

AMENDMENT #4 TO  
CDBG DISASTER RECOVERY PROGRAM AGREEMENT  
With  
BEYOND SHELTER, INC.

THIS AMENDMENT ("AMENDMENT") TO CDBG DISASTER RECOVERY PROGRAM (CDBG-DR) AGREEMENT is made and entered into August 3, 2020 by and among The City of Minot, ND, a municipal corporation ("City") and Beyond Shelter, Inc., a 501c3 non-profit organized as a North Dakota nonprofit corporation ("Developer").

WHEREAS, The City and Developer entered into a CDBG-DR Program Agreement dated June 18, 2015 (the "Original Agreement"), as amended by that certain Amendment #1 to the Contract Between the City of Minot, North Dakota and Beyond Shelter for the Development of the rental apartment building project known as Sunset Ridge, by and between the City and Developer and dated March 7, 2016 (the "First Amendment"), as further amended by that certain Amendment to Services Agreement between City and Developer dated effective as of February 11, 2019 (the "Second Amendment"), as further amended by that certain Amendment to CDBG Disaster Recovery Program Agreement with Beyond Shelter dated May 18, 2020 (the "Third Amendment", and together with the Original Agreement, First Amendment, and Second Amendment, collectively (the "CDBG-DR Agreement") for the purpose of providing specific financial support to a Low/Moderate Income Multi-Family rental apartment development contemplated to be two separate apartment buildings primarily supported through and led by State of North Dakota financial resources; and

WHEREAS, In connection with the CDBG-DR Agreement, the City disbursed \$100,000 (the "CDBG-DR Funds") to Developer for the purchase of property located on Minot, North Dakota (the "Development Site") originally described within the CDBG-DR Agreement as being approximately 6.7 acres located at the intersection of 36<sup>th</sup> Avenue NW and Kodiak Street NW, Minot, ND; and

WHEREAS, Developer, together with the prior owner of the Development Site, and through prescribed City Planning Department and Commission process, subdivided the Development Site into two separate lots legally described as follows (i) Lot 1, Block 1, Sunset Ridge Addition to the City of Minot, Ward County, North Dakota (the "Phase I Lot") and (ii) Lot 2, Block 1, Sunset Ridge Addition to the City of Minot, Ward County, North Dakota (the "Phase II Lot"); and

WHEREAS, The Developer subsequently conveyed the Phase I Lot to Sunset Ridge I, LLLP, a North Dakota limited liability limited partnership ("Phase I Partnership") pursuant to that certain Warranty Deed dated October 7, 2015 (the "Phase I Deed"), for purposes of constructing, developing and operating a 35-unit affordable housing project known as the "Sunset Ridge Apartments" ("Phase I Project"); and

WHEREAS, Developer intends to convey the Phase II Lot to either (i) a to be formed LLC, the sole member and manager of whom shall be the Developer ("Land LLC"), which Land LCC would then subsequently convey the Phase II Lot, via deed or long-term ground lease to the Souris Heights, LLLP, a North Dakota limited liability limited partnership (the

"Partnership"), whose managing general partner is Souris Heights, LLC, a North Dakota limited liability company (the "MGP"), whose sole member and manager is the Developer, or (ii) to the Partnership via deed or long term ground lease, in order to accommodate the construction, ownership, operation and maintenance of that certain fifty-four (54) unit multifamily housing complex to be known as Souris Heights Apartments (the "Phase II Project"); and

WHEREAS, On or about the date hereof, the Developer and the City have or will enter into that certain CDBG National Disaster Resilience Program City of Minot Agreement with Beyond Shelter, Inc., dated on or about the date hereof (the "Phase II CDBG NDR Agreement"), related to that certain forgivable loan from the City to Developer in the approximate amount of up to \$5,500,000 (the "CDBG NDR Loan"), and setting forth certain requirements, terms, and conditions applicable solely to the Phase II Lot; and

WHEREAS, The City and Developer each acknowledge and agree that the Developer intends to make a loan to the Partnership using the proceeds of the CDBG NDR Loan and as such, the Phase II Lot and Phase II Project are intended to be governed and controlled by, and subject to, the requirements, terms, and conditions set forth in Phase II CDBG NDR Agreement.

