of Bankruptcy has occurred during such period; and

(g) investment earnings derived from the investment of money described in the foregoing clauses.

"*Bankruptcy Code*" means Title 11 of the United States Code entitled "Bankruptcy," as in effect now and in the future, or any successor statute.

"*Bond*" or "*Bonds*" means, individually or collectively as context may dictate, the Series A Bonds and the Series B Bonds.

"*Bond Counsel*" means Kennedy & Graven, Chartered, and any other firm of nationally recognized bond counsel experienced in tax-exempt bond financing selected by the Issuer and acceptable to the Borrower.

"*Bond Debt Service Charges*" means, for any period or payable at any time, the principal of and interest on the Bonds for that period or payable at that time whether due at maturity or upon redemption, Mandatory Tender or acceleration.

"*Bond Fund*" means the Bond Fund created in Section 5.01 hereof.

"*Bond Maturity Date*" means July 1, 2025.

"*Bond Payment Date*" means each Interest Payment Date and any other date Bond Debt Service Charges on the Bonds are due, whether at maturity, upon redemption, Mandatory Tender or acceleration or otherwise.

"*Bond Resolution*" means that certain resolution authorizing the issuance of the Bonds to finance the Project, approving the forms of documents related to the Series A Bonds, and adopting the housing program required under Chapter 462C of the Act, adopted by the City Council of the Issuer on March 14, 2022.

"*Bond Year*" means each annual period of twelve (12) months the first of which commences on the date of the original issuance and delivery of the Bonds and the last of which ends on the maturity of the Bonds, except that the first and last Bond Year may be less than twelve (12) months.

"*Book-Entry Form*" or "*Book-Entry System*" means, with respect to the Bonds, a form or system, as applicable, under which (i) physical Bond certificates in fully registered form are issued only to a Depository or its nominee, with the physical Bond certificates "immobilized" in the custody of the Depository and (ii) the ownership of book-entry interests in Bonds and Bond Debt Service Charges thereon may be transferred only through a book entry made by Persons other than the Issuer or the Trustee. The records maintained by Persons other than the Issuer or the Trustee constitute the written record that identifies the owners, and records the transfer, of book-entry interests in the Bonds and Bond Debt Service Charges thereon.

"*Borrower*" means 42 Central Limited Partnership, a Minnesota limited partnership, and its lawful successors and assigns to the extent permitted by the Loan Agreement.

"*Borrower Documents*" means, collectively, the Loan Agreement, the Note, the Regulatory Agreement, and the Tax Certificate.

"*Business Day*" means a day of the week, other than a Saturday or a Sunday, on which commercial banks located in the city in which the principal corporate trust office of the Trustee are not required or authorized to remain closed.

"*Cash Flow Projection*" means a cash flow projection prepared by an independent firm of certified public accountants, a financial advisory firm, a law firm or other independent third party qualified and experienced in the preparation of cash flow projections for structured finance transactions similar to the Bonds, designated by the Borrower and acceptable to the Rating Agency, establishing the sufficiency of (a) the amount on deposit in the Special Funds, (b) projected investment income to accrue on amounts on deposit in the Project Fund and Collateral Fund during the applicable period and (c) any additional Available Money delivered to the Trustee by or on behalf of the Borrower to pay Bond Debt Service Charges and the Additional Payments, in each instance, when due and payable, including, but not limited to, any cash flow projection prepared in connection with (i) the initial issuance and delivery of the Bonds, (ii) a proposed remarketing of the Bonds, as provided in Section 4.05 hereof, or (iii) a release of Available Moneys from the Interest Account of the Bond Fund as provided in Section 5.04 hereof, or (iv) the purchase, sale or exchange of Eligible Investments as provided in Section 5.05 hereof.

"*City*" means the Issuer.

"*Closing Date*" means, individually or collectively as the context may dictate, the Series A Closing Date and the Series B Closing Date.

"*Code*" means the Internal Revenue Code of 1986, as amended, and all applicable regulations (whether proposed, temporary or final) under the Code and the statutory predecessor of the Code, and any official rulings and judicial determinations under the foregoing applicable to the Bonds.

"*Collateral Fund*" means the Collateral Fund created pursuant to Section 5.01 hereof.

"*Completion Date*" means the date of substantial completion of the Project evidenced in accordance with the requirements of Section 3.7 of the Loan Agreement.

"*Construction Period*" means the period between the beginning of the acquisition, construction, improving and equipping of the Project and the Completion Date.

"*Continuing Disclosure Agreement*" means, individually or collectively as the context may dictate, the Series A Continuing Disclosure Agreement and the Series B Continuing Disclosure Agreement.

"*Contractual Obligation*" means for any Person any obligation, covenant, or condition contained in any evidence of Indebtedness or any agreement or instrument under or pursuant to which any evidence of Indebtedness has been issued, or any other material agreement, instrument or guaranty, to which such Person is a party or by which such Person or any of its assets or properties are bound.

"*Costs of Issuance Fund*" means the Costs of Issuance Fund created pursuant to Section 5.01 hereof.

"*Depository*" means, with respect to the Bonds, DTC, until a successor Depository shall have become such pursuant to the applicable provisions of this Indenture, and thereafter, Depository shall mean the successor Depository. Any Depository shall be a securities depository that is a clearing agency under federal law operating and maintaining, with its participants or otherwise, a Book-Entry System to record ownership of book-entry interests in the Bonds or Bond Debt Service Charges thereon, and to effect transfers of book-entry interests in the Bonds.

"*Disbursement Request*" shall have the meaning set forth in Section 5.03(a) hereof.

"*Disbursing Agreement*" means the Construction Loan Disbursement Agreement, dated the date of the FHA Note, by and among the FHA Lender, the Borrower, the Trustee, Frana Companies, Inc., the Equity Bridge Lender, the City, and the Title Company, as it may be amended from time to time.

"*Dissemination Agent*" means U.S. Bank Trust Company, National Association, a national banking association, and its successors and assigns.

"*DTC*" means The Depository Trust Company (a limited purpose trust company), New York, New York, and its successors or assigns.

"*DTC Participant*" means any participant contracting with DTC under its book-entry system and includes securities brokers and dealers, banks and trust companies and clearing corporations.

"*Eligible Investments*" means, subject to the provisions of Section 5.05 hereof, any of the following investments which mature (or are redeemable without penalty) at such time or times as to enable timely disbursements to be made from the fund in which such investment is held or allocated in accordance with the terms of this Indenture:

(a) Government Obligations; and

(b) Shares or units in any money market mutual fund rated "Aaa-mf" by Moody's (or the equivalent Highest Rating Category given by the Rating Agency for that general category of security) including mutual funds of the Trustee or its affiliates or for which the Trustee or an affiliate thereof serves as investment advisor or provides other services to such mutual fund and receives reasonable compensation therefor that are registered under the Investment Company Act of 1940, as amended, whose investment portfolio consist solely of direct obligations of the government of the United States of America.

"*Equity Bridge Lender*" means Bridgewater Bank, a Minnesota banking corporation.

"*Equity Bridge Loan*" means the cashflow loan in the original principal amount of $6,427,442 from the Equity Bridge Lender to the Borrower.

"*Event of Default*" means any of the events described as an Event of Default in Section 7.01 hereof or Section 7.1 of the Loan Agreement.

"*Extension Payment*" means the amount due, if any, in connection with the change or extension of the Mandatory Tender Date pursuant to Section 4.05 hereof and (a) which shall be determined by a Cash Flow Projection approved in writing by the Rating Agency and (b) must consist of Available Money.

"*Extraordinary Services*" and "*Extraordinary Expenses*" mean all services rendered and all reasonable expenses properly incurred by the Trustee under this Indenture, other than Ordinary Services and Ordinary Expenses. Extraordinary Services and Extraordinary Expenses shall specifically include services rendered or expenses incurred by the Trustee in connection with, or in contemplation of, an Event of Default.

"*Favorable Opinion of Bond Counsel*" means an opinion of Bond Counsel that the action proposed will not, in and of itself, cause interest on the Bonds to become includable in gross income of the holders thereof.

"*FHA*" means the Federal Housing Administration.

"*FHA Insurance Commitment*" means the commitment for insurance of advances issued by the Federal Housing Commissioner of HUD with respect to the Project, dated May 5, 2022, as may be amended from time to time.

"*FHA Insurance Regulations*" means the FHA regulations promulgated under the National Housing Act, as amended.

"*FHA Insured Mortgage Loan*" means the mortgage loan in the approximate original principal amount of $11,196,600 to be advanced by the FHA Lender to the Borrower and insured by FHA under Section 221(d)(4) of the National Housing Act, as amended.

"*FHA Lender*" means Colliers Mortgage LLC, a Delaware limited liability company, its successors and assigns.

"*FHA Lender Funds*" means funds of the FHA Lender, other than proceeds of the FHA Insured Mortgage Loan, delivered to the Trustee pursuant to this Indenture and the Loan Agreement.

"*FHA Loan Documents*" means the documents related to the FHA Insured Mortgage Loan, including the FHA Insurance Commitment, the FHA Note, the FHA Mortgage, the HUD Regulatory Agreement and any and all other documents, agreements, or instruments which evidence or secure the indebtedness evidenced by the FHA Note.

"*FHA Mortgage*" means the first-lien priority Multifamily Mortgage, Assignment of Leases and Rents, and Security Agreement (Minnesota), dated the date of the FHA Note, from the Borrower for the benefit of the FHA Lender to secure the repayment of the FHA Note.

"*FHA Note*" means the Note (Multistate) in the approximate amount of $11,196,600, dated as of June 1, 2022, from the Borrower to the FHA Lender to evidence its indebtedness under the FHA Insured Mortgage Loan.

"*Fiscal Year*" means, with respect to a Person, that period beginning on the first day of January of each year and ending on the last day of December of the same year, or such other fiscal year as shall be designated by such Person as its annual accounting period.

"*Force Majeure*" means any of the causes, circumstances or events described as constituting Force Majeure in Section 7.1 of the Loan Agreement or Section 6.02(p) of this Indenture.

"*GAAP*" means generally accepted accounting principles applied on a consistent basis.

"*General Partner*" means 42 Central GP, LLC, a Minnesota limited liability company, its permitted successors and assigns.

"*GNMA*" means the Government National Mortgage Association, a corporate instrumentality of the United States within the United States Department of Housing and Urban Development organized and existing under the National Housing Act.

"*GNMA Documents*" means the GNMA Guaranty and the documents related to the GNMA Guaranty.

"*GNMA Guaranty*" means the guaranty made by GNMA pursuant to the provisions of Section 306(g) of Title III of the National Housing Act, as amended, and the regulations promulgated under the National Housing Act.

"*GNMA Mortgage-Backed Securities Guide*" means the GNMA Handbook 5500.3, as it may be amended or modified from time to time, which describes and provides instruction to the participants in the GNMA Mortgage-Backed Securities program.

"*GNMA Regulations*" means the GNMA regulations promulgated under the National Housing Act.

"*GNMA Security*" or "*GNMA Securities*" means a fully modified pass through security in the form of a CLC or a PLC issued by an approved FHA lender and guaranteed by GNMA as to timely payment of principal of and interest on a PLC and as to timely payment of interest only until maturity and timely payment of principal at maturity on a CLC, pursuant to Section 306(g) of the National Housing Act of 1934, as amended, and the regulations promulgated thereunder.

"*Government*" means the government of the United States of America, the government of any other nation, any political subdivision of the United States of America or any other nation (including, without limitation, any state, territory, federal district, municipality or possession) and any department, agency or instrumentality thereof; and "Governmental" shall mean of, by, or pertaining to any Government.

"*Government Obligations*" means (i) noncallable, non-redeemable direct obligations of the United States of America for the full and timely payment of which the full faith and credit of the United States of America is pledged, and (ii) obligations issued by a Person controlled or supervised by and acting as an instrumentality of the United States of America, the full and timely payment of the principal of, premium, if any, and interest on which is fully guaranteed as a full faith and credit obligation of the United States of America (including any securities described in (i) or (ii) issued or held in book-entry form on the books of

the Department of the Treasury of the United States of America), which obligations, in either case, are not subject to redemption prior to maturity at less than par at the option of anyone other than the holder thereof.

"*Highest Rating Category*" means, with respect to an Eligible Investment, that the Eligible Investment is rated by a Rating Agency in the highest rating given by that Rating Agency for that Rating Category, provided that such rating shall include but not be below "Aaa" or "Aaa/VMIG 1" if rated by Moody's or "A-1+" or "AA+" if rated by S&P.

"*Holder*," "*Holders*," or "*Holder of a Bond*" means the Person in whose name a Bond is registered on the Register.

"*HUD*" means the United States Department of Housing and Urban Development.

"*HUD Regulatory Agreement*" means the Regulatory Agreement for Multifamily Projects, dated the date of the FHA Note, between the Borrower and HUD, related to the FHA Insured Mortgage Loan.

"*Indebtedness*" means for any Person (a) all indebtedness or other obligations of such Person for borrowed money or for the deferred purchase price of property or services; (b) all indebtedness or other obligations of any other Person for borrowed money or for the deferred purchase price of property or services, the payment or collection of which such Person has guaranteed (except by reason of endorsement for deposit or collection in the ordinary course of business) or in respect of which such Person is liable, contingently or otherwise, including, without limitation, by way of agreement to purchase, to provide funds for payment, to supply funds to or otherwise to invest in such other Person, or otherwise to assure a creditor against loss; (c) all indebtedness or other obligations of any other Person for borrowed money or for the deferred purchase price of property or services secured by (or for which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien, upon or in property (including, without limitation, accounts and contract rights) owned by such Person, whether or not such Person has assumed or become liable for the payment of such indebtedness or other obligations; (d) all direct or contingent obligations of such Person in respect of letters of credit; (e) all lease obligations which have been or should be, in accordance with GAAP, capitalized on the books of such Person as lessee; and (f) guaranties of any of the foregoing; provided that Indebtedness does not include accounts payable and accrued expenses incurred in the ordinary course of business.

"*Indenture*" means this Amended and Restated Indenture of Trust, dated as of December 1, 2022, between the Issuer and the Trustee, which amends and restates the Original Indenture in its entirety, as further amended or supplemented from time to time in accordance with Article VIII hereof.

"*Independent*," when used with respect to a specified Person, means such Person has no specific financial interest direct or indirect in the Borrower or any Affiliate of the Borrower and in the case of an individual is not a director, trustee, officer, partner, member or employee of the Borrower or any Affiliate of the Borrower and in the case of an entity, does not have a partner, director, trustee, officer, member or employee who is a director, trustee, officer or employee of any partner or member of the Borrower or any Affiliate of the Borrower.

"*Information Services*" means in accordance with then current guidelines of the Securities and Exchange Commission, the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor entity or entities designated by the Securities and Exchange Commission.

"*Initial Deposit*" means, individually or collectively as the context may dictate, the Initial Series A Deposit and the Initial Series B Deposit.

"*Initial Mandatory Tender Date*" means July 1, 2024.

"*Initial Remarketing Date*" means the Initial Mandatory Tender Date, but only if the conditions for remarketing the Bonds on such date as provided in Section 4.05 hereof are satisfied.

"*Initial Series A Bond Rate*" means 2.70%.

"*Initial Series A Deposit*" means the deposit of Available Money in the amount of $0 which the Borrower shall cause to be deposited to the Interest Account of the Bond Fund on the Series A Closing Date.

"*Initial Series B Bond Rate*" means [____]%.

"*Initial Series B Deposit*" means the deposit of Available Money in the amount of $[__] which the Borrower shall cause to be deposited to the Interest Account of the Bond Fund on the Series B Closing Date.

"*Interest Account*" means the Interest Account within the Bond Fund created in Section 5.01 hereof.

"*Interest Payment Date*" means (a) each January 1 and July 1, commencing January 1, 2023 as to the Series A Bonds, and commencing July 1, 2023 as to the Series B Bonds; (b) any date the Bonds are called for redemption prior to maturity; (c) each Mandatory Tender Date; (d) the Maturity Date; and (e) the date of acceleration of the Bonds.

"*Interest Period*" means, initially, as to the Series A Bonds, the period from the Series A Closing Date to and including January 1, 2023, and as to the Series B Bonds, the period from the Series B Closing Date to and including July 1, 2023, and thereafter, the period commencing on each succeeding Interest Payment Date and ending on the last day of that month preceding the next Interest Payment Date.

"*Interest Rate*" means the Initial Interest Rate to but not including the Initial Mandatory Tender Date, and thereafter the applicable Remarketing Rate.

"*Interest Rate for Advances*" means the rate of six percent (6%) per annum or the rate per annum which is two percent (2%) plus that interest rate announced by the Trustee in its lending capacity as a bank as its "Prime Rate" or its "Base Rate," whichever is greater and lawfully chargeable, in whole or in part.

"*Investor Limited Partner*" means Bridgewater Bank, a Minnesota banking corporation, and its permitted successors and assigns.

"*Issuer*" means the City of Columbia Heights, Minnesota, a municipal corporation, home rule city, and political subdivision of the State, and any successors and assigns.

"*Issuer Revenues*" means (a) the Loan Payments; (b) all other money received or to be received by the Issuer or the Trustee in respect of repayment of the Loan, including without limitation, all money and investments in the Bond Fund; (c) any money and investments in the Project Fund and the Collateral Fund; and (d) all income and profit from the investment of the foregoing money. The term "*Issuer Revenues*" does not include any money or investments in the Rebate Fund.

"*LCDA Loan*" means the loan, in the principal amount of $820,000, by the City to the Borrower of a portion of the proceeds of the Livable Communities Demonstration Account grant received by the City from the Metropolitan Council.

"*Lien*" means any mortgage, deed of trust, lien, charge, security interest or encumbrance of any kind upon, or pledge of, any property, whether owned as of or hereafter acquired, and includes the acquisition of, or agreement to acquire, any property subject to any conditional sale agreement or other title retention agreement, including a lease on terms tantamount thereto or on terms otherwise substantially equivalent to a purchase.

"*Loan*" means, individually or collectively as the context may dictate, the Series A Loan and the Series B Loan.

"*Loan Agreement*" means the Amended and Restated Loan Agreement, dated as of December 1, 2022, between the Issuer and the Borrower and assigned by the Issuer, except for Unassigned Issuer's Rights, to the Trustee, which amends and restates the Original Loan Agreement in its entirety, as further amended or supplemented from time to time.

"*Loan Payment Cure Period*" means a period of four (4) Business Days following any Loan Payment Date.

"*Loan Payment Date*" means the first Business Day preceding each Bond Payment Date.

"*Loan Payments*" means the amounts required to be paid by the Borrower in repayment of the Loan pursuant to the provisions of the Note and Section 4.1 of the Loan Agreement.

"*Local Time*" means Central time (daylight or standard, as applicable) in Columbia Heights, Minnesota.

"*Majority of the Holders of the Bonds*" means the Holders of more than fifty percent (50%) of the principal amount of the then Outstanding Bonds.

"*Mandatory Tender*" means a tender of Bonds required by Section 4.03 hereof.

"*Mandatory Tender Date*" means the later of (a) the Initial Mandatory Tender Date; and (b) if the Bonds Outstanding on such date or on any subsequent Mandatory Tender Date are remarketed pursuant to Section 4.05 for a Remarketing Period that does not extend to the final maturity of the Bonds, the day after the last day of the Remarketing Period.

"*Maturity Date*" means July 1, 2025.

"*Maximum Interest Rate*" means the interest rate equal to the lesser of (a) 8% per annum; or (b) the maximum interest rate per annum permitted by applicable State law.

"*Minimum Trustee Rating*" means a long-term rating of the Trustee's unsecured obligations with maturities in excess of one (1) year of not less than "A" by S&P, or, if the Trustee does not have such a rating from S&P, it must have a minimum rating of its unsecured obligations with maturities of one (1) year or less of "A-1" from S&P.

"*Moody's*" means Moody's Investors Service, Inc., a Delaware corporation, and its successors and assigns, or if it shall for any reason no longer perform the functions of a securities rating agency, then any other nationally recognized rating agency designated by the Borrower and acceptable to the Trustee and the Remarketing Agent.

"*Note*" or "*Notes*" means, individually or collectively as the context may dictate, the Series A Note and the Series B Note.

"*Notice Address*" means:

To the Issuer:	City of Columbia Heights, Minnesota 590 – 40th Avenue NE Columbia Heights, Minnesota 55421 Attention: Community Development Director
To the Trustee:	U.S. Bank Trust Company, National Association 60 Livingston Avenue, Third Floor EP-MN-WS3C Saint Paul, MN 55107-2292 Attention: Corporate Trust Services
To the Borrower:	42 Central Limited Partnership c/o Reuter Walton Development, LLC 4450 Excelsior Boulevard, Suite 400 St. Louis Park, MN 55416 Attention: General Counsel
With a copy to:	Stoel Rives LLP 600 University Street, Suite 3600 Seattle, WA 98101 Attention: Joseph McCarthy, Esq.
To the Investor Limited Partner:	Bridgewater Bank 4450 Excelsior Boulevard, Suite 100 St. Louis Park, MN 55416 Attention: Ross Wieser
With a copy to:	Faegre Drinker Biddle & Reath LLP 2200 Wells Fargo Center 90 South Seventh Street Minneapolis, MN 55402 Attention: Angela M. Christy, Esq.
To the Remarketing Agent:	Colliers Securities LLC 90 South Seventh Street, Suite 4300 Minneapolis, MN 55402-4108 Attention: Craig Theis
To the Rating Agency:	Moody's Investors Service, Inc. 7 World Trade Center 250 Greenwich Street, 16th Floor New York, NY 10007 Attention: Public Finance Group – Housing Team Email: Housing@moodys.com

or such additional or different address, notice of which is given under Section 13.03 hereof.

"*Opinion of Bond Counsel*" means an opinion of Bond Counsel.

"*Opinion of Counsel*" means an opinion from an attorney or firm of attorneys, acceptable to the Issuer and the bondholder representative with experience in the matters to be covered in the opinion.

"*Optional Redemption Date*" means any date the Bonds are subject to optional redemption pursuant to Section 4.01(a) hereof.

"*Ordinary Services*" and "*Ordinary Expenses*" mean those services normally rendered, and those expenses normally incurred, by a trustee under instruments similar to this Indenture. Without limiting the generality of this definition, Ordinary Services and Ordinary Expenses shall include without limitation services provided by the Trustee in connection with the redemption of Bonds as provided in Article IV hereof and in connection with any meetings of Holders of the Bonds as provided in Article XII hereof.

"*Original Indenture*" means the Indenture of Trust, dated as of June 1, 2022, between the Issuer and the Trustee.

"*Original Loan Agreement*" means the Loan Agreement, dated as of June 1, 2022, between the Issuer and the Borrower.

"*Original Regulatory Agreement*" means the Regulatory Agreement, dated as of June 1, 2022, but effective as of the Series A Closing Date, between the Trustee, the Issuer and the Borrower.

"*Outstanding Bonds*," "*Bonds Outstanding*" or "*Outstanding*," as applied to the Bonds, means, as of the applicable date, all Bonds which have been authenticated and delivered, or which are being delivered by the Trustee under this Indenture, except:

(a) Bonds cancelled upon surrender, exchange or transfer, or cancelled because of payment on or prior to that date;

(b) Bonds, or the portion thereof, for the payment or purchase for cancellation of which sufficient money has been deposited and credited with the Trustee or the Paying Agents on or prior to that date for that purpose (whether upon or prior to the maturity of those Bonds);

(c) Bonds, or the portion thereof, which are deemed to have been paid and discharged or caused to have been paid and discharged pursuant to the provisions of this Indenture; and

(d) Bonds in lieu of which others have been authenticated under Section 3.06 hereof.

"*Paying Agent*" means the Trustee acting as such, or any other bank or trust company designated as a Paying Agent by or in accordance with this Indenture.

"*Person*" or words importing persons mean firms, associations, partnerships (including without limitation, general and limited partnerships), joint ventures, societies, estates, trusts, corporations, limited liability companies, public or governmental bodies, other legal entities and natural persons.

"*Plans and Specifications*" means the plans and specifications describing the Project as now prepared and as they may be changed as herein provided or in the Loan Agreement from time to time.

"*Predecessor Bond*" of any particular Bond means every previous Bond evidencing all or a portion of the same debt as that evidenced by the particular Bond. For the purposes of this definition, any Bond

authenticated and delivered under Section 3.06 hereof in lieu of a lost, stolen or destroyed Bond shall, except as otherwise provided in Section 3.06 hereof, be deemed to evidence the same debt as the lost, stolen or destroyed Bond.

"*Program Obligations*" shall have the meaning provided in the FHA Mortgage.

"*Project*" means the acquisition, construction, and equipping of an approximately 62-unit workforce multifamily rental housing development and facilities functionally related and subordinate thereto, comprised of one four-story apartment building including one, two, and three-bedroom units, with both surface lot and below-ground parking, and other amenities, including multiple gathering spaces and an outdoor playground, owned by the Borrower on a site located at 800 42nd Avenue NE in the City and known as 42nd & Central Apartments or another name selected by the Borrower.

"*Project Costs*" means the costs of the Project specified in Section 3.4 of the Loan Agreement.

"*Project Fund*" means the Project Fund created in Section 5.01 hereof.

"*Project Purposes*" means the operation of the Project in accordance with the Act, the Code and the Regulatory Agreement.

"*Rating Agency*" means Moody's, S&P, or any other nationally recognized municipal securities rating agency rating the Bonds, or such rating agency's successors or assigns, and initially means Moody's so long as Moody's is rating the Bonds.

"*Rating Category*" means one of the rating categories of the Rating Agency for the specific type and duration of the applicable Eligible Investment.

"*Rating Confirmation*" has the meaning provided in Section 5.05 hereof.

"*Rebate Analyst*" means a certified public accountant, financial analyst or attorney, or any firm of the foregoing, or a financial institution experienced in making the arbitrage and rebate calculations required pursuant to Section 148 of the Code and retained by the Borrower to make the computations and give the directions required pursuant to the Tax Certificate. Initially, the Rebate Analyst will be Tiber Hudson LLC.

"*Rebate Fund*" means the Rebate Fund created in Section 5.01 hereof.

"*Register*" means the books kept and maintained by the Registrar for registration and transfer of Bonds pursuant to Section 3.05 hereof.

"*Registrar*" means, initially, the Trustee, until a successor Registrar shall have become such pursuant to applicable provisions of this Indenture; each Registrar shall be a transfer agent registered in accordance with Section 17A(c) of the Securities Exchange Act of 1934.

"*Regular Record Date*" means the fifteenth day of the calendar month next preceding an Interest Payment Date applicable to that Bond.

"*Regulatory Agreement*" means the Amended and Restated Regulatory Agreement, dated as of December 1, 2022, but effective as of the Series B Closing Date, between the Trustee, the Issuer and the Borrower, which amends and restates the Original Regulatory Agreement in its entirety, as the same may be further amended from time to time.

"*Remarketing Agent*" means Colliers Securities LLC, a Delaware limited liability company or any successor as Remarketing Agent designated in accordance with Section 6.19 hereof.

"*Remarketing Agent's Fee*" means the fee of the Remarketing Agent for its remarketing services.

"*Remarketing Agreement*" means, individually or collectively as the context may dictate, the Series A Remarketing Agreement and the Series B Remarketing Agreement.

"*Remarketing Date*" means the Initial Remarketing Date and, if the Bonds Outstanding on such date or on any subsequent Remarketing Date are remarketed pursuant to Section 4.05 hereof for a Remarketing Period that does not extend to the final maturity of the Bonds, the day after the last day of the Remarketing Period.

"*Remarketing Expenses*" means the costs and expenses incurred by the Trustee and its counsel, the Remarketing Agent and its counsel, the Issuer and its counsel, and Bond Counsel in connection with the remarketing of the Bonds, including bond printing and registration costs, costs of funds advanced by the Remarketing Agent, registration and filing fees, rating agency fees and other costs and expenses incurred in connection with or properly attributable to the remarketing of Bonds as certified to the Trustee by the Remarketing Agent in writing.

"*Remarketing Notice Parties*" means the Borrower, the Issuer, the Trustee, the Remarketing Agent, and the Investor Limited Partner.

"*Remarketing Period*" means the period beginning on a Remarketing Date and ending on the last day of the term for which Bonds are remarketed pursuant to Section 3.07 hereof or the final Maturity Date of the Bonds, as applicable.

"*Remarketing Proceeds Account*" means the Remarketing Proceeds Account of the Bond Fund created in Section 5.01 hereof.

"*Remarketing Rate*" means the interest rate or rates established pursuant to Section 2.04(c) hereof and borne by the Bonds then Outstanding from and including each Remarketing Date to, but not including, the next succeeding Remarketing Date or the final Maturity Date of the Bonds, as applicable.

"*Responsible Officer*" means, when used with respect to the Trustee, any officer within the corporate trust department of the Trustee, including any vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Indenture.

"*S&P*" means S&P Global Ratings.

"*Securities Act*" means the United States Securities Act of 1933, as in effect on the Closing Date.

"*Securities Depositories*" means The Depository Trust Company, 711 Stewart Avenue, Garden City, New York 11530, Fax (516) 227-4039 or 4191; Midwest Securities Trust Company, Capital Structures – Call Notification, 440 South LaSalle Street, Chicago, Illinois 60605, Fax (312) 663-2343; Pacific Securities Depository Trust Company, Pacific and Company, P.O. Box 7041, San Francisco, California 94120, Fax (415) 393-4128; Philadelphia Depository Trust Company, Reorganization Division, 1900 Market Street, Philadelphia, Pennsylvania 19103, Attention: Bond Department, Fax (215) 496-5058; or, in

accordance with the then current guidelines of the Securities and Exchange Commission to such other addresses and/or such other securities depositories or, as the Issuer may designate in a request of the Issuer delivered to the Trustee, to no such depositories.

"*Series A Bond Proceeds Fund Account*" means the Series A Account of the Bond Fund created pursuant to Section 5.01 hereof.

"*Series A Bonds*" means the Issuer's Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022A in the original aggregate principal amount of $9,886,000, dated the Series A Closing Date, authorized under, secured by and issued pursuant to the Original Indenture.

"*Series A Closing Date*" means June 28, 2022.

"*Series A Collateral Fund Account*" means the Series A Account of the Collateral Fund created pursuant to Section 5.01 hereof.

"*Series A Continuing Disclosure Agreement*" means the Continuing Disclosure Agreement, dated as of June 1, 2022, between the Borrower and the Dissemination Agent delivered in connection with the Series A Bonds.

"*Series A Loan*" means the loan by the Issuer to the Borrower of the proceeds received from the sale of the Series A Bonds.

"*Series A Negative Arbitrage Deposit*" means Eligible Funds in the amount of $0.00 to be deposited on the Series A Closing Date into the Series A Negative Arbitrage Subaccount and as otherwise set forth in Section 5.01 hereof.

"*Series A Negative Arbitrage Subaccount*" means the Series A Subaccount of the Interest Account created pursuant to Section 5.01 hereof.

"*Series A Note*" means, with respect to the Series A Bonds, the promissory note dated the Series A Closing Date from the Borrower to the Issuer and assigned by the Issuer to the Trustee on the Series A Closing Date, evidencing the obligation of the Borrower to make Loan Payments, in substantially the form attached as Exhibit A-1 to the Loan Agreement, together with any amendments, supplements or modifications thereto.

"*Series A Remarketing Agreement*" means the Remarketing Agreement, dated as of June 1, 2022, by and between the Borrower and the Remarketing Agent, relating to the Series A Bonds, as amended, supplemented or restated from time to time, or any agreement entered into in substitution therefor.

"*Series A Tax Certificate*" means the Tax Certificate of the Borrower executed by the Borrower as to the Series A Bonds on the Series A Closing Date with the endorsement of the Issuer.

"*Series B Bond Proceeds Fund Account*" means the Series B Account of the Bond Fund created pursuant to Section 5.01 hereof.

"*Series B Bond Resolution*" means that certain resolution authorizing the issuance of the Series B Bonds to finance the Project and approving the forms of documents related to the Series B Bonds, adopted by the City Council of the Issuer on November 28, 2022.

"*Series B Bonds*" means the Issuer's Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022B in the original aggregate principal amount of $560,000, dated the Series B Closing Date, authorized under, secured by and issued pursuant to this Indenture.

"*Series B Closing Date*" means December [__], 2022.

"*Series B Collateral Fund Account*" means the Series B Account of the Collateral Fund created pursuant to Section 5.01 hereof.

"*Series B Continuing Disclosure Agreement*" means the Continuing Disclosure Agreement, dated as of December 1, 2022, between the Borrower and the Dissemination Agent delivered in connection with the Series B Bonds.

"*Series B Loan*" means the loan by the Issuer to the Borrower of the proceeds received from the sale of the Series B Bonds.

"*Series B Negative Arbitrage Deposit*" means Eligible Funds in the amount of $[_____] to be deposited into the Series B Negative Arbitrage Subaccount and as otherwise set forth in Section 5.01 hereof.

"*Series B Negative Arbitrage Subaccount*" means the Series B Subaccount of the Negative Arbitrage Account of the Revenue Fund created pursuant to Section 5.02 hereof.

"S*eries B Note*" means, with respect to the Series B Bonds, the promissory note dated the Series B Closing Date from the Borrower to the Issuer and assigned by the Issuer to the Trustee on the Series B Closing Date, evidencing the obligation of the Borrower to make Loan Payments, in substantially the form attached as Exhibit A-2 to the Loan Agreement, together with any amendments, supplements or modifications thereto.

"*Series B Remarketing Agreement*" means the Remarketing Agreement, dated as of December 1, 2022, by and between the Borrower and the Remarketing Agent, relating to the Series B Bonds, as amended, supplemented or restated from time to time, or any agreement entered into in substitution therefor.

"*Series B Tax Certificate*" means the Tax Certificate of the Borrower executed by the Borrower as to the Series B Bonds on the Series B Closing Date with the endorsement of the Issuer.

"*Special Funds*" means, collectively, the Bond Fund, the Collateral Fund and the Project Fund, and any accounts therein, all as created in this Indenture.

"*Special Record Date*" means, with respect to any Bond, the date established by the Trustee in connection with the payment of overdue interest or principal on that Bond.

"*State*" means the State of Minnesota.

"*Subordinate Bond Documents*" shall have the meaning provided in Section 13.14 hereof and Section 8.11 of the Loan Agreement.

"*Supplemental Indenture*" means any indenture supplemental to this Indenture entered into between the Issuer and the Trustee in accordance with Article VIII hereof.

"*Surplus Cash*" shall have the meaning provided in the HUD Regulatory Agreement.

"*Tax Certificate*" means, individually or collectively as the context may dictate, the Series A Tax Certificate and the Series B Tax Certificate.

"*Tendered Bond*" means any Bond which has been tendered for purchase pursuant to a Mandatory Tender.

"*Title Company*" means First American Title Insurance Company, a Nebraska corporation.

"*Treasury Regulations*" means the regulations promulgated under the Code.

"*Trustee*" means U.S. Bank Trust Company, National Association, a national banking association, until a successor Trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter, "Trustee" shall mean the successor Trustee.

"*Unassigned Issuer's Rights*" means all of the rights of the Issuer to receive Additional Payments under Section 4.2 of the Loan Agreement, to inspect books and records under Section 5.1 of the Loan Agreement, to be held harmless and indemnified under Section 5.3 of the Loan Agreement, to be an insured and to receive notice of material litigation under Section 5.5 of the Loan Agreement, to notice and limited liability related to the Regulatory Agreement under Section 5.8 of the Loan Agreement, to pursue remedies upon default under Section 7.2 of the Loan Agreement to the extent provided therein with respect to Unassigned Issuer's Rights, to be reimbursed for attorneys' fees and expenses under Section 7.4 of the Loan Agreement, to receive notices pursuant to Section 8.3 of the Loan Agreement, to give or withhold consent to amendments, changes, modifications, alterations and termination of the Loan Agreement under Section 8.6 of the Loan Agreement, to the limitation of liability under Section 8.12 of the Loan Agreement, to payment of audit expenses under Section 8.15 of the Loan Agreement, and to enforce compliance with the requirements under Sections 2.2 and 2.3 of the Loan Agreement.

"*Undelivered Bond*" means any Bond that is required under this Indenture to be delivered to the Remarketing Agent or the Trustee for purchase on a Mandatory Tender Date but that has not been received on the date such Bond is required to be so delivered.

"*Underwriter*" means Colliers Securities LLC, a Delaware limited liability company.

Section 1.02. Interpretation. Any reference herein to the Issuer, to the City Council of the Issuer or to any member or officer of either includes entities or officials succeeding to their respective functions, duties or responsibilities pursuant to or by operation of law or lawfully performing their functions.

Any reference to a section or provision of the Constitution of the State or the Act, or to a section, provision or chapter of the Minnesota Statutes, or to any statute of the United States of America, includes that section, provision or chapter as amended, modified, revised, supplemented or superseded from time to time; provided, that no amendment, modification, revision, supplement or superseding section, provision or chapter shall be applicable solely by reason of this paragraph, if it constitutes in any way an impairment of the rights or obligations of the Issuer, the Holders, the Trustee, the Registrar, the Paying Agent, any Authenticating Agent or the Borrower under this Indenture, the Bond Resolution, the Series B Bond Resolution, the Bonds, the Loan Agreement, the Note, the Regulatory Agreement or any other instrument or document entered into in connection with any of the foregoing, including without limitation, any alteration of the obligation to pay Bond Debt Service Charges in the amount and manner, at the times, and from the sources provided in the Bond Resolution, the Series B Bond Resolution, and this Indenture, except as permitted herein.

Unless the context indicates otherwise, words importing the singular number include the plural number, and vice versa. The terms "hereof," "hereby," "herein," "hereto," "hereunder," "hereinafter" and similar terms refer to this Indenture; and the term "hereafter" means after, and the term "heretofore" means before, the date of this Indenture. Words of any gender include the correlative words of the other genders, unless the sense indicates otherwise.

Section 1.03. Captions and Headings. The captions and headings in this Indenture are solely for convenience of reference and in no way define, limit or describe the scope or intent of any, Sections, subsections, paragraphs, subparagraphs or clauses hereof.

ARTICLE II

AUTHORIZATION AND TERMS OF BONDS

Section 2.01. Authorized Amount of Bonds. No Bonds may be issued under the provisions of this Indenture except in accordance with this Article. The total authorized principal amount of the Series A Bonds which shall be issued under the provisions of this Indenture is $9,886,000 and the total authorized principal amount of the Series B Bonds which shall be issued under the provisions of this Indenture is $560,000. No additional bonds may be issued hereunder.

Section 2.02. Issuance of Bonds. It is determined to be necessary to, and the Issuer shall, issue, sell and deliver $9,886,000 principal amount of Series A Bonds and $560,000 principal amount of Series B Bonds and shall loan the proceeds thereof to the Borrower to finance the Project. The Bonds shall be designated "Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022A" and "Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022B," shall be issuable only in fully registered form, substantially as set forth in EXHIBIT A-1 and EXHIBIT A-2, respectively, attached hereto; shall be numbered R-1 and upward in order to distinguish each Bond from any other Bond; shall be in Authorized Denominations; shall be dated the Closing Date; and shall bear interest from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from their date of delivery.

The Bonds shall mature and shall bear interest as set forth in Section 2.04(a) hereof.

Section 2.03. Authorization of Bonds; Sale and Delivery of the Bonds. Upon the execution and delivery hereof, the Issuer shall execute the Bonds and deliver them to the Trustee, and the Trustee shall authenticate or cause the authentication of the Bonds and deliver them to such purchaser or purchasers as shall be directed in writing by the Issuer, provided, that there shall be previous thereto or simultaneous therewith filed with the Trustee the following:

(a) copies, certified by the City Clerk of the Issuer, of all resolutions adopted and proceedings had by the Issuer authorizing the issuance and delivery of the Bonds, including the Bond Resolution and the Series B Bond Resolution;

(b) a letter of instructions of the Issuer directing the Trustee to authenticate and deliver the Bonds against receipt of the purchase price therefor;

(c) original executed counterparts of this Indenture, the Loan Agreement, the Regulatory Agreement and the Note;

(d) an approving opinion of Bond Counsel in form and content acceptable to the Issuer and the Underwriter;

(e) an opinion of counsel for the Borrower in form and content acceptable to the Issuer, Bond Counsel and the Underwriter;

(f) an executed Tax Certificate;

(g) payment to the Trustee, for the account of the Issuer, of the purchase price for the Series A Bonds of $9,886,000;

(h) payment to the Trustee, for the account of the Issuer, of the purchase price for the Series B Bonds of $560,000; and

(i) payment to the Trustee, for the account of the Issuer, of the Initial Series A Deposit (consisting of Available Moneys) in the amount of $0 and the Initial Series B Deposit (consisting of Available Moneys) in the amount of $[__] for deposit to the Interest Account of the Bond Fund.

Section 2.04. Maturity and Interest.

(a) General. The Bonds shall bear interest on the principal amount Outstanding from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid or provided for, from their date of initial delivery, payable on each Interest Payment Date. The Bonds shall bear interest for each Interest Period at the Interest Rate all as more specifically set forth hereinafter. Interest on the Bonds shall be calculated on the basis of a three hundred sixty (360) day year consisting of twelve (12) thirty (30) day months. The Bonds shall mature on the Maturity Date, subject to prior redemption as set forth in Section 4.01 hereof and subject to Mandatory Tender for purchase as set forth in Section 4.03 hereof.

(b) Initial Interest Rate. From the date of their initial delivery to but not including the Initial Mandatory Tender Date, the interest rate on the Bonds shall be the Initial Interest Rate. On the Initial Mandatory Tender Date, the Bonds shall be subject to Mandatory Tender pursuant to Section 4.03 hereof. If insufficient funds are available to pay the purchase price on the Bonds following such Mandatory Tender on the Initial Mandatory Tender Date, the Bonds shall accrue interest at the Maximum Interest Rate until funds are available for payment of the purchase price, with interest being paid monthly on the first Business Day of each month.

(c) Establishment of Remarketing Rate. The Remarketing Agent shall establish the interest rate on the Bonds Outstanding for each Remarketing Period at the Remarketing Rate in accordance with this Section 2.04. Not less than ten (10) Business Days preceding each Remarketing Date, the Remarketing Agent, taking into consideration prevailing market conditions, shall, using its best professional judgment, determine the minimum rate(s) of interest borne by the Bonds then Outstanding for the Remarketing Period specified by the Remarketing Agent at the direction of the Borrower as provided in Section 4.05 hereof. The rate of interest determined in accordance with the previous sentence shall be the Remarketing Rate for the specified Remarketing Period; provided that if the rate of interest so determined for such period would exceed the Maximum Interest Rate, the Bonds Outstanding shall be remarketed for the longest Remarketing Period for which the minimum rate of interest that would enable such Bonds to be remarketed at a price equal to one hundred percent (100%) of the principal amount of such Bonds that would not exceed the Maximum Interest Rate. Notwithstanding the foregoing, if the rate of interest so determined for any Remarketing Period would exceed the Maximum Interest Rate, the Bonds Outstanding shall not be remarketed.

(d) Notice of Remarketing Rate. The Remarketing Agent shall, upon determination of the Remarketing Rate and Remarketing Period, immediately (and in no event later than the Business Day following the day on which the Remarketing Agent makes its determination of the Remarketing Rate and the Remarketing Period) give notice of its determination by telephone, telecopy, or e-mail promptly confirmed in writing, to the Trustee, the Issuer and the Borrower. The Remarketing Rate and the Remarketing Period shall be conclusive and binding upon the Trustee, the Issuer, the Borrower and the Holders for the purposes of this Indenture.

Section 2.05. Special Obligations. The Bonds are special, limited obligations of the Issuer payable solely from the Trust Estate and any other revenues, funds and assets pledged under this Indenture

and not from any other revenues, funds or assets of the Issuer. The Bonds are not general obligations, debt or bonded indebtedness of the Issuer, the State or any political subdivision thereof (other than of the Issuer to the limited extent set forth in this Indenture) and the Holders of the Bonds do not have the right to have any excises or taxes levied by the Issuer, the State or any political subdivision thereof for the payment of the principal of and any premium and interest on the Bonds. None of the Issuer, the State nor any political subdivision of the State will be obligated to pay the principal of and the interest on the Bonds or other costs incident thereto except from the Issuer Revenues pledged under this Indenture.

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ARTICLE III

TERMS OF BONDS GENERALLY

Section 3.01. Form of Bonds. The Series A Bonds and the Series B Bonds, the certificate of authentication and the form of assignment shall be in the forms thereof set forth in EXHIBIT A-1 and EXHIBIT A-2, respectively, attached hereto.

All Bonds, unless a Supplemental Indenture shall have been executed and delivered pursuant to Section 8.02 hereof, shall be in fully registered form, and, except as provided in Section 3.05 hereof, the Holder of a Bond shall be regarded as the absolute owner thereof for all purposes of this Indenture.

The Bonds shall be negotiable instruments in accordance with the Act, and shall express the purpose for which they are issued and any other statements or legends which may be required by law. Each Bond shall be of a single maturity.

Section 3.02. Execution and Authentication of Bonds. Each Bond shall be signed on behalf of the Issuer by the Mayor and City Manager, each in his or her official capacity (provided that the signature may be a facsimile). In case any officer whose signature or a facsimile of whose signature shall appear on any Bond shall cease to be that officer before the issuance of the Bond, his or her signature or the facsimile thereof nevertheless shall be valid and sufficient for all purposes, the same as if such officer had remained in office until that time. Any Bond may be executed on behalf of the Issuer by an officer who, on the date of execution is the proper officer, although on the date of the Bond that person was not the proper officer.

No Bond shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Indenture unless and until a certificate of authentication, substantially in the forms set forth in EXHIBIT A-1 and EXHIBIT A-2, respectively, attached hereto, has been signed by the Trustee. The authentication by the Trustee upon any Bond shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered hereunder and is entitled to the security and benefit of this Indenture. The certificate of the Trustee may be executed by any person authorized by the Trustee, but it shall not be necessary that the same authorized person sign the certificates of authentication on all of the Bonds.

