**Rider to Loan Agreement**

**Prepaid Rents – Student Housing**

(Revised 2-14-2023)

The following changes are made to the Loan Agreement that precedes this Rider:

A. Section 3.03(aa) is deleted and replaced with the following:

(aa)      After an Event of Default, Borrower fails to pay to Lender upon demand the amount of any unearned Prepaid Rents that Borrower is permitted to receive and collect under Section 6.05 (by way of example, if Borrower has collected Prepaid Rents for 12 months from a tenant under a 12-month lease and there is an Event of Default in month 7 of the 12-month lease, Borrower will be liable to Lender for 5 months of such Prepaid Rents). However, Borrower will not be personally liable for any failure described in this Section 3.03(aa) if Borrower is unable to pay to Lender all unearned Prepaid Rents as required by the Security Instrument because of a valid order issued in, or an automatic stay applicable because of, a bankruptcy, receivership, or similar judicial proceeding.

B. Section 5.12 is deleted and replaced with the following:

**5.12 No Prior Assignment; Prepayment of Rents.** Borrower has (a) not executed any prior assignment of Rents (other than an assignment of Rents securing any prior indebtedness that is being assigned to Lender, or that is being paid off and discharged with the proceeds of the Loan evidenced by the Note or, if this Loan Agreement is entered into in connection with a Supplemental Loan, other than an assignment of Rents securing any Senior Indebtedness), and (b) not performed any acts nor executed, and will not execute, any instrument which would prevent Lender from exercising its rights under any Loan Document. At the time of execution of this Loan Agreement, unless otherwise approved by Lender in writing, there has been no prepayment of any Rents for more than 2 months prior to the due dates of such Rents other than the last month’s rent, if collected at the time a tenant enters into a Lease, except as set forth in Section 6.05.

C. Section 6.05 is deleted and replaced with the following:

**6.05 Prepayment of Rents.** Borrower will not receive or accept Rent under any Lease (whether a residential Lease or a Non-Residential Lease) for more than 2 months in advance, except that Borrower may receive and accept Prepaid Rent for residential units rented to college students. In no event will Borrower receive or collect Prepaid Rent for more than one year in advance. Every month in which Borrower has received Prepaid Rent, Borrower will provide Lender with a monthly report showing any Lease as to which Borrower has received Prepaid Rent.

D. The following definition is added to Article XII:

“**Prepaid Rent**” means rent paid more than 2 months in advance for residential units rented to college students in accordance with Section 6.05.