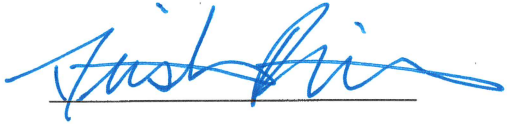
NOW, THEREFORE, in consideration of the foregoing, the City and Developer desire to amend the CDBG-DR Agreement as follows:

- 1- The City and the Developer each acknowledge and agree that, as of the date hereof, the Phase II Lot, and Developer's obligations with respect thereto, shall no longer be governed or controlled by the CDBG-DR Agreement; provided, however, (i) the environmental review previously conducted pursuant to the CDBG-DR Agreement in connection with the Development Site, and the development thereof, shall satisfy any and all environmental review requirements for the Phase II Lot, and (ii) the combined total of 89 units developed, or to be developed on the Phase I Lot (35 units) and Phase II Lot (54 units), respectively, shall satisfy the requirements set forth in the CDBG-DR Agreement, that a minimum of 74 units be developed on the Development Site.
- 2- The City and the Developer each acknowledge and agree that, as of the date hereof, the Phase II Lot, and Developer's obligations with respect thereto, shall be governed and controlled solely by the Phase II CDBG NDR Agreement.
- 3- The Developer agrees for itself, and as the sole member and manager of the MGP, that it shall cause the Phase II Partnership to comply with the Developer's obligations under the Phase II CDBG NDR Agreement with respect to the Phase II Project from and after the date of any conveyance to the Phase II Partnership, as described in the fifth WHEREAS clause set forth in the recitals of this Amendment.
4. Exhibit A of the CDBG-DR Agreement is hereby amended and restated in its entirety in the form attached hereto as Exhibit A.
5. The recitals set forth above are true and correct statements of fact and are incorporated herein by reference with the same force and effect as though restated herein.

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IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as of the date set forth above.

Witness



Beyond Shelter, Inc.



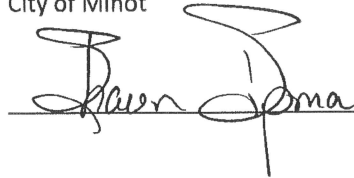
Date

8-18-2020

Witness

Kellymatalba

City of Minot



8/5/2020

## Exhibit A

### "Exhibit A CDBG-DR Agreement Project Description

Beyond Shelter, Inc., a North Dakota nonprofit corporation ("BSI"), in partnership with the Minot Housing Authority ("MHA") will, collectively, develop 74 affordable housing units on approximately 6.7 acres at the intersection of 36<sup>th</sup> Avenue NW and Kodiak Street NW, Minot, ND, which has been subdivided into two separate legal lots described as follows: (i) Lot 1, Block 1, Sunset Ridge Addition to the City of Minot, Ward County, North Dakota (the "Phase I Lot") and (ii) Lot 2, Block 1, Sunset Ridge Addition to the City of Minot, Ward County, North Dakota (the "Phase II Lot").

BSI is the sole member and manager of Sunset Ridge I, LLC, a North Dakota limited liability company (the "MGP"), which is the Managing General Partner of Sunset Ridge I, LLLP, a North Dakota limited liability limited partnership (the "Phase I Partnership"). BSI conveyed the Phase I Lot to the Phase I Partnership pursuant to that certain Warranty Deed dated October 7, 2015 (the "Phase I Deed"), for purposes of constructing, developing and operating a 35-unit affordable housing project known as the "Sunset Ridge Apartments" ("Phase I Project").

BSI has caused the Phase I Partnership to construct, develop and operating the Phase I Project with mix of eight (8) one-bedroom units (3 fully accessible), twenty (20) two-bedroom units (3 fully accessible), and seven (7) three-bedroom units. All units are reserved for households having initial incomes at or below eighty percent (80%) of Area Median Family Income, adjusted for household size, as established by HUD.

MHA has formed MHA SR I, LLC, a North Dakota limited liability company, which serves as the Administrative General Partner of the Phase I Partnership and assists the MGP in the ownership and operating of the Phase I Project. MHA also serves directly as the property manager of the Phase I Project and provides seven (7) Project Based Housing Choice Vouchers to the Phase I Project.

The Phase II Lot shall be governed and controlled solely by the terms and conditions set forth in that certain CDBG National Disaster Resilience Program City of Minot Agreement with Beyond Shelter, Inc., dated August 3, 2020; provided, however, (i) the environmental review previously conducted pursuant to the CDBG-DR Agreement in connection with the Development Site, and the development thereof, shall satisfy any and all environmental review requirements for the Phase II Lot, and (ii) the combined total of 89 units developed, or to be developed on the Phase I Lot (35 units) and Phase II Lot (54 units), respectively, shall satisfy the requirements set forth in the CDBG-DR Agreement, that a minimum of 74 units be developed on the Development Site.