Section 3.03. Source of Payment of Bonds. To the extent provided in and except as otherwise permitted by this Indenture, (a) the Bonds shall be special, limited obligations of the Issuer and the Bond Debt Service Charges thereon shall be payable equally and ratably solely from the Issuer Revenues, including but not limited to money and investments in the Special Funds; (b) the payment of Bond Debt Service Charges on the Bonds shall be secured by the assignment of Issuer Revenues hereunder and by this Indenture; and (c) payments due on the Bonds also shall be secured by the Notes. Notwithstanding anything to the contrary in the Bond Resolution, the Series B Bond Resolution, the Bonds or this Indenture, the Bonds do not and shall not represent or constitute a debt or pledge of the faith and credit or the taxing power of the Issuer or of the State or of any political subdivision, municipality or other local agency thereof.

Section 3.04. Payment and Ownership of Bonds. Bond Debt Service Charges shall be payable in lawful money of the United States of America without deduction for the services of the Trustee or the Paying Agent. Subject to the provisions of Section 3.09 hereof, (i) the principal of any Bond shall be payable when due to a Holder upon presentation and surrender of such Bond at the designated corporate trust office of the Trustee or at the office, designated by the Trustee, of the Paying Agent; and (ii) interest on any Bond shall be paid on the applicable Interest Payment Date by check or draft which the Trustee shall cause to be mailed on that date to the Person in whose name the Bond is registered on the Register at the close of business on the Regular Record Date applicable to that Interest Payment Date, at such Holder's

address appearing therein. Notwithstanding anything to the contrary herein or in any of the Borrower Documents, the Trustee is authorized to use funds on deposit in the Special Funds, as and when provided, to pay principal and interest on the Bonds when due. Notwithstanding the foregoing, the Bonds issued under this Indenture are subject to the procedures of the Depository.

If and to the extent, however, that the Issuer shall fail to make payment or provision for payment of interest on any Bond on any Interest Payment Date, that interest shall cease to be payable to the Person who was the Holder of that Bond as of the applicable Regular Record Date. In that event, except as provided below in this Section, when money becomes available for payment of the interest, (i) the Trustee shall, pursuant to Section 7.06(d) hereof, establish a Special Record Date for the payment of that interest which shall be not more than fifteen (15) nor fewer than ten (10) days prior to the date of the proposed payment, and (ii) the Trustee shall cause notice of the proposed payment and of the Special Record Date to be mailed by first-class mail, postage prepaid, to each Holder at its address as it appears on the Register not fewer than ten (10) days prior to the Special Record Date and, thereafter, the interest shall be payable to the Persons who are the Holders of the Bonds at the close of business on the Special Record Date.

Subject to the foregoing, each Bond delivered under this Indenture upon transfer thereof, or in exchange for or in replacement of any other Bond, shall carry the rights to interest accrued and unpaid, and to accrue on that Bond, or which were carried by that Bond.

Except as provided in this Section and the first paragraph of Section 3.06 hereof, (1) the Holder of any Bond shall be deemed and regarded as the absolute owner thereof for all purposes of this Indenture; (2) payment of or on account of the Bond Debt Service Charges on any Bond shall be made only to or upon the order of that Holder or its duly authorized attorney in the manner permitted by this Indenture; and (3) none of the Issuer, the Trustee, the Registrar nor the Paying Agent shall, to the extent permitted by law, be affected by notice to the contrary. All of those payments shall be valid and effective to satisfy and discharge the liability upon that Bond, including without limitation the interest thereon, to the extent of the amount or amounts so paid. Notwithstanding anything to the contrary herein or in any of the Bond Documents, the Trustee is authorized to use funds on deposit in the Special Funds, as and when provided, to pay principal and interest on the Bonds when due.

Section 3.05. Registration, Transfer and Exchange of Bonds. The Trustee shall cause the Register to be kept for the registration of Bonds and the registration of transfers of Bonds. The registration of any Bond may be transferred only upon an assignment duly executed by the registered holder or his or her duly authorized representative in such form and with guaranty of signature as shall be satisfactory to the Trustee, and upon surrender of such Bond to the Trustee for cancellation. Whenever any Bond or Bonds shall be surrendered for registration of transfer, the Issuer shall execute and the Trustee shall authenticate and deliver to the transferee a new Bond or Bonds of the same series and of Authorized Denomination or Denominations and for the amount of such Bond or Bonds so surrendered.

Any Bond may be exchanged at the designated office of the Trustee, for a new Bond or Bonds of an Authorized Denomination and for the aggregate amount of such Bond then remaining Outstanding.

In all cases in which the registration of Bonds shall be transferred or Bonds shall be exchanged hereunder, the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange, and all such taxes, fees or charges shall be Ordinary Expenses payable as scheduled pursuant to Section 6.03 hereof. The Trustee shall not be required to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of and premium and

interest on any such Bond shall be made only to or upon the order of the holder thereof, or its legal representative, and neither the Issuer nor the Trustee shall be affected by any notice to the contrary. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums to be paid.

Transfers are subject to the requirements of the Depository as long as the Bonds are held in Book-Entry Form. Neither the Trustee nor any agent shall have any responsibility or liability for any actions taken or not taken by the Depository.

Section 3.06. Mutilated, Lost, Wrongfully Taken or Destroyed Bonds. If any Bond is mutilated, lost, wrongfully taken or destroyed, in the absence of written notice to the Issuer or the Registrar that a lost, wrongfully taken or destroyed Bond has been acquired by a bona fide purchaser, the Issuer shall execute, and the Registrar shall authenticate and deliver, a new Bond of like date, maturity, and denomination as the Bond mutilated, lost, wrongfully taken or destroyed; provided, that (a) in the case of any mutilated Bond, the mutilated Bond first shall be surrendered to the Registrar; and (b) in the case of any lost, wrongfully taken or destroyed Bond, there first shall be furnished to the Registrar evidence of the loss, wrongful taking or destruction satisfactory to the Registrar, together with indemnity satisfactory to the Registrar for the Trustee, the Registrar and the Issuer.

If any lost, wrongfully taken or destroyed Bond shall have matured, instead of issuing a new Bond, the Trustee may pay that Bond without surrender thereof upon the furnishing of satisfactory evidence and indemnity as the Registrar may require, as in the case of issuance of a new Bond. The Issuer, the Registrar and the Trustee may charge the Holder of a mutilated, lost, wrongfully taken or destroyed Bond their reasonable fees and expenses in connection with their actions pursuant to this Section.

Every new Bond issued pursuant to this Section by reason of any Bond being mutilated, lost, wrongfully taken or destroyed (i) shall constitute, to the extent of the Outstanding principal amount of the Bond lost, mutilated, taken or destroyed, an additional contractual obligation of the Issuer, regardless of whether the mutilated, lost, wrongfully taken or destroyed Bond shall be enforceable at any time by anyone and (ii) shall be entitled to all of the benefits of this Indenture equally and proportionately with any and all other Bonds issued and Outstanding hereunder.

All Bonds shall be held and owned on the express condition that the foregoing provisions of this Section are exclusive with respect to the replacement or payment of mutilated, lost, wrongfully taken or destroyed Bonds and, to the extent permitted by law, shall preclude any and all other rights and remedies with respect to the replacement or payment of negotiable instruments or other investment securities without their surrender, notwithstanding any law or statute to the contrary now existing or enacted hereafter.

Section 3.07. Cancellation of Bonds. Any Bond surrendered pursuant to this Article for the purpose of payment or retirement or for exchange, replacement or transfer shall be cancelled upon presentation and surrender thereof to the Registrar, the Trustee or the Paying Agent. Any Bond cancelled by the Trustee or the Paying Agent shall be transmitted promptly to the Registrar by the Trustee or Paying Agent.

The Issuer, or the Borrower on behalf of the Issuer, may deliver at any time to the Registrar for cancellation any Bonds previously authenticated and delivered hereunder, which the Issuer or the Borrower may have acquired in any manner whatsoever. All Bonds so delivered shall be cancelled promptly by the Registrar. Certification of the surrender and cancellation shall be made to the Issuer and the Trustee by the Registrar upon written request to the Registrar. Unless otherwise directed by the Issuer, cancelled Bonds shall be retained and stored by the Registrar for a period of two (2) years after their cancellation. Those cancelled Bonds shall be destroyed by the Registrar in accordance with the customary practices of the

Registrar at that time or at any earlier time directed by the Issuer. The costs of such storage, shredding, incineration and certification shall constitute Ordinary Expenses payable as scheduled pursuant to Section 6.03 hereof.

Section 3.08. Special Agreement with Holders. Notwithstanding any provision of this Indenture or of any Bond to the contrary, with the written approval of the Borrower, the Trustee may enter into an agreement with any Holder providing for making all payments to that Holder of principal of and interest on that Bond or any part thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner other than as provided in this Indenture and in the Bond, without presentation or surrender of the Bond, upon any conditions which shall be satisfactory to the Trustee and the Borrower; provided, that payment in any event shall be made to the Person in whose name a Bond shall be registered on the Register, with respect to payment of principal, on the date such principal is due, and, with respect to the payment of interest, as of the applicable Regular Record Date or Special Record Date, as the case may be.

The Trustee will furnish a copy of each of those agreements, certified to be correct by an officer of the Trustee, to the Registrar, the Issuer and the Borrower. Any payment of principal or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Indenture.

Notwithstanding the foregoing, the Bonds issued under this Indenture are subject to the procedures of the Depository.

Section 3.09. Book-Entry Only System. Notwithstanding any provision of this Indenture to the contrary, all Bonds issued hereunder shall be initially issued in a Book-Entry System, registered in the name of a Depository or its nominee as registered owner of the Bonds, and held in the custody of that Depository. Unless otherwise requested by a Depository, a single certificate will be issued and delivered to the Depository for each maturity of Bonds. Beneficial owners of Bonds in a Book-Entry System will not receive physical delivery of Bond certificates except as provided hereinafter. For so long as a Depository shall continue to serve as securities depository for the Bonds as provided herein, all transfers of beneficial ownership interests will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Bonds is to receive, hold or deliver any Bond certificate; provided; that, if a Depository fails or refuses to act as securities depository for the Bonds, the Trustee shall take the actions necessary to provide for the issuance of Bond certificates to the Holders of such Bonds.

With respect to Bonds registered in the name of a Depository, the Issuer, the Borrower and the Trustee shall have no responsibility or obligation to any participant therein or to any Person on whose behalf any participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, none of the Issuer, the Borrower or the Trustee shall have any responsibility or obligation with respect to (i) the accuracy of the records of the Depository or any participant therein or any other Person, other than a registered owner of the Bonds, as shown on the registration books, or (ii) any notice with respect to the Bonds or (iii) the payment to any participant in the Depository or any other Person, other than a registered owner of the Bonds, as shown in the registration books, of any amount with respect to principal of or interest on or purchase price of the Bonds.

Replacement Bonds may be issued directly to beneficial owners of Bonds other than a Depository, or its nominee, but only in the event that (a) the Depository determines not to continue to act as securities depository for the Bonds (which determination shall become effective no less than ninety (90) days after written notice to such effect to the Issuer and the Trustee); or (b) the Trustee has advised a Depository of its determination (which determination is conclusive as to the Depository and beneficial owners of the Bonds) that the Depository is incapable of discharging its duties as securities depository for the Bonds; or (c) the Trustee has determined (which determination is conclusive as to the Depository and the beneficial

owners of the Bonds) that the interests of the beneficial owners of the Bonds might be adversely affected if such book-entry only system of transfer is continued. Upon occurrence of any of the foregoing events, the Borrower shall use commercially reasonable efforts to attempt to locate another qualified securities depository. If the Borrower fails to locate another qualified securities depository to replace the Depository, the Borrower, at the Borrower's expense, shall cause to be authenticated and delivered replacement Bonds, in certificate form, to the beneficial owners of the Bonds. In the event that the Trustee makes the determination noted in subsection (b) or (c) above (provided that the Trustee undertakes no obligation to make any investigation to determine the occurrence of any events that would permit the Trustee to make any such determination), and has made provisions to notify the beneficial owners of Bonds of such determination by mailing an appropriate notice to the Depository, it and the Borrower shall cause to be issued replacement Bonds in certificate form to beneficial owners of the Bonds as shown on the records of the Depository provided to the Trustee.

Upon the written consent of one hundred percent (100%) of the beneficial owners of the Bonds, the Trustee shall withdraw the Bonds from any Depository and authenticate and deliver Bonds fully registered to the assignees of that Depository or its nominee. If the request for withdrawal is not the result of any action or inaction by the Issuer, Trustee, or Borrower, such withdrawal, authentication and delivery shall be at the cost and expense (including costs of printing, preparing and delivering such Bonds) of the persons requesting such withdrawal, authentication and delivery; otherwise such withdrawal, authentication and delivery shall be at the cost and expense of the Borrower.

Whenever, during the term of the Bonds, the beneficial ownership thereof is determined by a book entry at a Depository, (i) the requirements in this Indenture of holding, delivering or transferring Bonds shall be deemed modified to require the appropriate Person or entity to meet the requirements of the Depository as to registering or transferring the book entry to produce the same effect; and (ii) delivery of the Bonds will be in accordance with arrangements among the Issuer, the Trustee and the Depository notwithstanding any provision of this Indenture to the contrary.

The Trustee and the Issuer shall enter into any letter of representation with a Depository to implement the Book-Entry System of bond registration described above.

Neither the Trustee nor any of its agents shall have any responsibility or liability for any actions taken or not taken by DTC.

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ARTICLE IV

REDEMPTION, MANDATORY TENDER AND REMARKETING OF BONDS

Section 4.01. Redemption of Bonds. The Bonds are subject to redemption prior to maturity as provided in this Section.

(a) Optional Redemption. The Bonds are subject to optional redemption, in whole but not in part, at a price equal to the principal amount thereof plus accrued interest to the date fixed for redemption, on any Business Day on and after the later to occur of (i) January 1, 2024, the Optional Redemption Date; or (ii) the date the Borrower has provided written notice to the Trustee that the Project has been placed in service under Section 42 of the Code, in the event the Borrower prepays the Note and amounts are paid from the proceeds of refunding bonds or otherwise from Available Money upon the written direction of the Borrower delivered to the Issuer and the Trustee. Notwithstanding the foregoing, the Bonds shall not be subject to optional redemption unless there shall be in place at the time the Trustee givethis the notice of redemption pursuant to Section 4.02 hereof arrangements enabling the Trustee to liquidate, if needed, on or prior to the date of redemption the Eligible Investments on deposit in the Special Funds, without need for further investment, for an aggregate amount of money sufficient to pay the redemption price of the Bonds on the date fixed for redemption.

(b) Mandatory Redemption. The Bonds are subject to mandatory redemption in whole at a redemption price of one hundred percent (100%) of the Outstanding principal amount thereof, plus accrued interest to the Redemption Date, on any Mandatory Tender Date upon the occurrence of any of the following events: (i) the Borrower has previously elected not to cause the remarketing of the Bonds; (ii) the conditions to remarketing set forth in this Indenture have not been met by the dates and times set forth in Section 4.05(b) or (d) hereof; or (iii) the proceeds of a remarketing on deposit in the Remarketing Proceeds Account at 11:00 a.m. Local Time on the Mandatory Tender Date are insufficient to pay the purchase price of the Outstanding Bonds on such Mandatory Tender Date. Bonds subject to redemption in accordance with this paragraph shall be redeemed from (1) amounts on deposit in the Collateral Fund; (2) amounts on deposit in the Interest Account of the Bond Fund; (3) amounts on deposit in the Project Fund; and (4) any other Available Money available or made available for such purpose at the direction of the Borrower.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Bonds shall relate, in the case of any Bond redeemed or to be redeemed only in part, to the portion of the principal of such Bond that has been or is to be redeemed, provided, however, that Bonds shall be redeemed in part only in such amounts that the Bonds remaining Outstanding after a redemption shall in all events be in Authorized Denominations.

On each redemption date the Trustee shall transfer to the Registrar, but only from and to the extent of funds held by the Trustee hereunder available for such purpose, an amount sufficient to pay the redemption price of all Bonds or portions thereof to be redeemed on such redemption date.

Section 4.02. Notice of Redemption.

(a) Not less than twenty (20) days prior to the redemption date, the Trustee shall give written notice of redemption to the Holders (with a copy to the Borrower, the Investor Limited Partner, and the Remarketing Agent) by first class mail, postage prepaid, at their respective addresses appearing on the Register. The notice shall state:

(1) the redemption date;

(2) the redemption price;

(3) if less than all Outstanding Bonds are to be redeemed, the identification by designation, letters, numbers or other distinguishing marks (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed;

(4) that on the redemption date the redemption price of each such Bond will become due and payable to the extent of funds on deposit with the Trustee for that purpose, and that interest on the principal amount of each such Bond to be redeemed shall cease to accrue on such date;

(5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the office of the Trustee designated in such notice; and

(6) such additional information as the Issuer shall deem appropriate.

(b) In addition to the foregoing notice, further notice shall be given by the Trustee as set out below, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption and in addition (i) the complete official title, including series designation, delivery date, interest rate and maturity date of each Bond being redeemed; (ii) the certificate and CUSIP number of each such Bond, and, in the case of a partial redemption, the amount of the principal represented by each such certificate that is being redeemed; (iii) the date of mailing of official notice of redemption; and (iv) any other descriptive information needed to identify accurately the Bonds being redeemed. Further notices of redemption shall be sent by first-class mail.

(c) Further notices of redemption shall be sent by first-class mail or overnight delivery service to any Holder owning, on the date such notice is sent, Bonds in the aggregate principal amount of $1,000,000 or more.

(d) If the Bonds are not then being held under a book-entry system, each further notice of redemption shall be sent at least twenty (20) days before the redemption date by first-class mail or overnight delivery service to the Securities Depositories and to the Information Services. This further notice of redemption sent to the Securities Depositories pursuant to the preceding sentence shall be sent at such time as shall insure that such notice is received at least two (2) Business Days before official notice of such redemption is received.

(e) In the event the Bonds are called for redemption under circumstances resulting in discharge of this Indenture under Section 9.02 hereof more than ninety (90) days before the redemption date, additional official and further notice of redemption satisfying the requirements of this Section shall be given not less than twenty (20) nor more than sixty (60) days prior to such redemption date.

(f) Failure to give any official or further notice or any defect therein shall not affect the validity of the proceedings for redemption of any Bond with respect to which no such failure or defect has occurred or exists.

Any notice of the redemption of Bonds may state that such notice is conditional and that if the conditions for redemption of such Bonds on the scheduled redemption date are not satisfied (including the availability of funds sufficient to redeem such Bonds), such Bonds will not be redeemed on such date and any Bonds tendered for payment on such date will be returned to the Holders thereof.

Notwithstanding the foregoing, as long as the Bonds are in book-entry form notice of redemption will be given in accordance with the requirements of DTC.

Notice of redemption having been given as aforesaid, except as provided below, the principal amount of the Bonds so to be redeemed shall become due and payable on the redemption date at the redemption price specified, and on and after such date (unless the Issuer shall default in the payment of the redemption price) such principal amount of the Bonds shall cease to bear interest. Upon surrender of any such Bond for redemption in accordance with such notice, such Bond shall be paid at the redemption price thereof to the extent that money is on deposit with the Registrar for that purpose. Neither the failure of a Holder to receive such notice nor any defect in any notice shall affect the sufficiency of the proceedings for such redemption. If any Bond called for redemption shall not be so paid on the redemption date upon proper surrender of the Bond for redemption, the redemption price and, to the extent lawful, interest thereon shall, until paid, bear interest from the redemption date at the rate borne by the Bond immediately before the redemption date.

If any Bond is to be redeemed only in part, it shall be surrendered to the Registrar (with, due endorsement by, or a written instrument of transfer in form satisfactory to the Registrar duly executed by, the Holder thereof or its attorney duly authorized in writing) and the appropriate officers of the Issuer shall execute and the Registrar shall authenticate and deliver to the Holder of such Bond, without service charge, a new Bond or Bonds of the same interest rate and of any Authorized Denomination or Authorized Denominations, as requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond surrendered.

Section 4.03. Mandatory Tender.

(a) Mandatory Tender for Purchase. All Outstanding Bonds shall be subject to mandatory tender by the Holders for purchase in whole and not in part on each Mandatory Tender Date. The purchase price for each such Bond shall be payable in lawful money of the United States of America by check or draft, shall equal one hundred percent (100%) of the principal amount to be purchased and accrued interest, if any, to the Mandatory Tender Date, and shall be paid in full on the applicable Mandatory Tender Date.

(b) Mandatory Tender Dates. The Mandatory Tender Dates shall consist of (i) the Initial Mandatory Tender Date; and (ii) any subsequent dates for mandatory tender of the Bonds established by the Borrower with the consent of the Remarketing Agent in connection with a remarketing of the Bonds pursuant to Section 4.05 hereof.

(c) Holding of Tendered Bonds. While tendered Bonds are in the custody of the Trustee pending purchase pursuant hereto, the tendering Holders thereof shall be deemed the owners thereof for all purposes, and interest accruing on tendered Bonds through the day preceding the applicable Mandatory Tender Date is to be paid as if such Bonds had not been tendered for purchase.

(d) Effect of Prior Redemption. Notwithstanding anything herein to the contrary, any Bond tendered under this Section 4.03 will not be purchased if such Bond matures or is redeemed on or prior to the applicable Mandatory Tender Date.

(e) Purchase of Tendered Bonds. The Trustee shall utilize the following sources of payments to pay the tender price of the Bonds not later than 2:30 p.m. Local Time on the Mandatory Tender Date in the following priority: (i) amounts representing proceeds of remarketed Bonds deposited in the Remarketing Proceeds Account, to pay the principal amount, plus accrued interest, of Bonds tendered for purchase; (ii) amounts on deposit in the Collateral Fund, to pay the principal amount of Bonds tendered for purchase; (iii) amounts on deposit in the Interest Account of the Bond Fund to pay the accrued interest, if

any, on Bonds tendered for purchase; (iv) amounts on deposit in the Project Fund to pay the accrued interest, if any, on the Bonds tendered for purchase; and (v) any other Available Money available or made available for such purpose at the written direction of the Borrower.

(f) Undelivered Bonds. Bonds shall be deemed to have been tendered for purposes of this Section 4.03 whether or not the Holders shall have delivered such Undelivered Bonds to the Trustee, and subject to the right of the Holders of such Undelivered Bonds to receive the purchase price of such Bonds and interest accrued thereon to the Mandatory Tender Date, such Undelivered Bonds shall be null and void. If such Undelivered Bonds are to be remarketed, the Trustee shall authenticate and deliver new Bonds in replacement thereof pursuant to the remarketing of such Undelivered Bonds.

Section 4.04. Mandatory Tender Notice.

(a) Notice to Holders. Not less than twenty (20) days preceding a Mandatory Tender Date, the Trustee shall give written notice of mandatory tender to the Holders of the Bonds then Outstanding (with a copy to the Borrower, the Investor Limited Partner, and the Remarketing Agent) as set forth in EXHIBIT B attached hereto by e-mail or first-class mail, postage prepaid, at their respective addresses appearing on the Register stating:

(i) the Mandatory Tender Date and that (1) all Outstanding Bonds are subject to mandatory tender for purchase on the Mandatory Tender Date; (2) all Outstanding Bonds must be tendered for purchase no later than 12:00 Noon Local Time on the Mandatory Tender Date; and (3) Holders will not have the right to elect to retain their Bonds;

(ii) the address of the designated office of the Trustee at which Holders should deliver their Bonds for purchase and the date of the required delivery;

(iii) that all Outstanding Bonds will be purchased on the Mandatory Tender Date at a price equal to the principal amount of the Outstanding Bonds plus interest accrued to the Mandatory Tender Date; and

(iv) any Bonds not tendered will nevertheless be deemed to have been tendered and will cease to bear interest from and after the Mandatory Tender Date.

(b) Second Notice. If the Bonds are not in the Book-Entry System and in the event that any Bond required to be delivered to the Trustee for payment of the purchase price of such Bond shall not have been delivered to the Trustee on or before the thirtieth day following a Mandatory Tender Date, the Trustee shall e-mail or mail a second notice to the Holder of the Bond at its address as shown on the Register setting forth the requirements set forth in this Indenture for delivery of the Bond to the Trustee and stating that delivery of the Bond to the Trustee (or compliance with the provisions of this Indenture concerning payment of lost, stolen or destroyed Bonds) must be accomplished as a condition to payment of the purchase price or redemption price applicable to the Bond.

(c) Failure to Give Notice. Neither failure to give or receive any notice described in this Section 4.04, nor the lack of timeliness of such notice or any defect in any notice (or in its content) shall affect the validity or sufficiency of any action required or provided for in this Section 4.04.

Section 4.05. Remarketing of Bonds.

(a) Notice of Mandatory Tender. No later than 11:00 a.m. Local Time on the thirty-fifth day prior to each Mandatory Tender Date, the Trustee shall give notice to the Borrower, the Investor Limited

Partner and the Remarketing Agent by telephone or telecopy, confirmed on the same day in writing, which states the aggregate principal amount of Bonds which are to be tendered or deemed to be tendered pursuant to Section 4.03 hereof.

(b) Preliminary Conditions to Remarketing. No later than 11:00 a.m. Local Time on the fifteenth day prior to the Mandatory Tender Date then in effect, the Borrower may give notice to the Remarketing Notice Parties by telephone or telecopy, confirmed on the same day in writing, that it elects to cause the Bonds to be remarketed. A remarketing of the Bonds shall be permitted only if the following conditions are satisfied no later than the time the foregoing election notice is given:

(i) Notice by the Borrower to the Remarketing Agent of the Remarketing Period pursuant to Section 3.10 of the Loan Agreement;

(ii) Delivery to the Trustee, the Rating Agency, and the Remarketing Agent of a preliminary Cash Flow Projection with respect to the proposed Remarketing Period; and

(iii) The Issuer and the Borrower shall each have notified the Trustee in writing that it has approved as to form and substance any disclosure document or offering materials which, in the Opinion of Counsel to the Remarketing Agent, is necessary to be used in connection with the remarketing of the Outstanding Bonds.

(c) Remarketing. Not less than ten (10) days before each Remarketing Date, the Remarketing Agent shall offer for sale and use its best efforts to sell the Bonds Outstanding on the Remarketing Date at a price equal to one hundred percent (100%) of the principal amount of such Bonds plus, if such Remarketing Date is a date other than an Interest Payment Date, accrued interest on such Bonds from the preceding Interest Payment Date to which interest has been paid. Not less than four (4) Business Days before each Remarketing Date, the Remarketing Agent shall give notice, by telephone or telecopy, promptly confirmed in writing, to the Remarketing Notice Parties specifying the principal amount of Bonds, if any, it has remarketed (including Bonds to be purchased by the Remarketing Agent on the Remarketing Date for its own account), the Remarketing Rate(s) and the Remarketing Period applicable to the Bonds.

The Remarketing Agent shall have the right to remarket any Bond tendered pursuant to Section 4.03 hereof; provided, however, that no such Bond shall be remarketed at a price less than one hundred percent (100%) of the principal amount thereof plus accrued interest (if any) without the prior written consent of the Borrower; and provided, further, that the purchase price of any Bond paid to the tendering Holder allocable to such discount shall be paid with Available Money made available by the Borrower therefor and on deposit with the Trustee prior to the remarketing of such Bonds. The Remarketing Agent shall have the right to purchase any Bond tendered or deemed tendered pursuant to Section 4.03 hereof at one hundred percent (100%) of the principal amount thereof, and to thereafter sell such Bond. Any such purchase shall constitute a remarketing hereunder.

The Remarketing Agent shall not remarket any Bond to the Issuer, the Borrower, any guarantor of the Bonds or any person which is an "insider" of the Issuer, Borrower, or any such guarantor within the meaning of the Bankruptcy Code.

(d) Final Conditions to Remarketing.

(i) If, not less than four (4) Business Days preceding the Remarketing Date:

(1) the Remarketing Agent shall have notified the Trustee in writing of the remarketing of the Outstanding Bonds and that the proceeds from the remarketing (including

proceeds of remarketing of Outstanding Bonds to be purchased by the Remarketing Agent on the Remarketing Date for its own account) or other funds equal to the amount needed to purchase the remarketed Bonds on the Remarketing Date are expected to be available to the Trustee on the Remarketing Date for deposit into the Remarketing Proceeds Account;

(2) the Trustee shall have received written confirmation that the Rating Agency shall have received and approved a Cash Flow Projection based on the interest rate(s) to be in effect with respect to the Outstanding Bonds on and after the Remarketing Date;

(ii) If, not less than two (2) Business Days preceding the Remarketing Date:

(1) there shall be on deposit with the Trustee, from Available Money provided by the Borrower, an amount sufficient to pay the Extension Payment set forth in the Cash Flow Projection for deposit to the Interest Payment Account of the Bond Fund with respect to the payment of Bond Service Charges during the new Remarketing Period; and

(2) there shall either (A) be on deposit with the Trustee, from Available Money provided by the Borrower an amount sufficient to pay the estimated Remarketing Expenses as certified in writing to the Trustee by the Borrower for deposit in the Costs of Issuance Fund; or (B) the Remarketing Agent shall have certified in writing to the Trustee that provision for the payment of the estimated Remarketing Expenses shall have been made to the satisfaction of the Remarketing Agent;

then the Trustee shall promptly give notice, by telephone or telecopy, which notice shall be immediately confirmed in writing, to the Remarketing Agent, the Borrower and Investor Limited Partner that (1) all conditions precedent to the remarketing of the Outstanding Bonds have been satisfied; and (2) the sale and settlement of the Outstanding Bonds is expected to occur on the Remarketing Date. Following the Trustee's notice, the Outstanding Bonds shall be sold to the purchasers identified by the Remarketing Agent for delivery and settlement on the Remarketing Date, and the Trustee shall apply the funds in the Remarketing Proceeds Account of the Bond Fund on the Remarketing Date to payment of the purchase price of the Outstanding Bonds.

(e) Failure to Satisfy Final Conditions. If, not less than four (4) Business Days preceding a Remarketing Date, any condition set forth in subsection (d) above has not been satisfied, then, unless the Outstanding Bonds are otherwise purchased on the Remarketing Date the Remarketing Agent shall not sell any of the Outstanding Bonds on the Remarketing Date.

(f) Remarketing Proceeds. No later than 11:00 a.m. Local Time on each Remarketing Date, the Remarketing Agent shall pay to the Trustee, in immediately available funds, the proceeds theretofore received by the Remarketing Agent from the remarketing of Bonds tendered for purchase on such Remarketing Date; provided, that the Remarketing Agent may use its best efforts to cause the purchasers of the remarketed Bonds to pay the purchase price plus accrued interest (if any) to the Trustee in immediately available funds. The proceeds from the remarketing of the Bonds shall be segregated from any funds of the Borrower and the Issuer and shall in no case be considered to be or be assets of the Borrower or the Issuer. Funds representing remarketing proceeds received by the Remarketing Agent after 11:00 a.m. Local Time on each Remarketing Date shall be paid to the Trustee as soon as practicable upon such receipt.

(g) Delivery of Purchased Bonds. On or before the Business Day next preceding each Remarketing Date, the Remarketing Agent, by telephonic advice, shall notify the Trustee of (i) the principal amount of Bonds to be sold by the Remarketing Agent pursuant to this Section 4.05 and the purchase price,

and, unless the Bonds are then in the Book Entry System, the names, addresses and social security numbers or other tax identification numbers of the proposed purchasers thereof; and (ii) the principal amount of Bonds tendered for purchase on such Remarketing Date which will not be sold by the Remarketing Agent pursuant to this Section 4.05. Such telephonic advice shall be confirmed by written notice delivered or electronically communicated at the same time as the telephonic advice.

Bonds purchased by the Trustee on a Mandatory Tender Date that have been remarketed shall be delivered to the purchasers thereof as directed by the Remarketing Agent. Bonds delivered as provided in this Section shall be registered in the manner directed in writing by the recipient thereof.

Section 4.06. Cancellation of Bonds. The Trustee shall immediately cancel Bonds if the tender price of the Bonds is paid from amounts other than proceeds derived from the remarketing of the Bonds.

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ARTICLE V

PROVISIONS AS TO FUNDS, PAYMENTS, PROJECT AND AGREEMENT

Section 5.01. Creation of Funds; Allocation of Bond Proceeds.

(a) The funds and accounts described in this Section, designated as indicated are created by this Section 5.01. Each fund is to be maintained in the custody of the Trustee as a separate account. The funds and accounts are:

(1) the Bond Fund designated "Bond Fund," and therein, the "Interest Account," the "Series A Account," the "Series B Account," and the "Remarketing Proceeds Account";

(2) the Project Fund designated "Project Fund";

(3) the Collateral Fund designated "Collateral Fund";

(4) the Costs of Issuance Fund designated "Costs of Issuance Fund"; and

(5) the Rebate Fund designated "Rebate Fund."

(b) The proceeds of the sale of the Series A Bonds (including without limitation, premium, if any, and interest accrued thereon) in the amount of $9,886,000 shall be deposited with the Trustee on the Series A Closing Date for deposit to the Project Fund, and the proceeds of the sale of the Series B Bonds (including without limitation, premium, if any, and interest accrued thereon) in the amount of $560,000 shall be deposited with the Trustee on the Series B Closing Date for deposit to the Project Fund. In addition, the Trustee shall cause the Initial Deposit (consisting of Available Moneys) to be deposited in the Interest Account of the Bond Fund.

Section 5.02. Application of Loan Payments. So long as there are any Outstanding Bonds, any payments made by the Borrower pursuant to the Note and the Loan Agreement shall be paid on each Loan Payment Date directly to the Trustee and deposited into the Bond Fund, to be used to pay the interest and principal (if any) on the Bonds on the next succeeding Interest Payment Date; provided that so long as there are amounts available therefor, for purposes of paying interest on the Loan when due the Trustee shall debit the Interest Account in the amount of interest due on the Bonds on each Interest Payment Date and transfer the same to the Bond Fund to pay interest due on the Bonds on each Interest Payment Date; and provided further that so long as there are amounts available therefor, for purposes of making principal payments on the Loan when due the Trustee shall debit the Collateral Fund and transfer the same to the Bond Fund to pay the principal of the Bonds on the date set for redemption of the Bonds or payment of the Bonds on the Maturity Date.

Section 5.03. Disbursements from the Project Fund.

(a) Requisitions. Subject to the provisions of this subsection (a) and subsection (b) below, the Trustee shall make disbursements from the Project Fund to pay Project Costs only upon the receipt of a written request of the Borrower in accordance with the Disbursing Agreement, the Loan Agreement and this Indenture substantially in the form attached as Exhibit F to the Loan Agreement (a "Disbursement Request").

(b) Project Fund. When the Trustee receives a Disbursement Request for a disbursement from the Project Fund in accordance with the provisions of subsection (a) above and Sections 3.4 and 3.5 of the Loan Agreement and the Disbursing Agreement, subject to the following paragraph, the Trustee shall confirm that Available Money equal to or greater than the sum of (i) the amount set forth in the Disbursement Request and (ii) all prior disbursements made, is on deposit in the Collateral Fund. Upon confirmation of the items above, the Trustee shall thereafter disburse the funds from the Project Fund to pay Project Costs in the requested amount pursuant to the Disbursement Request directly to (a) the FHA Lender, or at the direction of the FHA Lender as provided in Section 3.5(d) of the Loan Agreement, to the extent the corresponding deposit of Available Money to the Collateral Fund was made by or at the direction of the FHA Lender (as confirmed in the Disbursement Request); or (b) the Borrower (or any other party designated in the Disbursement Request), to the extent the corresponding deposit of Available Money to the Collateral Fund was made by or at the direction of the Borrower or such other party. Any interest earnings on the Project Fund shall be credited to the Interest Account of the Bond Fund.

To the extent money on deposit in the Project Fund is invested in Eligible Investments, the Trustee is authorized to make the following allocations and exchanges, which allocations and exchanges shall occur prior to the disbursement of amounts on deposit in the Project Fund to pay Project Costs: (i) allocate all or a portion of the Eligible Investments in the Project Fund, in the amount specified in the Disbursement Request, to the Collateral Fund; and (ii) transfer a like amount from the Collateral Fund to the Project Fund.

There shall be deposited in the Collateral Fund Available Money in such amounts as may be necessary to allow the Trustee to disburse funds from the Project Fund, pursuant to this Section 5.03, upon the Trustee's receipt of a Disbursement Request from the Borrower to pay Project Costs.

For purposes of complying with the requirements of this Section, the Trustee may conclusively rely and shall be protected in acting or refraining from acting upon the form of Disbursement Request, which may be submitted by email (PDF) or facsimile. All payments made from the Project Fund shall be presumed by the Trustee to be made for the purposes certified in said written requests, and the Trustee shall not be required to see to the application of any payments made from the Project Fund or to inquire into the purposes for which withdrawals are being made from the Project Fund. The Trustee shall not be bound to make an investigation into the facts or matters stated in any form of Disbursement Request. The Trustee shall not be responsible for determining whether the funds on hand in the Project Fund are sufficient to complete the Project. The Trustee shall not be responsible to collect lien waivers. The Trustee shall have no responsibility whatsoever to disburse or transfer funds absent written instructions from the Borrower. The Trustee shall not be liable or accountable for the use or application by the Borrower of any of the Bonds or the proceeds thereof or for the use or application of any money paid over by the Trustee in accordance with the provisions of this section.

Notwithstanding anything in this Indenture or in the Loan Agreement to the contrary, the Trustee may disburse funds from the Project Fund on the Closing Date pursuant to a closing memorandum signed by the Borrower and dated the Closing Date.

(c) Records. The Trustee shall cause to be kept and maintained adequate records pertaining to the Project Fund and all disbursements therefrom as herein provided. If requested by the Issuer or the Borrower, or the Investor Limited Partner, the Trustee shall file copies of the records pertaining to the Project Fund and disbursements therefrom with the Issuer and the Borrower and the Investor Limited Partner.

The proceeds of the Bonds shall be used exclusively to pay costs that (i) are (A) capital expenditures (as defined in Section 1.150-1(a) of the Treasury Regulations) and (B) not made for the acquisition of existing property, to the extent prohibited in Section 147(d) of the Code; and (ii) are made exclusively with

respect to a "qualified residential rental project" within the meaning of Section 142(d) of the Code so that the Project and the land on which it is located will have been financed fifty percent (50%) or more by the proceeds of the Bonds for the purpose of complying with Section 42(h)(4)(B) of the Code; provided, however, the foregoing representation, covenant and warranty is made for the benefit of the Borrower and its partners or member and neither the Trustee nor the Issuer shall have any obligation to enforce this covenant nor shall they incur any liability to any person, including without limitation, the Borrower, the partners or members of the Borrower, any other affiliate of the Borrower or the holders of the Bonds for any failure to meet the intent expressed in the foregoing representation, covenant and warranty; and provided further, that failure to comply with this representation, covenant and warranty shall not constitute a default or Event of Default under this Indenture.

Upon the occurrence and continuance of an Event of Default hereunder because of which the principal amount of the Bonds has been declared to be due and immediately payable pursuant to Section 7.03 hereof, any money remaining in the Project Fund shall be promptly transferred by the Trustee to the Bond Fund.

Section 5.04. Bond Fund. There shall be deposited in the Bond Fund (a) the amounts set forth in Section 5.01 hereof, if any; (b) interest earnings on the Project Fund and the Collateral Fund; and (c) amounts set forth under this Section 5.04.

The Bond Fund (and the Interest Account and Remarketing Proceeds Account therein) and the money and Eligible Investments therein shall be used solely and exclusively for the payment of Bond Debt Service Charges as they become due and at stated maturity, or upon redemption, mandatory tender, or acceleration, all as provided herein and in the Loan Agreement. Any Extension Payment received by the Trustee in connection with an extension of the Mandatory Tender Date pursuant to Section 4.05 hereof shall be deposited in the Interest Account of the Bond Fund.

The Trustee shall transmit to the Paying Agent, as appropriate, from money on deposit in the Bond Fund, amounts sufficient to make timely payments of Bond Debt Service Charges on the Bonds. The Issuer authorizes and directs the Trustee to cause withdrawal of money from the Bond Fund which is available for the purpose of paying, and is sufficient to pay, Bond Debt Service Charges on the Bonds as they become due and payable, for the purposes of paying or transferring money to the Paying Agent which is necessary to pay such Bond Debt Service Charges. Amounts credited to or on deposit in the Interest Account shall be transferred to the Bond Fund on each Loan Payment Date in order to provide for the payment of Bond Debt Service Charges on the next succeeding Bond Payment Date. To the extent available, the Trustee shall transfer money on deposit in the Remarketing Proceeds Account to the Bond Fund on the Mandatory Tender Date for the purpose of paying the purchase price of the Bonds.

In the event that amounts on deposit in the Bond Fund on any Loan Payment Date are insufficient to make the payment of Bond Debt Service Charges due on the next succeeding Bond Payment Date, the Trustee shall transfer funds in the following order to the Bond Fund and use such funds, together with amounts then on deposit in the Bond Fund, to pay the Bond Debt Service Charges due on the next succeeding Bond Payment Date:

(1) first, from amounts on deposit in the Bond Fund (excluding the Interest Account of the Bond Fund);

(2) second, from amounts on deposit in the Interest Account of the Bond Fund;

(3) third, from money on deposit in the Collateral Fund and transferred as necessary to the Bond Fund; and

(4) fourth, from amounts on deposit in the Project Fund and transferred as necessary to the Bond Fund.

Upon receipt by the Trustee of a Cash Flow Projection provided on behalf of the Borrower, the Trustee is hereby authorized to release from the Interest Account the amount set forth in the Cash Flow Projection to be released to or at the written direction of the Borrower from such account.

Section 5.05. Investment of Special Funds.

(a) On the Closing Date, money on deposit in the Project Fund will be held by the Trustee uninvested until disbursed to the Borrower on the Closing Date in accordance with an approved Disbursement Request.

(b) Any amounts deposited in the Special Funds (including amounts, if any, remaining on deposit in the Project Fund after the Closing Date) shall be invested at all times in Eligible Investments as directed in writing by the Borrower except for de minimis periods of time necessary to effectuate disbursement of funds (which shall not exceed three hundred sixty-five (365) days) pursuant to an interest payment, disbursement from the Project Fund or redemption of the Bonds, unless a confirmation from the Rating Agency (a "Rating Confirmation") is obtained by the Borrower stating, in effect, that investing the amounts on deposit in the Special Funds other than in Eligible Investments will not result in a withdrawal, suspension, or downgrade of the rating then in effect on the Bonds. Following the Closing Date, at the direction of the Borrower, the Trustee is permitted to purchase, sell or exchange Eligible Investments with a Cash Flow Projection. Notwithstanding anything herein to the contrary, (i) earnings received by the Trustee with respect to Eligible Investments purchased for the purpose of paying Bond Debt Service Charges shall be held uninvested and (ii) Bond proceeds and the Initial Deposit shall be held uninvested until the Trustee has purchased, sold or exchanged Eligible Investments

(c) The Trustee is directed to purchase, on the Closing Date, a portfolio of Government Obligations in amounts and maturing on such dates as will provide sufficient money to pay principal of, premium, if any, and interest on the Bonds when due or the purchase price of the Bonds on the Mandatory Tender Date, in accordance with a Cash Flow Projection prepared in connection with the initial issuance and delivery of the Bonds, with respect to amounts on deposit in the Interest Account of the Bond Fund, the Collateral Fund, and the Project Fund. Except in connection with a redemption pursuant to Section 4.01 hereof, the Trustee shall not sell or otherwise dispose of the Eligible Investments unless the Trustee has received written directions from the Borrower, a Cash Flow Projection, and a Rating Confirmation stating, in effect, that such proposed change in the investments under this Indenture will not result in a withdrawal, suspension, or downgrade of the rating then in effect on the Bonds. The Trustee is permitted to invest in Eligible Investments that mature on or before the Initial Mandatory Tender Date but is not permitted to sell or otherwise dispose of such Eligible Investments prior to maturity at a price below par without first receiving from the Borrower, at the Borrower's Expense, (i) a Cash Flow Projection and (ii) Available Moneys (excluding, however, proceeds of the Bonds), if any, as set forth in the Cash Flow Projection. Notwithstanding anything herein to the contrary, earnings received by the Trustee with respect to Government Obligations purchased for the purpose of paying Bond Debt Service Charges shall be held uninvested.

(d) After the Initial Mandatory Tender Date, the Trustee shall invest any moneys held as part of the Special Fund in obligations specified in clause (b) of the definition of Eligible Investments or in an Eligible Investment as directed in writing by the Borrower. In the absence of written directions of Borrower as provided in this subsection (d), the Trustee shall be required to invest such funds in an investment described in clause (b) of the definition of Eligible Investments herein.

(e) Any investment hereunder shall not bear a yield which is in excess of the yield on the Bonds; provided that the Trustee has no duty to monitor the yield on any directed investment or any obligation to limit the yield on any investment the Borrower directs the Trustee to make. Investments permitted under this section may be purchased from the Trustee or from any of its affiliates. The Trustee shall have no liability whatsoever for any loss, fee, tax or other charge incurred in connection with any investment, reinvestment, sale or liquidation of an investment hereunder. The Trustee shall be entitled to rely on any written direction of the Borrower as to the suitability and legality of the directed investments and such written direction shall be deemed to be a certification that such directed investments constitute Eligible Investments. Ratings of Eligible Investments shall be determined at the time of initial purchase of such Eligible Investments and without regard to ratings subcategories and the Trustee shall have no responsibility to monitor the ratings of Eligible Investments including at the time of reinvestment of earnings thereof. The Trustee shall have no responsibility whatsoever to determine whether any investments made pursuant to this Indenture are or continue to be Eligible Investments. Any deposit or investment directed by the Borrower shall constitute a certification by the Borrower to the Trustee that the assets so deposited or to be purchased pursuant to such directions are Eligible Investments. In no event shall the Trustee be deemed an investment manager or adviser in respect of any selection of investments hereunder.

(f) As long as no Event of Default shall have occurred and be continuing, the Borrower shall have the right to designate the investments to be sold and to otherwise direct the Trustee in the sale or purchase of the investments or the conversion to cash of the investments made with the money in the Collateral Fund provided that the Trustee shall be entitled to conclusively assume the absence of any such Event of Default unless a Responsible Officer has notice thereof; if there has been an Event of Default, the Trustee shall have said right. In the absence of such directions from the Borrower, the Trustee shall invest the proceeds of maturing investments in the Collateral Fund in Eligible Investments having a maturity date not longer than the earlier of thirty (30) days from the date of purchase or the Maturity Date, as applicable; provided that if applicable, the Trustee shall invest in United States Treasury Obligations-State and Local Government Series ("SLGS") that are "Time Deposit" SLGS (and not in "Demand Deposit" SLGS).

