

AMENDMENT NO. 1 TO SCHOOL LEASE REVENUE NOTE, SERIES 2008  
(PRAIRIE CREEK COMMUNITY SCHOOL PROJECT)

This Amendment No. 1 to School Lease Revenue Note, Series 2008 (Prairie Creek Community School Project), dated as of March 23, 2018 (the “First Amendment”), is made with respect to \$2,300,000 School Lease Revenue Note, Series 2008 (Prairie Creek Community School Project), dated December 23, 2008 (“Original Note”) issued by the Economic Development Authority in and for the City of Northfield, Minnesota (the “Issuer” or the “Authority”) the original of which is stapled hereto and incorporated herein by reference.

1. All capitalized terms used herein shall have the meanings ascribed to them in the Original Note.
2. Section 2 of the Original Note is hereby amended and replaced with the following:

On the First Adjustment Date and on March 23, 2023 (each an “Adjustment Date”), the interest rate on this Note will be adjusted to a rate per annum equal to the five year Federal Home Loan Bank Advance Rate plus a margin of 2.95% multiplied by .67 (the “Adjusted Rate”). In addition, on March 23, 2018 the interest rate on this Note shall be adjusted to 3.50% through March 23, 2023. Except in the event of a Determination of Taxability as defined in the Loan Agreement, the Adjusted Rate of interest payable hereunder shall not be less than 3.50% nor greater than 7.00% during the term of this Note. Interest shall be computed on the basis of a 360-day year of twelve 30-day months but shall be charged for the actual number of days principal is unpaid.

3. Section 3 of the Original Note is hereby amended and replaced with the following:

Interest only shall be paid on the Note on January 23, 2009, and monthly thereafter on the 23<sup>rd</sup> day of each month through and including December 23, 2009. Commencing on January 23, 2010, and monthly thereafter, the principal and interest on this Note shall be payable in monthly installments of \$15,204 until the First Adjustment Date. the First Adjustment Date. Commencing March 23, 2018, and monthly thereafter, the principal and interest on this Note shall be payable in monthly installments of \$\_\_\_\_\_ until March 23, 2023. Monthly payments of principal and interest shall be recomputed as of the First Adjustment Date and each Adjustment Date thereafter to fully amortize the monthly principal and interest payments on this Note by March 23, 2028 (the “Final Maturity Date”). On the Final Maturity Date all unpaid principal and interest on the Note shall be due and payable. So long as an Event of Default (as defined herein) does not exist, all payments shall be applied first to interest on the unpaid Principal Balance of this Note, then to any applicable prepayment premiums and finally to the payment of such unpaid Principal Balance, except that if any protective advance made by Lender under the terms of any of the Loan Documents (as defined herein) is not repaid, any monies received, at the option of Lender, may

first be applied to repay such advance, plus interest thereon at a rate equal to the Default Rate (as defined herein). If an Event of Default (as defined herein) exists, Lender shall apply any payments received to the Principal Balance, interest, late charges, or other amounts due under the Loan Documents in such order as Lender, in its sole discretion, shall determine.

4. Section 9 of the Original Note is hereby amended and replaced with the following:

This Note may only be prepaid in immediately available funds, in whole or in part in strict accordance with the term and conditions of this Note and as provided in Section 5.1 of the Loan Agreement. To exercise a voluntary prepayment option, the Borrower must give written notice in the name of the Authority to the Lender not less than 30 days prior to the date designated by Borrower for principal prepayment; provided that the Lender may waive or provide alternative notice requirements. The prepayment price to be paid on such prepayment date shall equal the principal amount of the Note to be prepaid, plus accrued interest to the prepayment date, plus a premium expressed as a percentage of the principal amount of the Note to be repaid (the "Prepayment Premium") as set forth in the following table:

Prepayment Date	Premium
March 24, 2018 to March 22, 2019 or March 24, 2023 to March 22, 2024	5.0%
March 23, 2019 to March 22, 2020 or March 23, 2024 to March 22, 2025	4.0%
March 23, 2020 to March 22, 2021 or March 23, 2025 to March 22, 2026	3.0%
March 23, 2021 to March 22, 2022 or March 23, 2026 to March 22, 2027	2.0%
March 23, 2022 to March 23, 2023 or March 23, 2027 to March 22, 2028	1.0%
March 23, 2028	None

Lender shall apply any such prepayment against the Prepayment Premium, accrued interest on the Principal Balance and then against the final principal amounts due under the Note. The monthly payments due under paragraph 3 hereof, shall continue to be due and payable in full without adjustment or reamortization until the next Adjustment Date or until the entire Principal Balance, accrues interest and any other amounts due on this Note have been paid.

The Prepayment Premium will be waived by Lender for a portion of a principal prepayment if the Borrower on behalf of the Authority provides the appropriate prepayment notice and evidence to Lender (i) that Borrower has received a charitable donation restricted to use for the retirement of long term debt or (ii) that such designated prepayment is the result and proceeds of a capital campaign of Borrower for the specific purpose of debt reduction of this Note.

5. Except as herein amended, all terms and provisions of the Original Note, as originally executed as of December 23, 2008, shall remain in full force and effect.

6. The term “Note” in the Loan Agreement, dated as of December 23, 2008, between the EDA and the Borrower, and the Pledge Agreement, dated as of December 23, 2008, between the EDA and Lender, shall mean the Original Note as amended by this First Amendment.

SIGNATURE PAGE TO  
AMENDMENT NO. 1 TO THE SCHOOL LEASE REVENUE NOTE, SERIES 2008  
(PRAIRIE CREEK COMMUNITY SCHOOL PROJECT)

ECONOMIC DEVELOPMENT  
AUTHORITY IN AND FOR THE CITY OF  
NORTHFIELD, MINNESOTA

By \_\_\_\_\_  
President

By \_\_\_\_\_  
Treasurer

Consent to Amendment No. 1 to School Lease Revenue Note, Series 2008  
(Prairie Creek Community School Project)

The undersigned, on behalf of Western Bank, (the “Holder”) hereby consents to the execution and delivery of the foregoing Amendment No. 1 to School Lease Revenue Note, Series 2008 (Prairie Creek Community School Project).

WESTERN BANK

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Consent to Amendment No. 1 to School Lease Revenue Note, Series 2008  
(Prairie Creek Community School Project)

The undersigned, on behalf of Prairie Creek Community School, (the “Borrower”) hereby consents to the execution and delivery of the foregoing Amendment No. 1 to the School Lease Revenue Note, Series 2008 (Prairie Creek Community School Project).

PRAIRIE CREEK COMMUNITY SCHOOL

By \_\_\_\_\_

Its \_\_\_\_\_