INTERGOVERNMENTAL CASH FLOW LOAN AGREEMENT
AFFORDABLE HOUSING TRUST FUND PROGRAM

THIS AGREEMENT is made and entered into this 11th day of May 2026, by and between **Blue Earth County RAD/Section 18 Small PHA Blend Program** (hereinafter referred to as "Borrower"), and the **Economic Development Authority of Mankato, Minnesota** (hereinafter referred to as "Lender").

WHEREAS, the Lender administers the Affordable Housing Trust Fund Program for the purpose of supporting housing initiatives within its jurisdiction; and

WHEREAS, the Borrower is a governmental program undertaking affordable housing preservation activities under a Public Housing RAD/Section 18 Small PHA Blend conversion; and

WHEREAS, the Lender has agreed to provide an **intergovernmental cash flow loan** to support the preservation of affordable housing activity;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. **Loan Amount and Terms**
   The Lender agrees to loan to Borrower the principal sum up to Six Hundred Thousand and No/100 Dollars ($600,000.00) (the "Loan").
   The Loan shall bear zero percent (0%) interest and shall be repaid in full within five (5) years of the Effective Date, no later than April 21, 2031.
2. **Purpose of Loan**
   The Loan is provided as an intergovernmental cash flow loan to support the administration and operation of affordable housing activities under the Public Housing RAD/Section 18 Small PHA Blend conversion which meets eligibility criteria of the Affordable Housing Trust Fund Program for the preservation of affordable housing.
3. **Repayment**
   Borrower agrees to repay the Loan as follows:
   - The full outstanding principal balance shall be due on or before April 21, 2031; or
   - If the property identified in *Exhibit A* is sold, transferred, or otherwise conveyed prior to that date, the full outstanding principal balance shall be due within thirty (30) days of such event.
4. **Compliance Requirements**
   Borrower agrees to comply with all applicable program requirements, including those set forth in the RAD Use Agreement, specifically maintaining required low- to moderate-income occupancy and rent restrictions.
5. **Default**
   The Loan shall be considered in default upon the occurrence of any of the following:
   - Failure to repay the Loan in full by April 21, 2031;
   - Failure to repay the Loan upon sale, transfer, or conveyance of the property as required herein;

- Failure to comply with applicable program requirements.

Upon default, the Lender may declare the entire unpaid principal balance immediately due and payable and may pursue any remedies available under applicable law, including recovery of costs and reasonable attorney’s fees.

6. **Notice of Transfer**
   Borrower shall provide written notice to Lender:
   - At least ten (10) days prior to any sale; or
   - Promptly following any other sale, transfer, or conveyance of the property.
7. **Term**
   This Agreement shall remain in effect until the Loan is repaid in full, unless otherwise terminated by mutual written agreement of the parties.
8. **Intergovernmental Nature**
   The parties acknowledge that this Agreement is entered into pursuant to their respective governmental powers and authorities and is intended to facilitate cooperation in the provision of affordable housing.
9. **Binding Effect**
   This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

Authorized Representative, Borrower
Date: 05-11-26

Authorized Representative, Lender
Date: 05-11-26