(g) The investments described in this Section 5.05 shall be made by the Trustee pursuant to the written direction provided hereby and in accordance with the written direction of the Borrower to be provided on the Closing Date, which shall remain in effect unless and until further written direction is provided by the Borrower.

(h) Amounts, if any, on deposit in the Costs of Issuance Fund shall be invested at the direction of the Borrower in Eligible Investments until disbursed or returned to the Borrower pursuant to the provisions described under Section 5.13 hereof.

Section 5.06. Money to Be Held in Trust. Except where money has been deposited with or paid to the Trustee pursuant to an instrument restricting their application to particular Bonds, all money required or permitted to be deposited with or paid to the Trustee or the Paying Agent under any provision of this Indenture or the Note, and any investments thereof, shall be held by the Trustee or the Paying Agent in trust. Except for money held by the Trustee pursuant to Section 5.09 hereof, all money described in the preceding sentence held by the Trustee or the Paying Agent shall be subject to the lien hereof while so held.

Section 5.07. Nonpresentment of Bonds. In the event that any Bond shall not be presented for payment when the principal thereof becomes due, or a check or draft for interest is uncashed, if money sufficient to pay the principal then due of that Bond or of such check or draft shall have been made available to the Trustee for the benefit of its Holder, all liability of the Issuer to that Holder for such payment of the principal then due of the Bond or of such check or draft thereupon shall cease and be discharged completely. Thereupon, it shall be the duty of the Trustee to hold such money, without liability for interest thereon, in

a separate account in the Bond Fund for the exclusive benefit of the Holder, who shall be restricted thereafter exclusively to such money for any claim of whatever nature on its part under this Indenture or on, or with respect to, the principal then due of that Bond or of such check or draft. The Trustee shall notify the Borrower in writing of any Bond that has not been presented for payment when the principal thereof becomes due.

Any of such money which shall be so held by the Trustee, and which remains unclaimed by the Holder of a Bond not presented for payment or check or draft not cashed for a period of two (2) years after the due date thereof, shall be paid to the Borrower free of any trust or lien, upon a request of the Borrower in writing executed by an Authorized Borrower Representative. Thereafter, the Holder of that Bond shall look only to the Borrower for payment and then only to the amounts so received by the Borrower without any interest thereon, and the Trustee shall not have any responsibility with respect to such money.

Section 5.08. Repayment to the Borrower from the Bond Fund. Except as provided in Section 5.09 hereof, any amounts remaining in the Bond Fund (a) after all of the Outstanding Bonds shall be deemed paid and discharged under the provisions of this Indenture, and (b) after payment of all fees, charges and expenses of the Trustee, the Registrar, the Paying Agents and the Issuer, and of all other amounts required to be paid under this Indenture, the Loan Agreement, the Regulatory Agreement and the Note, shall be paid to the Borrower to the extent that those amounts are in excess of those necessary to effect the payment and discharge of the Outstanding Bonds.

Section 5.09. Rebate Fund. Any provision hereof to the contrary notwithstanding, amounts credited to the Rebate Fund shall be free and clear of any lien hereunder.

The Trustee shall furnish to the Borrower all information reasonably requested by the Borrower or its Rebate Analyst with respect to the Bonds and investments of the funds and accounts maintained by the Trustee hereunder. The Trustee shall make deposits to and disbursements from the Rebate Fund (including rebate payments to the United States required to be made as directed by the Tax Certificate), as well as investments of the amounts therein, in accordance with the written directions received from the Borrower and the Investor Limited Partner pursuant to the Tax Certificate.

All amounts on deposit at any time in the Rebate Fund shall be held by the Trustee in trust to the extent required to pay rebatable arbitrage to the United States of America. If required by Bond Counsel, the Rebate Analyst will calculate the rebate amount as provided in the Tax Certificate within sixty (60) days after the end of each bond year during which any Bonds remaining Outstanding (or any other date specified by the Rebate Analyst), and within sixty (60) days after the date of redemption of the last maturity constituting a portion of the Bonds, the Rebate Analyst shall calculate the rebate amount for the immediately preceding bond year. A copy of each rebate amount calculation shall be provided to the Trustee. The Trustee may conclusively rely upon the calculation made by the Rebate Analyst and shall not be liable or responsible therefor. All amounts in the Rebate Fund shall be used and withdrawn by the Trustee at the written instruction of the Rebate Analyst or the Borrower as required above solely for the purposes set forth in this Section. The Trustee shall withdraw money from the Rebate Fund and remit all required rebate installments and a final rebate payment to the United States. Neither the Trustee nor the Issuer shall have any obligation to pay any amounts required to be rebated pursuant to this Section and the Tax Certificate, other than from money held in the Rebate Fund as provided in this Indenture or from other moneys provided to it by the Issuer.

The Trustee shall not be responsible for any determination or calculation concerning arbitrage rebate with respect to the Bonds, or for determining whether the yield on any investments made in accordance with this Indenture would cause, or whether any other facts exist which would cause, any of the Bonds to become arbitrage bonds under Section 148 of the Code.

Section 5.10. Valuation. For the purpose of determining the amount on deposit to the credit of any fund or account, the value of obligations in which money in such fund or account shall have been invested shall be computed at the then market value thereof.

The Eligible Investments shall be valued by the Trustee at any time requested by the Borrower on reasonable notice to the Trustee (which period of notice may be waived or reduced by the Trustee); provided, however, that the Trustee shall not be required to value the Eligible Investments more than once in any calendar month.

The Borrower acknowledges that values shall be determined in accordance with the price provided by pricing services and sources relied upon by the Trustee, and the Trustee does not have any duty to independently value any asset or an obligation other than the price provided by pricing services and sources relied upon by the Trustee.

Section 5.11. Completion of the Project. The completion of the Project and payment of all costs and expenses incident thereto shall be evidenced by the filing with the Trustee of the Completion Certificate required by Section 3.7 of the Loan Agreement. As soon as practicable after the filing with the Trustee of the Completion Certificate, any balance remaining in the Project Fund (other than the amounts retained by the Trustee as described in the Completion Certificate) shall be deposited or applied in accordance with the written direction of the Borrower executed by an Authorized Borrower Representative pursuant to Section 3.4 of the Loan Agreement.

Section 5.12. Collateral Fund. There shall be deposited in the Collateral Fund Available Money in such amounts as may be necessary to allow the Trustee to transfer funds from the Project Fund, pursuant to Section 5.03 hereof, upon the Trustee's receipt of a Disbursement Request from the Borrower. Money in the Collateral Fund shall be invested as directed in writing by the Borrower in Eligible Investments.

The Collateral Fund shall only be used and applied for, and irrevocably committed to, the payment of (a) the Bond Debt Service Charges on the Bonds which are due and payable on any Interest Payment Date, Maturity Date, Mandatory Tender Date with respect to Bonds that are not remarketed, or on any date the Bonds are called for redemption prior to maturity; (b) the Bond Debt Service Charges on the Bonds as and when due at any other Bond Payment Date; and (c) the purchase price of the Bonds on the Mandatory Tender Date, to the extent amounts on deposit in the Remarketing Proceeds Account and the Interest Account of the Bond Fund are insufficient therefor. Any interest earnings on the Collateral Fund shall be credited to the Interest Account of the Bond Fund.

Section 5.13. Costs of Issuance Fund. The Trustee shall use money on deposit to the credit of the Costs of Issuance Fund to pay the costs of issuance of the Bonds on the Closing Date or as soon as practicable thereafter in accordance with written instructions to be given to the Trustee by the Borrower, as set forth in a certificate of the Borrower delivered to the Trustee on the Closing Date or as otherwise directed by the Borrower, upon delivery to the Trustee of appropriate invoices for such expenses. Amounts on deposit in the Costs of Issuance Fund shall also be used by the Trustee to pay the Remarketing Expenses, as directed in writing by the Borrower on the Remarketing Date. Investment earnings on amounts on deposit in the Costs of Issuance Fund shall be retained in such fund. Amounts remaining on deposit in the Costs of Issuance Fund sixty (60) days after the Closing Date, other than amounts deposited pursuant to Section 4.05(d)(iv) hereof, shall be deposited to the Bond Fund. Amounts deposited in the Costs of Issuance Fund pursuant to Section 4.05(d)(iv) hereof and remaining on deposit therein thirty (30) days after the Remarketing Date shall be deposited to the Bond Fund. Upon such final disbursement, the Trustee shall close the Costs of Issuance Fund.

Section 5.14. Allocation and Reallocation of Government Obligations Deposited to the Collateral Fund and the Project Fund. On the Closing Date, the Trustee shall allocate ownership of the Government Obligations acquired pursuant to Section 5.05 hereof and deposited for the benefit of the Project Fund and the Collateral Fund as follows: the Trustee shall allocate to the Collateral Fund a percentage of such Government Obligations equal to the amount of Available Money presented to the Trustee for deposit to the Collateral Fund on the Closing Date divided by the aggregate Outstanding principal amount of the Bonds and multiplied by one hundred (100) (the "Initial Collateral Fund Percentage") and the remainder (i.e., one hundred percent (100%) minus the Initial Collateral Fund Percentage, referred to as the "Initial Project Fund Percentage") shall be allocated to the Project Fund. On each subsequent month when additional Available Money is presented to the Trustee for deposit to the Collateral Fund (the "Subsequent Allocation Date"), the dollar amount of such Available Money shall be added to all prior Available Money so deposited, and the percentage of such Government Obligations allocated to the Collateral Fund shall be adjusted to that percentage equal to the aggregate Available Money so deposited through such date divided by the aggregate Outstanding principal amount of the Bonds and multiplied by one hundred (100) (the "Collateral Fund Percentage") and the remainder (i.e., one hundred percent (100%) minus the Collateral Fund Percentage, referred to as the "Project Fund Percentage") shall be allocated to the Project Fund. On each Subsequent Allocation Date, the Trustee shall be deemed to have liquidated that portion of the Government Obligations allocated to the Project Fund and purchased equivalent Government Obligations to be allocated to the Collateral Fund.

ARTICLE VI

THE TRUSTEE, REGISTRAR, PAYING AGENTS AND AUTHENTICATING AGENTS

Section 6.01. Trustee's Acceptance and Responsibilities. The Trustee accepts the trusts imposed upon it by this Indenture, and agrees to observe and perform those trusts, but only upon and subject to the terms and conditions set forth in this Article, to all of which the parties hereto and the Holders agree.

(a) Prior to the occurrence of a default or an Event of Default (as defined in Section 7.01 hereof) of which the Responsible Officer has been notified, as provided in 6.02(f) hereof, or of which by that paragraph the Trustee is deemed to have notice, and after the cure or waiver of all defaults or Events of Default which may have occurred,

(i) the Trustee undertakes to perform only those duties and obligations which are set forth specifically in this Indenture, permissive rights hereunder shall not be construed as duties, and no duties or obligations shall be implied to the Trustee;

(ii) in the absence of bad faith, willful misconduct, or gross negligence on its part, the Trustee may rely conclusively, as to the truth of the statements and the correctness of the opinions expressed therein, and shall be protected in acting upon any resolution, order, notice, request, consent, waiver, statement, affidavit, requisition, bond, certificates or opinions or other documents furnished to the Trustee and conforming to the requirements of this Indenture.

(b) In case a default or an Event of Default has occurred and is continuing hereunder (of which the Responsible Officer has been notified, or is deemed to have notice), the Trustee shall exercise those rights and powers vested in it by this Indenture and shall use the same degree of care and skill in their exercise, as a prudent person would ordinarily exercise or use under the circumstances in the conduct of such person's own affairs. The Trustee shall not be liable for any action taken or omitted by it in the performance of its duties hereunder except for its own gross negligence or willful misconduct.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) this subsection shall not be construed to affect the limitation of the Trustee's duties and obligations provided in subsection (a)(i) above or the Trustee's right to rely on the truth of statements and the correctness of opinions as provided in subsection (a)(ii) above;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by any one of its officers, unless it shall be established that the Trustee was grossly negligent in ascertaining the pertinent facts;

(iii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Majority of the Holders of the Bonds relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture; and

(iv) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that

repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(v) In no event shall the Trustee be liable for incidental, special, indirect, consequential or punitive damages or penalties (including but not limited to lost profits), even if the Trustee has been advised of the likelihood of such damages or penalty regardless of the form of action.

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section 6.01.

Section 6.02. Certain Rights and Obligations of the Trustee. Except as otherwise provided in Section 6.01 hereof:

(a) The Trustee (i) may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees (but shall be answerable therefor only in accordance with the standard specified above); (ii) shall be entitled to the advice of counsel concerning all matters of trusts hereof and duties hereunder; (iii) may pay reasonable compensation in all cases to all of those attorneys, agents, receivers and employees reasonably employed by it in connection with the trusts hereof (at its own expense or, if such attorneys, agents and receivers are reasonably employed by the Trustee to perform Extraordinary Services, at the expense of the Borrower as provided in Section 6.03 hereof); and (iv) may enforce, in its name or in the name of the Issuer, all rights of the Issuer for and on behalf of the Holders, except for Unassigned Issuer's Rights, and may enforce all covenants, agreements and obligations of the Borrower under and pursuant to the Loan Agreement, regardless of whether the Issuer is in default in the pursuit or enforcement of those rights, covenants, agreements or obligations. The Trustee may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Issuer or the Borrower). The Trustee shall not be responsible for any loss or damage resulting from any action taken or omitted to be taken in good faith in reliance upon that opinion or advice.

(b) The Trustee shall not be responsible for:

(i) any recital in this Indenture;

(ii) any of the contents of the offering documents with respect to the Bonds (with the exception of any information provided by or on behalf of the Trustee);

(iii) the validity, priority, recording, re-recording, filing or re-filing of this Indenture or any Supplemental Indenture or the Regulatory Agreement;

(iv) any instrument or document of further assurance or collateral assignment;

(v) insurance of the Project or collection of insurance money;

(vi) the validity of the execution by the Issuer of this Indenture, any Supplemental Indenture or instruments or documents of further assurance;

(vii) the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby;

(viii) the value of or title to the Project; or

(ix) the maintenance of the security hereof;

except that, in the event that the Trustee enters into possession of a part or all of the Project pursuant to any provision of the Regulatory Agreement or any other instrument or document collateral thereto, the Trustee shall use due diligence in preserving that property. The Trustee shall not be bound to ascertain or inquire as to the observance or performance of any covenants, agreements or obligations on the part of the Issuer or the Borrower under the Loan Agreement except as set forth hereinafter; but the Trustee may require of the Issuer or the Borrower full information and advice as to the observance or performance of those covenants, agreements and obligations. Except as otherwise provided in Section 7.04 hereof, the Trustee shall have no obligation to observe or perform any of the duties of the Issuer under the Loan Agreement.

(c) The Trustee shall not be accountable for the application by the Borrower or any other Person of the proceeds of any Bonds authenticated or delivered hereunder.

(d) The Trustee shall be protected, in the absence of bad faith on its part, in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document reasonably believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons. Any action taken by the Trustee pursuant to this Indenture upon the request, authority or consent of any Person who is the Holder of any Bonds at the time of making the request or giving the authority or consent, shall be conclusive and binding upon all future Holders of the same Bond and of Bonds issued in exchange therefor or in place thereof.

(e) As to the existence or nonexistence of any fact for which the Issuer or the Borrower may be responsible or as to the sufficiency or validity of any instrument, document, report, paper or proceeding, the Trustee, in the absence of bad faith on its part, shall be entitled to rely upon a certificate signed on behalf of the Issuer or Borrower, as appropriate, by an authorized officer or representative thereof as sufficient evidence of the facts recited therein. Prior to the occurrence of a default or Event of Default hereunder of which the Responsible Officer has been notified, as provided in subsection (f) below, or of which by that paragraph the Responsible Officer is deemed to have notice, the Trustee may accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient; provided, that the Trustee may require and obtain any further evidence which it deems to be necessary or advisable; and, provided further, that the Trustee shall not be bound to secure any such further evidence.

(f) The Trustee shall not be required to take notice, and shall not be deemed to have notice, of any default or Event of Default hereunder, except Events of Default described in Section 7.01(a), (b) and (d) hereof (but only with respect to Section 7.1(a) of the Loan Agreement), unless the Responsible Officer shall be notified specifically of the default or Event of Default in a written instrument or document delivered to it by the Issuer or by the Holders of at least ten percent (10%) of the aggregate principal amount of Bonds then Outstanding. In the absence of delivery of a notice satisfying those requirements, the Trustee may assume conclusively that there is no default or Event of Default, except as noted above.

(g) The Trustee shall not be required to give any bond or surety with respect to the execution of these trusts and powers or otherwise in respect of the premises.

(h) Notwithstanding anything contained elsewhere in this Indenture, the Trustee may demand any showings, certificates, reports, opinions, appraisals and other information, and any corporate action and evidence thereof, in addition to that required by the terms hereof, as a condition to the authentication of any Bonds or the taking of any action whatsoever within the purview of this Indenture, if the Trustee deems it to be desirable for the purpose of establishing the right of any Person to the taking of any other action by the Trustee; provided, that the Trustee shall not be required to make that demand.

(i) Before taking action hereunder pursuant to Section 6.04 or Article VII hereof (with the exception of any action required to be taken under Section 7.02 hereof), the Trustee may require that a satisfactory indemnity bond be furnished to it for the reimbursement of all expenses which it may incur and to protect it against all liability by reason of any action so taken, except liability which is adjudicated to have resulted from its gross negligence or willful misconduct. The Trustee may take action without that indemnity, and in that case, the Borrower shall reimburse the Trustee for all of the Trustee's expenses pursuant to Section 6.03 hereof.

(j) Unless otherwise provided herein, all money received by the Trustee under this Indenture shall be held in trust for the purposes for which such money was received, until such money is used, applied or invested as provided herein; provided, that such money need not be segregated from other money, except to the extent required by this Indenture or by law. Absent written direction provided to the Trustee pursuant to Section 5.05 hereof, the Trustee shall not be responsible or liable for keeping money held by it hereunder invested in any particular investment, and the Trustee shall not have any liability for interest on any money received hereunder, except to the extent expressly provided herein.

(k) Any resolution by the City Council of the Issuer, and any opinions, certificates and other instruments and documents for which provision is made in this Indenture, may be accepted by the Trustee, in the absence of bad faith on its part, as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for its actions taken hereunder.

(l) The Trustee shall be entitled to file proofs of claim in bankruptcy at the direction of the Holders of at least twenty-five percent (25%) in aggregate principal amount of Bonds Outstanding. Trustee fees and expenses are intended to constitute administrative expenses in bankruptcy.

(m) The duties and obligations of the Trustee shall be determined solely by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture. No implied covenants or obligations shall be read into this Indenture against the Trustee. Notwithstanding any provision herein, the Trustee shall have no duty or obligation to the Borrower except as may be expressly set forth in this Indenture.

(n) In acting or omitting to act pursuant to this Indenture, the Loan Agreement or the Regulatory Agreement, the Trustee shall be entitled to all of the rights, immunities and indemnities accorded to it under this Indenture and the Loan Agreement, including but not limited to this Article V.

(o) Notwithstanding the effective date of this Indenture or anything to the contrary in this Indenture, the Trustee shall have no liability or responsibility for any act or event relating to this Indenture which occurs prior to the date the Trustee formally executes this Indenture and commences acting as Trustee hereunder (which shall be a date not later than the Closing Date).

(p) The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Indenture arising or caused, directly or indirectly by circumstances beyond its reasonable control including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; pandemic; riots; interruptions; loss or malfunctions of utilities, communications services; computer viruses or failures; power failures; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under any such circumstances.

(q) Notwithstanding anything contained herein to the contrary, upon the occurrence and continuance of an Event of Default, before taking any action which may subject the Trustee to liability

under any environmental law, statute, regulation or similar requirement relating to the environment, the Trustee may require that a satisfactory indemnity bond, indemnity or environmental impairment insurance be furnished for the payment or reimbursement of all costs and expenses to which it may be put (including reasonable attorney's fees, costs and expenses) and to protect it against all liability resulting from any claims, judgments, damages, losses, penalties, fines, liabilities (including strict liability) and costs and expenses which may result from such foreclosure or other action (including reasonable attorneys' fees, costs and expenses).

(r) Upon written request by the Rating Agency, the Trustee shall furnish to the Rating Agency the balance of funds on hand with the Trustee and other information as may be reasonably required to maintain the rating on the Bonds.

(s) The Trustee may consult with counsel and the written advise of such counsel or any Option of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

Section 6.03. Fees, Charges and Expenses of Trustee, Registrar, Paying Agents and Authenticating Agents. The Trustee, Registrar, Paying Agents and Authenticating Agents shall be entitled to payment or reimbursement by the Borrower, as provided in the Loan Agreement, for customary fees for their respective Ordinary Services rendered hereunder and for all advances, counsel fees and other Ordinary Expenses reasonably and necessarily paid or incurred by them in connection with the provision of Ordinary Services. For purposes hereof, fees for Ordinary Services provided for by their respective standard fee schedule shall be considered customary. Notwithstanding anything in this Indenture or the other FHA Loan Documents to the contrary, fees of the Trustee, Registrar, Paying Agents and Authenticating Agents for Ordinary Services and any fees for services of the Dissemination Agent under the Continuing Disclosure Agreement shall be paid directly by the Borrower to the Trustee as provided in Section 4.2(c) of the Loan Agreement. In the event that it should become necessary for any of them to perform Extraordinary Services, they shall be entitled to customary extra compensation therefor and to reimbursement for reasonable and necessary Extraordinary Expenses incurred in connection therewith. Unless and until such time as the Trustee resigns or is replaced, and a successor Trustee is appointed pursuant to Section 6.09 hereunder, the Trustee shall continue to perform its duties hereunder notwithstanding the Borrower's failure to timely pay such fees. The right of the Trustee to receive payment and the Borrower's obligation to make payment shall survive the termination of this Indenture or the resignation or removal of the Trustee.

Without creating a default or an Event of Default hereunder, however, the Borrower may contest in good faith the necessity for any Extraordinary Service and Extraordinary Expense and the amount of any fee, charge or expense except Ordinary Expenses.

The Trustee, Registrar, Paying Agents and Authenticating Agents shall not be entitled to compensation or reimbursement for Extraordinary Services or Extraordinary Expenses occasioned by their gross negligence or willful misconduct. The customary fees for their respective Ordinary Services and charges of the foregoing shall be entitled to payment and reimbursement only from (i) the Additional Payments made by the Borrower pursuant to the Loan Agreement; or (ii) from other money available therefor. Any amounts payable to the Trustee, the Registrar, the Paying Agents or the Authenticating Agents pursuant to this Section 6.03 shall be payable upon receipt of a detailed invoice from the Trustee, Registrar, Paying Agents or Authenticating Agents, as applicable, and shall bear interest beginning thirty (30) days following the provision of the respective invoice to the Borrower at the Interest Rate for Advances.

Section 6.04. Intervention by Trustee. The Trustee may intervene on behalf of the Holders, and shall intervene if requested to do so in writing by the Holders of at least twenty-five percent (25%) of the aggregate principal amount of Bonds then Outstanding, in any judicial proceeding to which the Issuer or the Borrower is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of Holders of the Bonds. The rights and obligations of the Trustee under this Section are subject to the approval of that intervention by a court of competent jurisdiction. The Trustee shall be entitled to and may require that a satisfactory indemnity bond be provided to it in accordance with Sections 6.01 and 6.02 hereof before it takes action hereunder.

Section 6.05. Successor Trustee. Anything herein to the contrary notwithstanding,

(a) any corporation or association (i) into which the Trustee may be converted or merged, (ii) with which the Trustee or any successor to it may be consolidated, or (iii) to which it may sell or transfer its corporate trust assets and corporate trust business as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, merger, consolidation, sale or transfer, ipso facto, shall be and become successor Trustee hereunder and shall be vested with all of the title to the whole property or Trust Estate hereunder; and

(b) that corporation or association shall be vested further, as was its predecessor, with each and every trust, property, remedy, power, right, duty, obligation, discretion, privilege, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by, vested in or conveyed to the Trustee, without the execution or filing of any instrument or document or any further act on the part of any of the parties hereto.

Any successor Trustee, however, (i) shall be a trust company or a bank having the powers of a trust company; (ii) shall be in good standing within the State; (iii) shall be duly authorized to exercise trust powers within the State; (iv) shall have a reported capital, surplus and retained earnings of not less than $100,000,000; and (v) shall have at least a Minimum Trustee Rating.

Section 6.06. Appointment of Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including without limitation, the laws of the State) denying or restricting the right of banks or trust companies to transact business as trustees in that jurisdiction. It is recognized that, (a) if there is litigation under this Indenture or other instruments or documents relating to the Bonds and the Project, and in particular, in case of the enforcement hereof or thereof upon a default or an Event of Default, or (b) if the Trustee should deem that, by reason of any present or future law of any jurisdiction, it may not (i) exercise any of the powers, rights or remedies granted herein to the Trustee, (ii) hold title to the properties, in trust, as granted herein, or (iii) take any action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an individual or additional institution as a co-Trustee. The following provisions of this Section are adapted to these ends.

In the event that the Trustee appoints an individual or additional institution as a co-Trustee, each and every trust, property, remedy, power, right, duty, obligation, discretion, privilege, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by, vested in or conveyed to the Trustee shall be exercisable by, vest in and be conveyed to that co-Trustee, but only to the extent necessary for it to be so vested and conveyed and to enable that co-Trustee to exercise it. Every covenant, agreement and obligation necessary to the exercise thereof by that co-Trustee shall run to and be enforceable by it.

Should any instrument or document in writing from the Issuer reasonably be required by the co-Trustee so appointed by the Trustee for vesting and conveying more fully and certainly in and to that co-Trustee those trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges,

claims, demands, causes of action, immunities, estates, titles, interests and liens, that instrument or document shall be executed, acknowledged and delivered, but not prepared, by the Issuer. In case any co-Trustee or a successor to it shall die, become incapable of acting, resign or be removed, all of the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens of the co-Trustee shall be exercised by, vest in and be conveyed to the Trustee, to the extent permitted by law, until the appointment of a successor to the co-Trustee.

The total compensation of the Trustee and any co-Trustee or separate trustee shall be as, and may not exceed the amounts, provided in Section 6.03 hereof.

Section 6.07. Resignation by the Trustee. The Trustee may resign at any time from the trusts created hereby by giving written notice of the resignation to the Issuer, the Borrower, the Investor Limited Partner, the Registrar, the Paying Agents and Authenticating Agents, and by mailing written notice of the resignation to the Holders as their names and addresses appear on the Register at the close of business fifteen (15) days prior to the mailing. Notwithstanding the foregoing, if the Trustee no longer has a Minimum Trustee Rating, it shall resign within sixty (60) calendar days of the withdrawal or suspension of a former Minimum Trustee Rating or other event giving rise to its failure to maintain a Minimum Trustee Rating. The resignation shall take effect upon the appointment of a successor Trustee as provided for in Section 6.09 of this Indenture or an order of a court of competent jurisdiction allowing the Trustee to resign. The resigning trustee shall not be liable for the actions of the successor Trustee.

Section 6.08. Removal of the Trustee. The Trustee may be removed at any time upon thirty (30) days' written notice by an instrument or document or concurrent instruments or documents in writing delivered to the Trustee, with copies thereof mailed to the Issuer, the Registrar, the Paying Agents and Authenticating Agents and the Borrower, and signed by or on behalf of the Majority of the Holders of the Bonds.

The Trustee also may be removed at any time upon thirty (30) days' written notice for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the Issuer or the Holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding under this Indenture.

The removal of the Trustee under this Section 6.08 shall take effect upon the appointment of a successor Trustee as provided for in Section 6.09 hereof.

Section 6.09. Appointment of Successor Trustee. If (a) the Trustee shall resign, shall be removed, shall be dissolved, or shall become otherwise incapable of acting hereunder, (b) the Trustee shall be taken under the control of any public officer or officers, or (c) a receiver shall be appointed for the Trustee by a court, then a successor Trustee shall be appointed by the Issuer; provided, that if a successor Trustee is not so appointed within thirty (30) days after (i) a notice of resignation or an instrument or document of removal is received by the Issuer, as provided in Sections 6.07 and 6.08 hereof, respectively, or (ii) the Trustee is dissolved, taken under control, becomes otherwise incapable of acting or a receiver is appointed, in each case, as provided above, then, but only so long as the Issuer shall not have appointed a successor Trustee, the Majority of the Holders of the Bonds may designate a successor Trustee by an instrument or document or concurrent instruments or documents in writing signed by or on behalf of those Holders. If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section, the Holder of any Bond Outstanding hereunder or any retiring Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

Every successor Trustee appointed pursuant to this Section (1) shall be a trust company or a bank having the powers of a trust company; (2) shall be in good standing within the State; (3) shall be duly authorized to exercise trust powers within the State; (4) shall have a reported capital, surplus and retained earnings of not less than $100,000,000; (5) shall be willing to accept the trusteeship under the terms and conditions of this Indenture; and (6) shall have a Minimum Trustee Rating.

Every successor Trustee appointed hereunder shall execute and acknowledge, and shall deliver to its predecessor, the Issuer and the Borrower an instrument or document in writing accepting the appointment. Thereupon, without any further act, the successor shall become vested with all of the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens of its predecessor. Upon the written request of its successor, the Issuer or the Borrower, and payment of all fees and expenses owed to it, the predecessor Trustee (A) shall execute and deliver an instrument or document transferring to its successor all of the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens of the predecessor Trustee hereunder; and (B) shall take any other action necessary to duly assign, transfer and deliver to its successor all property (including without limitation, all securities and money) held by it as Trustee. Should any instrument or document in writing from the Issuer be requested by any successor Trustee for vesting and conveying more fully and certainly in and to that successor the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens vested or conveyed or intended to be vested or conveyed hereby in or to the predecessor Trustee, the Issuer shall execute, acknowledge and deliver that instrument or document.

In the event of a change in the Trustee, the predecessor Trustee shall cease to be custodian of any money which it may hold pursuant to this Indenture and shall cease to be Registrar, Authenticating Agent and a Paying Agent for any of the Bonds, to the extent it served in any of those capacities.

Section 6.10. Adoption of Authentication. In case any of the Bonds shall have been authenticated, but shall not have been delivered, any successor Trustee, Registrar or Authenticating Agent may adopt the certificate of authentication of any predecessor Trustee, Registrar or Authenticating Agent and may deliver those Bonds so authenticated as provided herein. In case any Bonds shall not have been authenticated, any successor Trustee, Registrar or Authenticating Agent may authenticate those Bonds in its own name as successor Trustee. In all cases, the certificate of authentication shall have the same force and effect as provided in the Bonds or in this Indenture with respect to the certificate of authentication of the predecessor Trustee, Registrar or Authenticating Agent.

Section 6.11. Registrars.

(a) Succession. Anything herein to the contrary notwithstanding, any corporation or association (i) into which a Registrar may be converted or merged, (ii) with which a Registrar or any successor to it may be consolidated, or (iii) to which it may sell or transfer its assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, merger, consolidation, sale or transfer, ipso facto, shall be and become successor Registrar to that Registrar hereunder and shall be vested with each and every power, right, duty, obligation, discretion and privilege expressed or intended by this Indenture to be exercised by or vested in the predecessor Registrar, without the execution or filing of any instrument or document or any further act on the part of any of the parties hereto.

(b) Resignation. A Registrar may resign at any time by giving written notice of its resignation to the Issuer, the Borrower, the Trustee and to each Paying Agent and Authenticating Agent for the Bonds, at least thirty (30) days before the resignation is to take effect. The resignation shall take effect immediately,

however, upon the appointment of a successor Registrar, if the successor Registrar is appointed and accepts that appointment before the time stated in the notice.

(c) Removal. The Registrar may be removed at any time upon thirty (30) days' written notice by an instrument or document or concurrent instruments or documents in writing delivered to the Registrar, with copies thereof mailed to the Issuer, the Trustee and the Borrower, and signed by or on behalf of the Majority of the Holders of the Bonds.

(d) Appointment of Successors. If (i) a Registrar shall resign, shall be removed, shall be dissolved, or shall become otherwise completely incapable of acting hereunder, (ii) a Registrar shall be taken under the control of any public officer or officers, (iii) a receiver shall be appointed for a Registrar by a court, or (iv) a Registrar shall have an order for relief entered in any case commenced by or against it under the federal bankruptcy laws or commence a proceeding under any federal or state bankruptcy, insolvency, reorganization or similar law, or have such a proceeding commenced against it and either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed and unstayed for ninety (90) days, then a successor Registrar shall be appointed by the Trustee, with the written consent of the Borrower; provided, that if a successor Registrar is not so appointed within ten (10) days after (1) a notice of resignation or an instrument or document of removal is received by the Trustee, as provided above, or (2) the Registrar is dissolved, taken under control, becomes otherwise incapable of acting or a receiver is appointed, in each case, as provided above, then, if the Trustee shall not have appointed a successor Registrar, the Trustee shall be and become the Registrar.

Every successor Registrar appointed hereunder shall execute and acknowledge, and shall deliver to its predecessor, the Issuer, the Trustee and the Borrower, an instrument or document in writing accepting the appointment. Thereupon, without any further act, the successor shall become vested with all of the properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, titles and interests of its predecessor. Upon the written request of its successor, the Issuer or the Borrower, a predecessor Registrar (A) shall execute and deliver an instrument or document transferring to its successor all of the properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, titles and interests of it as predecessor Registrar hereunder; and (B) shall take any other action necessary to duly assign, transfer and deliver to its successor all property and records (including without limitation, the Register and any cancelled Bonds) held by it as Registrar. Should any instrument or document in writing from the Issuer be requested by any successor Registrar for vesting and conveying more fully and certainly in and to that successor the properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, titles and interests vested or conveyed or intended to be vested or conveyed hereby in or to a predecessor Registrar, the Issuer shall execute, acknowledge and deliver that instrument or document.

The Trustee shall cause the Borrower to pay pursuant to Section 4.2 of the Loan Agreement, to any Registrar customary compensation for its services from time to time, as authorized, but subject to the limitations set forth, in Section 6.03 hereof. The provisions of Sections 3.05, 3.06, 3.07 and 6.02(d) hereof shall be applicable to the Registrar.

Section 6.12. Designation and Succession of Paying Agents. The Trustee shall be a Paying Agent for the Bonds, and the Trustee may appoint a Paying Agent or Agents with power to act on its behalf and subject to its direction in the payment of Bond Debt Service Charges on the Bonds. It is the responsibility of the Trustee to establish the duties and responsibilities of the Paying Agent for the purposes of this Indenture, to the extent not specified herein.

Any corporation or association with or into which the Paying Agent may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger,

consolidation or conversion to which the Paying Agent shall be a party, or any corporation or association succeeding to the trust business of the Paying Agent, shall be the successor of that Paying Agent hereunder, if that successor corporation or association is otherwise eligible hereunder, without the execution or filing of any paper or any further act on the part of the parties hereto or the Paying Agent or that successor corporation or association.

The Paying Agent may at any time resign by giving written notice of resignation to the Trustee, to the Registrar and to the Borrower. The Trustee may at any time terminate the agency of the Paying Agent by giving written notice of termination to such Paying Agent, to the Registrar and to the Borrower. Upon receiving such a notice of resignation or upon such a termination, or in case at any time the Paying Agent shall cease to be eligible under this Section, the Trustee may appoint a successor Paying Agent. The Trustee shall give written notice of appointment of a successor Paying Agent to the Borrower, the Issuer and the Registrar and shall mail, within ten (10) days after that appointment, notice thereof to all Holders as their names and addresses appear on the Register on the date of that appointment.

The Trustee shall cause the Borrower to pay pursuant to Section 4.2 of the Loan Agreement, to the Paying Agent from time to time customary compensation as authorized, but subject to the limitations set forth, in Section 6.03 hereof for its services.

The provisions of Sections 3.05, 3.07 and 6.02(d) shall be applicable to the Paying Agent.

Section 6.13. Designation and Succession of Authenticating Agents. The Trustee may appoint an authenticating agent or agents (each referred to herein as an "Authenticating Agent"), in addition to the Registrar, with power to act on its behalf and subject to its direction in the authentication and delivery of Bonds in connection with transfers and exchanges under Sections 3.06 and 4.02 hereof. For all purposes of this Indenture, the authentication and delivery of Bonds by an Authenticating Agent pursuant to this Section shall be deemed to be authentication and delivery of those Bonds "by the Trustee."

Any corporation or association with or into which any Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, consolidation or conversion to which any Authenticating Agent shall be a party, or any corporation or association succeeding to the trust business of any Authenticating Agent, shall be the successor of that Authenticating Agent hereunder, if that successor corporation or association is otherwise eligible hereunder, without the execution or filing of any paper or any further act on the part of the parties hereto or the Authenticating Agent or such successor corporation.

Any Authenticating Agent may at any time resign by giving written notice of resignation to the Trustee, to the Registrar and to the Borrower. The Trustee may at any time terminate the agency of any Authenticating Agent by giving written notice of termination to such Authenticating Agent, to the Registrar and to the Borrower. Upon receiving such a notice of resignation or upon such a termination, or in case at any time any Authenticating Agent shall cease to be eligible under this Section, the Trustee may appoint a successor Authenticating Agent. The Trustee shall give written notice of appointment of a successor Authenticating Agent to the Borrower, the Issuer and the Registrar and shall mail, within ten (10) days after that appointment, notice thereof to all Holders as their names and addresses appear on the Register on the date of that appointment.

The Trustee shall cause the Borrower to pay pursuant to Section 4.2 of the Loan Agreement, to any Authenticating Agent from time to time customary compensation for its services.

The provisions of Sections 3.05 and 6.02(b), (c), (d), (h) and (i) shall be applicable to any Authenticating Agent.

Section 6.14. Dealing in Bonds. The Trustee, a Registrar, a Paying Agent and an Authenticating Agent, their Affiliates, and any directors, officers, employees or agents thereof, in good faith, may become the owners of Bonds secured hereby with the same rights which it or they would have hereunder if the Trustee, the Registrar, Paying Agents and Authenticating Agents did not serve in those capacities.

Section 6.15. Representations, Agreement and Covenants of Trustee. The Trustee hereby represents that it is a national banking association duly organized and validly existing under the laws of the United States of America, in good standing and duly authorized to exercise corporate trust powers in the State, and that it has an unimpaired reported capital, surplus and retained earnings of not less than $100,000,000. The Trustee covenants that it will take such action, if any, as is necessary to remain in good standing and duly authorized to exercise corporate trust powers in the State, and that it will maintain an unimpaired reported capital, surplus and retained earnings of not less than $100,000,000. The Trustee accepts and agrees to observe and perform the duties and obligations of the Trustee to which reference is made in any other instrument or document providing security for any of the Bonds.

Section 6.16. [Reserved].

Section 6.17. Interpleader. In the event of a dispute between any of the parties hereto with respect to the disposition of any funds held by the Trustee hereunder, or the Trustee receives conflicting demands made upon the Trustee with respect to the Trustee's duties hereunder or any other document related to the Bonds, the Trustee shall be entitled to file a suit in interpleader in a court of competent jurisdiction seeking to require the parties to interplead and litigate in such court their several claims and rights among themselves. Upon the filing of such a suit and the deposit of the applicable funds to such court, the Trustee will ipso facto be fully released and discharged from all obligations to further perform any and all duties imposed hereunder or any other document related to the Bonds regarding such matter and/or such funds that are the subject of such interpleader suit. In the event that the Trustee remains as Trustee under this Indenture and receives a court order, directive or other request regarding the interpleader suit, the Trustee shall be entitled to rely upon such instruction without incurring any obligation or liability and the parties hereto release, hold harmless and indemnify the Trustee for any obligation or liability for so relying on such court instruction.

Section 6.18. Survival of Certain Provisions. The provisions of Sections 6.01 through 6.17 hereof shall survive the release, discharge and satisfaction of this Indenture.

Section 6.19. Concerning the Remarketing Agent. The Remarketing Agent identified in Section 1.01 hereof shall serve as the Remarketing Agent for the Bonds. The Remarketing Agent shall designate to the Trustee its designated office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, the Borrower and the Trustee. In addition, the Remarketing Agent will agree particularly to:

(a) keep such records relating to its computations of interest rates for the Bonds as shall be consistent with prudent industry practice and to make such records available for inspection by the Issuer, the Trustee and the Borrower at all reasonable times; and

(b) perform all of its functions and duties under this Indenture.

The Remarketing Agent shall be entitled to advice of legal counsel on any matter relating to the Remarketing Agent's obligations hereunder and shall be entitled to act upon the opinion of such counsel in the exercise of reasonable care in fulfilling such obligations.

The Remarketing Agent shall be entitled to appoint additional co-Remarketing Agents to assist in the performance of the Remarketing Agent's obligations under this Indenture, and any such appointment shall be effective without any action by the Issuer or the Borrower being necessary; provided that any such co-Remarketing Agent, shall have a capitalization of at least $5,000,000, or shall have a line of credit with a commercial bank in the amount of at least $5,000,000, shall be in conformity with all standards and requirements of the Municipal Securities Rulemaking Board and the Securities and Exchange Commission, and shall be authorized by law to perform all the duties imposed upon it by this Indenture. The Remarketing Agent shall take responsibility for any co-Remarketing Agent it appoints.

Section 6.20. Qualification of Remarketing Agent. The Remarketing Agent shall be a member in good standing of the Financial Industry Regulatory Authority having a capitalization of at least $5,000,000, or shall have a line of credit with a commercial bank in the amount of at least $5,000,000, and shall be authorized by law to perform all the duties imposed upon it by this Indenture. Subject to the terms of the Remarketing Agreement, the Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least thirty (30) days' notice of such resignation to the Issuer, the Borrower, the Investor Limited Partner and the Trustee. The Remarketing Agent may be removed, with prior notice to the Issuer, at any time by the Borrower, with at least thirty (30) days' notice of such removal to the Remarketing Agent.

Upon any resignation or removal of the Remarketing Agent, the departing Remarketing Agent shall pay over, assign and deliver any money and Bonds held by it in such capacity to its successor.

The Trustee, within thirty (30) days of the resignation or removal of the Remarketing Agent or the appointment of a successor Remarketing Agent, shall give notice thereof by registered or certified mail to the Rating Agency (if the Bonds are then rated) and to the Holders of the Bonds. The Trustee shall not, however, be subject to any liability to any Bondholder or any party to the transaction by reason of its failure to mail any such notice, and any such failure shall not affect the validity of actions which are the subject of such notice.

Section 6.21. Notices to Rating Agency and Remarketing Notice Parties. The Trustee shall notify the Rating Agency and the Remarketing Notice Parties in writing of (a) the occurrence of an Event of Default of which the Trustee has actual notice; (b) the occurrence of any monetary or other material default under the Loan of which the Trustee has actual notice; (c) any change in the identity of the Trustee; (d) any amendments, modifications, supplements or changes to this Indenture, the Loan Agreement, the Note or the Bonds, including any extension of principal or modification of interest or redemption premium due on any of the Bonds, in each case only in the event the Trustee has actual notice; (e) any change or proposed change in the structure or identity of the Borrower of which the Trustee has actual knowledge; (f) any change or notification of proposed change of the Mandatory Tender Date or Remarketing Date of which the Trustee has actual knowledge; (g) any partial prepayment of the Loan or the giving of notice of the call for redemption of any Bonds; (h) any change in the investment of funds subject to the lien of this Indenture; (i) any defeasance or acceleration of the Bonds hereunder; (j) any change in the Remarketing Agent of which its Trustee has actual knowledge; or (k) any sale of Eligible Investments below par, as shown in a Cash Flow Projection delivered to the Rating Agency prior to the sale date.

The Trustee shall not, however, be subject to any liability to any Bondholder or any party to the transaction by reason of its failure to mail any such notice, and any such failure shall not affect the validity of actions which are the subject of such notice

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ARTICLE VII

DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND HOLDERS

Section 7.01. Defaults; Events of Default. The occurrence of any of the following events is defined as and declared to be and to constitute an Event of Default hereunder:

(a) Payment of any interest on any Bond shall not be made when and as that interest shall become due and payable;

(b) Payment of the principal of any Bond shall not be made when and as that principal shall become due and payable, whether at stated maturity, upon acceleration or otherwise;

(c) Failure by the Issuer to observe or perform any other covenant, agreement or obligation on its part to be observed or performed contained in this Indenture or in the Bonds, which failure shall have continued for a period of thirty (30) days after written notice, by registered or certified mail, to the Issuer and the Borrower specifying the failure and requiring that it be remedied, which notice may be given by the Trustee and shall be given by the Trustee at the written request of the Holders of not less than twenty-five percent (25%) in aggregate principal amount of Bonds then Outstanding; provided, that if the failure is other than the payment of money and is of such nature that it can be corrected but not within the applicable period, that failure shall not constitute an Event of Default so long as the Issuer or the Borrower institutes curative action within the applicable period and diligently pursues that action to completion, which must be resolved within one hundred eighty (180) days after the aforementioned notice and provides the Trustee with a certification to that effect; and

(d) The occurrence and continuance of an Event of Default as defined in Section 7.1 of the Loan Agreement.

The term "default" or "failure" as used in this Article means (i) a default or failure by the Issuer in the observance or performance of any of the covenants, agreements or obligations on its part to be observed or performed contained in this Indenture or in the Bonds; or (ii) a default or failure by the Borrower under the Loan Agreement, exclusive of any period of grace or notice required to constitute an Event of Default, as provided above or in the Loan Agreement.

Section 7.02. Notice of Default. If an Event of Default shall occur, the Trustee shall give written notice of the Event of Default, by registered or certified mail, to the Issuer, the Borrower, the Investor Limited Partner, the Registrar or the Paying Agent and Authenticating Agent, within five (5) days after the Trustee has actual notice of the Event of Default pursuant to Section 6.02(f) hereof. If an Event of Default occurs of which the Trustee has notice pursuant to this Indenture, the Trustee shall give written notice thereof, within thirty (30) days after the Trustee's receipt of notice of its occurrence, to the Holders of all Bonds then Outstanding as shown by the Register at the close of business fifteen (15) days prior to the mailing of that notice.

The Investor Limited Partner shall be entitled to cure any Event of Default hereunder within the time frame provided to the Borrower hereunder. The Issuer and the Trustee agree that cure of any default or Event of Default made or tendered by the Investor Limited Partner shall be deemed to be a cure by the Borrower and shall be accepted or rejected on the same basis as if made or tendered by the Borrower.

