

EXTRACT OF MINUTES OF A MEETING OF THE BOARD OF
COMMISSIONERS OF THE HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF RAMSEY, MINNESOTA

HELD: _____, 2012

Pursuant to due call and notice thereof, a regular or special meeting of the Board of Commissioners of The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota, was duly held at the _____ on _____, 2012, at _____ o'clock P.M.

The following commissioners were present:

and the following were absent:

Commissioner _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

RESOLUTION AUTHORIZING EXECUTION
OF A PLEDGE AGREEMENT

A. WHEREAS, the City Council of the City of Ramsey, Minnesota (the "City"), has on April 24, 2012 adopted a Resolution Accepting Proposal on sale of \$7,420,000 Taxable General Obligation Tax Increment Bonds, Series 2012B, providing for their issuance, pledging tax increments for the security thereof and authorizing execution of a tax increment pledge agreement; and

B. WHEREAS, to provide additional security for the payment of the Bonds it is necessary that The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota (the "Authority"), execute the Pledge Agreement as provided herein.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota, as follows:

The Pledge Agreement on file in the office of the City Administrator is hereby approved in substantially the form submitted and the Chair and Executive Secretary of the Authority are authorized and directed to execute the same (and such other agreements and documents as may be required in connection therewith) on behalf of the Authority. The approval hereby given to the document referred to above includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by the City Attorney and by the Authority officials authorized herein to execute or accept, as the case may be, said document

prior to its execution; and said Authority officials are hereby authorized to approve said changes on behalf of the Authority.

The motion for the adoption of the foregoing resolution was duly seconded by commissioner _____ and, after full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted.

CERTIFICATION

I, the undersigned, being the duly qualified and acting Executive Secretary of The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota, DO HEREBY CERTIFY that I have carefully compared the attached and foregoing extract of minutes of a meeting of the Board of Commissioners of said Authority held on the date indicated therein 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 execution of a Pledge Agreement.

WITNESS my hand as Executive Secretary on _____, 2012.

Executive Secretary

PLEDGE AGREEMENT

THIS AGREEMENT, is dated as of April 24, 2012 and the parties to this Agreement are the City of Ramsey, a Minnesota municipal corporation, herein called the "City", and The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota, a public body corporate and politic herein called the "Authority",

Recitals:

A. WHEREAS, the City and the Authority have entered into a Development Agreement with F&C Ramsey, LLC and F&C Ramsey Member, LLC (the "Borrower") dated as of March 9, 2012 (the "Development Agreement") in connection with the development of an approximately 230 unit, four story, market rate, rental apartment project (the "Project") within Tax Increment District No. 14 (the "Tax Increment Financing District");

B. WHEREAS, pursuant to Article VIII of the Development Agreement the Authority will make a loan to the Borrower ("Loan No. 2") to finance eligible costs of the Project. The Borrower has agreed to repay Loan No. 2 and execute and deliver to the Authority Note No. 2 ("Note No. 2") in accordance with the provisions of Article VIII of the Development Agreement. In addition David M. Flaherty will execute a Personal Guaranty (the "Personal Guaranty") in favor of the Authority to provide security for the performance of the Borrower's obligations under Note No. 2.

C. WHEREAS, on April 24, 2012, the City Council adopted a Resolution Providing for the Issuance and Sale of \$7,420,000 General Obligation Tax Increment Bonds, Series 2012B (the "Bonds") providing for their issuance, pledging tax increments for the security thereof and authorizing execution of a tax increment pledge agreement (the "Resolution"). The Bonds are issued for the purpose of financing certain eligible costs of the Project as more fully described in the Development Agreement and as set forth in the Tax Increment Financing Plan for the Tax Increment Financing District; and

D. WHEREAS, the Resolution pledges the payments received by the Authority pursuant to Note No. 2 and the Personal Guaranty to the payment of the Bonds and interest thereon.

NOW, THEREFORE, the parties hereto agree that all payments received by the Authority pursuant to Note No. 2 and the Personal Guaranty shall be remitted as received by the Authority to the City for payment of the Bonds and the interest thereon and the City shall apply such payments to the payment of the Bonds and the interest thereon.

IN WITNESS WHEREOF, the City and the Authority have caused this Agreement to be duly executed on their behalf as of the day and year first above written.

CITY OF RAMSEY, MINNESOTA

By _____
Mayor

Attest:

Administrator

HOUSING AND REDEVELOPMENT
AUTHORITY IN AND FOR THE CITY OF
RAMSEY, MINNESOTA

By _____
Chair

Attest:

Executive Secretary

PLEDGE AGREEMENT relating to \$7,420,000 General Obligation Tax Increment Bonds, Series 2012B.