

**RESOLUTION NO. 2019-004
ECONOMIC DEVELOPMENT AUTHORITY**

CONSENT OF THE NORTHFIELD ECONOMIC DEVELOPMENT AUTHORITY TO THE ASSIGNMENT AND ASSUMPTION OF THE REVOLVING LOAN FUND LOAN AGREEMENT WITH FAMILY RESIDENCE, LLC BY PRAIRIE VIEW HOLDINGS, LLC.

WHEREAS, The Northfield Economic Development Authority (EDA) entered into a Revolving Loan Fund Loan Agreement with The Family Residence, LLC, dated October 26, 2018 (the “Loan Agreement”), to provide financing (the “Loan”) for the construction and start-up of a residential care home for seniors with memory care needs on certain property located in the City of Northfield, Rice County, Minnesota, described as follows (the “Mortgaged Property”)

Lot 1, Block 1, Locust Development Third Addition, Rice County, Minnesota

; and,

WHEREAS, the Loan was secured by a mortgage in favor of the EDA on the Mortgaged Property which was executed by The Family Residence, LLC on October 26, 2018 and recorded on October 26, 2018 as Document No. A711435 in the Offices of the Rice County Recorder/Registrar (the “Original Mortgage”); and

WHEREAS, The Family Residence, LLC desires to assign and Prairie View Holdings, LLC desires to accept and assume all of the rights, duties and obligations of The Family Residence, LLC under the Loan Agreement and all supporting loan documents executed contemporaneously with said Loan Agreement or identified therein; and,

WHEREAS, under the draft Assignment and Assumption Agreement between The Family Residence, LLC and Prairie View Holdings, LLC attached hereto as Exhibit A (the “Assignment and Assumption Agreement”), Prairie View Holdings, LLC will provide the EDA with a modified mortgage, which will be recorded against the Mortgaged Property and which will supersede and replace the Original Mortgage; and

WHEREAS, pursuant to the modified mortgage, which is attached as Exhibit A to the Assignment and Assumption Agreement, the EDA agrees to subordinate its mortgage on the Mortgage Property to two mortgages in favor of First National Bank of Northfield as specified in said modified mortgage; and

WHEREAS, the EDA desires to consent to the terms of the Assignment and Assumption Agreement between The Family Residence and Prairie View Holdings, LLC, and to the terms of the modified mortgage.

NOW THEREFORE BE IT RESOLVED that the City of Northfield Economic Development Authority consents to the Assignment and Assumption Agreement and the modified mortgage and authorizes and directs its president and secretary to execute the consent to said agreement substantially in the form as

attached hereto as Exhibit A and any other document necessary to effectuate said assignment and assumption of said loan agreement.

Passed by the Northfield Economic Development Authority this _____ day of July, 2019.

Andrew Ehrmann, EDA President

Mike Strobel, EDA Vice-President

EXHIBIT A