Section 7.03. Acceleration. Upon the occurrence of an Event of Default described in Section 7.01(a) and (b) hereof, the Trustee may declare, and upon the written request of the Majority of the

Holders of the Bonds the Trustee shall declare, by a notice in writing delivered to the Issuer and the Borrower, the principal of all Bonds then Outstanding (if not then due and payable), and the interest accrued thereon, to be due and payable immediately; provided however, if Available Money sufficient to pay the principal and interest of the Bonds then due and payable are on deposit with the Trustee, acceleration under this paragraph shall not occur and the Trustee shall promptly make payment to the Holders of all amounts then due and payable from such Available Money. Upon the occurrence of any Event of Default other than those described in Section 7.01(a) and (b) hereof, the Trustee, with the written consent of the Majority of the Holders of the Bonds, may declare by a notice in writing delivered to the Issuer and Borrower, the principal of all Bonds then Outstanding (if not then due and payable), and the interest accrued thereon, to be due and payable immediately. Following such declaration, interest on any unpaid principal of Bonds Outstanding shall continue to accrue from such date through but not including the tender of payment to the Holders of those Bonds.

The provisions of the preceding paragraph are subject, however, to the condition that if, at any time after declaration of acceleration and prior to the entry of a judgment in a court for enforcement hereunder (after an opportunity for hearing by the Issuer and the Borrower),

(a) all sums payable hereunder (except the principal of and interest on Bonds which have not reached their stated maturity dates but which are due and payable solely by reason of that declaration of acceleration), plus interest to the extent permitted by law on any overdue installments of interest at the rate borne by the Bonds in respect of which the default shall have occurred, shall have been duly paid or provision shall have been duly made therefor by deposit with the Trustee or Paying Agents, and

(b) all existing Events of Default shall have been cured, then and in every case, the Trustee shall waive the Event of Default and its consequences and shall rescind and annul that declaration. No waiver or rescission and annulment shall extend to or affect any subsequent Event of Default or shall impair any rights consequent thereon.

Section 7.04. Other Remedies; Rights of Holders. With or without taking action under Section 7.03 hereof, upon the occurrence and continuance of an Event of Default, the Trustee may pursue any available remedy, including without limitation actions at law or equity to enforce the payment of Bond Debt Service Charges or the observance and performance of any other covenant, agreement or obligation under this Indenture, the Loan Agreement, the Regulatory Agreement or the Note or any other instrument providing security, directly or indirectly, for the Bonds.

If, upon the occurrence and continuance of an Event of Default, the Trustee is requested to do so by the Holders of at least twenty-five percent (25%) in aggregate principal amount of Bonds Outstanding, the Trustee (subject to the provisions of Sections 6.01 and 6.02 hereof, and particularly Sections 6.01(c)(iv) and 6.02(j)), shall exercise any rights and powers conferred by this Section and by Section 7.03 hereof However, (a) the Trustee may refuse to follow any direction that conflicts with law or this Indenture, that the Trustee determines may be unduly prejudicial to the rights of other Holders or that may involve the Trustee in personal liability, and (b) the Trustee may take other action not inconsistent with such direction. Notwithstanding any provision to the contrary in this Indenture, the Trustee is under no obligation to exercise any of its rights or powers under this Indenture at the request of any Holder unless such Holder shall offer to the Trustee security and indemnity satisfactory to the Trustee against any loss, liability or expense.

No remedy conferred upon or reserved to the Trustee (or to the Holders) by this Indenture is intended to be exclusive of any other remedy. Each remedy shall be cumulative and shall be in addition to every other remedy given hereunder or otherwise to the Trustee or to the Holders now or hereafter existing.

No delay in exercising or omission to exercise any remedy, right or power accruing upon any default or Event of Default shall impair that remedy, right or power or shall be construed to be a waiver of any default or Event of Default or acquiescence therein. Every remedy, right and power may be exercised from time to time and as often as may be deemed to be expedient.

No waiver of any default or Event of Default hereunder, whether by the Trustee or by the Holders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any remedy, right or power consequent thereon.

As the assignee of all right, title and interest of the Issuer in and to the Loan Agreement (except for the Unassigned Issuer's Rights), the Trustee is empowered to enforce each remedy, right and power granted to the Issuer under the Loan Agreement. In exercising any remedy, right or power thereunder or hereunder, the Trustee shall take such action as may be directed by the requisite percentage of the Holders of the Bonds then Outstanding, applying the standards described in Sections 6.01 and 6.02 hereof.

Section 7.05. Right of Holders to Direct Proceedings. Anything to the contrary in this Indenture notwithstanding, the Majority of the Holders of the Bonds shall have the right at any time to direct, by an instrument or document in writing executed and delivered to the Trustee, the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture or any other proceedings hereunder; provided that (a) any direction shall not be other than in accordance with the provisions of law and of this Indenture; and (b) the Trustee shall be indemnified as provided in Sections 6.01 and 6.02 hereof.

Section 7.06. Application of Money. Following an event of default, after payment of any costs, expenses, liabilities and advances paid, incurred or made by the Trustee in the collection of money and to all fees of the Trustee for Ordinary and Extraordinary Expenses pursuant to any right given or action taken under the provisions of this Article or the provisions of the Loan Agreement, the Regulatory Agreement or the Note (including without limitation reasonable attorneys' fees and expenses, except as limited by law or judicial order or decision entered in any action taken under this Article VII), all money received by the Trustee, shall be applied as follows, subject to Section 3.04 hereof:

(a) Unless the principal of all of the Bonds shall have become, or shall have been declared to be, due and payable, all of such money shall be deposited in the Bond Fund and shall be applied:

First – To the payment to the Holders entitled thereto of all installments of interest then due on the Bonds, in the order of the dates of maturity of the installments of that interest, beginning with the earliest date of maturity and, if the amount available is not sufficient to pay in full any particular installment, then to the payment thereof ratably, according to the amounts due on that installment, to the Holders entitled thereto, without any discrimination or privilege, except as to any difference in the respective rates of interest specified in the Bonds; and

Second – To the payment to the Holders entitled thereto of the unpaid principal of any of the Bonds which shall have become due, in the order of their due dates, beginning with the earliest due date, with interest on those Bonds from the respective dates upon which they became due at the rates specified in those Bonds, and if the amount available is not sufficient to pay in full all Bonds due on any particular date, together with that interest, then to the payment thereof ratably, according to the amounts of principal due on that date, to the Holders entitled thereto, without any discrimination or privilege, except as to any difference in the respective rates of interest specified in the Bonds.

(b) If the principal of all of the Bonds shall have become due or shall have been declared to be due and payable pursuant to this Article, all of such money shall be deposited into the Bond Fund and shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest, of interest over principal, of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Holders entitled thereto, without any discrimination or privilege, except as to any difference in the respective rates of interest specified in the Bonds.

(c) If the principal of all of the Bonds shall have been declared to be due and payable pursuant to this Article, and if that declaration thereafter shall have been rescinded and annulled under the provisions of Section 7.03 or 7.10 hereof, subject to the provisions of subsection (b) above in the event that the principal of all of the Bonds shall become due and payable later, the money shall be deposited in the Bond Fund and shall be applied in accordance with the provisions of Article III hereof.

(d) Whenever money is to be applied pursuant to the provisions of this Section, such money shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of money available for application and the likelihood of additional money becoming available for application in the future. Whenever the Trustee shall direct the application of such money, it shall fix the date upon which the application is to be made, and upon that date, interest shall cease to accrue on the amounts of principal, if any, to be paid on that date, provided the money is available therefor. The Trustee shall give notice of the deposit with it of any money and of the fixing of that date, all consistent with the requirements of Section 3.04 hereof for the establishment of, and for giving notice with respect to, a Special Record Date for the payment of overdue interest. The Trustee shall not be required to make payment of principal of a Bond to the Holder thereof, until the Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if it is paid fully.

Section 7.07. Remedies Vested in Trustee. All rights of action (including without limitation, the right to appear on behalf of the Issuer and the Holders of the Bonds in any bankruptcy or insolvency proceeding and to file proof of claims in any such proceeding) under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding relating thereto. Any suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining any Holders as plaintiffs or defendants. Any recovery of judgment shall be for the benefit of the Holders of the Outstanding Bonds, subject to the provisions of this Indenture.

Section 7.08. Rights and Remedies of Holders. A Holder shall not have any right to institute any suit, action or proceeding for the enforcement of this Indenture, for the execution of any trust hereof, or for the exercise of any other remedy hereunder, unless:

(a) there has occurred and is continuing an Event of Default of which the Trustee has been notified, as provided in Section 6.02(f) hereof, or of which it is deemed to have notice under that such subsection;

(b) the Holders of at least twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding shall have made written request to the Trustee and shall have afforded the Trustee reasonable opportunity to proceed to exercise the remedies, rights and powers granted herein or to institute the suit, action or proceeding in its own name, and shall have offered indemnity satisfactory to the Trustee as provided in Sections 6.01 and 6.02 hereof; and

(c) the Trustee thereafter shall have failed or refused to exercise the remedies, rights and powers granted herein or to institute the suit, action or proceeding in its own name.

Notification (or notice), request, opportunity and offer of indemnity (as set forth above) are conditions precedent in every case, to the institution of any suit, action or proceeding described above.

No one or more Holders of the Bonds shall have any right to affect, disturb or prejudice in any manner whatsoever the security or benefit of this Indenture by its or their action, or to enforce, except in the manner provided herein, any remedy, right or power hereunder. Any suit, action or proceedings shall be instituted, had and maintained in the manner provided herein for the benefit of the Holders of all Bonds then Outstanding. Nothing in this Indenture shall affect or impair, however, the right of any Holder to enforce the payment of the Bond Debt Service Charges on any Bond owned by that Holder at and after the maturity thereof, at the place, from the sources and in the manner expressed in that Bond.

Section 7.09. Termination of Proceedings. In case the Trustee shall have proceeded to enforce any remedy, right or power under this Indenture in any suit, action or proceedings, and the suit, action or proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, the Issuer, the Trustee and the Holders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as if no suit, action or proceedings had been taken.

Section 7.10. Waivers of Events of Default. The Trustee shall waive any Event of Default hereunder and its consequences and may rescind and annul any declaration of maturity of principal of or interest on, the Bonds upon the written request of:

(a) the Majority Holders of the Bonds in respect of which an Event of Default in the payment of Bond Debt Service Charges exists; or

(b) the Holders of at least twenty-five percent (25%) in aggregate principal amount of all Bonds then Outstanding, in the case of any other Event of Default.

There shall not be so waived, however, any Event of Default described in Section 7.01(a) or (b) hereof, nor shall any declaration of acceleration in connection therewith be rescinded or annulled, unless at the time of that waiver or rescission and annulment payments of the amounts provided in Section 7.03 hereof for waiver and rescission and annulment in connection with acceleration of maturity have been made or provision has been made therefor. In the case of the waiver or rescission and annulment, or in case any suit, action or proceedings taken by the Trustee on account of any Event of Default shall have been discontinued, abandoned or determined adversely to it, the Issuer, the Trustee and the Holders shall be restored to their former positions and rights hereunder, respectively. No waiver or rescission shall extend to any subsequent or other Event of Default or impair any right consequent thereon.

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ARTICLE VIII

SUPPLEMENTAL INDENTURES

Section 8.01. Supplemental Indentures Generally. The Issuer and the Trustee may enter into indentures supplemental to this Indenture, as provided in this Article and pursuant to the other provisions therefor in this Indenture. The Trustee shall deliver copies of all Supplemental Indentures to the Borrower and the Investor Limited Partner. Any subsequent amendment to this Indenture or the Loan Agreement is subject to prior written approval of HUD (so long as the Project is subject to a mortgage insured or held by HUD). No amendment to this Indenture or the Loan Agreement shall conflict with the provisions of the Program Obligations.

Section 8.02. Supplemental Indentures Not Requiring Consent of Holders. Without the written consent of, or notice to, any of the Holders, the Issuer and the Trustee may enter into indentures supplemental to this Indenture for any one (1) or more of the following purposes:

(a) To cure any ambiguity, inconsistency or formal defect or omission in this Indenture;

(b) To grant to or confer upon the Trustee for the benefit of the Holders any additional rights, remedies, powers or authority that lawfully may be granted to or conferred upon the Holders or the Trustee;

(c) To assign additional revenues under this Indenture;

(d) To accept additional security and instruments and documents of further assurance with respect to the Project;

(e) To add to the covenants, agreements and obligations of the Issuer under this Indenture, other covenants, agreements and obligations to be observed for the protection of the Holders, or to surrender or limit any right, power or authority reserved to or conferred upon the Issuer in this Indenture;

(f) To evidence any succession to the Issuer and the assumption by its successor of the covenants, agreements and obligations of the Issuer under this Indenture, the Loan Agreement and the Bonds;

(g) To permit the Trustee to comply with any obligations imposed upon it by law;

(h) To specify further the duties and responsibilities of, and to define further the relationship among, the Trustee, the Registrar and any Authenticating Agents or Paying Agents;

(i) To achieve compliance of this Indenture with any applicable federal securities or tax law;

(j) To make amendments to the provisions hereof relating to arbitrage matters under Section 148 of the Code, if, in the Opinion of Bond Counsel, those amendments would not cause the interest on the Bonds Outstanding to be included in gross income of the Holders for federal income tax purposes, which amendments may, among other things, change the responsibility for making the relevant calculations, provided that in no event shall such amendment delegate to the Trustee, without its consent, the obligation to make or perform the calculations required under Section 148 of the Code;

(k) To maintain the rating then in effect on the Bonds; and

(l) To permit any other amendment which is not materially adverse to the Trustee or the Holders. However, Trustee shall not be responsible for determining if an amendment has an adverse effect on Bondholders.

The provisions of subsections (h) and (j) above shall not be deemed to constitute a waiver by the Trustee, the Registrar, the Issuer or any Holder of any right which it may have in the absence of those provisions to contest the application of any change in law to this Indenture or the Bonds.

Section 8.03. Supplemental Indentures Requiring Consent of Holders. Exclusive of Supplemental Indentures to which reference is made in Section 8.02 hereof and subject to the terms, provisions and limitations contained in this Section, and not otherwise, with the written consent of the Majority of the Holders of the Bonds, evidenced as provided in this Indenture, and with the consent of the Borrower if required by Section 8.04 hereof, the Issuer and the Trustee may execute and deliver Supplemental Indentures adding any provisions to, changing in any manner or eliminating any of the provisions of this Indenture or any Supplemental Indenture or restricting in any manner the rights of the Holders. Nothing in this Section or Section 8.02 hereof shall permit, however, or be construed as permitting:

(a) without the consent of the Holder of each Bond so affected, (i) an extension of the maturity of the principal of or the interest on any Bond or (ii) a reduction in the principal amount of any Bond or the rate of interest thereon; or

(b) without the consent of the Holders of all Bonds then Outstanding, (i) the creation of a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (ii) a reduction in the aggregate principal amount of the Bonds required for consent to a Supplemental Indenture.

If the Issuer and the Trustee shall execute and deliver any Supplemental Indenture for any of the purposes of this Section, upon (i) being satisfactorily indemnified with respect to its expenses in connection therewith, and (ii) if required by Section 8.04 hereof, receipt of the Borrower's consent to the proposed execution and delivery of the Supplemental Indenture, the Trustee shall cause notice of the proposed execution and delivery of the Supplemental Indenture to be mailed by first-class mail, postage prepaid, to all Holders of Bonds then Outstanding at their addresses as they appear on the Register at the close of business on the fifteenth day preceding that mailing.

The Trustee shall not be subject to any liability to any Holder by reason of the Trustee's failure to mail, or the failure of any Holder to receive, the notice required by this Section. Any failure of that nature shall not affect the validity of the Supplemental Indenture when there has been consent thereto as provided in this Section. The notice shall set forth briefly the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the designated corporate trust office of the Trustee for inspection by all Holders.

If the Trustee shall receive, within a period prescribed by the Borrower, of not less than sixty (60) days, but not exceeding one year, following the mailing of the notice, an instrument or document or instruments or documents, in form to which the Trustee does not reasonably object, purporting to be executed by the Majority of the Holders of the Bonds (which instrument or document or instruments or documents shall refer to the proposed Supplemental Indenture in the form described in the notice and specifically shall consent to the Supplemental Indenture in substantially that form), the Trustee shall, but shall not otherwise, execute and deliver the Supplemental Indenture in substantially the form to which reference is made in the notice as being on file with the Trustee, without liability or responsibility to any Holder, regardless of whether that Holder shall have consented thereto.

Any consent shall be binding upon the Holder of the Bond giving the consent and, anything herein to the contrary notwithstanding, upon any subsequent Holder of that Bond and of any Bond issued in exchange therefor (regardless of whether the subsequent Holder has notice of the consent to the Supplemental Indenture). At any time after the Holders of the required percentage of Bonds shall have filed their consents to the Supplemental Indenture, the Trustee shall make and file with the Issuer a written statement that the Holders of the required percentage of Bonds have filed those consents. That written statement shall be conclusive evidence that the consents have been so filed.

If the Holders of the required percentage in aggregate principal amount of Bonds Outstanding shall have consented to the Supplemental Indenture, as provided in this Section, no Holder shall have any right (1) to object to (A) the execution or delivery of the Supplemental Indenture, (B) any of the terms and provisions contained therein, or (C) the operation thereof; (2) to question the propriety of the execution and delivery thereto; or (3) to enjoin or restrain the Trustee or the Issuer from that execution or delivery or from taking any action pursuant to the provisions thereof.

Section 8.04. Consent of Borrower and Remarketing Agent. Anything contained herein to the contrary notwithstanding, a Supplemental Indenture executed and delivered in accordance with this Article VIII which affects any rights or obligations of the Borrower shall not become effective unless and until the Borrower shall have consented in writing to the execution and delivery of that Supplemental Indenture. The Trustee shall cause notice of the proposed execution and delivery of any Supplemental Indenture and a copy of the proposed Supplemental Indenture to be mailed to the Borrower, as provided in Section 13.03 hereof, (a) at least thirty (30) days (unless waived by the Borrower) before the date of the proposed execution and delivery in the case of a Supplemental Indenture to which reference is made in Section 8.02 hereof; and (b) at least thirty (30) days (unless waived by the Borrower) before the giving of the notice of the proposed execution and delivery in the case of a Supplemental Indenture for which provision is made in Section 8.03 hereof.

Anything contained herein to the contrary notwithstanding, a Supplemental Indenture executed and delivered in accordance with this Article VIII which affects any rights or obligations of the Remarketing Agent shall not become effective unless and until the Remarketing Agent shall have consented in writing to the execution and delivery of that Supplemental Indenture. The Trustee shall cause notice of the proposed execution and delivery of any Supplemental Indenture and a copy of the proposed Supplemental Indenture to be mailed to the Remarketing Agent (i) at least thirty (30) days (unless waived by the Remarketing Agent) before the date of the proposed execution and delivery in the case of a Supplemental Indenture to which reference is made in Section 8.02 hereof; and (ii) at least thirty (30) days (unless waived by the Remarketing Agent) before the giving of the notice of the proposed execution and delivery in the case of a Supplemental Indenture for which provision is made in Section 8.03 hereof.

Section 8.05. Authorization to Trustee; Effect of Supplement. The Trustee is authorized to join with the Issuer in the execution and delivery of any Supplemental Indenture in accordance with this Article and to make the further agreements and stipulations which may be contained therein. Thereafter,

(a) that Supplemental Indenture shall form a part of this Indenture;

(b) all terms and conditions contained in that Supplemental Indenture as to any provision authorized to be contained therein shall be deemed to be a part of the terms and conditions of this Indenture for any and all purposes;

(c) this Indenture shall be deemed to be modified and amended in accordance with the Supplemental Indenture; and

(d) the respective rights, duties and obligations under this Indenture of the Issuer, the Borrower, the Trustee, the Remarketing Agent, the Registrar, the Paying Agents, the Authenticating Agents and all Holders of Bonds then Outstanding shall be determined, exercised and enforced hereunder in a manner which is subject in all respects to those modifications and amendments made by the Supplemental Indenture.

Express reference to any executed and delivered Supplemental Indenture may be made in the text of any Bonds issued thereafter, if that reference is deemed necessary or desirable by the Trustee or the Issuer. A copy of any Supplemental Indenture for which provision is made in this Article, except a Supplemental Indenture described in Section 8.02(g) hereof, shall be mailed by the Trustee to the Registrar, each Authenticating Agent and Paying Agent. The Trustee shall not be required to execute any supplemental indenture containing provisions adverse to the Trustee.

Section 8.06. Opinion of Counsel. The Trustee shall receive, and shall be fully protected in relying upon, the opinion of any counsel approved by it as conclusive evidence that (a) any proposed Supplemental Indenture or amendment complies with the provisions of this Indenture; and (b) it is proper for the Trustee to join in the execution of that Supplemental Indenture under the provisions of this Article. That counsel may be counsel for the Issuer or the Borrower and shall be an expense of the Borrower.

Section 8.07. Modification by Unanimous Consent. Notwithstanding anything contained elsewhere in this Indenture, the rights and obligations of the Issuer and of the Holders, and the terms and provisions of the Bonds and this Indenture or any Supplemental Indenture, may be modified or altered in any respect with the consent of (a) the Issuer; (b) the Holders of all of the Bonds then Outstanding; (c) the Borrower; and (d) if such modification or alteration contains provisions adverse to the Trustee, the Trustee.

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ARTICLE IX

DEFEASANCE

Section 9.01. Release of Indenture. If (a) the Issuer shall pay all of the Outstanding Bonds, or shall cause them to be paid and discharged, or if there otherwise shall be paid to the Holders of the Outstanding Bonds, all Bond Debt Service Charges due or to become due thereon, and (b) provision also shall be made for the payment of all other sums payable hereunder or under the Loan Agreement, the Regulatory Agreement and the Note, then this Indenture shall cease, determine and become null and void (except for those provisions surviving by reason of Section 9.03 hereof in the event the Bonds are deemed paid and discharged pursuant to Section 9.02 hereof), and the covenants, agreements and obligations of the Issuer hereunder shall be released, discharged and satisfied.

Thereupon, and subject to the provisions of Section 9.03 hereof if applicable, (i) the Trustee shall release this Indenture (except for those provisions surviving by reason of Section 9.03 hereof in the event the Bonds are deemed paid and discharged pursuant to Section 9.02 hereof), and shall execute and deliver to the Issuer any instruments or documents in writing as shall be requisite to evidence that release and discharge or as reasonably may be requested by the Issuer; and (ii) the Trustee and any other Paying Agents shall assign and deliver to the Issuer any property subject at the time to the lien of this Indenture which then may be in their possession, except amounts in the Bond Fund required (1) to be paid to the Borrower under Section 5.08 hereof; or (2) to be held by the Trustee and the Paying Agents under Section 5.09 hereof or otherwise for the payment of Bond Debt Service Charges.

Section 9.02. Payment and Discharge of Bonds. All or any part of the Bonds shall be deemed to have been paid and discharged within the meaning of this Indenture, including without limitation, Section 9.01 hereof, if:

(a) the Trustee, as paying agent, and the Paying Agents shall have received, in trust for and irrevocably committed thereto, sufficient money, or

(b) the Trustee shall have received, in trust for and irrevocably committed thereto, noncallable direct obligations of or obligations guaranteed as to full and timely payment by the United States of America which are certified by an Independent public accounting firm or such other firm experienced with such certifications of national reputation to be of such maturities or redemption dates and interest payment dates, and to bear such interest, as will be sufficient together with any money to which reference is made in subsection (a) above, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom (which earnings are to be held likewise in trust and so irrevocably committed, except as provided herein),

for the payment of all Bond Debt Service Charges on those Bonds at their maturity.

Any money held by the Trustee in accordance with the provisions of this Section may be invested by the Trustee only in noncallable direct obligations of or obligations guaranteed as to full and timely payment by the United States of America having maturity dates, or having redemption dates which, at the option of the Holder of those obligations, shall be not later than the date or dates at which money will be required for the purposes described above. To the extent that any income or interest earned by, or increment to, the investments held under this Section is determined from time to time by the Trustee to be in excess of the amount required to be held by the Trustee for the purposes of this Section, that income, interest or increment shall be transferred at the time of that determination in the manner provided in Section 5.08 hereof for transfers of amounts remaining in the Bond Fund.

If any Bonds shall be deemed paid and discharged pursuant to this Section 9.02, then within fifteen (15) days after such Bonds are so deemed paid and discharged the Trustee shall cause a written notice to be given to each Holder as shown on the Register on the date on which such Bonds are deemed paid and discharged. Such notice shall state the numbers of the Bonds deemed paid and discharged or state that all Bonds are deemed paid and discharged and shall set forth a description of the obligations held pursuant to subsection (b) above.

Section 9.03. Survival of Certain Provisions. Notwithstanding the foregoing, any provisions of the Bond Resolution, the Series B Bond Resolution and this Indenture which relate to the maturity of Bonds, interest payments and dates thereof, exchange, transfer and registration of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, the storage and shredding of cancelled Bonds, non-presentment of Bonds, the holding of money in trust, and repayments to the Borrower from the Bond Fund, the rebate of money to the United States in accordance with Section 5.09 hereof, and the rights and duties of the Trustee and the Registrar in connection with all of the foregoing, shall remain in effect and be binding upon the Trustee, the Registrar, the Authenticating Agents, Paying Agents and the Holders notwithstanding the release and discharge of this Indenture. The provisions of this Article shall survive the release, discharge and satisfaction of this Indenture. The obligations of the Borrower to pay the Trustee its fees and expenses hereunder shall survive the release, discharge and satisfaction of this Indenture.

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ARTICLE X

[RESERVED]

ARTICLE XI

AMENDMENTS TO LOAN AGREEMENT, REGULATORY AGREEMENT AND NOTE

Section 11.01. Amendments Not Requiring Consent of Holders. Without the consent of or notice to the Holders, the Issuer, the Borrower and the Trustee may consent to any amendment, change or modification of the Loan Agreement, the Regulatory Agreement or the Note as may be required (a) by the provisions of the Loan Agreement, the Regulatory Agreement or this Indenture; (b) for the purpose of curing any ambiguity, inconsistency or formal defect or omission in the Loan Agreement, the Regulatory Agreement or the Note; (c) in connection with an amendment or to effect any purpose for which there could be an amendment of this Indenture pursuant to Section 8.02 hereof; or (d) in connection with any other change therein which in the written Opinion of Bond Counsel is not materially adverse to the Holders of the Bonds, and in the judgment of the Trustee is not materially prejudicial to the Trustee, applying the standards described in Sections 6.01 and 6.02 hereof. The Trustee shall not be responsible for determining if an amendment has an adverse effect on Bondholders.

Any subsequent amendment to this Indenture or the Loan Agreement is subject to prior written approval of HUD (so long as the Project is subject to a mortgage insured or held by HUD). No amendment to this Indenture or the Loan Agreement shall conflict with the provisions of the Program Obligations.

Section 11.02. Amendments Requiring Consent of Holders. Except for the amendments, changes or modifications contemplated in Section 11.01 hereof, neither the Issuer nor the Trustee shall consent to:

(a) any amendment, change or modification of the Loan Agreement or the Note which would change the amount or time as of which Loan Payments are required to be paid, without the giving of notice as provided in this Section of the proposed amendment, change or modification and receipt of the written consent thereto of the Holders of all of the then Outstanding Bonds affected by such amendment, change or modification; or

(b) any other amendment, change or modification of the Loan Agreement, the Regulatory Agreement or the Note without the giving of notice as provided in this Section of the proposed amendment, change or modification and receipt of the written consent thereto of the Majority of the Holders of the Bonds affected by such amendment, change or modification.

The consent of the Holders shall be obtained as provided in Section 8.03 hereof with respect to Supplemental Indentures.

If the Issuer or the Authorized Borrower Representative shall request at any time the consent of the Trustee to any proposed amendment, change or modification of the Loan Agreement, the Regulatory Agreement or the Note contemplated in subsection (a) or (b) above, upon being indemnified satisfactorily with respect to expenses, the Trustee shall cause notice of the proposed amendment, change or modification to be provided in the manner which is required by Section 8.03 hereof with respect to notice of Supplemental Indentures. The notice shall set forth briefly the nature of the proposed amendment, change or modification and shall state that copies of the instrument or document embodying it are on file at the designated corporate trust office of the Trustee for inspection by all Holders.

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ARTICLE XII

MEETINGS OF HOLDERS

Section 12.01. Purposes of Meetings. A meeting of Holders may be called at any time and from time to time pursuant to the provisions of this Article XII, to take any action (a) authorized to be taken by or on behalf of the Holders of any specified aggregate principal amount of the Bonds; (b) under any provision of this Indenture; or (c) authorized or permitted by law.

Section 12.02. Call of Meetings. The Trustee may (but shall not be obligated to) call at any time a meeting of Holders pursuant to Section 12.01 hereof to be held at any reasonable time and place the Trustee shall determine. Notice of such meeting, setting forth the time, place and generally the subject thereof, shall be mailed by first-class mail, postage prepaid, not fewer than fifteen (15) nor more than ninety (90) days prior to the date of the meeting to the Holders at their addresses as they appear on the Register on the fifteenth day preceding such mailing, which fifteenth day, preceding the mailing, shall be the record date for the meeting.

At any time, the Issuer or the Borrower, or the Holders of at least twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding, shall have requested the Trustee to call a meeting of Holders, by written request setting forth the purpose of the meeting, and the Trustee shall not have mailed the notice of the meeting within twenty (20) days after receipt of the request, then the Issuer, the Borrower, the Investor Limited Partner or the Holders of Bonds in the amount above specified may determine the time and the place of the meeting and may call the meeting to take any action authorized in Section 12.01 hereof, by mailing notice thereof as provided above.

Any meetings of Holders shall be valid without notice, if the Holders of all Bonds then Outstanding are present in person or by proxy, or if notice is waived before or after the meeting by the Holders of all Bonds Outstanding who were not so present at the meeting, and if the Issuer, the Borrower and the Trustee are either present by duly authorized representatives or have waived notice, before or after the meeting.

Section 12.03. Voting. To be entitled to vote at any meeting of Holders, a Person shall (a) be a Holder of one (1) or more Outstanding Bonds as of the record date for the meeting as determined above; or (b) be a person appointed by an instrument or document in writing as proxy by a Person who is a Holder as of the record date for the meeting, of one (1) or more Outstanding Bonds. Each Holder or proxy shall be entitled to one vote for each $100,000 principal amount of Bonds held or represented by it.

The vote upon any resolution submitted to any meeting of Holders shall be by written ballots on which shall be subscribed the signatures of the Holders of Bonds or of their representatives by proxy and the identifying number or numbers of the Bonds held or represented by them.

Section 12.04. Meetings. Notwithstanding any other provisions of this Indenture, the Trustee may make any reasonable regulations which it may deem to be advisable for meetings of Holders, with regard to: (a) proof of the holding of Bonds and of the appointment of proxies; (b) the appointment and duties of inspectors of votes; (c) recordation of the proceedings of those meetings; (d) the execution, submission and examination of proxies and other evidence of the right to vote; and (e) any other matters concerning the conduct, adjournment or reconvening of meetings which it may think fit.

The Trustee shall appoint a temporary chair of the meeting by an instrument or document in writing, unless the meeting shall have been called by the Issuer, the Borrower or by the Holders, as provided in Section 12.02 hereof, in which case the Issuer, the Borrower or the Holders calling the meeting, as the case may be, shall appoint a temporary chair in like manner. A permanent chair and a permanent secretary of

the meeting shall be elected by vote of the Majority of the Holders of the Bonds represented at the meeting and entitled to vote.

The only Persons who shall be entitled to be present or to speak at any meeting of Holders shall be the Persons entitled to vote at the meeting and their counsel, any representatives of the Trustee or Registrar and their counsel, any representatives of the Issuer and its counsel and any representatives of the Borrower and its counsel.

Section 12.05. Miscellaneous. Nothing contained in this Article XII shall be deemed or construed to authorize or permit any hindrance or delay in the exercise of any right or rights conferred upon or reserved to the Trustee or to the Holders under any of the provisions of this Indenture or of the Bonds by reason of any call of a meeting of Holders or any rights conferred expressly or impliedly hereunder to make a call.

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ARTICLE XIII

MISCELLANEOUS

Section 13.01. Limitation of Rights. With the exception of rights conferred expressly in this Indenture, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any Person other than the parties hereto, the Registrar, the Authenticating Agents, the Paying Agents, the Borrower, the Investor Limited Partner and the Holders of the Bonds any legal or equitable right, remedy, power or claim under or with respect to this Indenture or any covenants, agreements, conditions and provisions contained herein. This Indenture and all of those covenants, agreements, conditions and provisions are intended to be, and are, for the sole and exclusive benefit of the parties hereto, the Registrar, the Paying Agent, the Authenticating Agent, the Borrower, the Investor Limited Partner and the Holders of the Bonds, as provided herein.

Section 13.02. Severability. In case any section or provision of this Indenture, or any covenant, agreement, stipulation, obligation, act or action, or part thereof, made, assumed, entered into or taken under this Indenture, or any application thereof, is held to be illegal or invalid for any reason, or is inoperable at any time, that illegality, invalidity or inoperability shall not affect the remainder thereof or any other section or provision of this Indenture or any other covenant, agreement, stipulation, obligation, act or action, or part thereof, made, assumed, entered into or taken under this Indenture, all of which shall be construed and enforced at the time as if the illegal, invalid or inoperable portion were not contained therein.

Any illegality, invalidity or inoperability shall not affect any legal, valid and operable section, provision, covenant, agreement, stipulation, obligation, act, action, part or application, all of which shall be deemed to be effective, operative, made, assumed, entered into or taken in the manner and to the full extent permitted by law from time to time.

Section 13.03. Notices. It shall be sufficient service or giving of any notice, request, complaint, demand or other instrument or document, if mailed by registered or certified mail, postage prepaid, or forwarded by overnight courier service, delivery charges prepaid (receipt of which to be evidenced by a signed receipt from such overnight delivery service), or sent by electronic notice which produces evidence of transmission ("Electronic Notice"), addressed to the appropriate party at its Notice Address.

Such notice or other communication shall be deemed given on (a) the third Business Day following deposit thereof in the mail when mailed by registered or certified mail; (b) the Business Day immediately following deposit thereof with the overnight courier service when forwarded by an overnight courier service; and (c) the Business Day immediately following the date specified in the written evidence of electronic transmission. The Issuer, Trustee, the Borrower, the Investor Limited Partner may, by notice given as provided in this paragraph, designate any further or different address to which subsequent notices or other communication shall be sent.

Notwithstanding the above, the Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent in writing or by electronic means by an Authorized Official of the Issuer or an Authorized Borrower Representative. If the Issuer or the Borrower elects to give the Trustee instructions by Electronic Notice, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Issuer agrees to assume all risks arising out of the use of such Electronic Notice to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk or interception and misuse by third parties.

Any notice given pursuant to Sections 6.09, 6.13, 7.02, 7.03, 8.02, 8.03, 9.02 and 11.02 hereof shall be simultaneously given to the Rating Agency, if and so long as the Bonds are rated. The foregoing parties may designate, by written notice given hereunder, any further or different addresses to which any subsequent notice, request, complaint, demand or other instrument or document shall be sent. The Trustee shall designate, by written notice to the Issuer, the Borrower and the Investor Limited Partner, the addresses to which notices or copies thereof shall be sent to the Registrar, the Authenticating Agents and the Paying Agents. In addition to the foregoing, the Trustee hereby agrees to send written notice to the Rating Agency, if and so long as the Bonds are rated, upon the occurrence of any of the following events: (i) any change in the Trustee; (ii) any amendment to the documents; (iii) a payment of all principal and interest on all of the Bonds; or (iv) any defeasance or acceleration of the Bonds The Trustee shall not, however, be subject to any liability to any Bondholder or any party to the transaction by reason of its failure to mail any such notice and any such failure shall not affect the validity of actions which are the subject of such notice..

In connection with any notice mailed pursuant to the provisions of this Indenture, a certificate of the Trustee, the Issuer, the Registrar, the Authenticating Agents, the Borrower, the Investor Limited Partner or the Holders of the Bonds, whichever or whoever mailed that notice, that the notice was so mailed shall be conclusive evidence of the proper mailing of the notice.

Section 13.04. Suspension of Mail and Courier Service. If because of the suspension of delivery of registered or certified mail or delivery by overnight courier services, the Trustee shall be unable to mail by registered or certified mail or forward by overnight courier service any notice required to be given by the provisions of this Indenture, the Trustee shall use its best efforts to give such notice in such other manner as in the judgment of the Trustee shall most effectively approximate the required mailing or forwarding thereof, and the giving of that notice in that manner for all purposes of this Indenture shall be deemed to be in compliance with the requirements of Section 13.03 hereof. Except as otherwise provided herein, the mailing of any notice by first class mail, postage prepaid, shall be deemed given on the third Business Day after upon deposit of that notice in the mail and the giving of any notice by any other means of delivery shall be deemed complete upon receipt of the notice by the delivery service.

Section 13.05. Payments Due on Saturdays, Sundays and Holidays. If any Interest Payment Date or a date of maturity of the principal of any Bonds is a Saturday, Sunday or a day on which (a) the Trustee is required, or authorized or not prohibited, by law (including without limitation, executive orders) to close and is closed, then payment of interest and principal need not be made by the Trustee or the Paying Agent on that date, but that payment may be made on the next succeeding business day on which the Trustee and the Paying Agent are open for business with the same force and effect as if that payment were made on the Interest Payment Date or date of maturity, and no interest shall accrue for the period after that date; or (b) a Paying Agent is required, or authorized or not prohibited, by law (including without limitation, executive orders) to close and is closed, then payment of interest and principal need not be made by that Paying Agent on that date, but that payment may be made on the next succeeding business day on which that Paying Agent is open for business with the same force and effect as if that payment were made on the Interest Payment Date or date of maturity and no interest shall accrue for the period after that date; provided, that if the Trustee is open for business on the applicable Interest Payment Date or date of maturity, it shall make any payment required hereunder with respect to payment of interest on Outstanding Bonds and payment of principal of the Bonds presented to it for payment, regardless of whether the Paying Agent shall be open for business or closed on the applicable Interest Payment Date or date of maturity.

Section 13.06. Instruments of Holders. Any writing, including without limitation, any consent, request, direction, approval, objection or other instrument or document, required under this Indenture to be executed by any Holder may be in any number of concurrent writings of similar tenor and may be executed by that Holder in person or by an agent or attorney appointed in writing. Proof of (a) the execution of any writing, including without limitation, any consent, request, direction, approval, objection or other

instrument or document; (b) the execution of any writing appointing any agent or attorney; and (c) the ownership of Bonds, shall be sufficient for any of the purposes of this Indenture, if made in the following manner, and if so made, shall be conclusive in favor of the Trustee with regard to any action taken thereunder, namely:

(i) The fact and date of the execution by any person of any writing may be proved by the certificate of any officer in any jurisdiction, who has power by law to take acknowledgments within that jurisdiction, that the person signing the writing acknowledged that execution before that officer, or by affidavit of any witness to that execution; and

(ii) The fact of ownership of Bonds shall be proved by the Register maintained by the Registrar.

Nothing contained herein shall be construed to limit the Trustee to the foregoing proof, and the Trustee may accept any other evidence of the matters stated therein which it deems to be sufficient. Any writing, including without limitation, any consent, request, direction, approval, objection or other instrument or document, of the Holder of any Bond shall bind every future Holder of the same Bond, with respect to anything done or suffered to be done by the Issuer, the Borrower, the Trustee, the Registrar or the Paying Agent or Authenticating Agent pursuant to that writing.

Section 13.07. Priority of this Indenture. This Indenture shall be superior to any liens which may be placed upon the Issuer Revenues or any other funds or accounts created pursuant to this Indenture.

Section 13.08. Extent of Covenants; No Personal Liability. All covenants, stipulations, obligations and agreements of the Issuer contained in this Indenture are and shall be deemed to be covenants, stipulations, obligations and agreements of the Issuer to the full extent authorized by the Act and permitted by the Constitution of the State. No covenant, stipulation, obligation or agreement of the Issuer contained in this Indenture shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Issuer or the City Council of the Issuer in other than that person's official capacity. Neither the members of the City Council of the Issuer nor any official executing the Bonds, this Indenture, the Loan Agreement or any amendment or supplement hereto or thereto shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance or execution hereof or thereof.

Section 13.09. Binding Effect. This Indenture shall inure to the benefit of and shall be binding upon the Issuer and the Trustee and their respective successors and assigns, subject, however, to the limitations contained herein.

Section 13.10. Counterparts. This Indenture may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

Section 13.11. Governing Law. This Indenture and the Bonds shall be deemed to be contracts made under the laws of the State and for all purposes shall be governed by and construed in accordance with the laws of the State.

Section 13.12. Security Advice Waiver. The Issuer acknowledges that regulations of the Comptroller of the Currency grant the Borrower the right to receive brokerage confirmations of the security transactions as they occur. Pursuant to Section 2.2(r) of the Loan Agreement, the Borrower specifically waives such notification to the extent permitted by law and will receive periodic cash transaction statements that will detail all investment transactions.

Section 13.13. Patriot Act. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust or other legal entity the Trustee will request documentation to verify its formation and existence as a legal entity. Furthermore, if required by the Patriot Act, Trustee may request financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation The Issuer covenants and agrees to provide or cause to be provided documentation as reasonably requested or required by the Trustee to enable the Trustee to satisfy the requirements of the USA Patriot Act as described in this section.

Section 13.14 FHA Federal Laws and Requirements Control. Notwithstanding anything in this Indenture or the Loan Agreement to the contrary:

(a) The Borrower, the Trustee, and the Issuer acknowledge that this Indenture and the Loan Agreement, and any obligations of the Borrower under the Loan Agreement, are subject and subordinate to the FHA Loan Documents and the Program Obligations. Notwithstanding any provision in this Indenture or the Loan Agreement to the contrary, no obligations of the Borrower under the Loan Agreement shall be payable except from (1) Surplus Cash; (2) funds that are not derived from (i) revenues of the Project (as defined in the FHA Mortgage), (ii) the proceeds of the FHA Note, or (iii) any reserve or deposit made with the FHA Lender or any other party as required by HUD in connection with the FHA Loan Documents; or (3) FHA Lender Funds which have been deposited into the Collateral Fund by or at the direction of the FHA Lender (collectively, "Non-Project Sources"). No claims or actions shall be made (or payable) under this Indenture against the Project, the FHA Lender, the proceeds of the FHA Note, or the assets of the Borrower, except from Non-Project Sources. In addition, the rights and obligations of the parties under this Indenture and all other documents evidencing, implementing, or securing this Indenture (collectively, the "Subordinate Bond Documents") are and shall be subordinated in all respects to the rights and obligations of the parties to and under the FHA Loan Documents. In the event of any conflict between the provisions of (A) this Indenture or the Subordinate Bond Documents and (B) the provisions of the FHA Loan Documents or the Program Obligations, the provisions of the FHA Loan Documents or the Program Obligations shall control. The provisions of this Section 13.14 shall control over any inconsistent provisions in this Indenture or the Subordinate Bond Documents.

(b) Any subsequent amendment to this Indenture or the Loan Agreement is subject to prior written approval of HUD (so long as the Project is subject to a mortgage insured or held by HUD). No amendment to this Indenture or the Loan Agreement shall conflict with the provisions of the Program Obligations.

(c) The Bonds are not a debt of the United States of America, HUD, FHA, GNMA or any other agency or instrumentality of the federal government, and are not guaranteed by the full faith and credit of the United States or any agency or instrumentality thereof.

(d) There is no pledge hereunder or under the Loan Agreement of the gross revenues or any of the assets of the Project.

(e) Neither a default under this Indenture nor under the Loan Agreement shall constitute a default under the FHA Loan Documents related to the Project.

(f) Nothing contained herein or in the Loan Agreement shall inhibit or impair the right of FHA to require or agree to any amendment, change or modification of any FHA Loan Documents related to the Project for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provision contained therein, or in regard to matters or questions arising under said FHA Loan

Documents so long as any such amendment, change or modification shall not adversely affect the payment terms of the Bonds.

(g) Neither the Issuer, the Trustee, nor any of the Holders has or shall be entitled to assert any claim against the Project, any reserves or deposits required by HUD in connection with the Project, or the rents or deposits or other income of the Project.

(h) Proceeds from any condemnation award or from the payment of a claim under any hazard insurance policy relating to the Project will not be payable to the Trustee, but will be payable in accordance with the FHA Loan Documents.

(i) Nothing contained herein or in the Loan Agreement shall require the FHA Lender to take any actions to preserve the tax exemption of the interest on the low-income housing tax credits for the Project (the "Tax Credits") or the Bonds, or prohibits the FHA Lender from taking any action that might jeopardize the tax exemption of the Bonds or the availability of the Tax Credits, except in strict accordance with the National Housing Act, applicable mortgage insurance regulations, the FHA Loan Documents, or, if applicable, Section 8 of the U.S. Housing Act of 1937 and the regulations thereunder.

(j) HUD requires the following be inserted into this Indenture:

"In the event of an assignment or conveyance of the mortgage to the Commissioner, subsequent to the issuance of the bonds, all money remaining in all funds and accounts other than the rebate fund, and any other funds remaining under the trust indenture after payment or provision for payment of debt service on the bonds and the fees and expenses of the credit enhancer, issuer, trustee, and other such parties unrelated to the mortgagor (other than funds originally deposited by the mortgagor or related parties on or before the date of issuance of the bonds) shall be returned to the mortgagee."

It is understood that "mortgage" means the FHA Mortgage, "Commissioner" is defined in the FHA Loan Documents, "bonds" means the Bonds, "rebate fund" means the Rebate Fund, "the trust indenture" means this Indenture, there is no credit enhancer, "issuer" means the Issuer, "trustee" means Trustee, and "mortgagor" means the Borrower.

Section 13.15 Amendment to Original Indenture. This Indenture amends, replaces and restates the Original Indenture, but does not extinguish or constitute a modification of the Series A Bonds, the proceeds of which funded the Series A Loan (the "Existing Indebtedness"), which is evidenced by the Series A Note, and the liens and security interests securing the Existing Indebtedness shall continue in effect and secure the Series A Loan.

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

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Amended and Restated Indenture of Trust to be executed and delivered by duly authorized officers thereof as of the date and year first written above.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

By _____
Its Mayor

By _____
Its City Manager

Execution page of the Trustee to the Amended and Restated Indenture of Trust, dated as of the date and year first written above.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION

By _____
Its Vice President

EXHIBIT A-1

FORM OF SERIES A BOND

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF ANOKA
CITY OF COLUMBIA HEIGHTS

No. R-1 $9,886,000

MULTIFAMILY HOUSING REVENUE BOND
(42ND & CENTRAL APARTMENTS PROJECT)
SERIES 2022A

Initial Interest Rate	Maturity	Date of Original Issue	CUSIP Number	Initial Mandatory Tender Date
2.70%	July 1, 2025	June 28, 2022	19770R AD0	July 1, 2024

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: NINE MILLION EIGHT HUNDRED EIGHTY-SIX THOUSAND DOLLARS

The City of Columbia Heights, Minnesota, a municipal corporation, home rule city, and political subdivision of the State of Minnesota (the "Issuer"), for value received, promises to pay to the Registered Owner specified above or registered assigns, but solely from the sources and in the manner referred to herein, the principal amount on the maturity date specified above (subject to optional redemption as set forth herein), which shall be equal to $9,886,000, and to pay from those sources interest thereon at the aforesaid interest rate on (a) each January 1 and July 1, commencing January 1, 2023; (b) any date the Bonds are called for redemption prior to maturity; (c) each Mandatory Tender Date; (d) the Maturity Date; and (e) the date of acceleration of the Bonds (each an "Interest Payment Date") until the principal amount is paid or duly provided for. This Bond will bear interest from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from its date of delivery. Any capitalized terms not defined herein shall have the meanings given to them in the Indenture (hereinafter defined).

This Bond shall bear interest during each Interest Period at a rate per annum equal to the Interest Rate. Interest on the Bonds shall be calculated on the basis of a three hundred sixty (360) day year consisting of twelve (12) thirty (30) day months.

For purposes of calculating such interest:

"Interest Period" means, initially, the period from the Closing Date to and including January 1, 2023, and thereafter, the period commencing on each succeeding Interest Payment Date and ending on the last day of that month preceding the next Interest Payment Date.

"Interest Rate" means 2.70% to but not including the Initial Mandatory Tender Date and thereafter, the applicable Remarketing Rate.

The principal of this Bond is payable upon presentation and surrender hereof at the designated corporate trust office of the trustee, presently U.S. Bank Trust Company, National Association, a national banking association in Saint Paul, Minnesota (the "Trustee"). Interest is payable on each Interest Payment Date by check or draft mailed to the person in whose name this Bond (or one or more predecessor bonds) is registered (the "Holder") at the close of business on the fifteenth day of the calendar month next preceding that Interest Payment Date (the "Regular Record Date") on the registration books for this issue maintained by the Trustee, as Registrar, at the address appearing therein. Any interest which is not timely paid or duly provided for shall cease to be payable to the Holder hereof (or of one (1) or more predecessor bonds) as of the Regular Record Date, and shall be payable to the Holder hereof (or of one or more predecessor bonds) at the close of business on a Special Record Date to be fixed by the Trustee for the payment of that overdue interest. Notice of the Special Record Date shall be mailed to Holders not less than ten (10) days prior thereto. The principal of and interest on this Bond are payable in lawful money of the United States of America, without deduction for the services of the paying agent. While the Bonds are held in a book-entry system and in certain other circumstances, all as provided in the Indenture, principal of and interest on this Bond is required to be paid by wire transfer or other arrangement, other than any payment of the entire unpaid principal amount hereof.

THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE PLEDGED UNDER THE INDENTURE AND NOT FROM ANY OTHER REVENUES, FUNDS OR ASSETS OF THE ISSUER. THE BONDS ARE NOT GENERAL OBLIGATIONS, DEBT OR BONDED INDEBTEDNESS OF THE ISSUER OR THE STATE OF MINNESOTA (THE "STATE") OR ANY POLITICAL SUBDIVISION THEREOF, AND THE HOLDER THEREOF DOES NOT HAVE THE RIGHT TO HAVE TAXES LEVIED BY THE ISSUER OR THE STATE OR ANY POLITICAL SUBDIVISION THEREOF FOR THE PAYMENT OF THE PRINCIPAL AND PREMIUM, IF ANY, AND INTEREST ON THE BONDS.

NO MEMBER, OFFICER, AGENT, EMPLOYEE OR ATTORNEY OF THE ISSUER, INCLUDING ANY PERSON EXECUTING THE INDENTURE OR THE BONDS, SHALL BE LIABLE PERSONALLY ON THE BONDS OR FOR ANY REASON RELATING TO THE ISSUANCE OF THE BONDS. NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE BONDS, OR FOR ANY CLAIM BASED ON THE BONDS, OR OTHERWISE IN RESPECT OF THE BONDS, OR BASED ON OR IN RESPECT OF THE INDENTURE OR ANY SUPPLEMENTAL INDENTURE, AGAINST ANY MEMBER, OFFICER, EMPLOYEE OR AGENT, AS SUCH, OF THE ISSUER OR ANY SUCCESSOR, WHETHER BY VIRTUE OF ANY CONSTITUTION, STATUTE OR RULE OF LAW, OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY OR OTHERWISE, ALL SUCH LIABILITY BEING, BY THE ACCEPTANCE OF THIS BOND AND AS PART OF THE CONSIDERATION FOR THE ISSUE OF THE BONDS, EXPRESSLY WAIVED AND RELEASED.

This Bond is one of a duly authorized issue of Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022A (the "Bonds"), issuable under the Indenture of Trust, dated as of June 1, 2022 (the "Indenture"), between the Issuer and the Trustee, in the original aggregate principal amount of $9,886,000, and issued for the purpose of making a loan (the "Loan") to the Borrower described therein (the "Borrower") to pay a portion of the costs of acquiring, constructing, and equipping the Project, as described in the Indenture and the Loan Agreement, dated as of June 1, 2022 (the "Loan Agreement"), between the Issuer and the Borrower. The Bonds are special, limited obligations of the Issuer, issued or to be issued under and are to be secured and entitled equally and ratably to the protection given by the Indenture. The Bonds are issued pursuant to, under authority of and in compliance with the laws of the

State, including without limitation Minnesota Statutes, Chapters 462C and 474A, as amended, and a resolution duly enacted by the City Council of the Issuer.

The Bonds are subject to optional redemption, in whole, at a price equal to the principal amount thereof plus accrued interest to the date fixed for redemption, on any Business Day on and after the later to occur of (i) the Optional Redemption Date; or (ii) the date the Borrower has provided written notice to the Trustee that the Project has been placed in service under Section 42 of the Code, in the event the Borrower prepays the Note and amounts are paid from the proceeds of refunding bonds or otherwise from Available Money upon the written direction of the Borrower delivered to the Issuer and the Trustee. Notwithstanding the foregoing, the Bonds shall not be subject to optional redemption unless there shall be in place at the time the Trustee gives the notice of redemption pursuant to the Indenture arrangements enabling the Trustee to liquidate, if needed, on or prior to the date of redemption the Eligible Investments on deposit in the Special Funds, without need for further investment, for an aggregate amount of money sufficient to pay the redemption price of the Bonds on the date fixed for redemption.

The Bonds shall be redeemed in whole at a redemption price of one hundred percent (100%) of the principal amount of such Bonds, plus accrued interest to the redemption date, on any Mandatory Tender Date upon the occurrence of any of the following events: (a) the Borrower has previously elected not to cause the remarketing of the Bonds; (b) the conditions to remarketing set forth in the Indenture have not been met by the dates and times set forth in the Indenture; or (c) the proceeds of a remarketing on deposit in the Remarketing Proceeds Account at 11:00 a.m. Local Time on the Mandatory Tender Date are insufficient to pay the purchase price of the Outstanding Bonds on such Mandatory Tender Date. Bonds subject to redemption in accordance with this paragraph shall be redeemed from (i) amounts on deposit in the Collateral Fund; (ii) amounts on deposit in the Interest Account of the Bond Fund; (iii) amounts on deposit in the Project Fund; and (iv) any other Available Money available or made available for such purpose at the direction of the Borrower.

The Bonds are subject to mandatory tender prior to their stated maturity in whole on each Mandatory Tender Date. Holders will not have the right to elect to retain their Bonds. Upon presentation and surrender of the Bonds by the Holder on the date fixed for tender, the Holder shall be paid the principal amount of the Bonds to be tendered, plus accrued interest on such Bonds to the tender date.

Reference is made to the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Holders of the Bonds, and the terms and conditions upon which the Bonds are issued and secured. Each Holder assents, by its acceptance hereof, to all of the provisions of the Indenture.

Pursuant to the Loan Agreement, the Borrower has executed and delivered to the Trustee the Borrower's promissory note, dated of even date herewith (the "Note"), in the principal amount up to $9,886,000. The Borrower is required by the Loan Agreement and the Note to make payments to the Trustee in the amounts and at the times necessary to pay the principal of and interest (the "Bond Debt Service Charges") on the Bonds. In the Indenture, the Issuer has assigned to the Trustee, to provide for the payment of the Bond Debt Service Charges on the Bonds, the Issuer's right, title and interest in and to the Loan Agreement, except for Unassigned Issuer's Rights. To secure its compliance with certain covenants in the Loan Agreement, the Borrower has executed and delivered a Regulatory Agreement, dated as of June 1, 2022, but effective as of the date hereof (the "Regulatory Agreement"), between the Issuer, the Borrower, and the Trustee.

Copies of the Indenture, the Loan Agreement, the Regulatory Agreement and the Note are on file in the principal corporate trust office of the Trustee.

The Bond Debt Service Charges on the Bonds are payable solely from the Issuer Revenues, as provided in the Indenture (being, generally, the amounts payable under the Loan Agreement and the Note in repayment of the Loan, deposits to the Collateral Fund and any unexpended proceeds of the Bonds), and are an obligation of the Issuer only to the extent of the Issuer Revenues. The Bonds are not secured by an obligation or pledge of any money raised by taxation and do not represent or constitute a debt or pledge of the faith and credit of the Issuer.

The Bonds are issuable only as fully registered bonds and, except as hereinafter provided, in printed or typewritten form, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"), which shall be considered to be the Holder for all purposes of the Indenture, including, without limitation, payment by the Issuer of Bond Debt Service Charges, and receipt of notices to, giving of consents by and exercise of rights of, Holders. There shall be a single Bond representing each maturity, and all Bonds shall be immobilized in the custody of DTC with the owners of beneficial interests in those Bonds (the "book-entry interests") having no right to receive from the Issuer Bonds in the form of physical securities or certificates. Ownership of book-entry interests in the Bonds shall be shown by book entry on the system maintained and operated by DTC, its participants (the "Participants") and certain persons acting through the Participants, and transfers of ownership of book-entry interests shall be made only by that book-entry system, the Issuer and the Trustee having no responsibility therefor. DTC is to maintain records of the positions of Participants in the Bonds, and the Participants and persons acting through Participants are to maintain records of the purchasers and owners of book-entry interests in the Bonds. The Bonds as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the Issuer and otherwise at the expense of the Borrower.

If any Depository determines not to continue to act as a Depository for the Bonds for use in a book-entry system, the Issuer may attempt to have established a securities depository/book-entry system relationship with another qualified Depository under the Indenture. If the Issuer does not or is unable to do so, the Issuer and the Trustee, after the Trustee has made provision for notification of the owners of book-entry interests by the then Depository, shall permit withdrawal of the Bonds from the Depository, and authenticate and deliver Bond certificates in fully registered form (in denominations of $5,000, or any integral multiple thereof) to the assignees of the Depository or its nominee, all at the cost and expense (including costs of printing or otherwise preparing and delivering replacement Bond certificates) of those persons requesting such authentication and delivery, if the event is not the result of Issuer action or inaction (including action at the request of the Borrower).

The Indenture permits certain amendments or supplements to the Indenture, the Loan Agreement, the Regulatory Agreement and the Note not prejudicial to the Holders to be made without the consent of or notice to the Holders, and certain other amendments or supplements thereto to be made with the consent of the Holders of not less than a Majority of the Holders of the Bonds.

The Holder of each Bond has only those remedies provided in the Indenture.

The Bonds shall not constitute the personal obligation, either jointly or severally, of the members of the City Council of the Issuer or of any other officer of the Issuer. No recourse shall be had for the payment of the Bonds against any elected or appointed officer, employee or agent of the Issuer, and no elected or appointed officer, employee or agent of the Issuer shall have any monetary liability arising out the Issuer's obligations under the Bonds, or in connection with any covenant, representation or warranty made by the Issuer.

This Bond shall not be entitled to any security or benefit under the Indenture or be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed.

It is certified and recited that there have been performed and have happened in regular and due form, as required by law, all acts and conditions necessary to be done or performed by the Issuer or to have happened (a) precedent to and in the issuing of the Bonds in order to make them legal, valid and binding special limited obligations of the Issuer; and (b) precedent to and in the execution and delivery of the Indenture and the Loan Agreement; that payment in full for the Bonds has been received; and that the Bonds do not exceed or violate any constitutional or statutory limitation.

This Bond shall not be entitled to any security or benefit under the Indenture or be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed.

IN WITNESS WHEREOF, the City of Columbia Heights, Minnesota, by its governing body, has caused this Bond to be executed in its name by the facsimile signatures of its duly authorized officials and by the manual signature of a Responsible Agent of the Trustee acting as authenticating agent.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

By _____
Its Mayor

By _____
Its City Manager

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Indenture.

Date of Registration and Authentication: June 28, 2022.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION

By _____
Authorized Officer

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and irrevocably constitutes and appoints _____ attorney to transfer that Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

_____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatsoever.

Signature Guaranteed:

_____

Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agent Medallion Program or in such other guarantee program acceptable to the Registrar.

Please insert social security number or other tax identification number of transferee

_____

Unless this certificate is presented by an authorized representative of The Depository Trust Company (55 Water Street, New York, New York) to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

EXHIBIT A-2

FORM OF SERIES B BOND

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF ANOKA
CITY OF COLUMBIA HEIGHTS

No. R-____ $560,000

MULTIFAMILY HOUSING REVENUE BOND
(42ND & CENTRAL APARTMENTS PROJECT)
SERIES 2022B

Initial Interest Rate	Maturity	Date of Original Issue	CUSIP Number	Initial Mandatory Tender Date
[_____]%	July 1, 2025	December [__], 2022	19770R [___]	July 1, 2024

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: FIVE HUNDRED SIXTY THOUSAND DOLLARS

The City of Columbia Heights, Minnesota, a municipal corporation, home rule city, and political subdivision of the State of Minnesota (the "Issuer"), for value received, promises to pay to the Registered Owner specified above or registered assigns, but solely from the sources and in the manner referred to herein, the principal amount on the maturity date specified above (subject to optional redemption as set forth herein), which shall be equal to $560,000, and to pay from those sources interest thereon at the aforesaid interest rate on (a) each January 1 and July 1, commencing July 1, 2023; (b) any date the Bonds are called for redemption prior to maturity; (c) each Mandatory Tender Date; (d) the Maturity Date; and (e) the date of acceleration of the Bonds (each an "Interest Payment Date") until the principal amount is paid or duly provided for. This Bond will bear interest from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from its date of delivery. Any capitalized terms not defined herein shall have the meanings given to them in the Indenture (hereinafter defined).

This Bond shall bear interest during each Interest Period at a rate per annum equal to the Interest Rate. Interest on the Bonds shall be calculated on the basis of a three hundred sixty (360) day year consisting of twelve (12) thirty (30) day months.

For purposes of calculating such interest:

"Interest Period" means, initially, the period from the Date of Original Issue to and including July 1, 2023, and thereafter, the period commencing on each succeeding Interest Payment Date and ending on the last day of that month preceding the next Interest Payment Date.

"Interest Rate" means [_____]% to but not including the Initial Mandatory Tender Date and thereafter, the applicable Remarketing Rate.

The principal of this Bond is payable upon presentation and surrender hereof at the designated corporate trust office of the trustee, presently U.S. Bank Trust Company, National Association, a national banking association in Saint Paul, Minnesota (the "Trustee"). Interest is payable on each Interest Payment Date by check or draft mailed to the person in whose name this Bond (or one or more predecessor bonds) is registered (the "Holder") at the close of business on the fifteenth day of the calendar month next preceding that Interest Payment Date (the "Regular Record Date") on the registration books for this issue maintained by the Trustee, as Registrar, at the address appearing therein. Any interest which is not timely paid or duly provided for shall cease to be payable to the Holder hereof (or of one (1) or more predecessor bonds) as of the Regular Record Date, and shall be payable to the Holder hereof (or of one or more predecessor bonds) at the close of business on a Special Record Date to be fixed by the Trustee for the payment of that overdue interest. Notice of the Special Record Date shall be mailed to Holders not less than ten (10) days prior thereto. The principal of and interest on this Bond are payable in lawful money of the United States of America, without deduction for the services of the paying agent. While the Bonds are held in a book-entry system and in certain other circumstances, all as provided in the Indenture, principal of and interest on this Bond is required to be paid by wire transfer or other arrangement, other than any payment of the entire unpaid principal amount hereof.

THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE PLEDGED UNDER THE INDENTURE AND NOT FROM ANY OTHER REVENUES, FUNDS OR ASSETS OF THE ISSUER. THE BONDS ARE NOT GENERAL OBLIGATIONS, DEBT OR BONDED INDEBTEDNESS OF THE ISSUER OR THE STATE OF MINNESOTA (THE "STATE") OR ANY POLITICAL SUBDIVISION THEREOF, AND THE HOLDER THEREOF DOES NOT HAVE THE RIGHT TO HAVE TAXES LEVIED BY THE ISSUER OR THE STATE OR ANY POLITICAL SUBDIVISION THEREOF FOR THE PAYMENT OF THE PRINCIPAL AND PREMIUM, IF ANY, AND INTEREST ON THE BONDS.

NO MEMBER, OFFICER, AGENT, EMPLOYEE OR ATTORNEY OF THE ISSUER, INCLUDING ANY PERSON EXECUTING THE INDENTURE OR THE BONDS, SHALL BE LIABLE PERSONALLY ON THE BONDS OR FOR ANY REASON RELATING TO THE ISSUANCE OF THE BONDS. NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE BONDS, OR FOR ANY CLAIM BASED ON THE BONDS, OR OTHERWISE IN RESPECT OF THE BONDS, OR BASED ON OR IN RESPECT OF THE INDENTURE OR ANY SUPPLEMENTAL INDENTURE, AGAINST ANY MEMBER, OFFICER, EMPLOYEE OR AGENT, AS SUCH, OF THE ISSUER OR ANY SUCCESSOR, WHETHER BY VIRTUE OF ANY CONSTITUTION, STATUTE OR RULE OF LAW, OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY OR OTHERWISE, ALL SUCH LIABILITY BEING, BY THE ACCEPTANCE OF THIS BOND AND AS PART OF THE CONSIDERATION FOR THE ISSUE OF THE BONDS, EXPRESSLY WAIVED AND RELEASED.

This Bond is one of a duly authorized issue of Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022B (the "Bonds"), issuable under the Amended and Restated Indenture of Trust, dated as of December 1, 2022 (the "Indenture"), between the Issuer and the Trustee, in the original aggregate principal amount of $560,000, and issued for the purpose of making a loan (the "Loan") to the Borrower described therein (the "Borrower") to pay a portion of the costs of acquiring, constructing, and equipping the Project, as described in the Indenture and the Loan Agreement, dated as of December 1, 2022 (the "Loan Agreement"), between the Issuer and the Borrower. The Bonds are special, limited obligations of the Issuer, issued or to be issued under and are to be secured and entitled equally and ratably to the protection given by the Indenture. The Bonds are issued pursuant to, under authority of and

in compliance with the laws of the State, including without limitation Minnesota Statutes, Chapters 462C and 474A, as amended, and a resolution duly enacted by the City Council of the Issuer.

The Bonds are subject to optional redemption, in whole, at a price equal to the principal amount thereof plus accrued interest to the date fixed for redemption, on any Business Day on and after the later to occur of (i) the Optional Redemption Date; or (ii) the date the Borrower has provided written notice to the Trustee that the Project has been placed in service under Section 42 of the Code, in the event the Borrower prepays the Note and amounts are paid from the proceeds of refunding bonds or otherwise from Available Money upon the written direction of the Borrower delivered to the Issuer and the Trustee. Notwithstanding the foregoing, the Bonds shall not be subject to optional redemption unless there shall be in place at the time the Trustee gives the notice of redemption pursuant to the Indenture arrangements enabling the Trustee to liquidate, if needed, on or prior to the date of redemption the Eligible Investments on deposit in the Special Funds, without need for further investment, for an aggregate amount of money sufficient to pay the redemption price of the Bonds on the date fixed for redemption.

The Bonds shall be redeemed in whole at a redemption price of one hundred percent (100%) of the principal amount of such Bonds, plus accrued interest to the redemption date, on any Mandatory Tender Date upon the occurrence of any of the following events: (a) the Borrower has previously elected not to cause the remarketing of the Bonds; (b) the conditions to remarketing set forth in the Indenture have not been met by the dates and times set forth in the Indenture; or (c) the proceeds of a remarketing on deposit in the Remarketing Proceeds Account at 11:00 a.m. Local Time on the Mandatory Tender Date are insufficient to pay the purchase price of the Outstanding Bonds on such Mandatory Tender Date. Bonds subject to redemption in accordance with this paragraph shall be redeemed from (i) amounts on deposit in the Collateral Fund; (ii) amounts on deposit in the Interest Account of the Bond Fund; (iii) amounts on deposit in the Project Fund; and (iv) any other Available Money available or made available for such purpose at the direction of the Borrower.

The Bonds are subject to mandatory tender prior to their stated maturity in whole on each Mandatory Tender Date. Holders will not have the right to elect to retain their Bonds. Upon presentation and surrender of the Bonds by the Holder on the date fixed for tender, the Holder shall be paid the principal amount of the Bonds to be tendered, plus accrued interest on such Bonds to the tender date.

Reference is made to the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Holders of the Bonds, and the terms and conditions upon which the Bonds are issued and secured. Each Holder assents, by its acceptance hereof, to all of the provisions of the Indenture.

Pursuant to the Loan Agreement, the Borrower has executed and delivered to the Trustee the Borrower's promissory note, dated of even date herewith (the "Note"), in the principal amount up to $560,000. The Borrower is required by the Loan Agreement and the Note to make payments to the Trustee in the amounts and at the times necessary to pay the principal of and interest (the "Bond Debt Service Charges") on the Bonds. In the Indenture, the Issuer has assigned to the Trustee, to provide for the payment of the Bond Debt Service Charges on the Bonds, the Issuer's right, title and interest in and to the Loan Agreement, except for Unassigned Issuer's Rights. To secure its compliance with certain covenants in the Loan Agreement, the Borrower has executed and delivered an Amended and Restated Regulatory Agreement, dated as of December 1, 2022, but effective as of the date hereof (the "Regulatory Agreement"), between the Issuer, the Borrower, and the Trustee.

Copies of the Indenture, the Loan Agreement, the Regulatory Agreement and the Note are on file in the principal corporate trust office of the Trustee.

The Bond Debt Service Charges on the Bonds are payable solely from the Issuer Revenues, as provided in the Indenture (being, generally, the amounts payable under the Loan Agreement and the Note in repayment of the Loan, deposits to the Collateral Fund and any unexpended proceeds of the Bonds), and are an obligation of the Issuer only to the extent of the Issuer Revenues. The Bonds are not secured by an obligation or pledge of any money raised by taxation and do not represent or constitute a debt or pledge of the faith and credit of the Issuer.

The Bonds are issuable only as fully registered bonds and, except as hereinafter provided, in printed or typewritten form, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"), which shall be considered to be the Holder for all purposes of the Indenture, including, without limitation, payment by the Issuer of Bond Debt Service Charges, and receipt of notices to, giving of consents by and exercise of rights of, Holders. There shall be a single Bond representing each maturity, and all Bonds shall be immobilized in the custody of DTC with the owners of beneficial interests in those Bonds (the "book-entry interests") having no right to receive from the Issuer Bonds in the form of physical securities or certificates. Ownership of book-entry interests in the Bonds shall be shown by book entry on the system maintained and operated by DTC, its participants (the "Participants") and certain persons acting through the Participants, and transfers of ownership of book-entry interests shall be made only by that book-entry system, the Issuer and the Trustee having no responsibility therefor. DTC is to maintain records of the positions of Participants in the Bonds, and the Participants and persons acting through Participants are to maintain records of the purchasers and owners of book-entry interests in the Bonds. The Bonds as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the Issuer and otherwise at the expense of the Borrower.

If any Depository determines not to continue to act as a Depository for the Bonds for use in a book-entry system, the Issuer may attempt to have established a securities depository/book-entry system relationship with another qualified Depository under the Indenture. If the Issuer does not or is unable to do so, the Issuer and the Trustee, after the Trustee has made provision for notification of the owners of book-entry interests by the then Depository, shall permit withdrawal of the Bonds from the Depository, and authenticate and deliver Bond certificates in fully registered form (in denominations of $5,000, or any integral multiple thereof) to the assignees of the Depository or its nominee, all at the cost and expense (including costs of printing or otherwise preparing and delivering replacement Bond certificates) of those persons requesting such authentication and delivery, if the event is not the result of Issuer action or inaction (including action at the request of the Borrower).

The Indenture permits certain amendments or supplements to the Indenture, the Loan Agreement, the Regulatory Agreement and the Note not prejudicial to the Holders to be made without the consent of or notice to the Holders, and certain other amendments or supplements thereto to be made with the consent of the Holders of not less than a Majority of the Holders of the Bonds.

The Holder of each Bond has only those remedies provided in the Indenture.

The Bonds shall not constitute the personal obligation, either jointly or severally, of the members of the City Council of the Issuer or of any other officer of the Issuer. No recourse shall be had for the payment of the Bonds against any elected or appointed officer, employee or agent of the Issuer, and no elected or appointed officer, employee or agent of the Issuer shall have any monetary liability arising out the Issuer's obligations under the Bonds, or in connection with any covenant, representation or warranty made by the Issuer.

This Bond shall not be entitled to any security or benefit under the Indenture or be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed.

It is certified and recited that there have been performed and have happened in regular and due form, as required by law, all acts and conditions necessary to be done or performed by the Issuer or to have happened (a) precedent to and in the issuing of the Bonds in order to make them legal, valid and binding special limited obligations of the Issuer; and (b) precedent to and in the execution and delivery of the Indenture and the Loan Agreement; that payment in full for the Bonds has been received; and that the Bonds do not exceed or violate any constitutional or statutory limitation.

This Bond shall not be entitled to any security or benefit under the Indenture or be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed.

IN WITNESS WHEREOF, the City of Columbia Heights, Minnesota, by its governing body, has caused this Bond to be executed in its name by the facsimile signatures of its duly authorized officials and by the manual signature of a Responsible Agent of the Trustee acting as authenticating agent.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

By _____
Its Mayor

By _____
Its City Manager

_____

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Indenture.

Date of Registration and Authentication: December [__], 2022.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION

By _____
Authorized Officer

_____

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and irrevocably constitutes and appoints _____ attorney to transfer that Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

_____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatsoever.

Signature Guaranteed:

_____

Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agent Medallion Program or in such other guarantee program acceptable to the Registrar.

Please insert social security number or other tax identification number of transferee

_____

Unless this certificate is presented by an authorized representative of The Depository Trust Company (55 Water Street, New York, New York) to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

EXHIBIT B

NOTICE OF MANDATORY TENDER

Notice of Mandatory Tender
to the Holders of

$[9,886,000][560,000]
City of Columbia Heights, Minnesota
Multifamily Housing Revenue Bonds
(42nd & Central Apartments Project)
Series 2022[A][B]

	Series 2022A	Series 2022B
CUSIP Number:	19770R AD0	19770R [___]
Interest Rate:	2.70%	[___]%
Maturity Date:	July 1, 2025	July 1, 2025
Mandatory Tender Date:	July 1, 2024	July 1, 2024
Principal Amount:	$9,886,000	$560,000

NOTICE IS HEREBY GIVEN that all bonds referenced above that are Outstanding (the "Bonds") are subject to mandatory tender for purchase on July 1, 2024 (the "Mandatory Tender Date") pursuant to the terms of the Amended and Restated Indenture of Trust, dated as of December 1, 2022 (the "Indenture"), between the City of Columbia Heights, Minnesota (the "Issuer") and U.S. Bank Trust Company, National Association, a national banking association (the "Trustee").

In accordance with Section 4.03 of the Indenture, the Bonds are subject to mandatory tender in whole and not in part on the Mandatory Tender Date and shall be purchased at a price equal to one hundred percent (100%) of the principal amount of such Bonds, plus accrued interest to the Mandatory Tender Date.

No later than 12:00 Noon, local time, on the Mandatory Tender Date, the Holders shall deliver the Bonds to the Trustee. **The Holders do not have the right to elect to retain their Bonds and any Bonds not tendered will nevertheless be deemed to have been tendered and will cease to bear interest from and after the Mandatory Tender Date.**

Any capitalized terms not defined herein shall have the meanings given to them in the Indenture.

Payment of the Bonds will be made on and after the Mandatory Tender Date upon presentation to:

U.S. Bank Trust Company, National Association
Corporate Trust Services
111 Fillmore Avenue East
St. Paul, MN 55107

You are hereby advised that the above bonds are no longer eligible for reregistration or transfer to another owner.

Mail Date: _____

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

_____

cc: Remarketing Agent

First Draft
Monday, November 14, 2022

AMENDED AND RESTATED
REGULATORY AGREEMENT

between

CITY OF COLUMBIA HEIGHTS, MINNESOTA,
as Issuer

42 CENTRAL LIMITED PARTNERSHIP,
as Borrower

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

Dated as of December 1, 2022
Effective as of December [__], 2022

Relating to:

$9,886,000
City of Columbia Heights, Minnesota
Multifamily Housing Revenue Bonds
(42nd & Central Apartments Project)
Series 2022A

$560,000
City of Columbia Heights, Minnesota
Multifamily Housing Revenue Bonds
(42nd & Central Apartments Project)
Series 2022B

This instrument drafted by:
Kennedy & Graven, Chartered (SEL)
150 South Fifth Street, Suite 700
Minneapolis, Minnesota 55402-1299

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AMENDED AND RESTATED REGULATORY AGREEMENT

THIS AMENDED AND RESTATED REGULATORY AGREEMENT, dated as of December 1, 2022, but effective as of December [__], 2022 (the "Regulatory Agreement"), is between the CITY OF COLUMBIA HEIGHTS, MINNESOTA, a municipal corporation, home rule city, and political subdivision of the State of Minnesota (together with its successors and assigns, the "Issuer"), 42 CENTRAL LIMITED PARTNERSHIP, a Minnesota limited partnership (together with its successors and assigns, the "Borrower"), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association, as trustee under the Indenture referred to below (together with its successors and assigns, the "Trustee").

RECITALS

WHEREAS, the Issuer is authorized to issue bonds to provide financing for multifamily housing developments in accordance with the terms of Minnesota Statutes, Chapters 462C and 474A, as amended (the "Act"); and

WHEREAS, for the purpose of financing the acquisition, construction and equipping of an approximately 62-unit workforce multifamily rental housing development and facilities functionally related and subordinate thereto, comprised of one four-story apartment building including one, two, and three-bedroom units, with both surface lot and below-ground parking, and other amenities, including multiple gathering spaces and an outdoor playground, to be owned by the Borrower on a site located at 800 42nd Avenue NE, Columbia Heights, Minnesota and to be known as 42nd & Central Apartments or another name selected by the Borrower (the "Project"), the Issuer has issued its Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022A (the "Series A Bonds"), in the original aggregate principal amount of $9,886,000, dated June 28, 2022, and will issue on the Closing Date (as defined herein) its Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022B, in the original aggregate principal amount of $560,000 (the "Series B Bonds" and together with the Series A Bonds, the "Bonds"), pursuant to the terms of an Amended and Restated Indenture of Trust, dated as of December 1, 2022 (the "Indenture"), between the Issuer and the Trustee; and

WHEREAS, the Issuer has loaned and will loan the proceeds derived from the sale of the Series A Bonds and the Series B Bonds, respectively, to the Borrower pursuant to the terms of an Amended and Restated Loan Agreement, dated as of December 1, 2022 (the "Loan Agreement"), between the Issuer and the Borrower, to finance the Project; and

WHEREAS, for good and valuable consideration, the Borrower, the Trustee, and the Issuer have determined to enter into this Regulatory Agreement in order to impose on the Project certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), and of the Act applicable to the Project; and

NOW, THEREFORE, the Borrower, the Trustee, and the Issuer do hereby impose upon the Project the following covenants, restrictions, charges, and easements, which shall run with the land and shall be binding and a burden upon the Project and all portions thereof, and upon any purchaser, grantee, owner, or lessee of any portion of the Project and any other person or entity having any right, title, or interest therein and upon the respective heirs, executors, administrators, devisees, successors, and assigns of any purchaser, grantee, owner, or lessee of any portion of the Project and any other person or entity having any right, title, or interest therein, for the length of time that this Regulatory Agreement shall be in full force and effect:

Section 1. Definitions. Unless otherwise expressly provided herein or unless the context clearly requires otherwise, the terms defined above shall have the meanings set forth above and the following terms shall have the respective meanings set forth below for the purposes hereof. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Indenture.

"Act" means Minnesota Statutes, Chapters 462C and 474A as amended.

"Adjusted Income" means the adjusted income of a person (together with the adjusted income of all persons of the age of eighteen (18) years or older who intend to reside with such person in one Dwelling Unit), as calculated in the manner prescribed under Section 142(d)(2)(B) of the Code.

"Bond Counsel" means Kennedy & Graven, Chartered, or any other attorney at law or firm of attorneys, of nationally recognized standing in matters pertaining to the federal tax exemption of interest on bonds and other obligations issued by states and political subdivisions thereof, duly admitted to practice law before the highest court of any state of the United States of America.

"Bonds" means, individually or collectively as context may dictate, the Series A Bonds and if issued, the Series B Bonds.

"Borrower" means 42 Central Limited Partnership, a Minnesota limited partnership, and its lawful successors and assigns to the extent permitted by the Loan Agreement.

"Business Day" means a day of the week, other than a Saturday or a Sunday, on which commercial banks located in the city in which the principal corporate trust office of the Trustee is located are not required or authorized to remain closed.

"Certificate of Continuing Program Compliance" means the document substantially in the form attached as EXHIBIT C hereto.

"City" means the Issuer.

"Closing Date" means December [__], 2022.

"Code" means the Internal Revenue Code of 1986, as amended, and all applicable regulations (whether proposed, temporary or final) under the Code and the statutory predecessor of the Code, and any official rulings and judicial determinations under the foregoing applicable to the Bonds.

"County" means Anoka County in the State.

"Dwelling Units" means the units of multifamily residential rental housing comprising the Project, excluding any unit used as a management office.

"Event of Default" has the meaning specified in Section 13 hereof.

"Functionally Related and Subordinate" shall mean and include facilities for use by tenants, for example, laundry facilities, parking areas, and recreational facilities, provided that the same is of a character and size commensurate with the character and size of the Project.

"Housing Act" means the United States Housing Act of 1937, as amended, codified as 42 U.S.C. Sections 1401 et seq.

"Income Certification" means the income certification set forth in EXHIBIT B attached hereto or another form approved by Bond Counsel.

"Indenture" means the Amended and Restated Indenture of Trust, dated as of December 1, 2022, between the Issuer and the Trustee, and as it may be supplemented and amended from time to time.

"Issuer" means the City of Columbia Heights, Minnesota, a municipal corporation, home rule city, and a political subdivision of the State.

"Land" means the real property legally described in EXHIBIT A attached hereto.

"Loan" means, collectively, the loans provided by the Issuer to the Borrower pursuant to the Loan Agreement to provide financing for the Project.

"Loan Agreement" means the Amended and Restated Loan Agreement, dated as of December 1, 2022, between the Issuer and the Borrower, as it may be amended from time to time.

"Low Income Tenants" means persons or families with Adjusted Income which does not exceed 60% of the Median Income for the Area adjusted for household size. In no event will the occupants of a unit be considered to be Low Income Tenants if all of such occupants are students (as defined in Section 152(f)(2) of the Code), unless the unit is occupied:

(i) by an individual who is (A) a student and receiving assistance under Title IV of the Social Security Act, (B) a student who was previously under the care and placement responsibility of the State agency responsible for administering a plan under Part B or Part E of Title IV of the Social Security Act, or (C) enrolled in a job training program receiving assistance under the Job Training Partnership Act or under other similar federal, State, or local laws; or

(ii) entirely by full-time students if such students are (A) single parents and their children and such parents are not dependents (as defined in Section 152 of the Code, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof) of another individual and such children are not dependents (as defined in Section 152 of the Code, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof) of another individual other than a parent of such children, or (B) married and entitled to file a joint return.

"Low Income Units" means the Dwelling Units in the Project designated for occupancy by Low Income Tenants pursuant to Section 4(a) hereof.

"Median Income for the Area" means the median yearly income for households of an applicable size in the applicable Primary Metropolitan Statistical Area as most recently determined by the Secretary of Housing and Urban Development under Section 8(f)(3) of the Housing Act, or, if such figures are no longer available, the method of calculation is substantially altered, or the programs under Section 8(f) are terminated, the Issuer shall provide the Borrower with another income determination that is reasonably similar to the method used by the Secretary prior to such termination.

"*Original Regulatory Agreement*" means the Regulatory Agreement, dated as of June 1, 2022, between the Issuer, the Borrower, and the Trustee.

"Project" has the meaning assigned to such term in the recitals to this Regulatory Agreement.

"Qualified Project Period" means the period beginning on the later of the date of issuance of the Series B Bonds or the first day on which ten percent (10%) of the Dwelling Units in the Project are occupied and ending on the latest of:

(i) the date which is fifteen (15) years after the date on which fifty percent (50%) of the Dwelling Units in the Project are occupied;

(ii) the first day on which no tax-exempt private activity bond issued with respect to the Project is outstanding; or

(iii) the date on which any assistance provided with respect to the Project under Section 8 of the Housing Act terminates.

"Regulatory Agreement" means this Amended and Restated Regulatory Agreement, dated as of December 1, 2022, but effective as of the Closing Date, between the Issuer, the Borrower, and the Trustee, which amends and restates the Original Regulatory Agreement in its entirety, together with any amendments or supplements hereto.

"Section 474A Penalty" means the penalty described in Section 474A.047, subdivision 3 of the Act, as applied to the Project.

"Section 8 Certificate Holder" means a holder of a Section 8 certificate/voucher under Section 8 of the Housing Act.

"Series A Bonds" means the Issuer's Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022A, issued in the original aggregate principal amount of $9,886,000.

"Series B Bonds" means the Issuer's Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022B in the original aggregate principal amount to be allocated to the Issuer for the Project pursuant to Section 146 of the Code and Minnesota Statues, Chapter 474A, as amended.

"State" means the State of Minnesota.

"Treasury Regulations" means the regulations promulgated or proposed by the Department of the Treasury pursuant to the Code from time to time or pursuant to any predecessor statute to the Code.

"Trustee" means U.S. Bank Trust Company, National Association, a national banking association, or any successor or assign.

Unless the context clearly requires otherwise, as used in this Regulatory Agreement words of the masculine, feminine or neuter gender shall be construed to include each other gender when appropriate, and words of the singular number shall be construed to include the plural number, and vice versa, when appropriate. This Regulatory Agreement and all of the terms and provisions hereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof.

Section 2. Representations by the Borrower. The Borrower covenants, represents, and warrants that:

(a) The Borrower is a limited partnership organized and existing under the laws of the State. The Borrower is in good standing in the State and has duly authorized, by proper action, the execution

and delivery of this Regulatory Agreement. The Borrower is duly authorized by the laws of the State to transact business in the State and to perform all of its duties hereunder.

(b) Neither the execution and delivery of this Regulatory Agreement or any other document in connection with the financing of the Project, the consummation of the transactions contemplated hereby and thereby nor the fulfillment of or compliance with the terms and conditions hereof and thereof conflicts with or results in a breach of any of the terms, conditions, or provisions of any agreement or instrument to which the Borrower is now a party or by which it is bound or constitutes a default (with due notice or the passage of time or both) under any of the foregoing or results in the creation or imposition of any prohibited lien, charge, or encumbrance whatsoever upon any of the property or assets of the Borrower under the terms of any instrument or agreement to which the Borrower is now a party or by which it is bound.

(c) The execution, delivery, and performance of this Regulatory Agreement and all other documents to be delivered by the Borrower in connection with the consummation of the transactions contemplated hereby will not conflict with, or constitute a breach of or default under, any indenture, mortgage, deed of trust, lease, commitment, agreement, or other instrument or obligation to which the Borrower is a party or by which the Borrower or any of its property is bound, or under any law, rule, regulation, judgment, order, or decree to which the Borrower is subject or by which the Borrower or any of its property is bound.

(d) To the best of the Borrower's knowledge, there is no action, suit, proceeding, inquiry, or investigation by or before any governmental agency, public board, or body pending or threatened against the Borrower (nor to the best of its knowledge is there any basis therefor), which:

(i) affects or seeks to enjoin, prohibit, or restrain the issuance, sale, or delivery of the Bonds or the use of the proceeds of the Bonds to finance the acquisition, construction and equipping of the Project or the execution and delivery of this Regulatory Agreement,

(ii) affects or questions the validity or enforceability of the Bonds or this Regulatory Agreement,

(iii) questions the tax-exempt status of the Bonds, or

(iv) questions the power or authority of the Borrower to own, acquire, construct, equip or operate the Project or to execute, deliver, or perform the Borrower's obligations under this Regulatory Agreement.

(e) The Project will be located wholly within the boundaries of the City.

(f) On and after the date on which the Bonds are executed and delivered to the Trustee, the Borrower will have title to the Land sufficient to carry out the purposes of this Regulatory Agreement, and the Borrower will not transfer its interest in the Land, except as otherwise permitted by this Regulatory Agreement.

(g) The Project will consist of those facilities described herein, which generally are described as residential buildings and related facilities situated on the Land. The Borrower shall make no changes to the Project or to the operation thereof which would affect the qualification of the Project under the Act or impair the exemption from federal income taxation of the interest on the Bonds. The Borrower will utilize and operate the Project as a multifamily rental housing project during the term of the Bonds in

accordance with all applicable federal, State, and local laws, rules, and regulations applicable to the Project.

(h) The Borrower has obtained, or will obtain on or before the date required therefor, all necessary certificates, approvals, permits, and authorizations with respect to the operation of the Project.

(i) The Borrower does not and will not own any of the Bonds. The Borrower acknowledges and understands that during any period of time when the Borrower owns the Bonds, the interest on the Bonds shall not be tax-exempt pursuant to Section 147(a) of the Code.

(j) The Borrower does not own any buildings or structures which are proximate to the Project other than those buildings or structures which comprise the Project, which are being financed pursuant to a common plan under which the Project is also being financed.

(k) The statements made in the various certificates delivered by the Borrower to the Issuer or the Trustee on the date of issuance of the Bonds are true and correct.

Section 3. Qualified Residential Rental Project. The Borrower shall acquire, construct, equip, own, manage, and operate the Project as a "qualified residential rental project," as such phrase is utilized in Section 142(d) of the Code, on a continuous basis during the Qualified Project Period. To that end, the Borrower hereby represents, warrants, and covenants as follows:

(a) that a qualified residential rental project will be constructed on the Land, and the Borrower shall own, manage and operate the Project as a qualified residential rental project containing Dwelling Units and facilities Functionally Related and Subordinate to such Dwelling Units, in accordance with Section 142(a)(7) and Section 142(d) of the Code and all applicable Treasury Regulations promulgated thereunder, as the same may be amended from time to time;

(b) that all of the Dwelling Units of the Project will be similarly constructed and each Dwelling Unit in the Project will contain complete facilities for living, sleeping, eating, cooking, and sanitation for a single person or a family;

(c) that:

(i) none of the Dwelling Units in the Project shall at any time in the future be utilized on a transient basis;

(ii) that none of the Dwelling Units in the Project shall at any time in the future be leased or rented for a period of less than thirty (30) days; and

(iii) that neither the Project nor any portion thereof shall be used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, hospital, nursing home, sanitarium, rest home, or trailer park or trailer court for use on a transient basis, or by a cooperative housing corporation (as defined in Section 216(b)(1) of the Code);

(d) that once available for occupancy:

(i) each Dwelling Unit in the Project must be rented or available for rental on a continuous basis to members of the general public during the Qualified Project Period; and

(ii) the Borrower shall not give preference in renting Dwelling Units in the Project to any particular class or group of persons, other than Low Income Tenants as provided herein or as otherwise permitted by law;

(e) that the Dwelling Units in the Project shall be leased and rented to members of the general public in compliance with this Regulatory Agreement, except for any Dwelling Unit for a resident manager or maintenance personnel;

(f) that the Project consists of one or more discrete edifices or other man-made construction, each consisting of an independent foundation, outer walls, and roof, all of which will be (i) owned by the same person for federal tax purposes; (ii) located on a single tract of land or any parcel or parcels of land which are contiguous except for the interposition of a road, street, stream, or a similar property; and (iii) financed by the Loan or otherwise pursuant to a common plan of financing, and which consists entirely of:

(i) units which are similar in quality and type of construction and amenities; and

(ii) property Functionally Related and Subordinate in purpose and size to the Project, *e.g.*, parking areas, laundries, swimming pools, tennis courts, and other recreational facilities (none of which may be unavailable to any person because such person is a Low Income Tenant) and other facilities which are reasonably required for the Project, *e.g.*, heating and cooling equipment, trash disposal equipment, or units for residential managers or maintenance personnel;

(g) that no portion of the Project shall be used to provide any health club facility, any facility primarily used for gambling, or any store the principal business of which is the sale of alcoholic beverages for consumption off premises;

(h) that the Project shall not include a Dwelling Unit in a building where all Dwelling Units in such building are not also included in the Project;

(i) that the Borrower shall not convert the Dwelling Units in the Project to condominium or cooperative ownership;

(j) that no Dwelling Unit in the Project shall be occupied by the Borrower (or any person related to the Borrower within the meaning of Section 147(a)(2) of the Code) at any time unless such person resides in a Dwelling Unit in a building or structure which contains at least five (5) Dwelling Units and unless the resident of such Dwelling Unit is a resident manager or other necessary employee (e.g., maintenance and security personnel);

(k) that the Bonds will not be "federally guaranteed," as defined in Section 149(b) of the Code;

(l) that the Project shall at all times be used and operated as a "multifamily housing development," as defined in the Act; and

(m) that the Borrower shall not discriminate on the basis of race, creed, color, sex, sexual preference, source of income (*e.g.*, AFDC or SSI), physical disability, national origin, or marital status in the rental, lease, use, or occupancy of the Project or in connection with the employment or application for employment of persons for the operation and management of the Project.

Section 4. Low Income Tenants. Pursuant to the requirements of the Act and Section 142(d) of the Code, the Borrower hereby represents, warrants, and covenants as follows:

(a) Upon completion of the Project, at least twenty-five (25) of the Dwelling Units, which is equal to at least forty percent (40%) of the Dwelling Units, will be occupied or held for occupancy by Low Income Tenants. Throughout the Qualified Project Period, not less than forty percent (40%) of the completed Dwelling Units shall be continuously occupied or held for occupancy by Low Income Tenants. The Borrower will designate the Low Income Units and will make any revisions to such designations as necessary to comply with the applicable provisions of the Code and the Treasury Regulations. As set forth in subsection (e) below, the Borrower shall advise the Issuer and the Trustee by delivery of a certificate in writing of the status of the occupancy of the Project with respect to Low Income Tenants on an annual basis for the term of this Regulatory Agreement. An Annual Certification of a Residential Rental Project, Form 8703 (Rev. December 2021), or successor form, shall be prepared annually by the Borrower and filed with the United States Secretary of the Treasury pursuant to Section 142(d)(7) of the Code (currently with the Internal Revenue Service Center, Ogden, Utah 84201), with a copy to be filed by the Borrower with the Issuer and the Trustee. The percentage of units is measured by number of units, and not square footage of units.

For purposes of satisfying the occupancy requirements set forth above, a unit occupied by a person or family who at the commencement of their occupancy qualified as a Low Income Tenant shall be treated as occupied by a Low Income Tenant until such time as any recertification of such tenant's income in accordance with subsections (c) and (h) below demonstrates that such tenant's income exceeds one hundred forty percent (140%) of the income limitation applicable to Low Income Tenants.

A unit occupied by a Low Income Tenant shall be deemed, upon the termination of such tenant's occupancy, to be continuously occupied by a Low Income Tenant until reoccupied, other than for a temporary period (not to exceed sixty (60) days), at which time the character of the unit shall be redetermined.

(b) The Borrower will notify the Issuer on an annual basis of any vacancy of any Low Income Units.

(c) The Borrower will obtain, complete, and maintain on file income certifications from each Low Income Tenant, obtained immediately prior to the initial occupancy of such tenant in the Project, and thereafter re-obtain in any year in which a unit in the Project is occupied by a new resident whose income exceeds the applicable income limit, income certifications (based upon their then current income), from each Low Income Tenant, substantially in the form of the Income Certification set forth in EXHIBIT B attached hereto and will provide such additional information as may be required by Section 142(d) of the Code, as the same may be amended from time to time, or in such other form and manner as may be required by applicable rules, rulings, policies, procedures, Treasury Regulations now or hereafter promulgated, proposed or made by the Department of the Treasury or the Internal Revenue Service applicable to the Bonds. Such Income Certification shall be obtained prior to initial occupancy. If requested in writing by the Issuer, a copy of such Income Certification shall be filed with the Issuer prior to occupancy by the tenant whenever possible but in no event more than one month after initial occupancy by the tenant. A copy of each recertification of income, if applicable, shall be attached to each report filed with the Issuer pursuant to subsection (a) above. The Borrower shall make a good-faith effort to verify that the income reported by an applicant in an income certification is accurate by taking at least one of the following steps as a part of the verification process: (1) obtain a pay stub for the most recent pay period; (2) obtain an income tax return for the most recent tax year; (3) conduct a credit or similar search; (4) obtain an income verification form from the applicant's current employer; (5) obtain an income verification form from the Social Security Administration if the applicant receives assistance from

such agency; or (6) if the applicant is unemployed and has no such tax return, obtain another form of independent verification. If the Low Income Tenant is a Section 8 Certificate Holder, the Borrower shall retain a copy of the certificate or voucher for verification of income in lieu of an income verification.

The Borrower understands that failure to file the Annual Certification of a Residential Rental Project, Form 8703 (Rev. December 2021), or successor form, as required by Section 142(d)(7) of the Code at the times stated therein may subject it to the penalty described in Section 6652(j) of the Code.

(d) The Borrower will maintain complete and accurate records pertaining to the Low Income Units and will permit, upon reasonable prior notice, any duly authorized representative of the Issuer, the Trustee, the Department of the Treasury, or the Internal Revenue Service to inspect the books and records of the Borrower pertaining to the Project, including those records pertaining to the occupancy of the Low Income Units. This section is not intended to create any additional duties to inspect records.

(e) The Borrower will prepare and submit to the Issuer and the Trustee, on or before March 1 of each year during the Qualified Project Period, beginning the first March 1 following commencement of the Qualified Project Period, a Continuing Program Compliance Certificate in the form of EXHIBIT C attached hereto and executed by the Borrower, and, if requested by the Trustee or the Issuer the Income Certifications described in subsection (c) above. The Trustee may rely solely on the Continuing Program Compliance Certificate as evidence of the Borrower's compliance with the terms and restrictions of this Section.

(f) The Borrower, upon becoming aware of an Event of Default, will notify the Issuer and a Responsible Officer of the Trustee, in writing, of the occurrence of any such Event of Default hereunder or any event which, with the passage of time or service of notice, or both, would constitute an Event of Default hereunder, specifying the nature and period of existence of such event and the actions being taken or proposed to be taken with respect thereto. Such notice shall be given promptly and in no event longer than ten (10) Business Days after the Borrower receives notice or gains knowledge of the occurrence of any such event. The Borrower further agrees that it will give prompt written notice to the Issuer and the Trustee if insurance proceeds or condemnation awards in excess of $50,000 are received with respect to the Project and are not used to repair or replace the Project, which notice shall state the amount of such proceeds or award.

(i) Except as provided in clause (ii) below, the Borrower shall accept as tenants on the same basis as all other prospective tenants Low Income Tenants who are recipients of federal certificates for rent subsidies pursuant to the existing program under Section 8 of the Housing Act or its successor and shall not apply selection criteria to Section 8 Certificate Holders that are more burdensome than the criteria applied to all other prospective tenants.

(ii) The Borrower agrees to modify the leases for units in the Project as necessary to allow the rental of Low Income Units to Section 8 Certificate Holders.

(g) Each lease pertaining to a Low Income Unit shall contain a provision to the effect that the Borrower has relied on the income certification and supporting information supplied by the Low Income Tenant in determining qualification for occupancy of the Low Income Unit and that any material misstatement in such certification (whether or not intentional) will be cause for immediate termination of such lease.

(h) Throughout the Qualified Project Period, the Borrower shall recertify each Low Income Tenant's income on or before the anniversary of the Low Income Tenant's tenancy, in any year in which a unit in the Project is occupied by a new resident whose income exceeds the applicable income limit, by

obtaining a completed Income Certification. In the event the recertification demonstrates that any such tenant's household income exceeds one hundred forty percent (140%) of the applicable income limit, the Borrower shall hold the next available unit or units of comparable or smaller size in the Project available for rental by new Low Income Tenants.

The Borrower in its sole discretion may notify, in writing, each tenant who is no longer a Low Income Tenant of such fact, and that the rent of such tenant(s) is subject to increase thirty (30) days after receipt of such notice. The Borrower shall be entitled to so increase any such tenant's rent only if the Borrower complies with any law applicable thereto and only after the Borrower has rented the next available unit or units in the Project on a one-for-one basis to a Low Income Tenant, or holds units vacant and available for occupancy by Low Income Tenants.

The Borrower agrees to inform all prospective Low Income Tenants of the requirements for recertification of income and of the provisions of the preceding paragraph.

Section 5. Restrictions Imposed by Minnesota Statutes, Chapter 474A. Because the Bonds are issued by the Issuer as residential rental project bonds, as defined in Chapter 474A of the Act ("Chapter 474A"), and the Issuer has received an allocation of tax-exempt bonding authority pursuant to applicable provisions of Chapter 474A, the restrictions imposed by Chapter 474A apply to the Project as described below.

(a) In addition to any other restrictions on rent or the income of tenants set forth in this Regulatory Agreement, during the Qualified Project Period, the Borrower shall restrict rents on at least twenty percent (20%) of the units in the Project (which may consist of the same units as meet the requirements of Section 4 hereof) to an amount not exceeding the area fair market rents or exception fair market rents, as applicable, for existing housing, as established by the federal Department of Housing and Urban Development from time to time, which units shall be occupied, or held for occupancy, by Low Income Tenants. The rental rates of units in a residential rental project for which project-based federal assistance payments are made are deemed to be within the rent limitations of this clause.

(b) The annual certifications required to be made by the Borrower hereunder shall conform to the requirements of Section 474A.047, subdivision 2, and the Issuer shall have the authority to impose upon the Borrower any and all penalties described in Section 474A.047, subdivision 3, from time to time, in addition to any remedies otherwise available under this Regulatory Agreement.

(c) The Borrower must satisfy the requirements of Section 474A.047, subdivision 1(a), during the Qualified Project Period. The Borrower must annually certify to the Issuer over the term of this Regulatory Agreement that the rental rates for the rent-restricted units are within the limitations under Section 474A.047, subdivision 1(a). The Issuer may request individual certification of the income of residents of the income-restricted units. The Commissioner of Minnesota Management and Budget may request from the Issuer a copy of the annual certification prepared by the Borrower. The Commissioner of Minnesota Management and Budget may require the Issuer to request individual certification of all residents of the income-restricted units. Notwithstanding anything to the contrary contained in this Section 5, the rental rates of all units in the Project for which project-based federal assistance payments will be made under a Section 8 Housing Assistance Payment Contract, are deemed to be within the rent limitations of Section 474A.047, subdivision 1(a).

Section 6. Covenants Run With the Land. The Borrower hereby declares its express intent that the covenants, restrictions, charges, and easements set forth herein shall be deemed covenants running with the Land and shall, except as otherwise provided in this Regulatory Agreement, pass to and be binding upon the Borrower's successors in title including any purchaser, grantee, owner, or lessee of

any portion of the Project and any other person or entity having any right, title, or interest therein and upon the respective heirs, executors, administrators, devisees, successors, and assigns of any purchaser, grantee, owner, or lessee of any portion of the Project and any other person or entity having any right, title, or interest therein. Except as otherwise provided in this Regulatory Agreement, each and every contract, deed, or other instrument hereafter executed covering or conveying the Project or any portion thereof or interest therein shall contain an express provision making such conveyance subject to the covenants, restrictions, charges, and easements contained herein; provided, however, that any such contract, deed, or other instrument shall conclusively be held to have been executed, delivered, and accepted subject to such covenants, regardless of whether or not such covenants are set forth or incorporated by reference in such contract, deed, or other instrument.

Section 7. Indemnification. The Borrower hereby covenants and agrees that it shall indemnify and hold harmless the Issuer and the Trustee and their officers, agents, officials, directors, representatives and employees (the "Indemnified Parties") as provided in the Loan Agreement. All provisions of the Loan Agreement relating to indemnification are incorporated by reference herein and are considered provisions of this Regulatory Agreement, as if expressly set out herein.

Section 8. Consideration. The Issuer has issued the Bonds in part to provide funds to make the Loan to finance the acquisition, construction, and equipping of the Project all for the purpose, among others, of inducing the Borrower to acquire, construct, equip, and operate the Project. In consideration of the issuance of the Bonds by the Issuer, the Borrower has entered into this Regulatory Agreement and has agreed to restrict the uses to which the Project can be put on the terms and conditions set forth herein.

Section 9. Reliance. The Issuer and the Borrower hereby recognize and agree that the representations and covenants set forth herein may be relied upon by all persons interested in the legality and validity of the Bonds and in the exemption from federal income taxation of the interest on the Bonds. In performing their duties and obligations hereunder and under the Indenture, the Issuer and the Trustee may conclusively rely upon statements and certificates of the Borrower and the tenants and upon audits of the books and records of the Borrower pertaining to the Project. In addition, the Issuer and the Trustee may consult with counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any inaction or action taken or suffered by the Issuer or the Trustee hereunder in good faith and in conformity with such opinion. A copy of any such opinion shall be furnished by the Issuer or the Trustee to the Borrower upon written request. In determining whether any default or lack of compliance by the Borrower exists under this Regulatory Agreement, the Issuer or the Trustee shall not be required to conduct any investigation into or review of the operations or records of the Borrower and, absent any actual knowledge of any default or noncompliance, may assume compliance by the Borrower unless otherwise notified in writing.

The Trustee and the Issuer shall be under no duty to make any investigation or inquiry as to any statements or other matters contained or referred to in any documents or any instruments delivered to it in accordance with this Regulatory Agreement, but it may receive and accept the same as conclusive evidence of the truth and accuracy of such statements.

Section 10. Sale or Transfer of the Project. The Borrower hereby covenants and agrees not to sell, transfer, or otherwise dispose of the Project, or any portion thereof, except as permitted under the terms of the Loan Agreement. Any attempted sale, transfer, or disposition which would cause or result in the violation of any of these covenants, provisions, reservations, restrictions, charges, or easements shall be null and void ab initio and of no force and effect. Nothing herein shall prohibit the transfer, sale or assignment of the interests in the Borrower or any direct or indirect ownership interests in the Borrower's partners ("Transfers"). The removal and replacement of the Borrower's general partner (the "General Partner"), as provided in the Partnership Agreement, shall be allowed without Issuer or Trustee consent

("Replacement," and together with Transfers, "Permitted Transfers"). Nothing herein shall prohibit the transfer, sale or assignment of the general partnership interest held by General Partner in the Borrower to Bridgewater Bank, a Minnesota banking corporation (the "Equity Bridge Lender") in connection with the cashflow loan from the Equity Bridge Lender to the Borrower, which shall be permitted and shall not require Issuer or Trustee consent.

Section 11. Term. This Regulatory Agreement and the terms hereof shall become effective as of the Closing Date and shall remain in full force and effect for a term and period equal to the Qualified Project Period, it being expressly agreed and understood that the provisions hereof are intended to survive the retirement of the Bonds and termination of the Loan Agreement and the Loan if the Qualified Project Period has not expired at the time of such retirement and expiration. Notwithstanding anything in this Regulatory Agreement to the contrary:

(a) The Project may be transferred pursuant to a foreclosure, exercise of power of sale, or deed in lieu of foreclosure, or comparable proceedings without the consent of or fee of any kind payable to the Issuer or compliance with the provisions of this Regulatory Agreement. In connection with any such foreclosure, deed in lieu of foreclosure, or other proceedings, this Regulatory Agreement shall be terminated upon completion of the foreclosure and expiration of the applicable redemption period, or recording of a deed in lieu of foreclosure.

(b) The requirements of this Regulatory Agreement shall terminate and be of no further force and effect in the event of involuntary noncompliance with the provisions of this Regulatory Agreement caused by fire or other casualty, seizure, requisition, foreclosure, transfer of title by deed in lieu of foreclosure, change in a federal law, or an action of a federal agency after the date of this Regulatory Agreement, which prevents the Issuer and the Trustee from enforcing such provisions, or condemnation or a similar event, but only if, within a reasonable period, either the Bonds are retired or amounts received as a consequence of such event are used to provide a project that meets the requirements hereof (provided that this shall be deemed met if the Bonds have been previously retired); provided, however, that the preceding provisions of this sentence shall cease to apply and the restrictions contained herein shall be reinstated if, at any time subsequent to the termination of such provisions as the result of the foreclosure, or the delivery of a deed in lieu of foreclosure, or a similar event, the Borrower or any related person (within the meaning of Section 1.103-10(e) of the Treasury Regulations) obtains an ownership interest in the Project for federal income tax purposes. The Borrower hereby agrees that, following any foreclosure, transfer of title by deed in lieu of foreclosure, or similar event, neither the Borrower nor any such related person as described above will obtain an ownership interest in the Project for federal tax purposes.

(c) This Regulatory Agreement, or any of the provisions or sections hereof, may be terminated upon agreement by the Issuer and the Borrower, upon receipt of an opinion of Bond Counsel to the effect that such termination will not cause interest on the Bonds to become included in gross income for federal income tax purposes or cause interest on the Bonds to become included in the net taxable income of individuals, trusts, and estates for State income tax purposes.

Upon the termination of the terms of this Regulatory Agreement, the parties hereto agree to execute, deliver, and record appropriate instruments of release and discharge of the terms hereof; provided, however, that the execution and delivery of such instruments shall not be necessary or a prerequisite to the termination of this Regulatory Agreement in accordance with its terms.

Section 12. Burden and Benefit. The Issuer and the Borrower hereby declare their understanding and intent that the burden of the covenants set forth herein touch and concern the Land in that the Borrower's legal interest in the Project is rendered less valuable thereby. The Issuer and the Borrower hereby further declare their understanding and intent that the benefit of such covenants touch

and concern the Land by enhancing and increasing the enjoyment and use of the Project by Low Income Tenants, the intended beneficiaries of such covenants, reservations, and restrictions, and by furthering the public purposes for which the Bonds were issued. Notwithstanding the foregoing, the Low Income Tenants are not intended to be third-party beneficiaries of this Regulatory Agreement and shall have no rights to enforce any provision herein.

Section 13. Enforcement. If the Borrower defaults in the performance or observance of any covenant, agreement, or obligation of the Borrower set forth in this Regulatory Agreement, and if such default remains uncured for a period of sixty (60) days after written notice thereof shall have been given by the Issuer or the Trustee to the Borrower, then the Issuer, or the Trustee, acting upon the direction of the holders of the Bonds pursuant to the Indenture, may declare an "Event of Default" to have occurred hereunder and, at its option, may take any one or more of the following steps:

(a) by mandamus or other suit, action, or proceeding at law or in equity require the Borrower to perform its obligations and covenants hereunder or enjoin any acts or things which may be unlawful or in violation of the rights of the Issuer, the Trustee, or the holders of the Bonds hereunder;

(b) have access to and inspect, examine, and make copies of all the books and records of the Borrower pertaining to the Project;

(c) take such other action at law or in equity as may appear necessary or desirable to enforce the obligations, covenants, and agreements of the Borrower hereunder; or

Notwithstanding anything to the contrary contained herein, the Issuer and the Trustee hereby agree that any cure of any default made or tendered by one or more of Borrower's partners shall be deemed to be a cure by Borrower and shall be accepted or rejected on the same basis as if made or tendered by Borrower.

All fees, costs, and expenses of the Trustee or the Issuer incurred in taking any action pursuant to this Section shall be the sole responsibility of the Borrower and shall be paid to the Trustee or the Issuer, as the case may be, on demand.

After the Bonds have been discharged, the Issuer may act on its own behalf to declare an "Event of Default" to have occurred and to take any one or more of the steps specified hereinabove to the same extent and with the same effect as if taken by the Trustee at the direction of the holders of the Bonds.

Section 14. The Trustee and the Issuer. The Trustee is entering into this Regulatory Agreement in its capacity as the Trustee under the terms of the Bonds and the Indenture and the protections afforded the Trustee therein shall apply to its duties and obligations under this Regulatory Agreement. The Issuer may, at all times, assume the Borrower's compliance with this Regulatory Agreement unless otherwise notified in writing by the Trustee (but the Trustee shall have no obligation to so notify the Issuer), or unless the Issuer has actual knowledge of noncompliance. The Trustee shall conclusively rely on the accuracy of any certificates, instruments, opinions, or reports delivered to it by the Borrower. It is expected that the Bonds will be discharged and the Indenture will terminate prior to the expiration of the Qualified Project Period. Following the payment in full and the discharge of the Bonds and the termination of the Indenture: (i) all obligations, rights, and duties of the Trustee under this Regulatory Agreement will terminate and be of no further force and effect; (ii) all actions required by the Trustee will instead be undertaken by the Issuer; (iii) all notices to be delivered to the Trustee will instead be delivered to the Issuer and all notices to be delivered by the Trustee will instead be delivered by the Issuer; and (iv) the Trustee shall no longer be a party to this Regulatory Agreement and shall be considered released from all obligations hereunder.

Section 15. Amendment. The provisions hereof shall not be amended or revised prior to the stated term hereof except by an instrument in writing duly executed by the Issuer and the Borrower, and consented to by the Trustee as may be required by the Loan Agreement, and duly recorded. The Issuer's and the Trustee's consent to any such amendment or revision shall be given only upon receipt of an opinion of Bond Counsel addressed to the Issuer and Trustee that such amendment or revision will not adversely affect the exemption from federal income taxation of interest on the Bonds. Neither the Issuer nor the Trustee shall have a duty to prepare any such consent, amendment, or revision.

Section 16. Right of Access to the Project and Records. The Borrower agrees that during the term of this Regulatory Agreement, the Issuer, the Trustee, and the duly authorized agents of either of them shall have the right at all reasonable times, and upon reasonable notice of at least twenty-four (24) hours, to enter upon the site of the Project during normal business hours to examine and inspect the Project and to have access to the books and records of the Borrower with respect to the Project, a copy of which shall be maintained at the site of the Project.

Section 17. No Conflict with Other Documents. The Borrower warrants that it has not executed and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof.

Section 18. Severability. The invalidity of any clause, part, or provision of this Regulatory Agreement shall not affect the validity of the remaining portions thereof.

Section 19. Notices. All notices to be given pursuant to this Regulatory Agreement shall be in writing and shall be deemed given when sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods or when mailed by certified or registered mail, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing:

To the Issuer:
City of Columbia Heights, Minnesota
590 – 40th Avenue NE
Columbia Heights, Minnesota 55421
Attention: Community Development Director

To the Trustee:	U.S. Bank Trust Company, National Association 60 Livingston Avenue, Third Floor EP-MN-WS3C Saint Paul, MN 55107-2292 Attention: Corporate Trust Services
To the Borrower:	42 Central Limited Partnership c/o Reuter Walton Development, LLC 4450 Excelsior Boulevard, Suite 400 St. Louis Park, MN 55416 Attention: General Counsel
With copies to:	Stoel Rives LLP 600 University Street, Suite 3600 Seattle, WA 98101 Attention: Joseph McCarthy, Esq.
	and
	Bridgewater Bank 4450 Excelsior Boulevard, Suite 100 St. Louis Park, MN 55416 Attention: Ross Wieser

Section 20. Governing Law. This Regulatory Agreement shall be governed by and construed in accordance with the laws and judicial decisions of the State, except as such laws may be preempted by any federal rules, regulations, and laws.

Section 21. Payment of Fees. Notwithstanding payment of the Loan, the termination of the Loan Agreement, and the defeasance or discharge of the Bonds, throughout the term of the Qualified Project Period, the Borrower shall continue to pay:

(a) to the Issuer, reimbursement for all reasonable fees and expenses, including, but not limited to, financial advisory and legal fees and expenses necessary for the Issuer's reviewing and, if necessary, enforcing compliance by the Borrower with the terms of this Regulatory Agreement; and

(b) the fees and expenses of any entity or person designated by the Issuer to perform the review of the Borrower's compliance with this Regulatory Agreement; provided that such fees and expenses are not duplicative of any fees and expenses paid under subsection (a) above.

Section 22. Limited Liability. All obligations of the Issuer hereunder shall be special, limited obligations of the Issuer, payable solely and only from proceeds of the Bonds and amounts derived by the Issuer from the Loan and the Loan Agreement.

Section 23. Actions of Issuer. The Issuer shall be entitled to rely conclusively on an opinion of counsel in the exercise or non-exercise of any of the rights or powers vested in the Issuer by virtue of this Regulatory Agreement or any other agreement or instrument executed in connection with the issuance of the Bonds; it being the intent of the parties hereto that the Issuer, and any and all present and future trustees, members, commissioners, officers, employees, attorneys, and agents of the Issuer shall not incur any financial or pecuniary liability for the exercise or non-exercise of any rights or powers vested in the Issuer by this Regulatory Agreement or any other instrument or agreement executed in connection with

the issuance of the Bonds; or for the performance or nonperformance of any obligation under, or the failure to assert any right, power, or privilege under this Regulatory Agreement, the Bonds, the Loan Agreement, the Indenture or any other instrument or agreement executed in connection with the issuance of the Bonds. If the Issuer's consent or approval is required under this Regulatory Agreement, or any other agreement or instrument executed in connection with the issuance of the Bonds, the Issuer shall be entitled to rely conclusively on an opinion of counsel and shall not be responsible for any loss or damage resulting from any action or inaction in reliance upon such opinion.

Section 24. Counterparts. This Regulatory Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same Regulatory Agreement, and, in making proof of this Regulatory Agreement, it shall not be necessary to produce or account for more than one such counterpart.

Section 25. Recording and Filing. The Borrower shall cause this Regulatory Agreement and all amendments and supplements hereto and thereto to be recorded and filed in the real property records of the County, the State, and in such other places as the Issuer may reasonably request. The Borrower shall pay all fees and charges incurred in connection with any such recording.

Section 26. Additional Approvals. Subsequent to the issuance of the Bonds, the officers of the Issuer are hereby authorized and directed to execute and provide all certified copies, certificates, affidavits, disclosures, representations, and reporting forms as may be required with respect to the continuing obligations of the parties hereunder.

Section 27. HUD Rider to Regulatory Agreement. The HUD Rider to Restrictive Covenants (the "HUD Rider") attached to this Regulatory Agreement is hereby made a part of this Regulatory Agreement. In the event of a conflict between the provisions of the HUD Rider and the provisions of this Regulatory Agreement, the provisions of the HUD Rider shall control.

IN WITNESS WHEREOF, the Issuer, the Borrower, and the Trustee have caused this Amended and Restated Regulatory Agreement to be executed by their respective duly authorized representatives as of the date and year first written above.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

By _____
Its Mayor

By _____
Its City Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF ANOKA)

The foregoing instrument was acknowledged before me this _____ day of _____, 2022, by Amáda Márquez Simula, the Mayor of the City of Columbia Heights, Minnesota, a municipal corporation, home rule city, and political subdivision of the State of Minnesota, on behalf of the Issuer.

_____
Notary Public

STATE OF MINNESOTA)
) ss.
COUNTY OF ANOKA)

The foregoing instrument was acknowledged before me this _____ day of _____, 2022, by Kelli Bourgeois, the City Manager of the City of Columbia Heights, Minnesota, a municipal corporation, home rule city, and political subdivision of the State of Minnesota, on behalf of the Issuer.

_____
Notary Public

Execution page of the Borrower to the Amended and Restated Regulatory Agreement, dated the date and year first written above.

42 CENTRAL LIMITED PARTNERSHIP, a Minnesota limited partnership

By: 42 Central GP, LLC, a Minnesota limited liability company
Its: General Partner

By:_____
Name: Nicholas Walton
Its: Manager

STATE OF MINNESOTA)
) SS.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2022, by Nicholas Walton, the Manager of 42 Central GP, LLC, a Minnesota limited liability company, the general partner of 42 Central Limited Partnership, a Minnesota limited partnership, on behalf of the limited liability company and limited partnership.

_____
Notary Public

Execution page of the Trustee to the Amended and Restated Regulatory Agreement, dated the date and year first written above.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION

By _____
Its Vice President

STATE OF MINNESOTA)
) SS.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2022, by _____, the Vice President of U.S. Bank Trust Company, National Association, a national banking association, on behalf of the Trustee.

_____
Notary Public

EXHIBIT A

LEGAL DESCRIPTION OF LAND

Real property in the City of Columbia Heights, County of Anoka, State of Minnesota, described as follows:

Lot 2, Block 1, Northwestern 3rd Addition, Anoka County, Minnesota.

(Abstract Property)

EXHIBIT B

FORM OF INCOME CERTIFICATION

TENANT INCOME CERTIFICATION ☐ Initial Certification ☐ Recertification ☐ Other _____	Effective Date: _____ Move-in Date: _____ (MM/DD/YY): _____

PART I. DEVELOPMENT DATA		
Property Name: 42nd & Central Apartments Address: 800 42nd Avenue NE, Columbia Heights, Minnesota	County: Anoka Unit Number: _____	BIN #: _____ # Bedrooms: _____

PART II. HOUSEHOLD COMPOSITION						
HH Br #	Last Name	First Name & Middle Initial	Relationship to Head of Household	Date of Birth (MM/DD/YY)	F/T Student (Y or N)	Social Security or Alien Reg. No.
1			HEAD			
2						
3						
4						
5						
6						

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)				
HH Br #	(A) Employment or Wages	(B) Soc. Security / Pensions	(C) Public Assistance	(D) Other Income
TOTAL	$	$	$	$
Add totals from (A) through (D) above			TOTAL INCOME (E):	$

PART IV. INCOME FROM ASSETS				
HH Mbr#	(F) Type of Asset	(G) C/I	(H) Cash Value of Asset	(I) Annual Income from Asset
TOTALS:			$	$
Enter Column (H) Total if over $5,000 $_____		Passbook Rate x 2.00 % =	(J) Imputed Income	$
Enter the greater of the total column I, or J: imputed income ASSETS (K)			TOTAL INCOME FROM	$
(L) Total Annual Household Income from all sources [Add (E) + (K)]				$

HOUSEHOLD CERTIFICATION & SIGNATURES

The information on this form will be used to determine maximum income eligibility. I/we have provided for each person(s) set forth in Part II acceptable verification of current anticipated annual income. I/we agree to notify the landlord immediately upon any member of the household moving out of the unit or any new member moving in. I/we agree to notify the landlord immediately upon any member becoming a full-time student.

Under penalties of perjury, I/we certify that the information presented in this Certification is true and accurate to the best of my/our knowledge and belief. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of the lease agreement.

_____ _____ _____ _____

Signature (Date) Signature (Date)

_____ _____ _____ _____

Signature (Date) Signature (Date)

PART V. DETERMINATION OF INCOME ELIGIBILITY

TOTAL ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES From Item (L) on page 1 $

Current Income Limit per Family Size: $ _____

Household Income at Move-in $_____

Household Meets Income Restriction at:

☐ 60% ☐ 50%

☐ 40% ☐ 30%

☐ ___%

RECERTIFICATION ONLY:

Current Income Limit x 140%

$ _____

Household income exceeds 140% at recertification:

☐ Yes ☐ No

Household Size at Move-in: _____

PART VI. RENT

Tenant Paid Rent $ _____

Utility Allowance $ _____

Rent Assistance: $ _____

Other non-optional charges: $ _____

GROSS RENT FOR UNIT:
Tenant paid rent plus Utility Allowance and other non-optional charges $

Unit Meets Rent Restriction at:

☐ 60% ☐ 50% ☐ 40% ☐ 30% ☐ ___%

Maximum Rent Limit for this unit: $ _____

PART VII. STUDENT STATUS

ARE ALL OCCUPANTS FULL-TIME STUDENTS?

☐ yes ☐ no

If yes, enter student explanation** (also attach documentation)

Enter 1-4

Student explanation:
1. TANF assistance
2. Job training program
3. Single parent/dependent child
4. Married/joint return*

*Exception for married/joint return is the only exception available for units necessary to qualify tax-exempt bonds.

PART VIII. PROGRAM TYPE

Mark the program(s) listed below (a. through e.) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification

a. Tax Credit ☐ b. HOME ☐ c. Tax Exempt ☐ d. AHDP ☐ e. _____ ☐ (Name of Program)

See Part V above.

Income Status	*Income Status*	*Income Status*	*Income Status*
☐ ≤ 50% AMGI	☐ 50% AMGI	☐ ≤ 50% AMGI	☐ _____
☐ ≤ 60% AMGI	☐ 60% AMGI	☐ ≤ 80% AMGI	☐ _____
☐ ≤ 80% AMGI	☐ 80% AMGI	☐ ≤ 0I **	☐ ≤ 0I **
☐ ≤ 0I **	☐ 0I **		

** Upon recertification, household was determined over income (OI) according to eligibility requirements of the program(s) marked above.

SIGNATURE OF OWNER / REPRESENTATIVE

Based on the representations herein and upon the proofs and documentation required to be submitted, the individual(s) named in Part II of this Tenant Income Certification is/are eligible under the provisions of Section 42 of the Internal Revenue Code, as amended, and the Land Use Restriction Agreement (if applicable), to live in a unit in this Project.

_____ _____

SIGNATURE OF OWNER / REPRESENTATIVE DATE

INSTRUCTIONS FOR COMPLETING TENANT INCOME CERTIFICATION

This form is to be completed by the owner or an authorized representative.

Part I – Development Data

Check the appropriate box for Initial Certification (move-in), Recertification (annual recertification), or Other. If Other, designate the purpose of the recertification (i.e., a unit transfer, a change in household composition, or other state-required recertification).

Move-in Date	Enter the date the tenant has or will take occupancy of the unit.
Effective Date	Enter the effective date of the certification. For move-in, this should be the move-in date. For annual recertification, this effective date should be no later than one year from the effective date of the previous (re)certification.
Property Name	Enter the name of the development.
County	Enter the county (or equivalent) in which the building is located.
BIN #	Enter the Building Identification Number (BIN) assigned to the building (from IRS Form 8609).
Address	Enter the unit number.
Unit Number	Enter the unit number.
# Bedrooms	Enter the number of bedrooms in the unit.

Part II – Household Composition

List all occupants of the unit. State each household member's relationship to the head of the household by using one of the following coded definitions:

H	Head of household	S	Spouse
A	Adult co-tenant	O	Other family member
C	Child	F	Foster child
L	Live-in caretaker	N	None of the above

Enter the date of birth, student status, and Social Security number or alien registration number for each occupant.

If there are more than seven occupants, use an additional sheet of paper to list the remaining household members and attach it to the certification.

Part III – Annual Income

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income, including acceptable forms of verification.

From the third party verification forms obtained from each income source, enter the gross amount anticipated to be received for the 12 months from the effective date of the (re)certification. Complete a separate line for each income-earning member. List the respective household member number from Part II.

Column (A)	Enter the annual amount of wages, salaries, tips, commissions, bonuses, and other income from employment; distributed profits and/or net income from a business.
Column (B)	Enter the annual amount of Social Security, Supplemental Security Income, pensions, military retirement, etc.
Column (C)	Enter the annual amount of income received from public assistance (i.e., TANF, general assistance, disability, etc.)
Column (D)	Enter the annual amount of alimony, child support, unemployment benefits, or any other income regularly received by the household.
Row (E)	Add the totals from columns (A) through (D) above. Enter this amount.

Part IV – Income from Assets

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income from assets, including acceptable forms of verification.

From the third party verification forms obtained from each asset source, list the gross amount anticipated to be received during the 12 months from the effective date of the certification. List the respective household member number from Part II and complete a separate line for each member.

Column (F)	List the type of asset (i.e., checking account, savings account, etc.)
Column (G)	Enter C (for current, if the family currently owns or holds the asset), or I (for imputed, if the family has disposed of the asset for less than fair market value within two years of the effective date of (re)certification).
Column (H)	Enter the cash value of the respective asset.
Column (I)	Enter the anticipated annual income from the asset (i.e., savings account balance multiplied by the annual interest rate).
TOTALS	Add the total of Column (H) and Column (I), respectively.

If the total in Column (H) is greater than $5,000, you must do an imputed calculation of asset income. Enter the Total Cash Value, multiply by 2% and enter the amount in (J), Imputed Income.

Row (K)	Enter the Greater of the total in Column (I) or (J)
Row (L)	Total Annual Household Income from All Sources Add (E) and (K) and enter the total

HOUSEHOLD CERTIFICATION AND SIGNATURES

After all verifications of income and/or assets have been received and calculated, each household member age 18 or older must sign and date the Tenant Income Certification. For move-in, it is recommended that the Tenant Income Certification be signed no earlier than five days prior to the effective date of the certification.

Part V – Determination of Income Eligibility

Total Annual Household Income from all sources	Enter the number from item (L).
Current Income Limit per Family Size	Enter the Current Move-in Income Limit for the household size.
Household income at move-in Household size at move-in	For recertifications only. Enter the household income from the move-in certification. On the adjacent line, enter the number of household members from the move-in certification.
Household Meets Income Restriction	Check the appropriate box for the income restriction that the household meets according to what is required by the set-aside(s) for the project.
Current Income Limit x 140%	For recertification only. Multiply the Current Maximum Move-in Income Limit by 140% and enter the total. Below, indicate whether the household income exceeds that total. If the Gross Annual Income at recertification is greater than 140% of the current income limit, then the available unit rule must be followed.

Part VI – Rent

Tenant Paid Rent	Enter the amount the tenant pays toward rent (not including rent assistance payments such as Section 8).
Rent Assistance	Enter the amount of rent assistance, if any.
Utility Allowance	Enter the utility allowance. If the owner pays all utilities, enter zero.
Other non-optional charges	Enter the amount of non-optional charges, such as mandatory garage rent, storage lockers, charges for services provided by the development, etc.
Gross Rent for Unit	Enter the total of Tenant Paid Rent plus Utility Allowance and other non-optional charges.
Maximum Rent Limit for this unit	Enter the maximum allowable gross rent for the unit.
Unit Meets Rent Restriction at 40%	Check the appropriate rent restriction that the unit meets according to what is required by the set-aside(s) for the project.

Part VII – Student Status

If all household members are full-time* students, check "yes." If at least one household member is not a full-time student, check "no."

If "yes" is checked, the appropriate exemption must be listed in the box to the right. If none of the exemptions apply, the household is ineligible to rent the unit.

** Full time is determined by the school the student attends.*

Part VIII – Program Type

Mark the program(s) for which this unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification. If the property does not participate in the HOME, Tax-Exempt Bond, Affordable Housing Disposition, or other housing program, leave those sections blank.

Tax Credit	See Part V above.
HOME	If the property participates in the HOME program and the unit this household will occupy will count towards the HOME program set-asides, mark the appropriate box indicating the household's designation.
Tax Exempt	If the property participates in the Tax Exempt Bond program, mark the appropriate box indicating the household's designation.
AHDP	If the property participates in the Affordable Housing Disposition Program (AHDP), and this household's unit will count towards the set-aside requirements, mark the appropriate box indicating the household's designation.
Other	If the property participates in any other affordable housing program, complete the information as appropriate.

SIGNATURE OF OWNER / REPRESENTATIVE

It is the responsibility of the owner or the owner's representative to sign and date this document immediately following execution by the resident(s).

The responsibility of documenting and determining eligibility (including completing and signing the Tenant Income Certification form) and ensuring such documentation is kept in the tenant file is extremely important and should be conducted by someone well-trained in tax credit compliance.

These instructions should not be considered a complete guide on tax credit compliance. The responsibility for compliance with federal program regulations lies with the owner of the building(s) for which the credit is allowable.

EXHIBIT C

CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE

_____, 20__

TO: City of Columbia Heights, Minnesota
590 – 40th Avenue NE
Columbia Heights, Minnesota 55421
Attention: Community Development Director

and (prior to the discharge of the Bonds (hereinafter defined))

U.S. Bank Trust Company, National Association
60 Livingston Avenue, Third Floor
EP-MN-WS3C
Saint Paul, Minnesota 55107-2292
Attention: Corporate Trust Services

Re: Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022A and Series 2022B (the "Bonds")

The undersigned, an authorized representative for 42 Central Limited Partnership, a Minnesota limited partnership (the "Owner"), hereby certifies, represents, and warrants that:

1. The Owner owns the multifamily housing development located at 800 42nd Avenue NE in the City of Columbia Heights commonly known as 42nd & Central Apartments (the "Project").

2. The undersigned and the Owner have read and are thoroughly familiar with the provisions of (i) the Amended and Restated Regulatory Agreement, dated as of December 1, 2022, but effective as of December [__], 2022 (the "Regulatory Agreement"), between the Owner, the City of Columbia Heights, Minnesota (the "Issuer"), and U.S. Bank Trust Company, National Association (the "Trustee"); and (ii) the Amended and Restated Loan Agreement, dated as of December 1, 2022 (the "Loan Agreement"), between Issuer and the Owner with respect to the Bonds. The Regulatory Agreement was executed, delivered, and recorded against the Project in connection with the issuance of the Bonds.

3. A review of the activities of the Owner and of the Owner's performance under the Regulatory Agreement and the Loan Agreement during the year ending ____ has been made under the supervision of the undersigned.

4. The Project's Qualified Project Period commenced on _____, 20__ (the date on which ten percent (10%) of the residential units in the Project were occupied), and will end on the latest of:

(i) _____, 20__ (the date which is fifteen (15) years after the date on which fifty percent (50%) of the residential units in the Project were occupied);

(ii) the first day on which no tax-exempt private activity bond issued with respect to the Project is outstanding, or

(iii) the date on which any assistance provided with respect to the Project under Section 8 of the United States Housing Act of 1937 terminates.

5. As of the date of this Certificate, the following percentages of completed residential units in the Project are (i) occupied by Low Income Tenants or (ii) currently vacant and being held available for occupancy by Low Income Tenants and have been so held continuously since the date a Low Income Tenant vacated such unit, as indicated:

Occupied by Low Income Tenants	_____ % Units	Nos.____
Continuously held vacant for occupancy by Low Income Tenants since last occupied by Low Income Tenants	_____ % Units	Nos.____

6. At no time since the date of filing of the last Continuing Program Compliance Certificate (or since the issuance of the Bonds, if this is the first such certificate) has less than _____ units, representing 40% of the completed units in the Project, been occupied by or were last occupied by Low Income Tenants.

7. As of the date of this Certificate, at least forty percent (40%) of the units in the Project are (i) occupied by persons or families with Adjusted Income which does not exceed sixty percent (60%) of the Median Income for the Area adjusted for household size; or (ii) held vacant for occupancy for persons or families with Adjusted Income which does not exceed sixty percent (60%) of the Median Income for the Area adjusted for household size. Project Units occupied or held vacant for persons or families with Adjusted Income which does not exceed sixty percent (60%) of the Median Income for the Area adjusted for household size include Unit numbers _____.

8. At all times since the date of filing of the last Continuing Program Compliance Certificate the rent on at least twenty percent (20%) of the units in the Project has been equal to or less than applicable area fair market rents or exception fair market rents for existing housing as established from time to time by the federal Department of Housing and Urban Development. The rental rates of all units in the Project for which project-based federal assistance payments will be made under a Section 8 Housing Assistance Payment Contract are deemed to be within the rent limitations of Minnesota Statutes, Section 474A.047, subdivision 1(a).

9. To the knowledge of the undersigned, after due inquiry, all units were rented or available for rental on a continuous basis during the immediately preceding year to members of the general public, and the Owner is not now and has not been in default under the terms of the Regulatory Agreement and the Loan Agreement and, to the knowledge of the undersigned, no Determination of Taxability has occurred with respect to the Bonds.

10. [**CHOOSE ONE**: None/One or more] of the Tenants in the Project are currently receiving assistance under Section 8 of the United States Housing Act of 1937.

11. Unless otherwise expressly provided herein or unless the context requires otherwise, the capitalized terms used but not defined herein shall have the meaning assigned to such terms in the Regulatory Agreement.

12. The Owner has not transferred any interest in the Project since the date of submission of the Continuing Program Compliance Certificate last submitted to the Trustee and the Issuer with respect to the Project. **(If the Owner has transferred any interest in the Project, such transfer should be detailed here.)**

Dated: _____, 20__.

42 CENTRAL LIMITED PARTNERSHIP, a Minnesota limited partnership

By: 42 Central GP, LLC, a Minnesota limited liability company
Its: General Partner

By:_____
Name: Nicholas Walton
Its: Manager

HUD RIDER TO RESTRICTIVE COVENANTS

This RIDER TO RESTRICTIVE COVENANTS (the "Rider") is made as of December 1, 2022, but effective as of December [__], 2022, by the CITY OF COLUMBIA HEIGHTS, MINNESOTA, a municipal corporation, home rule city, and political subdivision of the State of Minnesota (together with its successors and assigns, the "Issuer"), 42 CENTRAL LIMITED PARTNERSHIP, a Minnesota limited partnership (together with its successors and assigns, the "Borrower"), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association, as trustee under the Indenture referred to below (together with its successors and assigns, the "Trustee").

WHEREAS, Borrower has obtained financing from Colliers Mortgage LLC, a Delaware limited liability company (the "Lender"), for the benefit of the project to be known as 42nd & Central Apartments, on a site located at 800 42nd Avenue NE, Columbia Heights, Minnesota (the "Project"), which loan is secured by an Amended and Restated Multifamily Mortgage, Assignment of Leases and Rents, and Security Agreement (Minnesota), dated as of December 1, 2022 (the "Security Instrument"), and recorded in the office of the [County Recorder] [Registrar of Titles] of Anoka County, Minnesota (the "Records") simultaneously herewith and is insured by the United States Department of Housing and Urban Development ("HUD");

WHEREAS, Borrower has received tax-exempt bond financing from the Issuer, which Issuer is requiring certain restrictions be recorded against the Project; and

WHEREAS, HUD requires as a condition of its insuring Lender's financing to the Project, that the lien and covenants of the Regulatory Agreement to which this Rider is attached (the "Restrictive Covenants") be subordinated to the lien, covenants, and enforcement of the Security Instrument; and

WHEREAS, the Issuer has agreed to subordinate the Restrictive Covenants to the lien of the Mortgage Loan in accordance with the terms of this Rider.

NOW, THEREFORE, in consideration of the foregoing and for other consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

(a) In the event of any conflict between any provision contained elsewhere in the Restrictive Covenants and any provision contained in this Rider, the provision contained in this Rider shall govern and be controlling in all respects as set forth more fully herein.

(b) The following terms shall have the following definitions:

"Code" means the Internal Revenue Code of 1986, as amended.

"HUD" means the United States Department of Housing and Urban Development.

"HUD Regulatory Agreement" means the Regulatory Agreement between Borrower and HUD with respect to the Project, as the same may be supplemented, amended or modified from time to time.

"Lender" means Colliers Mortgage, LLC, a Delaware limited liability company, its successors and assigns.

"Mortgage Loan" means the mortgage loan made by the Lender to the Borrower pursuant to the Mortgage Loan Documents with respect to the Project.

"Mortgage Loan Documents" means the Security Instrument, the HUD Regulatory Agreement and all other documents required by HUD or Lender in connection with the Mortgage Loan.

"National Housing Act" means the National Housing Act, 12 USC § 1701 *et seq.*, as amended.

"Program Obligations" has the meaning set forth in the Security Instrument.

"Residual Receipts" has the meaning specified in the HUD Regulatory Agreement.

"Security Instrument" means the mortgage or deed of trust from the Borrower in favor of the Lender, as the same may be supplemented, amended or modified.

"Surplus Cash" has the meaning specified in the HUD Regulatory Agreement.

(c) Notwithstanding anything in the Restrictive Covenants to the contrary, the provisions hereof are expressly subordinate to (i) the Mortgage Loan Documents, including without limitation, the Security Instrument, and (ii) Program Obligations (the Mortgage Loan Documents and Program Obligations are collectively referred to herein as the "HUD Requirements"). Borrower covenants that it will not take or permit any action that would result in a violation of the Code, HUD Requirements or Restrictive Covenants. In the event of any conflict between the provisions of the Restrictive Covenants and the provisions of the HUD Requirements, HUD shall be and remains entitled to enforce the HUD Requirements. Notwithstanding the foregoing, nothing herein limits the Issuer's ability to enforce the terms of the Restrictive Covenants, provided such terms do not conflict with statutory provisions of the National Housing Act or the regulations related thereto. The Borrower represents and warrants that to the best of Borrower's knowledge the Restrictive Covenants impose no terms or requirements that conflict with the National Housing Act and related regulations.

(d) In the event of foreclosure (or deed in lieu of foreclosure), the Restrictive Covenants (including without limitation, any and all land use covenants and/or restrictions contained herein) shall automatically terminate.

(e) Borrower and the Issuer acknowledge that Borrower's failure to comply with the covenants provided in the Restrictive Covenants will does not and will not serve as a basis for default under the HUD Requirements, unless a separate default also arises under the HUD Requirements.

(f) Except for the Issuer's reporting requirement, in enforcing the Restrictive Covenants the Issuer will not file any claim against the Project, the Mortgage Loan proceeds, any reserve or deposit required by HUD in connection with the Security Instrument or HUD Regulatory Agreement, or the rents or other income from the property other than a claim against:

i. Available surplus cash, if the Borrower is a for-profit entity; or

ii. Available distributions of surplus cash and residual receipts authorized for release by HUD, if the Borrower is a limited distribution entity; or

iii. Available residual receipts authorized for release by HUD, if the Borrower is a non-profit entity; or

iv. A HUD-approved collateral assignment of any HAP contract.

(g) For so long as the Mortgage Loan is outstanding, Borrower and Issuer shall not further amend the Restrictive Covenants, with the exception of clerical errors or administrative correction of non-substantive matters, without HUD's prior written consent.

(h) Subject to the HUD Regulatory Agreement, the Issuer may require the Borrower to indemnify and hold the Issuer harmless from all loss, cost, damage and expense arising from any claim or proceeding instituted against Issuer relating to the subordination and covenants set forth in the Restrictive Covenants, provided, however, that Borrower's obligation to indemnify and hold the Issuer harmless shall be limited to available surplus cash and/or residual receipts of the Borrower.

(i) No action shall be taken in accordance with the rights granted herein to preserve the tax exemption of the interest on the notes or bonds, or prohibiting the owner from taking any action that might jeopardize the tax-exemption, except in strict accord with Program Obligations.

The statements and representations contained in this rider and all supporting documentation thereto are true, accurate, and complete. This certification has been made, presented, and delivered for the purpose of influencing an official action of HUD in insuring a multifamily loan, and may be relied upon by HUD as a true statement of the facts contained therein.

Warning: Federal law provides that anyone who knowingly or willfully submits (or causes to submit) a document containing any false, fictitious, misleading, or fraudulent statement/certification or entry may be criminally prosecuted and may incur civil administrative liability. Penalties upon conviction can include a fine and imprisonment, as provided pursuant to applicable law, which includes, but is not limited to, 18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802, 24 C.F.R. Parts 25, 28 and 30, and 2 C.F.R. Parts 180 and 2424.

Execution page of the Issuer to the HUD Rider, dated the date and year first written above.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

By _____
Its Mayor

By _____
Its City Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF ANOKA)

The foregoing instrument was acknowledged before me this _____ day of _____, 2022, by Amáda Márquez Simula, the Mayor of the City of Columbia Heights, Minnesota, a municipal corporation, home rule city, and political subdivision of the State of Minnesota, on behalf of the Issuer.

_____
Notary Public

STATE OF MINNESOTA)
) ss.
COUNTY OF ANOKA)

The foregoing instrument was acknowledged before me this _____ day of _____, 2022, by Kelli Bourgeois, the City Manager of the City of Columbia Heights, Minnesota, a municipal corporation, home rule city, and political subdivision of the State of Minnesota, on behalf of the Issuer.

_____
Notary Public

Execution page of the Borrower to the HUD Rider, dated the date and year first written above.

42 CENTRAL LIMITED PARTNERSHIP, a Minnesota limited partnership

By: 42 Central GP, LLC, a Minnesota limited liability company
Its: General Partner

By:_____
Name: Nicholas Walton
Its: Manager

STATE OF MINNESOTA)
) SS.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2022, by Nicholas Walton, the Manager of 42 Central GP, LLC, a Minnesota limited liability company, the general partner of 42 Central Limited Partnership, a Minnesota limited partnership, on behalf of the limited liability company and limited partnership.

_____
Notary Public

Execution page of the Trustee to the HUD Rider, dated the date and year first written above.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION

By _____
Its Vice President

STATE OF MINNESOTA)
) SS.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2022, by _____, the Vice President of U.S. Bank Trust Company, National Association, a national banking association, on behalf of the Trustee.

_____
Notary Public

BOND PURCHASE AGREEMENT

Dated _____ CST December __, 2022

by and among

COLLIERS SECURITIES LLC,

CITY OF COLUMBIA HEIGHTS, MINNESOTA

and

42 CENTRAL LIMITED PARTNERSHIP

Relating to:

$560,000
City of Columbia Heights, Minnesota
Multifamily Housing Revenue Bonds
(42nd & Central Apartments Project)
Series 2022B

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BOND PURCHASE AGREEMENT

Colliers Securities LLC (the "*Underwriter*"), on its own behalf and not as your fiduciary, hereby offers to enter into this Bond Purchase Agreement dated December____, 2022 (this "*Purchase Contract*") with the City of Columbia Heights, Minnesota (together with its successors and assigns, the "*Issuer*") and 42 Central Limited Partnership, a Minnesota limited partnership (the "*Borrower*"), for the sale by the Issuer and the purchase by the Underwriter of the Bonds defined below which are being issued by the Issuer for the benefit of the Borrower. The Underwriter is an "underwriter" as defined in Section 2(a)(11) of the Securities Act of 1933, as amended (the "*1933 Act*"). This offer is made subject to the written acceptance hereof by the Issuer and the Borrower and delivery of such acceptance (in the form of one or more counterparts hereof) at or prior to 5:00 p.m. Local Time, on the date hereof, and will expire if not so accepted at or prior to such time (or such later time as the Underwriter may agree in writing). Upon such acceptance, this Purchase Contract will be binding upon each of the Issuer, the Borrower and the Underwriter.

Section 1. Definitions and Background.

1.1 Capitalized terms used in this Purchase Contract but not defined herein have the meanings assigned to them in the Indenture of Trust by and between the Issuer and U.S. Bank Trust Company, National Association, a national banking association (the "*Trustee*") dated as of June 1, 2022, as supplemented by an Amended and Restated Indenture of Trust, dated as of December 1, 2022 (together, the "*Indenture*").

1.2 This Purchase Contract is for the sale and delivery of the Issuer's $560,000 City of Columbia Heights, Minnesota Multifamily Housing Revenue Bonds (42nd & Central Apartments Project) Series 2022B (the "*Bonds*"), which are being issued by the Issuer to provide financing for the Project. The Bonds will be issued pursuant to (i) that certain resolution of the Issuer, adopted November 28, 2022, authorizing the issuance of the Bonds, (ii) Minnesota Statutes, Chapters 462C and 474A, as amended (the "*Act*"), and (iii) the terms of the Indenture. The Bonds will be payable from sources pledged under the Indenture, including the moneys and securities from time to time held by the Trustee in the funds and accounts established under the terms of the Indenture (collectively, the "*Trust Estate*"). In connection with the issuance of the Bonds, the Issuer will execute and deliver this Purchase Contract; the Indenture; the Loan Agreement by and between the Issuer and the Borrower, dated as of June 1, 2022, as supplemented by an Amended and Restated Loan Agreement dated as of December 1, 2022 (together, the "*Loan Agreement"*); an endorsement to the Tax Certificate of the Borrower, dated the Closing Date (the "*Tax Certificate*"); and a Regulatory Agreement, by and between the Issuer, the Trustee and the Borrower, dated as of June 1, 2022, but effective as of the Series A Closing Date, as supplemented by an Amended and Restated Regulatory Agreement, dated as of December 1, 2022, but effective as of the Series B Closing Dagte (together, the "*Regulatory Agreement*") (collectively, the "*Issuer Documents*"), and the Borrower will execute and deliver this Purchase Contract, the Loan Agreement, the Continuing Disclosure Agreement, the Remarketing Agreement, the Tax Certificate and the Regulatory Agreement (collectively, the "*Borrower Documents*"). The Issuer Documents and the Borrower Documents are referred to herein as the "*Financing Documents*."

Section 2. Purchase and Sale.

2.1 Subject to the terms and conditions set forth in this Purchase Contract, the Underwriter hereby agrees to purchase from the Issuer and the Issuer hereby agrees to sell to the Underwriter, at the Closing (as hereafter defined), $560,000 aggregate principal amount of its Bonds at a price set forth in Exhibit A attached hereto. [The Underwriter also hereby agrees to advance an additional amount equal to $_____ for initial deposits as set forth under the Indenture (the "Underwriter's Advance"). The

Underwriter will be reimbursed on or before the Closing Date by the Borrower for the Underwriter's Advance.]

2.2 The Bonds will (i) be issued pursuant to the Indenture and (ii) have the payment related terms (that is, the dated date, maturity date, interest rate and price) set forth in Exhibit A attached hereto, and will otherwise correspond to the description thereof contained in the Official Statement.

2.3 The Issuer and the Borrower each acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction among the Issuer, the Borrower and the Underwriter, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent, municipal advisor, financial advisor, or fiduciary of the Issuer or the Borrower, (iii) the Underwriter has not assumed individually or collectively any advisory or fiduciary responsibility in favor of the Issuer or the Borrower with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has advised or provided other services or is currently advising or providing other services to the Issuer or the Borrower on other matters) and the Underwriter has no contractual obligation to the Issuer or the Borrower with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Contract, and (iv) the Issuer and the Borrower have consulted their own legal, financial, accounting, tax and other advisors to the extent they deem appropriate in connection with the offering of the Bonds. The primary role of the Underwriter is to purchase the Bonds for resale to investors in an arm's-length commercial transaction between the Issuer and the Underwriter. The Underwriter has financial and other interests that differ from those of the Issuer.

Section 3. Offering of Bonds and Issue Price Certificate.

The Underwriter hereby agrees that: (a) the Underwriter will make a bona fide public offering of the Bonds at the price shown in Exhibit A hereto; (b) at least 10% of each maturity of the Bonds were sold at the price shown for that Maturity (as defined in Exhibit E hereto) on the date hereof; and (c) the Underwriter will provide to the Issuer and Kennedy & Graven, Chartered, Minneapolis, Minnesota ("Bond Counsel"), an executed Issue Price Certificate dated the Closing Date (as defined herein) in the form attached as Exhibit E hereto or other form reasonably required by Bond Counsel in order to establish the issue price of the Bonds.

The Underwriter reserves the right to change such prices as it deems necessary in connection with the offering of the Bonds. Concessions from the public offering price may be allowed to selected dealers and special purchasers. The Borrower authorizes the Underwriter to complete the supplement to the Official Statement to insert the reoffering price for the Bonds selected by the Underwriter in its complete discretion.

Section 4. Closing.

Subject to the terms and conditions hereof, the delivery of the Bonds and the payment of the purchase price of the Bonds as set forth in Exhibit A hereof (the "*Closing*") will take place at 10:00 a.m. Local Time on December __, 2022, or at such other time or on such other date mutually agreed upon by the Issuer, the Borrower and the Underwriter, which date shall be referred to herein as the "*Closing Date*."

Section 5. Official Statement; Disclosure Matters.

5.1 The Issuer and the Borrower each hereby (a) confirms its consent to the use by the Underwriter of the Preliminary Official Statement dated December___, 2022, relating to the Bonds (the

"*Preliminary Official Statement*") in the marketing of the Bonds and (b) authorizes the Underwriter to prepare, use and distribute (at the expense of the Borrower) the Official Statement dated December ___, 2022, relating to the Bonds (the "*Official Statement*") in final form in connection with the offering and sale of the Bonds.

5.2 The Issuer and the Borrower each agrees to the extent required and permitted by applicable law to cooperate (at the sole cost and expense of the Borrower) with the Underwriter so as to enable the Underwriter to comply with the requirements of Rule 15c2-12 ("*Rule 15c2-12*") under the Securities Exchange Act of 1934, as amended (the "*1934 Act*"), and any other rules of the Securities and Exchange Commission (the "*SEC*") and the Municipal Securities Rulemaking Board (the "*MSRB*"), in connection with the offer and sale of the Bonds.

5.3 The Borrower hereby certifies and agrees that the Preliminary Official Statement and the Official Statement have been "deemed final" by the Borrower as of their date, except for final information as to the offering prices, interest rates, selling compensation, amount of proceeds, delivery dates, other terms depending on such factors, and other information permitted to be omitted under part (b)(1) of Rule 15c2-12.

5.4 The Issuer and the Borrower hereby make the following representations in subsection (a) and (b), respectively:

(a) The Issuer has not participated in the preparation of the Preliminary Official Statement or the Official Statement relating to the Bonds and has made no independent investigation with respect to the information contained therein, including the appendices. The Issuer makes no representations or warranties with respect to the information contained in the Preliminary Official Statement or the Official Statement. The information contained in the Preliminary Official Statement and the Official Statement under the captions "THE ISSUER" and "NO LITIGATION – The Issuer" is true and correct in all material respects. Subject to the foregoing, the Issuer consents to the distribution of the Preliminary Official Statement and the Official Statement by the Underwriter in connection with the offering and sale of the Bonds.

(b) The Borrower hereby represents that it has reviewed the Preliminary Official Statement and the Official Statement, and without further inquiry, nothing has come to its attention that would lead it to believe that either document contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

5.5 The Borrower will, at the expense of the Borrower, supply to the Underwriter the Official Statement, in such quantity as may be requested by the Underwriter no later than the earlier of (i) seven (7) business days after the date of this Purchase Contract or (ii) one (1) business day prior to the Closing Date, in order to permit the Underwriter to comply with Rule 15c2-12, and the applicable rules of the MSRB, with respect to distribution of the Official Statement. The Borrower shall provide to the Underwriter the Official Statement, including any amendments thereto, in word-searchable PDF format as described in the MSRB's Rule G-32 no later than one (1) business day prior to the Closing Date to enable the Underwriter to comply with MSRB Rule G-32.

5.6 During the period commencing on the date of this Purchase Contract and ending on the earlier of (a) 90 days from the End of the Underwriting Period or (b) the time when the Official Statement is available to any person from the MSRB, but in no case less than 25 days following the End of the Underwriting Period (the "*Update Period*"), if any event shall occur which would cause the Preliminary Official Statement or the Official Statement to contain any untrue statement of a material fact or to omit to

state any material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading, and in the judgment of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Preliminary Official Statement or the Official Statement, the Issuer (to the extent of the provisions referred to in Section 5.4(a) hereof) and the Borrower will, at the expense of the Borrower, prepare or cooperate in the preparation of such supplement or amendment to the Preliminary Official Statement or the Official Statement in a form approved by the Underwriter and furnish or cooperate in the furnishing to the Underwriter (at the sole expense of the Borrower) a reasonable number of copies of an amendment of, or a supplement to, the Preliminary Official Statement or the Official Statement so that, as supplemented or amended, they will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading. If the Preliminary Official Statement or the Official Statement are so supplemented or amended prior to the Closing, the approval by the Underwriter of a supplement or amendment to the Preliminary Official Statement or the Official Statement shall not preclude the Underwriter from thereafter terminating this Purchase Contract in accordance with the provisions of Section 12(c) hereof. The "*End of the Underwriting Period*" means the later of the delivery of the Bonds by the Issuer to the Underwriter or when the Underwriter no longer retains (directly or as a syndicate member) an unsold balance of the Bonds for sale to the public; provided, that the "*End of the Underwriting Period*" shall be deemed to be the Closing Date, unless the Underwriter otherwise notifies the Issuer and the Borrower in writing prior to such date that there is an unsold balance of the Bonds, in which case the End of the Underwriting Period shall be deemed to be extended for 30 days. The deemed End of the Underwriting Period may be extended for two additional periods of 30 days each upon receipt of an additional written notification from the Underwriter containing the same information as required in the initial written notice.

5.7 The Issuer shall promptly advise the Underwriter if, during the Update Period, the Issuer becomes aware of any event relating to the information concerning the Issuer under the captions "THE ISSUER" and "NO LITIGATION – The Issuer" of the Preliminary Official Statement or the Official Statement which would cause such portions of the Preliminary Official Statement or the Official Statement to contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

5.8 The Issuer shall promptly advise the Underwriter, during the Update Period, of any action, suit, proceeding, inquiry or investigation against the Issuer, of which the Issuer has actual knowledge, seeking to prohibit, restrain or otherwise affect the use of the Preliminary Official Statement or the Official Statement in connection with the offering, sale or distribution of the Bonds.

5.9 The Borrower shall promptly advise the Underwriter and the Issuer if, during the Update Period, the Borrower becomes aware of any event which would cause the Preliminary Official Statement or the Official Statement to contain any untrue statement of a material fact or to omit to state any material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

5.10 The Borrower shall promptly advise the Underwriter, during the Update Period, of any action, suit, proceeding, inquiry or investigation against the Borrower, of which they receive written or actual notice, seeking to prohibit, restrain or otherwise affect the use of the Preliminary Official Statement or the Official Statement in connection with the offering, sale or distribution of the Bond.

5.11 The Borrower represents and warrants to the Underwriter and the Issuer that neither the Borrower nor any affiliates thereof are in default under any undertakings with respect to continuing disclosure requirements designed to comply with Rule 15c2-12 in connection with any issue of municipal securities.

Section 6. Representations of the Issuer.

6.1 The Issuer hereby makes the following representations to the Underwriter:

(a) The Issuer is a municipal corporation, home rule city and political subdivision of the State of Minnesota (the "*State*") with full legal right , power and authority (i) to enter into this Purchase Contract and the other Issuer Documents, (ii) to adopt the Bond Resolution, (iii) to execute and deliver the Bonds, and the Issuer Documents (iv) to issue, sell and deliver the Bonds as provided herein, (v) to make the proceeds of the Bonds available to the Borrower as provided in the Loan Agreement, and (vi) to carry out the transactions contemplated by the Bonds and the Issuer Documents;

(b) By official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly authorized and approved the execution and delivery of, and the performance by the Issuer of the obligations on its part contained in, the Bonds and the Issuer Documents and has duly authorized and approved the consummation of all other transactions to be performed by the Issuer as contemplated by this Purchase Contract and the other Issuer Documents;

(c) There is no pending or, to the Issuer's actual knowledge, without inquiry or investigation, threatened suit, action, or proceeding against the Issuer before any court, arbitrator, administrative agency, or other governmental authority that challenges the Issuer's execution and delivery of the Bonds, the Indenture, the Loan Agreement, the Regulatory Agreement, or this Purchase Contract;

(d) To the actual knowledge of the Issuer, without inquiry or investigation, the execution and delivery by the Issuer of the Bonds, the Indenture, the Loan Agreement, the Regulatory Agreement, and this Purchase Contract will not constitute a breach of or default under any existing (i) provision of any special legislative act or charter provision relating to the establishment of the Issuer; or (ii) agreement, indenture, mortgage, lease, or other instrument to which the Issuer is a party or by which it is bound;

(e) No proceeding for the Issuer for the issuance, execution, or delivery of the Bonds, the Indenture, the Loan Agreement, the Regulatory Agreement, or this Purchase Contract has been repealed, rescinded, amended, or revoked; and

(f) To the actual knowledge of the Issuer based on the advice of Bond Counsel, all approvals, consents and orders of any governmental authority, board, agency or commission having jurisdiction that would constitute a condition precedent to the performance by the Issuer of its obligations hereunder and under the other Issuer Documents have been obtained or will be obtained on or prior to the Closing Date; provided, however, that the Issuer makes no representation or warranty with respect to compliance with applicable state securities or Blue Sky laws or the registration of the Bonds or the Note under the 1933 Act, or the qualification of the Indenture under the 1939 Act.

6.2 The execution and delivery of this Purchase Contract by the Issuer shall constitute a representation by the Issuer to the Underwriter that the representations and agreements contained in this Section are true as of the date hereof; provided, however, that as to information furnished by the Borrower pursuant to this Purchase Contract, the Issuer is relying solely on such information in making the Issuer's representations and agreements, and as to all matters of law the Issuer is relying on the advice of Bond Counsel; and provided further, that no member, officer, agent or employee of the Issuer shall be individually liable for the breach of any representation, or agreement contained herein.

6.3 It is understood that the representations and covenants of the Issuer contained in this Section 6 and elsewhere in this Purchase Contract shall not create any general obligation or liability of the Issuer, and that any obligation or liability of the Issuer hereunder or under the Issuer Documents is payable solely out of the Trust Estate established under the Indenture. It is further understood and agreed that the Issuer makes no representations, except as set forth in paragraph 5.4(a) above, as to the Official Statement, or as to (i) the financial condition, results of operation, business or prospects of the Borrower or the Project, (ii) any statements (financial or otherwise), representations, documents or certification provided or to be provided by the Borrower in connection with the offer or sale of the Bonds, or (iii) the correctness, completeness or accuracy of such statements, representations, documents or certifications.

Section 7. Representations and Warranties of the Borrower.

7.1 The Borrower hereby makes the following representations and warranties to the Underwriter and the Issuer, all of which will continue in effect subsequent to the purchase of the Bonds:

(a) The Borrower is a limited partnership duly organized and existing under and pursuant to the laws of the State and is qualified to own the Project and conduct its business in the State.

(b) The Borrower has, and as of the Closing Date will have, full legal right, power and authority to (i) execute and deliver the Borrower Documents, (ii) assist in the preparation, distribution and use of the Preliminary Official Statement and the Official Statement, and (iii) otherwise consummate the transactions contemplated by the Borrower Documents.

(c) The Borrower has duly authorized the (i) execution and delivery of the Borrower Documents, (ii) performance by the Borrower of the obligations contained in the Borrower Documents, (iii) preparation of the Preliminary Official Statement and the Official Statement, and (iv) consummation by the Borrower of all of the transactions contemplated by the Borrower Documents.

(d) The Borrower Documents are, and, when executed and delivered by the Borrower and the other parties thereto, will be, the legal, valid and binding obligations of the Borrower, enforceable in accordance with their respective terms, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally, or by the exercise of judicial discretion in accordance with general principles of equity.

(e) All consents, approvals, orders or authorizations of, notices to, or filings, registrations or declarations with any governmental authority, board, agency, commission or body having jurisdiction which are required on behalf of the Borrower for the execution and delivery by the Borrower of the Borrower Documents or the consummation by the Borrower of the transactions contemplated hereby or thereby, have been obtained or will be obtained prior to Closing.

(f) The execution and delivery by the Borrower of the Borrower Documents and the consummation by the Borrower of the transactions contemplated hereby and thereby are not prohibited by, do not violate any provision of, and will not result in the breach of or default under (i) the organizational documents of the Borrower, (ii) any applicable law, rule, regulation, judgment, decree, order or other requirement to which the Borrower is subject, or (iii) any contract, indenture, agreement, mortgage, lease, note, commitment or other obligation or instrument to which the Borrower is a party or by which the Borrower or its properties are bound.

(g) There is no legal action, suit, proceeding, investigation or inquiry at law or in equity, before or by any court, agency, arbitrator, public board or body or other entity or person, pending or, to the best knowledge of the Borrower, threatened against or affecting the Borrower or any partner of the Borrower, in their respective capacities as such, nor, to the knowledge of the Borrower, any basis therefor, (i) which would restrain or enjoin the issuance or delivery of the Bonds, the use of the Preliminary Official Statement or the Official Statement in the marketing of the Bonds or the collection of revenues pledged under or pursuant to the Borrower Documents or (ii) which would in any way contest or affect the organization or existence of the Borrower or the entitlement of any officer of the Borrower to its position or (iii) which would contest or have a material and adverse effect upon (A) the due performance by the Borrower of the transactions contemplated by the Preliminary Official Statement, the Official Statement or the Borrower Documents, (B) the validity or enforceability of the Bonds, the Borrower Documents or any other agreement or instrument to which the Borrower is a party and that is used or contemplated for use in the consummation of the transactions contemplated hereby and thereby, (C) the exclusion from gross income for federal income tax purposes of the interest on the Bonds or (D) the financial condition or operations of the Borrower, (iv) which contests in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or (v) which questions the power or authority of the Borrower to carry out the transactions on its part contemplated by the Preliminary Official Statement, the Official Statement and the Borrower Documents, or the power of the Borrower to own or operate the Project. The Borrower is not subject to any judgment, decree or order entered in any lawsuit or proceeding brought against it that would have such an effect.

(h) On the Closing Date, the Borrower shall not have granted any interests in or rights or options to sell the Bonds to any other party.

(i) All permits (including building permits), licenses and authorizations necessary for the ownership and operation of its Project in the manner contemplated by the Preliminary Official Statement, the Official Statement and each of the Borrower Documents have been obtained or will be obtained, and said ownership and operation are not in conflict with any zoning or similar ordinance applicable to the Project. The Project conforms to all material environmental regulations.

(j) None of the Borrower, any guarantor of the Borrower or any "related person" to the Borrower within the meaning of Section 147 of the Code has acquired or shall acquire, pursuant to any arrangement, formal or informal, any Bonds.

(k) The Borrower has not taken or omitted to take on or prior to the date hereof any action that would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

(l) On the Closing Date, each of the representations and warranties of the Borrower contained in the Borrower Documents and all other documents executed by the Borrower in connection with the Bonds shall be true, correct and complete in all material respects.

(m) As of the Closing Date, the Borrower will not be in material default under any document, instrument or commitment to which the Borrower is a party or to which any of its property is subject which default would or could reasonably be expected to adversely affect the ability of the Borrower to carry out its obligations under the Borrower Documents. As of the Closing Date, the Borrower will be in compliance with all of its obligations under the Regulatory Agreement.

(n) The Borrower hereby represents that it has reviewed the Preliminary Official Statement and the Official Statement, and without further inquiry, nothing has come to its attention that would lead it to believe that either document contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(o) The Borrower is in compliance with all of its prior continuing disclosure undertakings entered into pursuant to Rule 15c2-12, if any.

7.2 Each of the representations and warranties set forth in this section will survive the Closing.

7.3 Any certificate signed by any officer of the Borrower and delivered to the Underwriter in connection with the delivery of the Bonds will be deemed to be a representation and warranty by the Borrower to the Underwriter as to the statements made therein.

Section 8. Covenants of the Issuer.

8.1 The Issuer hereby makes the following covenants with the Underwriter:

(a) Prior to the Closing, the Issuer will not amend, terminate or rescind, and will not agree to any amendment, termination or rescission of the Issuer Documents without the prior written consent of the Underwriter.

(b) Prior to the Closing, except as provided in the Issuer Documents, the Issuer will not create, assume or guarantee any indebtedness payable from, or pledge or otherwise encumber, the revenues, assets, properties, funds or interests which will be pledged pursuant to the Indenture, including, without limitation, the Bonds or the Issuer Documents.

(c) The Issuer will not take any action which will in any way cause the proceeds of the Bonds to be applied in a manner other than as provided in the Indenture or which would cause the interest on the Bonds to be includable in the gross income of the holders thereof for federal income tax purposes.

(d) Prior to the Closing, the Issuer will obtain all governmental consents, approvals, orders or authorizations of any governmental authority or agency that would constitute a condition precedent to the performance by it of its obligations under the Issuer Documents and the Bonds.

(e) The Issuer will reasonably cooperate with the Underwriter upon request, without cost to the Issuer, in the qualification of the Bonds for offering and sale and the determination of their eligibility for investment under the laws of such jurisdictions as the Underwriter may designate; provided that the foregoing shall not require the Issuer to expend its own funds, execute a general or special consent to service of process or to qualify as a foreign corporation in connection with such qualification in any foreign jurisdiction.

(f) The Issuer will not agree to the adoption of any amendment or supplement to the Official Statement to which, after having been furnished a copy, the Underwriter shall reasonably object in writing, and if any event relating to or affecting the Issuer or the Borrower shall occur as a result of which it is necessary, in the opinion of the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement so that it does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, the Issuer shall

(at the sole expense of the Borrower) furnish such information as the Underwriter may reasonably request to amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

Section 9. Covenants of the Borrower.

9.1 The Borrower hereby makes the following covenants with the Underwriter and the Issuer:

(a) The Borrower will not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without providing reasonable notice of such proposed supplement or amendment to the Underwriter and the Issuer. It is understood pursuant to Section 12(c) that, in the event there arises an event or condition which, in the reasonable judgment of the Underwriter, requires the Official Statement to be amended or supplemented or has a material and adverse effect upon the marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds, the Underwriter shall have the right, pursuant to Section 12(c) hereof, to terminate this Purchase Contract without liability. Neither the receipt by the Underwriter of notice of a proposed supplement or amendment nor the consent by the Underwriter to such supplement or amendment shall abrogate the Underwriter's rights under Section 12(c) hereof.

(b) The Borrower will not adopt any amendment of or supplement to the Official Statement to which, after having been furnished a copy, the Underwriter shall reasonably object in writing and if any event relating to or affecting the Issuer or the Borrower shall occur as a result of which it is necessary, in the opinion of the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement not misleading in light of the circumstances existing at the time it is delivered to the Underwriter, the Borrower shall cause to be forthwith prepared and furnished (at the sole expense of the Borrower) to the Underwriter a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Issuer and the Underwriter) that will amend or supplement the Official Statement so that they will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

(c) Prior to the Closing, the Borrower will not amend, terminate or rescind, and will not agree to any amendment, termination or rescission of the Borrower Documents without the prior written consent of the Underwriter.

(d) Prior to the Closing, the Borrower will not create, assume or guarantee any indebtedness payable from, or pledge or otherwise encumber, the revenues, assets, properties, funds or interests which will be pledged pursuant to the Indenture, including, without limitation, the Bonds or the Financing Documents.

(e) The Borrower will cooperate with the Issuer to cause the Bonds to be delivered to the address and at the time specified by the Underwriter in conjunction with the Closing.

(f) The Borrower will not take or omit to take any action which will in any way cause the proceeds of the Bonds, or other moneys on deposit in any fund or account in connection with the Bonds, to be applied in a manner as provided in the Indenture and described in the Preliminary Official Statement or the Official Statement and will not take or omit to take any action which

would cause the interest on the Bonds to be includable in the gross income of the holders thereof for federal income tax purposes.

(g) The Borrower will cooperate with the Underwriter in the qualification of the Bonds for offering and sale and the determination of their eligibility for investment under the laws of such jurisdictions as the Underwriter may designate.

(h) The Borrower agrees to cause the necessary amount to be paid to the Trustee on the Closing Date for deposit into the Costs of Issuance Fund as set forth in the Indenture to pay costs of issuance.

(i) The Borrower agrees to provide the Underwriter, at the Borrower's expense, a reasonable number of additional copies of the Financing Documents as the Underwriter shall request.

Section 10. Conditions of Closing.

10.1 The obligations of the Underwriter to consummate at the Closing the transactions contemplated hereby are subject to receipt by the Underwriter of the items described in Section 10.2 hereof and to the satisfaction of the following conditions:

(a) The Underwriter will not have discovered any material error, misstatement or omission in the representations and warranties made in this Purchase Contract, which representations and warranties will be deemed to have been made again at and as of the time of the Closing and will then be true in all material respects.

(b) The Issuer and the Borrower will have performed and complied with all agreements and conditions required by this Purchase Contract to be performed or complied with by such respective parties at or prior to Closing.

(c) The Bonds, the Financing Documents and the Official Statement shall each have been executed and delivered by each of the parties thereto, shall be in full force and effect on and as of the Closing Date and no circumstances exist that would cause there to be an event of default under any such documents.

(d) The Underwriter will have received orders for all of the Bonds (or such amount of the Bonds as is acceptable to the Underwriter), and such orders have not been withdrawn at the time of the Closing.

(e) Between the date hereof and the Closing Date, the market price or marketability, at the initial offering price set forth in the Official Statement, of the Bonds shall not have been adversely affected, in the judgment of the Underwriter.

(f) The Borrower shall have entered into the Continuing Disclosure Agreement containing covenants meeting the requirements of Rule 15c2-12 under the 1934 Act.

(g) The Issuer shall have received the executed Issue Price Certificate of the Underwriter, substantially in the form attached to this Purchase Contract as Exhibit E.

10.2 In addition to the conditions set forth in Section 10.1, the obligations of the Underwriter to consummate at the Closing the transactions contemplated hereby are subject to receipt by the Underwriter of the following items:

(a) An approving opinion of Bond Counsel, dated the Closing Date, relating to the validity of the Bonds and the tax-exempt status of the Bonds, substantially in the form attached to the Official Statement as Appendix B, and a letter of such counsel, addressed to the Underwriter and dated the Closing Date, to the effect that such opinion may be relied upon, together with supplemental opinion of Bond Counsel, satisfactory in form and substance to the Underwriter, dated the Closing Date, substantially in the form attached hereto as Exhibit B.

(b) An opinion of counsel to the Borrower, dated the Closing Date, satisfactory in form and substance to the Underwriter, the Trustee, Bond Counsel and the Issuer and in substantially the form attached hereto as Exhibit C.

(c) An opinion of Tiber Hudson LLC, counsel to the Underwriter, satisfactory in form and substance to the Underwriter.

(d) A certificate of the Issuer, dated the Closing Date and signed by an authorized official or officer of the Issuer, to the effect that (i) each of the Issuer's representations contained herein and in all other Issuer Documents, which representations will be deemed to have been made again at and as of the time of Closing, are true and correct in all material respects; (ii) the Issuer has performed and complied with all agreements and conditions required by this Purchase Contract to be performed or complied with by it at or prior to the Closing; and (iii) the information contained in the Preliminary Official Statement and the Official Statement under the captions "THE ISSUER" and "NO LITIGATION – The Issuer" is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

(e) Evidence that a public hearing has been duly held and the issuance of the Bonds has been duly approved as required by the Code.

(f) A certificate of the Borrower, dated the Closing Date and signed by its authorized representative, to the effect that:

(i) Each of the Borrower's representations and warranties contained herein and in all Borrower Documents, which representations and warranties will be deemed to have been made again at and as of the time of Closing, are true and correct in all material respects;

(ii) The Borrower has performed and complied with all agreements and conditions required by this Purchase Contract to be performed or complied with by it at or prior to the Closing;

(iii) Since the date of the Official Statement and except as set forth therein, there has not been any material adverse change in the Borrower's operations, financial or otherwise;

(iv) The Borrower has reviewed the Preliminary Official Statement and the Official Statement, and without further inquiry, nothing has come to its attention that would

lead it to believe that either document contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(v) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, public board or body pending or, to the best knowledge of the Borrower, threatened against or affecting the Borrower or any of its affiliates, nor, to the best knowledge of the Borrower, is there any basis therefor, wherein an unfavorable decision, ruling or finding would, in any way, adversely affect the transactions contemplated by the Loan Agreement or the operation and management of the Project, or that might result in any material adverse change in the business, operations, properties, assets, liabilities or condition (financial or other) of the Borrower or that affects the information in the Preliminary Official Statement and the Official Statement; and

(vi) Such other matters as the Underwriter may reasonably request.

(a) The Tax Certificate signed by the Borrower's authorized representative and endorsed by the Issuer, in form and substance satisfactory to the Underwriter, respecting certain tax matters as may be reasonably required by Bond Counsel to enable it to give its opinion.

(b) A certificate of the Trustee, dated the Closing Date and signed by an authorized officer of the Trustee, in form and substance satisfactory to the Underwriter.

(c) The Borrower's 15c2-12 Certificate, substantially in the form attached hereto as Exhibit D, duly executed by the Borrower.

(d) Certified copies of the organizational documents of the Borrower and copies of the resolutions or actions of its partners (if applicable) authorizing the execution and delivery of the Borrower Documents.

(e) The Financing Documents (or certified copies thereof) duly executed and delivered by the respective parties thereto, with such amendments, modifications or supplements as may have been agreed to by the Issuer, Bond Counsel and the Underwriter.

(f) Written evidence satisfactory to the Underwriter that Moody's Investors Service, Inc. (the "Rating Agency") has issued a rating of "Aaa/VMIG 1" for the Bonds and such rating shall be in effect on the Closing Date.

(g) Such additional legal opinions, certificates, instruments and other documents as the Underwriter or Bond Counsel may reasonably deem necessary to evidence the truth and accuracy as of the Closing Date of the respective representations and warranties of the Issuer and the Borrower herein contained and of the Official Statement, and to evidence compliance by the Issuer and the Borrower with this Purchase Contract and all applicable legal requirements, and the due performance and satisfaction by the Issuer and the Borrower at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer and the Borrower.

10.3 If any of the conditions set forth in Section 10.1 or 10.2 hereof have not been met on the Closing Date, the Underwriter may, at its sole option, terminate this Purchase Contract or proceed to Closing upon waiving any rights under this Purchase Contract with respect to any such condition. If this

Purchase Contract is terminated pursuant to this Section, no party will have any rights or obligations to any other, except as provided in Section 13 hereof.

Section 11. Actions and Events at the Closing.

The following events will take place at the Closing:

(a) The Issuer will cause the Trustee to deliver the Bonds to the Underwriter. The Bonds so delivered will be in the form required by the Indenture, duly authenticated by the Trustee, and will be fully registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York.

(b) The Issuer and the Borrower, as applicable, will deliver or cause to be delivered to the Underwriter at the offices of Bond Counsel, or at such other place or places as the Issuer, the Borrower and the Underwriter may mutually agree upon, the materials described in Section 10.1 and Section 10.2 hereof.

(c) The Underwriter will deliver to the Trustee, for the account of the Issuer, a wire, payable in immediately available funds, in an amount equal to the purchase price of the Bonds as set forth in Exhibit A hereto.

Section 12. Termination of Agreement.

The Underwriter may terminate this Purchase Contract, without liability therefor, by notifying the Issuer and the Borrower at any time prior to the Closing, if:

(a) Legislation is enacted or introduced in the Congress or recommended to the Congress for passage by the President of the United States, or favorably reported for passage to either house of the Congress of the United States by a committee of such house to which such legislation has been referred for consideration, or a decision is rendered by a court established under Article III of the Constitution of the United States or by the Tax Court of the United States, or an order, ruling, regulation (final, temporary or proposed), press release, statement or other form of notice or official statement is issued or made: (i) by or on behalf of the President, the Treasury Department of the United States or the Internal Revenue Service with the purpose or effect, directly or indirectly, of imposing federal income taxation upon such interest as would be received by the owners of the Bonds, or (ii) by or on behalf of the SEC, or any other governmental entity having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds or any arrangements underlying the Bonds, are not exempt from registration under the 1933 Act, or that the Indenture is not exempt from qualification under the Trust Indenture Act of 1939, as amended;

(b) The declaration of a general banking moratorium by federal, New York or State authorities, or general suspension of trading in securities on the New York Stock Exchange any other national securities exchange, or the establishment by the New York Stock Exchange, by the SEC, by any federal or state agency or by the decision of any court, of any limitation on prices for such trading, or any outbreak or escalation of hostilities or occurrence of any other national or international calamity or crisis, or escalation of such calamity or crisis, the effect of which on the financial markets of the United States shall be such as to make it impracticable for the Underwriter to proceed with the purchase and offering of the Bonds;

(c) Any event or condition which, in the reasonable judgment of the Underwriter, (i) renders untrue any statement of a material fact in the Official Statement which the Issuer and the Borrower do not agreement to supplement the Official Statement, or (ii) causes the Official Statement to omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading and the Issuer and the Borrower do not agree to supplement the Official Statement, or (iii) has a material adverse effect upon the marketability of the Bonds, or (iv) would materially and adversely affect the ability of the Underwriter to enforce contracts for the sale of the Bonds;

(d) The imposition by the New York Stock Exchange or other national securities exchange, or any governmental entity, of any restrictions not now in force with respect to any of the Bonds or obligations of the general character of the Bonds or securities generally, or the increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of the Underwriter;

(e) An order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the SEC, or any other governmental entity having jurisdiction of the subject matter, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds or the issuance, offering or sale of the Bonds or any arrangements underlying the Bonds, as contemplated hereby or by the Preliminary Official Statement or the Official Statement, is or would be in violation of the federal securities laws as then in effect; or

(f) The rating of the Bonds shall have been downgraded or withdrawn by the Rating Agency; or

(g) A material disruption in commercial banking, securities settlement, payment, or clearance services shall have occurred.

Section 13. Fees and Expenses.

13.1 The Borrower shall pay to the Underwriter a fee in the amount of $____ (the "Underwriter's Fee"), payable in immediately available funds on the Closing Date from which the Underwriter will pay certain expenses. The Underwriter's Fee shall not include the fee of the Underwriter's counsel. The Borrower acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred in connection with the issuance of the Bonds. The Borrower has agreed to pay the Underwriter's Fee set forth in this Section 13.1, and inclusive in the expense component of the Underwriter's Fee are actual expenses incurred or paid for by the Underwriter on behalf of the Borrower in connection with the marketing, issuance, and delivery of the Bonds, including, but not limited to, advertising expenses, the costs of any preliminary and final blue sky memoranda, CUSIP fees, and transportation, lodging, and meals for the Borrower's employees and representatives, if any.

13.2 The Borrower shall pay the costs of issuance of the Bonds, including all expenses incident to the performance of the Underwriter's and the Issuer's obligations hereunder, including, but not limited to, (i) the cost of the preparation, printing or other reproduction of this Purchase Contract, the Preliminary Official Statement and the Official Statement, as either may be supplemented or amended, the Indenture and the other Financing Documents in reasonable quantities for distribution; (ii) the cost of engraving, reproducing and signing the definitive Bonds; (iii) the reasonable fees and disbursements of all applicable legal counsel, including Bond Counsel, counsel to the Issuer, counsel to the Trustee (if any), and counsel to the Underwriter; (iv) the initial fees and costs of paying the Trustee and all paying agents, transfer agents

and registrars; (v) the fees and expenses of the Issuer; (vi) CUSIP fees; (vii) the cost of qualifying the Bonds for sale in various states chosen by the Underwriter and the cost of preparing or printing any Preliminary Blue Sky Survey to be used in connection with such sale; (viii) the fees and expenses of the experts retained by the Borrower with respect to the acquisition, rehabilitation and financing of the Project; (ix) the fees of the Rating Agency in connection with the rating of the Bonds; (ix) normal travel costs, including reasonable transportation and lodging; (x) ordinary and reasonable meals hosted by the Underwriter that are directly related to the offering contemplated by this Purchase Contract; (xi) all other applicable fees of professionals hired in conjunction with the issuance of the Bonds [and (xii) reimbursement to the Underwriter for the Underwriter's Advance]. Notwithstanding anything to the contrary, in the event the transaction contemplated hereby does not close, the Borrower shall pay all fees and expenses incurred in connection with the transaction.

13.3 The Underwriter will pay all expenses (other than those described in Section 13.2) incurred by the Underwriter in connection with its public offering and sale of the Bonds.

13.4 In the event that the Issuer, the Borrower or the Underwriter shall have paid obligations of the other as set forth in this Section, appropriate adjustments will promptly be made.

13.5 In addition to the provisions set forth in Section 14 hereto, the Borrower shall indemnify the Issuer and the Underwriter with respect to the foregoing costs and expenses in the event that the purchase provided for herein is not consummated.

Section 14. Indemnification.

14.1 The Borrower will indemnify and hold harmless the Issuer and the Underwriter, and each of their officers, directors, employees, agents, officials, members, commissioners, board members and each person who "controls" (as such term is used in Section 15 of the 1933 Act and Section 20 of the 1934 Act) the Issuer and the Underwriter (each referred to individually as an "*Indemnified Party*" and collectively as the "*Indemnified Parties*") against any losses, claims, expenses (including, without limitation, to the extent permitted by law, reasonable attorneys' fees and expenses actually incurred), damages or liabilities, causes of action (whether in contract, tort or otherwise), suits, claims, demands and judgments of any kind, character and nature (collectively referred to herein as the "*Liabilities*"), joint or several, to which the Indemnified Parties may be threatened or become subject, caused by or directly or indirectly arising from or in any way relating to (i) the Bonds, the Project, the loan of the proceeds of the Bonds, this Purchase Contract or any document related to the Bonds, the Project or the loan of the proceeds of the Bonds or any transaction or agreement, written or oral, pertaining to the foregoing, (ii) any untrue statement or alleged untrue statement of any material fact contained in the Preliminary Official Statement or the Official Statement (excluding the sections entitled "THE ISSUER," "THE TRUSTEE," "NO LITIGATION – The Issuer," and "UNDERWRITING"), or any supplement or amendment thereto, or (iii) any omission or alleged omission to state in the Preliminary Official Statement or the Official Statement (excluding the sections entitled "THE ISSUER," "THE TRUSTEE," "NO LITIGATION – The Issuer," and "UNDERWRITING") a material fact necessary to be stated therein in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading. This indemnification provision shall not be construed as a limitation on any other liability which the Borrower may otherwise have to any indemnified person, provided that in no event shall the Borrower be obligated for double indemnification, in that the Borrower shall not be required to indemnify an Indemnified Party more than once with respect to a specific indemnification obligation arising as the result of a specific event. Notwithstanding the foregoing, the Borrower shall not be required to indemnify the Indemnified Parties for the gross negligence or willful misconduct of the Indemnified Parties.

14.2 The indemnity agreements in Section 14.1 shall be in addition to any liability which the Borrower may otherwise have hereunder or under the other Borrower Documents, and shall extend on the same terms and conditions to each member, principal, official, officer, commissioner, board member, attorney or employee of the Borrower and to each person, if any, who "controls" (as such term is used in Section 15 of the 1933 Act and Section 20 of the 1934 Act) the Borrower.

14.3 Promptly after receipt by an Indemnified Party under Section 14.1 of notice of the commencement of any action against such Indemnified Party in respect of which indemnity or reimbursement may be sought against the Borrower under any such paragraph, such Indemnified Party will notify the Borrower in writing of the commencement thereof; provided that any delay or failure to give such notification shall be of no effect except to the extent that the Borrower is prejudiced thereby.

14.4 In case any action, claim or proceeding, as to which the Borrower is to provide indemnification hereunder, shall be brought against the Indemnified Party and the Indemnified Party notifies the Borrower of the commencement thereof, the Borrower may, or if so requested by the Indemnified Party shall, participate therein or assume the defense thereof, with counsel reasonably satisfactory to the Indemnified Party; provided that, except as provided below, the Borrower shall not be liable for the expenses of more than one separate counsel representing the Indemnified Parties in the action, claim or proceeding.

14.5 If the Borrower shall not have employed counsel to have charge of the defense of the action, claim or proceeding, or if any Indemnified Party shall have concluded reasonably that there may be a defense available to it or to any other Indemnified Party which is different from or in addition to those available to the Borrower or to any other Indemnified Party (hereinafter referred to as a "separate defense"), (i) the Borrower shall not have the right to direct the defense of the action, claim or proceeding on behalf of the Indemnified Party, and (ii) reasonable legal and other expenses incurred by the Indemnified Party (including without limitation, to the extent permitted by law, reasonable attorney's fees and expenses actually incurred) shall be borne by the Borrower; provided, that the Borrower shall not be liable for the expenses of more than one additional separate counsel for each Indemnified Party with respect to such separate defenses. For the purpose of this paragraph, an Indemnified Party shall be deemed to have concluded reasonably that a separate defense is available to it or any other Indemnified Party if (a) such Indemnified Party shall have requested an unqualified written opinion from Independent Counsel to the effect that a separate defense exists, and such Independent Counsel shall have delivered such opinion to the Indemnified Party within ten (10) days after such request or (b) the Borrower agrees that a separate defense is so available. For purposes of this paragraph, Independent Counsel shall mean any attorney, or firm or association of attorneys, duly admitted to practice law before the supreme court of any state and not a full-time employee of any Indemnified Party. Nothing contained in this Section 14.5 will preclude any Indemnified Party, at its own expense, from retaining additional counsel to represent such party in any action with respect to which indemnity may be sought from the Borrower hereunder.

14.6 The Borrower agrees to reimburse any Indemnified Party for any reasonable expense (including reasonable fees and expenses of counsel) incurred as a result of producing documents, presenting testimony or evidence, or preparing to present testimony or evidence (based upon time expended by an Indemnified Party at its then current time charges), in connection with any court or administrative proceeding (including any investigation which may be preliminary thereto) arising out of or relating to any public distribution of the Bonds. The Borrower will not be required to reimburse any Indemnified Party if such court or administrative hearing arises out of the gross negligence of, willful misconduct or breach of, this Purchase Contract by an Indemnified Party.

14.7 In order to provide for just and equitable contribution in circumstances in which the indemnity provided for in Section 14.1 or 14.2 is for any reason held to be unavailable, the Borrower and

the Indemnified Party shall contribute proportionately to the aggregate Liabilities to which the Borrower and the Indemnified Party may be subject, so that the Indemnified Party is responsible for that portion represented by the percentage that the fees paid by the Borrower to the Indemnified Party in connection with the issuance and administration of the Bonds bears to the aggregate offering price of the Bonds, with the Borrower responsible for the balance; provided, however, that in no case shall the Indemnified Party be responsible for any amount in excess of the fees paid by the Borrower to the Indemnified Party in connection with the issuance and administration of the Bonds; and provided, further, that the foregoing limitation on an Indemnified Party's liability or responsibility shall not be applicable if the indemnity provided for in Section 14.1 or 14.2 is unavailable or inapplicable due to the gross negligence or willful misconduct of any Indemnified Party. No person guilty of fraudulent misrepresentation (within Section 10(b) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such misrepresentation.

14.8 The Indemnified Parties, other than the Underwriter and the Issuer, shall be considered to be third-party beneficiaries of this Purchase Contract for purposes of Section 14. The provisions of this Section 14 will be in addition to all liability which the Borrower may otherwise have and shall survive any termination and cancellation of this Purchase Contract, the offering and sale of the Bonds and the payment or provisions for payment of the Bonds.

14.9 Notwithstanding anything to the contrary in this Purchase Contract, the Issuer may employ its own counsel (whether one or more separate counsel) in any manner it deems appropriate and the Borrower shall indemnify the Issuer for fees and expenses of such counsel.

Section 15. Limitation of Liability.

Notwithstanding any provision herein to the contrary, any member, officer, director, partner, agent, commissioner, board members or employee of the Issuer, the Underwriter or the Borrower, including any person executing this Purchase Contract, shall not bear any liability as a result of any failure of the Issuer, the Underwriter or the Borrower to perform the obligations of each, respectively, set forth in this Purchase Contract.

Section 16. Miscellaneous.

16.1 All notices, demands and formal actions hereunder will be in writing and mailed, telecopied or delivered to the following address or such other address as either of the parties shall specify:

If to the Underwriter:	Colliers Securities LLC 90 South 7th Street, Suite 4300 Minneapolis, MN 55402-4108 Attention: Craig Theis
If to the Issuer:	City of Columbia Heights, Minnesota 590 – 40th Avenue NE Columbia Heights, MN 55421 Attention: Community Development Director
If to the Borrower:	42 Central Limited Partnership

c/o Reuter Walton Development, LLC
4450 Excelsior Boulevard, Suite 400
St. Louis Park, MN 55416
Attention: General Counsel

And a copy to:

Bridgewater Bank
4450 Excelsior Boulevard, Suite 100
St. Louis Park, MN 55416
Attention: Ross Wieser

Ballard Spahr LLP
2000 IDS Center
80 South 8th Street
Attention: Angela M. Christy, Esq.

16.2 This Purchase Contract will inure to the benefit of and be binding upon the parties hereto and their successors and assigns and, except as provided in Section 14 hereof will not confer any rights upon any other person. The terms "successor" and "assigns" will not include any purchaser of any of the Bonds from the Underwriter merely because of such purchase.

16.3 This Purchase Contract may not be assigned by any of the parties hereto prior to the Closing.

16.4 If any provision of this Purchase Contract is held or deemed to be or is, in fact, inoperative, invalid or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provision of any constitution, statute, rule of public policy, or any other reason, such circumstances will not have the effect of rendering the provision in question inoperable or unenforceable in any other case or circumstance or of rendering any other provision or provisions of this Purchase Contract invalid, inoperative or unenforceable to any extent whatever.

16.5 This Purchase Contract will be construed in accordance with and governed by the internal laws of the State, without regard to conflict of law principles of the State.

16.6 This Purchase Contract may be executed in several counterparts (including counterparts exchanged by email in PDF format), each of which will be regarded as an original and all of which will constitute one and the same document.

Section 17. Survival of Certain Representations and Obligations.

The respective agreements, covenants, representations, warranties and other statements of the Issuer and the Borrower and each of their respective officers set forth in or made pursuant to this Purchase Contract shall survive delivery of and payment for the Bonds and shall remain in full force and effect, regardless of any investigation, or statements as to the results thereof, made by or on behalf of the Underwriter.

If the foregoing is in accordance with your understanding, please sign and return to us two counterparts hereof and, upon the acceptance hereof by the Issuer and the Borrower, this Purchase Contract and such acceptance shall constitute the binding agreement among us as to the matters set forth above.

Very truly yours,

COLLIERS SECURITIES LLC

By: _____
Craig Theis
Senior Vice President

[Signatures continue on following page]

[Issuer's signature page to Purchase Contract]

CITY OF COLUMBIA HEIGHTS, MINNESOTA, as Issuer

By: _____
Amáda Márquez Simula
Mayor

By: _____
Kelli Bourgeois
City Manager

[Signatures continue on following page]

[Borrower's signature page to Purchase Contract]

42 CENTRAL LIMITED PARTNERSHIP,
a Minnesota limited partnership

By: 42 Central GP, LLC, a Minnesota limited liability company
Its: General Partner

By: _____
Name: Nicholas Walton
Title: Manager

EXHIBIT A

TERMS OF BONDS

MULTIFAMILY HOUSING REVENUE BONDS
(42ND & CENTRAL APARTMENTS PROJECT)
SERIES 2022B

Dated Date	Maturity Date	Initial Mandatory Tender Date	Principal Amount	Interest Rate	Price
December ___, 2022	July 1, 2025	July 1, 2024	$560,000	%	100%

EXHIBIT B

PROPOSED FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

December __, 2022

Colliers Securities LLC
Minneapolis, Minnesota

$560,000
City of Columbia Heights, Minnesota
Multifamily Housing Revenue Bonds
(42nd & Central Apartments Project)
Series 2022B

We have acted as Bond Counsel to the City of Columbia Heights, Minnesota (the "Issuer") in connection with the issuance by the Issuer of its Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022A (the "Bonds"), in the original aggregate principal amount of $9,886,000. This opinion is delivered pursuant to Section 10.2(a) of the Bond Purchase Agreement, dated December __, 2022 (the "Bond Purchase Agreement"), between the Issuer, Colliers Securities LLC (the "Underwriter"), and 42 Central Limited Partnership, a Minnesota limited partnership (the "Borrower"). All capitalized terms in this opinion shall have the meanings set forth in the Bond Purchase Agreement.

Reference is made to our opinion as Bond Counsel of even date herewith with respect to the validity of the Bonds. In addition to the documents referred to in that opinion, we have examined the Bond Purchase Agreement and the Official Statement, dated December __, 2022, relating to the Bonds (the "Official Statement").

Based on the foregoing and our review of such other documents, opinions, and instruments which we deem necessary to render this opinion, we are of the opinion that:

1. The Issuer has authorized the execution and delivery of the Bond Purchase Agreement, and the Bond Purchase Agreement has been duly authorized, executed, and delivered by the Issuer and, assuming the due authorization and execution by the other parties thereto, constitutes a valid, legal, and binding special, limited obligation of the Issuer enforceable in accordance with its terms. It is to be understood that the enforceability of the Bond Purchase Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights hereunder or hereafter enacted to the extent constitutionally applicable and that its enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

2. The offer and sale of the Bonds are exempt from registration under the Securities Act of 1933, as amended; the Bonds are municipal securities under the Securities Exchange Act of 1934, as amended; and the Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended.

3. The description of the Bonds, the Issuer, the Indenture, the Loan Agreement, and the Regulatory Agreement contained in the Official Statement under the captions "THE ISSUER," "THE BONDS," and Appendices A, C, D, and E of the Official Statement conform in all material respects with such documents. The summary of our opinion as Bond Counsel contained in the Official Statement under the caption "TAX MATTERS" and on the cover page thereto relating to the tax-exempt status of the Bonds and the form of our opinion as Bond Counsel set forth in Appendix B conform in all material respects with our opinion rendered as Bond Counsel. Except for the foregoing, however, we have not independently

verified the accuracy or completeness of the statements and information contained in the Official Statement and do not assume any responsibility for the accuracy or completeness of such statements or information.

We hereby consent to the references to us on the cover page of and under the captions "RELATIONSHIPS AMONG THE PARTIES," "TAX MATTERS," and "LEGAL MATTERS" in the Official Statement.

The foregoing opinions are being furnished to you solely for your benefit and may not be relied upon by, nor may copies be delivered to, any other person without our prior written consent.

Dated December __, 2022 at Minneapolis, Minnesota.

EXHIBIT C

FORM OF OPINION OF COUNSEL TO THE BORROWER

December ___, 2022

City of Columbia Heights
Columbia Heights, Minnesota

Kennedy & Graven, Chartered
Minneapolis, Minnesota

Colliers Securities LLC
Minneapolis, Minnesota

Re:	Issuer:	City of Columbia Heights
	Borrower:	42 Central Limited Partnership
	Project:	42nd & Central Apartments Project
	Location:	Columbia Heights, Minnesota

Ladies and Gentlemen:

We have acted as special counsel to 42 Central Limited Partnership, a Minnesota limited partnership ("***Borrower***"); 42 Central GP, LLC, a Minnesota limited liability company ("***General Partner***"); and Nicholas Walton, an individual ("***Guarantor***") in connection with (a) a mortgage loan being made to Borrower in the original principal amount of $560,000 (the "***Tax-Exempt Loan***"), which Tax-Exempt Loan has been originated by City of Columbia Heights, Minnesota (the "***Issuer***" or "***City***"). The Tax-Exempt Loan is evidenced by Issuer's revenue note designated as the Multifamily Housing Revenue Note (42nd & Central Apartments Project), Series 2022B (the "***Bond***") issued in the original aggregate principal amount of $560,000.

The proceeds of the sale of the Bond will be used by Issuer to fund the Tax-Exempt Loan, and the proceeds of the Tax-Exempt Loan will be applied to finance the acquisition and development of a low-income housing project known as 42nd & Central Apartments Project, located at 800 42nd Avenue NE, Columbia Heights, State of Minnesota (the "***Project***").

Our clients have requested that we deliver this letter to you, have consented to the reliance on this letter by (a) Issuer in issuing the Bond, and (b) the other addressees of this letter, and have waived any privity between them and us in order to permit you to so rely on this letter. We understand and, with the consent of our clients, consent to your so relying on this letter.

DOCUMENTS REVIEWED

In our capacity as special counsel, we have examined originals or copies of the following documents (unless specifically stated otherwise, each document is dated as of December 1, 2022):

Tax-Exempt Loan:

A1. Loan Agreement, dated as of June 1, 2022, as supplemented by an Amended and Restated Loan Agreement, dated as of December 1, 2022, between Borrower and Issuer (the "***Loan Agreement***");

A2. Regulatory Agreement, dated as of June 1, 2022, but effective as of the Series A Closing Date, as supplemented by an Amended and Restated Regulatory Agreement, dated as of December 1, 2022, but effective as of the Series B Closing Date, between Borrower, Issuer, and U.S. Bank Trust Company (the "***Regulatory Agreement***");

A3. Bond Purchase Agreement by Borrower, Issuer, and Colliers Securities LLC;

A4. Promissory Note, by Borrower to Issuer and assigned by Issuer to Trustee;

A5. Official Statement, dated December __, 2022, of Issuer relating to the Bonds (the "***Official Statement***");

A6. Continuing Disclosure Agreement by Borrower and the Dissemination Agent named therein;

A7. Remarketing Agreement by Borrower and the Remarketing Agent named therein;

A8. Tax Certificate of Borrower, by Borrower

A9. Certificate of the Borrower

The documents listed in A1 through A9 are referred to collectively as the "***Transaction Documents***." We advise you that we have reviewed only the foregoing documents for the purposes of this letter.

For the purposes of this letter, (i) Minnesota Statutes are sometimes referred to as "***Minn. Stat.***," (ii) the term "***Collateral***" means all real and personal property in which a lien or security interest is stated to be granted under the Transaction Documents and Financing Statements, (iii) the term "***Mortgaged Property***" means the real property located in the State of Minnesota and described in the Security Instrument, (iv) the Uniform Commercial Code currently in effect in the State of Minnesota is sometimes referred to as the "***Minnesota UCC***," (v) the term "***Article 9 Collateral***" means the Collateral as to which the creation of a security interest is governed by Article 9 of the Minnesota UCC, and (vi) the term "***Filing Office***" shall mean the office of the Secretary of State for the State of Minnesota.

SCOPE OF INVESTIGATION

In connection with the opinions hereinafter set forth, we have also examined such certificates of public officials, limited partnership documents, limited liability company documents and records and other certificates and instruments as we have deemed necessary for the purposes of the opinions herein expressed. As to various questions of fact material to our opinions, we have relied upon certificates and written statements of authorized representatives of Borrower, General Partner, Guarantor, and public officials. We have made no independent investigation of such certificates or written statements or of any warranties and representations made by Borrower, General Partner, and Guarantor in the Transaction Documents. We have not undertaken any independent investigation to determine the accuracy of the matters covered by any such certificates or written statements, warranties or representations and any limited inquiry undertaken by us during the preparation of this letter should not be regarded as such an investigation. No inference as to our knowledge of any matters bearing on the accuracy of the facts underlying any such certificates, written statements, warranties or representations should be drawn from the fact of our representation of Borrower, General Partner, or Guarantor. We have no reason to believe that any of the assumptions or the various

certificates, written statements and documents on which we have relied contain matters which are untrue, contrary to known facts or unreasonable.

ASSUMPTIONS

For purposes of this letter, we have relied on customary assumptions, including the following assumptions:

B1. The transactions contemplated by the Transaction Documents may reasonably be expected to benefit, directly or indirectly, the Guarantor, and the Guarantor has received adequate and sufficient consideration and will derive adequate and sufficient benefit in respect of his obligations under the Guaranty and any other Transaction Document to which he is a party.

B2. The Tax-Exempt Loan are primarily for commercial or business purposes, and the Collateral described in the Security Instrument is not agricultural property or agricultural land or intended for agricultural use.

B3. The personal property in which Lender is to acquire a security interest under the Transaction Documents is not "consumer goods," as such term is defined in the Minnesota UCC, in the hands of the party granting such interest.

B4. The Collateral is accurately and sufficiently described in the Transaction Documents and the Financing Statements (and any schedule thereto).

B5. All Collateral is collateral as to which the creation of a security interest in the Collateral is governed by Article 9 of the Minnesota UCC.

B6. All fixtures described in the Security Instrument are located in Hennepin County, Minnesota.

B7. The Financing Statements contain the correct mailing address of Borrower and General Partner, as applicable.

B8. Borrower has "rights" in the Collateral and "value" has been given, as such terms are defined in the Minnesota UCC.

B9. All conditions precedent to closing the transactions contemplated by the Transaction Documents have been satisfied or waived.

B10. The transactions contemplated by the Transaction Documents have been entered into by all of the parties thereto in good faith, and the conduct of all parties has conformed and will conform with all applicable express and implied covenants of good faith and fair dealing and the requirements of conscionability and commercial reasonableness applicable thereto; and none of Lender, Issuer, nor any agent acting on their behalf in connection with such transactions has notice of any defense against the enforcement of any rights created by the Transaction Documents.

B11. All of the material terms, covenants, and conditions of the Tax-Exempt Loan are accurately recited in the Transaction Documents. All exhibits referred to in the Transaction Documents have been properly completed and attached. There has been no mutual mistake

of fact or misunderstanding, there exists no fraud, duress or undue influence with respect to the agreements and obligations contained in the Transaction Documents, and there is no document or other information which has not been furnished to us which would materially alter, modify or amend the Transaction Documents.

B12. The parties to the Transaction Documents will comply with all requirements of applicable procedural and substantive law in exercising any rights or enforcing any remedies under the Transaction Documents.

B13. Each natural person has sufficient legal capacity to enter into and perform, or to carry out that person's role in, the transaction effected by the Transaction Documents.

B14. Without assuming the form of acknowledgement/notary block is proper for recording in Minnesota, the signature of Borrower on the Security Instrument and Regulatory Agreement have been properly acknowledged according to applicable law.

B15. Borrower has a valid, current estate in the real property described in the Security Instrument and Regulatory Agreement at the time such instruments are delivered and recorded. We understand that with respect to title matters, you will be relying on one or more policies of title insurance. An instrument creating Borrower's estate in the Mortgaged Property is properly of record in the real property records of the county in which the Mortgaged Property is located.

B16. The proper legal descriptions of the Project will be attached to the Security Instrument prior to recording.

B17. The creation of a security interest in, or a lien or other encumbrance on, any of the Collateral that is described in any of the Transaction Documents and that consists of a governmental permit, license or other authorization is not prohibited or restricted by law or any other contract or encumbrance, and any assignment or pledge under any Transaction Document of, or the creation under any Transaction Document of a security interest in, any right under any contract is not prohibited by the terms of such contract.

B18. Each party to the Transaction Documents, other than General Partner, Guarantor, and Borrower (and any person executing any of the Transaction Documents on behalf of General Partner, Guarantor, or Borrower), has satisfied all necessary legal requirements applicable to it and has all necessary corporate authority to enter into those documents and consummate the transactions contemplated by those documents.

B19. Each party to the Transaction Documents, other than General Partner, Guarantor, or Borrower (and any person executing any of the Transaction Documents on behalf of General Partner, Guarantor, or Borrower), has duly authorized the execution and delivery of those documents.

B20. Each party to the Transaction Documents, other than General Partner, Guarantor, or Borrower (and any person executing any of the Transaction Documents on behalf of General Partner, Guarantor, or Borrower), has duly and validly executed and delivered each document to which it is a signatory, and each such party's obligations set forth in those documents are its legal, valid, and binding obligations, enforceable in accordance with their respective terms.

B21. All Documents submitted to us for review are authentic and complete; each such Document that is a copy conforms to an authentic original; and all signatures on each such Document are genuine.

B22. The persons named in the Security Instrument as the beneficiary of the Security Instrument are the holders of the instruments or documents evidencing the obligations secured by the Security Instrument.

B23. Each of the Security Instrument and all leases for terms of more than one year has been properly acknowledged, and all persons taking acknowledgements were qualified to do so.

B24. The Security Instrument and Regulatory Agreement will be duly recorded and properly indexed in the real property records of Hennepin County, Minnesota, without change in form or content, and all applicable recording fees will be paid.

B25. [Each of the Tax-Exempt Personalty Financing Statement and the Tax-Exempt Equity Interest Financing Statement have been properly filed and indexed in the Filing Office.]

B26. Minnesota law (without regard to Minnesota law regarding conflicts of law) will apply to the interpretation, validity, and enforceability of the Transaction Documents.

B27. All representations and warranties set forth in the Transaction Documents are true and correct without regard to knowledge or materiality as of the time made or deemed to be made, and all other material factual matters set forth in the Documents are true and correct to the extent those factual matters relate to any of the opinions set forth in this letter.

OPINIONS

Based on the foregoing and subject to the assumptions, qualifications, limitations and exclusions set forth in this letter, we are of the opinion that:

C1. Based solely on the [Borrower Status Certificate], Borrower is a limited partnership validly existing under the laws of the State of Minnesota.

C2. Borrower is in good standing under the laws of the State of Minnesota, and has the necessary limited partnership power and limited partnership authority to enter into, and perform its obligations under, each of the Transaction Documents to which it is a party.

C3. Borrower has authorized, by all necessary limited partnership action on the part of Borrower, the execution and delivery of, and the consummation of the transactions contemplated by, each of the Transaction Documents to which it is a party and Borrower has executed and delivered each of the Transaction Documents to which it is a party.

C4. The Transaction Documents to which Borrower is a party constitute the valid and legally binding obligations of Borrower, enforceable against Borrower in accordance with their respective terms.

C5. The Security Instrument is in form sufficient for recordation in the land records of the County of Hennepin, State of Minnesota. The Security Instrument is in form sufficient to create a lien or encumbrance on the interest of Borrower in and to the Mortgaged Property including fixtures described therein. Upon proper recording, the Security Instrument will

create a legal, valid and enforceable lien on the real property described therein, including the fixtures attached thereto.

C6. The Security Instrument is in form sufficient to perfect the security interest in the Collateral described therein, but only to the extent that, under Article 9 of the Minnesota UCC, a security interest in each described fixture can be perfected by recording a financing statement as a fixture filing in the county real property records in the State of Minnesota. The proper place to record a financing statement filed as a fixture filing for collateral of the type described in the Security Instrument, to the extent that a security interest in such collateral may be perfected by the recording of a financing statement filed as a fixture filing in the State of Minnesota, is the real property records of Hennepin County, State of Minnesota.

C7. Borrower may not plead the defense of usury or maintain an action for usury with respect to the Tax-Exempt Loan.

Based upon the foregoing and subject to the assumptions, qualifications, limitations and exclusions set forth in this letter, we confirm that:

C8. The execution and delivery by Borrower, General Partner, and Guarantor of, and the consummation of the transactions contemplated by, each of the Transaction Documents to which it is a party, do not (a) violate its Organizational Documents (as applicable), (b) to our knowledge, breach, or result in a default under, any existing obligation of Borrower, General Partner, or Guarantor known to us under any agreement or instrument to which Borrower, General Partner, or Guarantor is a party, or (c) breach or otherwise violate any existing obligation of Borrower, General Partner, or Guarantor known to us under any court order that names Borrower, General Partner, or Guarantor and is specifically directed to it or its property, except as consented to or waived in writing by the parties to which such obligations are due.

C9. Borrower has obtained all consents, approvals, authorizations, certificates and orders of any governmental or regulatory authority that are required to be obtained by it as a condition precedent to the execution and delivery of the Transaction Documents or the performance by Borrower of its obligations thereunder, except as may be required by federal or state securities laws or for the construction or operation of the Project.

C10. To our knowledge, there is no action or suit pending before any court or administrative or other governmental body or agency, or overtly threatened against Borrower, General Partner, Guarantor, or the Project which, if adversely determined against Borrower, General Partner, Guarantor, or the Project, would reasonably be expected to have a material adverse effect on such party's performance of its obligations under the Transaction Documents or the ability of such party to carry on its business in the manner specified in the Transaction Documents.

C11. To our knowledge, nothing has come to our attention during the scope of our representation of the Borrower that would lead us to believe that either the Preliminary Official Statement or the Official Statement contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

QUALIFICATIONS, LIMITATIONS AND EXCLUSIONS

In addition to the assumptions set forth above, our opinions are subject to the following qualifications, limitations and exclusions:

D1. We express no opinion concerning any federal or state land use, subdivision, zoning, building, health, safety, banking, employee benefit, pension, antitrust, trade, fair competition, discrimination, environmental, tax, intellectual property, racketeering, criminal, labor, or securities laws, rules, regulations, orders or directives.

D2. We express no opinions with respect to (a) the value of any Collateral; (b) the adequacy of the consideration for the Tax-Exempt Loan or the Bond; (c) the accuracy or completeness of any financial, accounting, or statistical information furnished to any party; (d) the accuracy or completeness of any representations made by any party to the Transaction Documents; (e) the financial status of any party to the Transaction Documents; (f) the ability of any party to meet its obligations under the Transaction Documents; (g) the state of the title to any real property or personal property, ownership thereof, or the attachment, perfection, or priority of any liens thereon or security interests therein; or (h) the adequacy or accuracy of descriptions of real or personal property.

D3. We express no opinion as to the presence or absence of any environmental contamination on any property.

D4. We express no opinion as to any security interest in any Collateral other than Article 9 Collateral.

D5. We call to your attention that (a) continuation of perfection in cash proceeds is subject to the limitations set forth in the Minnesota UCC; and (b) the continued perfection of the security interests will depend upon the filing of periodic continuation statements relating to the Financing Statements in accordance with the Minnesota UCC and may depend upon the continuation of (i) the debtor as a registered organization that is organized under the laws of the state of filing, and (ii) the present name of the debtor.

D6. We express no opinion on the creation, perfection or enforcement of the security interest granted under the Deposit Account Control Agreement.

D7. We call to your attention that Section 552 of the United States Bankruptcy Code, 11 U.S.C. § 552, limits the extent to which property acquired by a debtor after the commencement of a case under the United States Bankruptcy Code may be subject to a security interest arising from a security agreement entered into by the debtor before the commencement of such case.

D8. The enforceability of any agreement may be limited by (i) equitable principles or by any applicable bankruptcy, reorganization, winding-up, insolvency, moratorium, fraudulent conveyance, fraudulent transfer, receivership, or other laws of general application affecting the enforcement of creditors' rights generally (including, without limitation, the effectiveness of waivers of defenses and legal rights); (ii) certain procedural requirements, such as the required format and timing of service of process, court filings, recordation and notices, and minimum statutory requirements and other rights and obligations that are subject to limitations or restrictions imposed by statute; and (iii) the concepts of notice, materiality, impairment of security, equitable subordination, mitigation of damages,

reasonableness, unconscionability, good faith and fair dealing, jurisdiction, service of process, venue, applicable statutes of limitation and other applicable law. In addition, no opinion is expressed herein as to indemnification provisions of the Transaction Documents to the extent any indemnification provided for therein is for the negligence of any indemnified person or any violation of law by the indemnified person or might otherwise be determined to violate public policy.

D9. Certain provisions contained in the Transaction Documents may not be enforceable, but subject to the qualifications set forth in D8 above, such unenforceability will not render any of the Transaction Documents invalid as a whole or preclude: (i) judicial enforcement of Borrower's obligation to repay the principal amount of advances, together with interest thereon (to the extent not deemed a penalty), as provided in the Transaction Documents; or (ii) acceleration of Borrower's obligation to repay such principal, together with such interest, upon default in the payment of such principal or interest or upon a continuing material default by that Borrower in the performance of any other enforceable obligation under the Transaction Documents (to the extent the Transaction Documents provide for such acceleration); or (iii) foreclosure in accordance with applicable laws of the State of Minnesota of any lien or security interest created by the Security Instrument, either upon maturity or upon acceleration under circumstances described in clause (ii) above.

D10. Without limiting the other assumptions, qualifications, limitations and exclusions set forth herein, we express no opinion with respect to:

(a) self-help; rights of setoff; the right to possession of the real or personal property, or collection of rental or other income without appointment of a receiver; or the rights of, procedural requirements for, or powers of a receiver;

(b) provisions purporting to establish evidentiary standards, or stating that the determinations or records of a party shall be final, binding or conclusive;

(c) provisions relating to the waiver of statutory or common law rights, remedies or defenses, including without limitation rights of redemption, to establish "fair value," to receive notice, to marshaling of assets, to enjoin a foreclosure sale or to avoid a deficiency judgment in connection with enforcement of a security instrument;

(d) provisions relating to venue;

(e) to the extent such amounts exceed actual damages, provisions that permit Lender, or Issuer to collect a late charge, an increased interest rate after default or maturity, or a yield maintenance or prepayment premium;

(f) any reservation of the right to pursue inconsistent or cumulative remedies;

(g) any "due on sale" clause to the extent that enforcement is not mandated by applicable federal law and that the security for the Tax-Exempt Loan or the Bond would not be impaired;

(h) any "due on encumbrance" clause in any circumstance in which the security for the Tax-Exempt Loan or the Bond would not be impaired;

(i) provisions that may violate the "anti-deficiency" statutory restrictions set forth in Minnesota Mortgage Laws (as hereinafter defined);

(j) provisions for payment or reimbursement of costs, expenses or attorney fees in connection with the indemnification for claims, losses or liabilities for the negligent or wrongful acts of the indemnified party;

(k) provisions purporting to grant a power of attorney;

(l) provisions that purport to establish or maintain priority of a lien;

(m) provisions for charging interest on interest;

(n) provisions in conflict with any statutory provisions that permit a debtor to pay indebtedness or redeem property after commencement of judicial or non-judicial foreclosure proceedings;

(o) provisions purporting to allow Lender or Issuer to determine the method or order of sale of property in a foreclosure action;

(p) provisions purporting to waive or modify court rules or statutes regarding litigation;

(q) provisions allowing for severability of clauses or provisions of a Transaction Document;

(r) provisions fixing, establishing, eliminating, or prohibiting the rights or remedies of non-parties;

(s) provisions purporting to prevent a non-party from exercising its rights or remedies;

(t) provisions purporting to make a party to a Document a beneficiary of the undertakings or agreements of a non-party to that Document;

(u) provisions requiring parties to arbitrate disputes;

(v) provisions purporting to prevent a party from becoming a mortgagee in possession or allowing a party to enter into, control or collect rents from a property without appointment of a receiver;

(w) provisions warranting the existence of future facts or circumstances;

(x) provisions in the nature of a penalty; and

(y) provisions purporting to allow independent action to collect a debt and foreclose a mortgage in violation of Minnesota Mortgage Laws or to grant possession of real property collateral to a mortgagee prior to termination of the redemption period.

D11. We express no opinion as to the enforceability of any obligation of a borrower or a guarantor under any Transaction Document after a foreclosure sale under a security instrument if and to the extent that the obligation or its substantial equivalent is secured by that security instrument.

D12. Notwithstanding any provisions in the Transaction Documents to the effect that the Transaction Documents reflect the entire understanding of the parties with respect to the matters described therein, the courts of the State of Minnesota may consider extrinsic evidence of the circumstances surrounding the negotiation and execution of the Transaction Documents to ascertain the intent of the parties in using the language employed in the Transaction Documents, regardless of whether or not the meaning of the language used in the Documents is plain and unambiguous on its face, and may determine that additional or supplemental terms can be incorporated into the Transaction Documents. We express no opinion on whether a court's interpretation of the written contract will be consistent with the understanding of any particular party to the contract.

D13. The existence, continuation and scope of any security interest that may be created by the Transaction Documents are subject to limitations set forth in the Minnesota UCC, and to lien avoidance powers available under the United States Bankruptcy Code, as amended, and with respect to any collateral acquired by a lender subsequent to the commencement of a case by or against such lender under the United States Bankruptcy Code, as amended.

D14. The rights of a secured party to enforce a security interest in proceeds may be limited under certain circumstances described in the Minnesota UCC, and a security interest will continue in collateral after its sale, lease, license, exchange or other disposition only to the extent provided in the Minnesota UCC.

D15. Restrictions in the Transaction Documents on the voluntary or involuntary transfer of a person's rights in collateral or other property may be limited as provided in the Minnesota UCC.

D16. The rights of debtors and other obligors, and the duties of secured parties, that are identified directly or by reference in Section 336.9-602 of the Minnesota UCC may not be waived or varied other than as provided in Section 336.9-624 of the Minnesota UCC.

D17. We note that the assignments of rents set forth in the Security Instrument purport to be absolute conveyances of Borrower's interest in the leases and rents described therein. We offer no opinions on the effectiveness of such documents to convey or create any interest other than a security interest in such leases and rents.

D18. Whenever the phrase "to our knowledge" or any variation thereof is used in this letter, (a) the subject modified by that phrase is limited to matters within the present actual knowledge of Joseph McCarthy, Sallie Lin and Scott Rosenthal, the attorneys in this firm actively engaged in the representation of Borrower, General Partner, and Guarantor, (b) those words mean only the conscious awareness of facts or other information by such attorneys, and (c) those words do not include any knowledge that may be imputed to those attorneys by constructive notice or other means or imply that those individuals have undertaken any inquiry with respect to any such matters except to the extent that facts and circumstances presented to those individuals would compel a prudent attorney to make further inquiry when presented with the same facts and circumstances.

D19. We express no opinion as to the laws of any jurisdiction other than the laws of the State of Minnesota, as currently in effect. If a court determined that the Documents were not legal, valid, binding or enforceable under governing laws other than the law of the State of Minnesota, such determination may affect the status and enforceability of the Documents under the laws of the State of Minnesota, even though such Documents would otherwise

have been legal, valid, binding and enforceable under the laws of the State of Minnesota. In addition, our opinions herein are based upon our consideration of only those statutes, rules and regulations which in our experience are normally applicable to transactions of the type provided for in the Documents.

D20. We call your attention to the Minnesota Uniform Limited Partnership Act 2001 (Minn. Stat. Chapter 321) which limits the remedies available to a creditor of a partner to obtaining a charging order, limits the rights of a creditor to those of a transferee, and allows redemption by the debtor, its partners or the partnership. We also call your attention to the terms of the Borrower's Organizational Documents. The enforceability of certain Transaction Documents may be affected by these facts.

D21. We call your attention to the Minnesota Uniform Limited Partnership Act 2001 (Minn. Stat. Chapter 321) which limits the types of interests in a partnership that may be transferred. As stated in Minn. Stat. Section 321.0702, a transfer of an interest in a partnership gives the transferee an interest in distributions, but transferor retains the duties and obligations of a partner. We express no opinion as to the enforceability of the Pledge Agreement and the Collateral Assignment, to the extent that they purport to transfer more than a right to receive distributions from Borrower.

D22. We express no opinion with respect to the Torrens Act in the State of Minnesota known as the Minnesota Land Registration Act, Minn. Stat. Chapter 508.

D23. We express no opinion with respect to whether Lender is required to file a Notice of Business Activities Report under Minn. Stat. Section 290.371. Any party who is so required and does not file such a report has no cause of action upon which it may bring suit under Minnesota law, except for issues related to its Minnesota tax liability, unless and until it pays any taxes, interest or civil penalties due the State of Minnesota for all periods, or provides for their payment by security or bond.

D24. Mortgage foreclosures are governed primarily and generally by Minn. Stat. Chapters 580 (nonjudicial foreclosure by advertisement), 581 (foreclosure by judicial action) and 582 (general foreclosure provisions) (herein referred to collectively as the "***Minnesota Mortgage Laws***"). Minnesota Mortgage Laws place severe restrictions upon the right of a mortgagee to gain possession of mortgaged property prior to foreclosure and expiration of the applicable rights of redemption, and the rights of a lender or any receiver to possession or control over the mortgaged property or the rents as income therefrom are subject to Minn. Stat. Sections 559.17 and 576.25 and the Minnesota Mortgage Laws.

D25. The Minnesota Mortgage Laws limit, provide for, allow, and/or require certain notices, redemption periods, cure and reinstatement periods, and/or deficiency judgments, including, by way of example and not in limitation thereof, the following:

(a) No action or proceeding to recover any indebtedness secured hereby shall have been instituted or then continuing as a condition for the mortgagee to foreclose by advertisement. *See* Minn. Stat. Section 580.02(2).

(b) The amount received from foreclosure sale by advertisement is full satisfaction of the mortgage indebtedness secured hereby, except as provided in Minn. Stat. Section 582.30. *See* Minn. Stat. Section 580.225.

Deficiency judgments may be allowed under specific conditions from foreclosure by judicial action. *See* Minn. Stat. Section 582.30.

(c) A mortgagor may be entitled to redeem after foreclosure for up to twelve (12) months after foreclosure sale under certain specified circumstances. *See* Minn. Stat. Sections 580.23 and 582.032.

(d) A mortgagee's right of acceleration may be limited by mortgagor's right of reinstatement if mortgagor pays the amount actually then due (without acceleration) on the mortgage plus other sums required under Minn. Stat. Section 580.30 prior to the foreclosure sale.

(e) Any waiver of rights of redemption contained in the Security Instrument is not enforceable.

(f) Separate parcels must be sold separately.

D26. Attorney's fees for foreclosing the Security Instrument may be limited by Minn. Stat. Section 582.01.

D27. Minnesota Statutes Section 581.10 provides that the rate of interest following a foreclosure by court action will be six percent (6%) per annum unless another rate is specified in the certificate of sale.

D28. We express no opinion with respect to the payment of any mortgage registration tax necessary to record or enforce the transactions contemplated by the Transaction Documents.

D29. We have not reviewed and do not opine as to existing or future compliance by the property subject to the Security Instrument with applicable zoning, health, safety, building, environmental, land use or subdivision laws, ordinances, codes, rules or regulations, or as to whether Borrower has obtained or will obtain all necessary licenses, permits, approvals and authorizations to maintain, occupy or operate such property and perform their obligations under the Transaction Documents.

USE OF THIS LETTER

This letter is provided to you as a legal opinion only, and not as a guaranty or warranty of the matters discussed herein. Nothing contained in this letter shall be deemed to constitute a waiver of the attorney-client privilege between this firm and its clients except as to matters expressly set forth herein. Our opinions are limited to matters expressly stated herein and no other opinions may be implied or inferred beyond the matters expressly stated.

We confirm that we do not have any financial interest in the Project, the Tax-Exempt Loan, or the Bond, other than fees for legal services performed by us, payment for which has been provided; and that, other than as counsel for Borrower, we have no interest in Borrower, General Partner, Lender, or Issuer and do not serve as a director, officer or employee of Borrower, General Partner, Lender, or Issuer. We have no undisclosed interest in the subject matters of this letter.

This letter is furnished to you solely for your benefit and the benefit of subsequent holders of the Bond in connection with the transactions described in this letter, including a trustee in connection with a

securitization. This letter may not otherwise be used or relied upon by you for any other purpose, and may not be used or referred to or relied upon by, or published to or quoted to, any other person for any purpose whatsoever without, in each instance, our prior written consent, except that, solely for the purpose of confirming the existence of this letter, this letter may be disclosed to: (a) governmental agencies having regulatory authority over you; (b) designated persons pursuant to an order or legal process of any court or governmental agency; (c) your legal counsel; and (d) prospective purchasers of the Bond.

This letter is rendered as of its date, and we express no opinion as to circumstances or events which may occur subsequent to such date. Further, we undertake no, and hereby disclaim any, obligation to advise you of any changes in or any new developments which might affect any matters or opinions set forth herein.

Very truly yours,

EXHIBIT D

FORM OF BORROWER'S RULE 15c2-12 CERTIFICATE

$560,000
City of Columbia Heights, Minnesota
Multifamily Housing Revenue Bonds
(42nd & Central Apartments Project)
Series 2022B

The undersigned hereby certifies and represents to Colliers Securities LLC (the "Underwriter") that the undersigned is authorized to execute and deliver this certificate on behalf of 42 Central Limited Partnership, a Minnesota limited partnership (the "Borrower"), and hereby further certifies to the Underwriter as follows:

(a) This Certificate is delivered to enable the Underwriter to comply with Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") in connection with the issuance and sale of the above captioned securities (the "Bonds").

(b) In connection with the issuance and sale of the Bonds, there has been prepared a Preliminary Official Statement, dated December __, 2022, relating to the Bonds (the "Preliminary Official Statement") setting forth information concerning the Bonds and the Borrower.

(c) As used herein, "Permitted Omissions" shall mean the offering price(s), interest rate(s), accreted values, yield to maturity, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters and the identity of the Underwriter(s), all with respect to the issuance and sale of the Bonds.

(d) The Preliminary Official Statement is, as of the date thereof, deemed final within the meaning of the Rule, except for Permitted Omissions.

(e) The section of the Preliminary Official Statement entitled "CONTINUING DISCLOSURE" describes the agreement the Borrower expects to make for the benefit of the Bondholders in the Continuing Disclosure Agreement dated as of December __, 2022, executed by the Borrower and U.S. Bank Trust Company, National Association, as dissemination agent, by which the Borrower will undertake to provide continuing disclosure in accordance with the Rule.

Dated: December __, 2022

[Remainder of page intentionally left blank]

[Signature page to Rule 15c2-12 Certificate]

IN WITNESS WHEREOF, I have hereunto set my hand as of the date set forth above.

42 CENTRAL LIMITED PARTNERSHIP,
a Minnesota limited partnership

By: 42 Central GP, LLC, a Minnesota limited liability company
Its: General Partner

By: _____
Name: Nicholas Walton
Title: Manager

EXHIBIT E

FORM OF ISSUE PRICE CERTIFICATE

[Issue Price Certificate for General Rule Only]

$560,000
City of Columbia Heights, Minnesota
Multifamily Housing Revenue Bonds
(42nd & Central Apartments Project)
Series 2022B

CERTIFICATE OF THE UNDERWRITER

December __, 2022

The undersigned, for and on behalf of Colliers Securities LLC (the "Underwriter"), with respect to the sale and issuance of the Multifamily Housing Revenue Bonds (42nd & Central Apartments Project), Series 2022B (the "Bonds"), by the City of Columbia Heights, Minnesota (the "Issuer"), in the original aggregate principal amount of $560,000, certifies as follows:

1. Sale of Bonds. As of the date of this Certificate of the Underwriter (the "Certificate"), for each Maturity of the Bonds, the first price at which at least ten percent (10%) of such Maturity of the Bonds was sold to the Public is the price provided in EXHIBIT A attached hereto. Capitalized terms used herein that are otherwise not defined shall have the meanings assigned such terms in Section 5 hereof.

2. Purchase Price and Receipt. The Bonds were purchased by the Underwriter at a purchase price (the "Purchase Price") of $560,000. Receipt of the executed and authenticated Bonds from U.S. Bank Trust Company, National Association, as trustee, is hereby acknowledged by the Underwriter.

3. Yield. According to Kennedy & Graven, Chartered ("Bond Counsel"), the yield on the Bonds is the discount rate that, when used in computing the present value, as of ____, 2022, of all unconditionally payable payments of principal of and interest on the Bonds, produces an amount equal to the present value, using the same discount rate, of the aggregate issue price of the Bonds as of ___, 2022. Based on the foregoing, the Underwriter has calculated a yield on the Bonds (calculated to the Initial Mandatory Tender Date) of ____%, as set forth in EXHIBIT B attached hereto.

4. Weighted Average Maturity. The Underwriter hereby certifies that the weighted average maturity of the Bonds, calculated in accordance with instructions provided by Bond Counsel, is ___ years, as set forth in EXHIBIT B attached hereto.

5. Defined Terms. Capitalized terms used herein shall have the following meanings:

(a) "Maturity" means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this Certificate means, with respect to a

purchaser of the Bonds, if the Underwriter and the purchaser are subject, directly or indirectly, to (i) more than fifty percent (50%) common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another); (ii) more than fifty percent (50%) common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another); or (iii) more than fifty percent (50%) common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(c) "Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public). The Underwriter of the Bonds is Colliers Securities LLC.

6. Representations. The representations set forth in this Certificate are limited to factual matters only. Nothing in this Certificate represents the interpretation by the Underwriter of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder. The undersigned understands that the foregoing information will be relied upon by: (i) the Issuer and 42 Central Limited Partnership, a Minnesota limited partnership (the "Borrower"), with respect to certain of the representations set forth in a tax certificate of the Borrower executed on the date hereof with respect to compliance with the federal income tax rules affecting the Bonds; and (ii) Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Information Return for Tax-Exempt Private Activity Bond Issues, Form 8038 (Rev. October 2021), and other federal income tax advice that it may give to the Issuer and the Borrower from time to time relating to the Bonds.

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IN WITNESS WHEREOF, the undersigned has executed this Certificate of the Underwriter as of the date and year first written above.

COLLIERS SECURITIES LLC

By: _____

Craig Theis
Senior Vice President

EXHIBIT A

SALE PRICE

Maturity Date	Initial Mandatory Tender Date	Principal Amount	Interest Rate	Yield	Dollar Price
July 1, 2025	July 1, 2024	$560,000	%	%	$

EXHIBIT B

YIELD AND WEIGHTED AVERAGE MATURITY CALCULATIONS