**Rider to Loan Agreement**

**Tax Abatement or Exemption – Borrower to Apply**

(Revised 10-10-2023)

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

A. The following table is added to Section 1.05:

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| **Tax Abatement or Exemption – Borrower to Apply** |
| Tax Abatement Prepayment: $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Tax Abatement Acquisition Date: \_\_ months after the Effective Date |
| Tax Abatement Agency: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Tax Abatement Program: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| *(See Section 3.03, 4.11, 5.55, 6.49, 6.50, and 9.01)*  |

B. Section 3.03(y) is deleted and replaced with the following:

(y) Borrower fails to comply with the requirements of Section 6.49 of this Loan Agreement, and as a result, the Tax Abatement is terminated.

C. Section 4.02(e) is amended to add the following new Section 4.02(e)(iii):

(iii) Lender may revoke its deferral of the Imposition Reserve Deposits for Taxes and payments in lieu of taxes (PILOT) by Notice to Borrower if the Tax Abatement is terminated or expires prior to the Maturity Date of the Loan.

D. Section 4.11 is deleted and replaced with the following:

**4.11 Tax Abatement Reserve Fund.** If a Tax Abatement Reserve Deposit is required in Section 1.03, then as a condition of making this Loan, Lender has required Borrower to establish the Tax Abatement Reserve Fund as of the Closing Date by making the Tax Abatement Reserve Deposit. The Tax Abatement Reserve Fund will ensure that adequate funds are available for the Tax Abatement Prepayment that must occur if the Tax Abatement Performance Standard is not achieved on or before the Tax Abatement Acquisition Date.

(a) Use of the Tax Abatement Reserve Fund. Lender, or Loan Servicer on Lender’s behalf, may withdraw all or part of the Tax Abatement Reserve Fund at any time and without Notice to Borrower and apply such withdrawn funds as follows:

(i) To reduce the unpaid principal balance of the Loan if the Tax Abatement Acquisition Date has occurred and Borrower has not met the Tax Abatement Performance Standard.

(ii) To reduce the unpaid principal balance of the Loan if an Event of Default has occurred and is continuing.

(iii) To pay any Taxes due with respect to the Mortgaged Property.

(b) Termination. The Tax Abatement Reserve Fund will terminate upon the first to occur of the following:

(i) Payment in full of the Indebtedness.

(ii) Provided no Event of Default has occurred and is continuing, the Tax Abatement Performance Standard is achieved on or before the Tax Abatement Acquisition Date.

Within 30 days after termination of the Tax Abatement Reserve Fund, Lender will pay to Borrower all funds remaining in the Tax Abatement Reserve Fund.

E. Section 5.55 is deleted and replaced with the following:

**5.55 Representations Regarding Tax Abatement or Exemption**. Borrower represents and warrants that all the following are true:

(a) If the Loan Purpose specified in Section 1.05 is a Refinance or Supplemental Loan, then the Mortgaged Property has not been granted the Tax Abatement.

(b) If the Loan Purpose specified in Section 1.05 is an Acquisition, then the prior owner of the Mortgaged Property was granted the Tax Abatement for the Mortgaged Property pursuant to the Tax Abatement Program.

(c) Borrower has provided Lender with all material documents in its possession concerning the Tax Abatement and, upon receipt by Borrower of the Tax Abatement for the Mortgaged Property, Borrower will provide Lender with all documentation concerning the Tax Abatement, including all amendments, schedules and exhibits. Such documentation will be complete and accurate in all respects.

(d) Borrower has not received any notice from the Tax Abatement Agency indicating that the Tax Abatement will not be granted and has no reason to believe that the Tax Abatement will not be granted.

F. Section 6.49 is deleted and replaced with the following:

**6.49 Compliance with Tax Abatement and Tax Abatement Program**.

(a) If the Loan Purpose specified in Section 1.05 is an Acquisition, then promptly upon its acquisition of the Mortgaged Property, Borrower will commence and diligently pursue to completion the process of applying for the Tax Abatement in full compliance with all of the Tax Abatement Program requirements and will use its best efforts to obtain the Tax Abatement.

(b) If the Loan Purpose specified in Section 1.05 is a Refinance or a Supplemental Loan, then Borrower will commence and diligently pursue to completion the process of applying for the Tax Abatement in full compliance with all of the Tax Abatement Program requirements and will use its best efforts to obtain the Tax Abatement.

(c) If the Tax Abatement is granted, Borrower will comply fully with all of the Tax Abatement Program requirements, including filing on a timely basis all necessary documentation, in order to obtain and maintain the Tax Abatement.

(d) If the Tax Abatement is granted, Borrower will promptly provide Lender with a copy of any notice Borrower may receive stating that Borrower is not eligible for the Tax Abatement or alleging that Borrower is in breach of the requirements of the Tax Abatement Program or that the Mortgaged Property is not being maintained as required by the Tax Abatement Program.

(e) If the Tax Abatement is granted, in any application for a Transfer, Borrower will notify Lender if the completion of the Transfer requires the consent of the Tax Abatement Agency or may result in the termination of the Tax Abatement.

(f) If the Tax Abatement is granted, Borrower will avail itself of all rights and opportunities to renew or extend the Tax Abatement.

(g) If the Tax Abatement is granted, Borrower will not voluntarily amend or terminate the Tax Abatement without the prior written consent of Lender.

(h) If the Tax Abatement is granted, Borrower acknowledges and agrees that any default, event of default, or breach under the Tax Abatement (however such terms may be defined) that continues beyond the applicable cure period, if any, will be an Event of Default under this Loan Agreement.

1. If the Tax Abatement is terminated or expires prior to the Maturity Date of the Loan, Borrower will provide Lender with Notice at least 90 days before the applicable termination date or expiration date.

G. Section 6.50 is deleted and replaced with the following:

**6.50 Tax Abatement Prepayment**.

(a)If the Tax Abatement Performance Standard is not achieved on or before the Tax Abatement Acquisition Date, then upon Notice from Lender, on the next Installment Due Date following its receipt of such Notice, Borrower must partially prepay the Loan in the amount of the Tax Abatement Prepayment, notwithstanding that the Loan may be in the Lockout Period or Defeasance Period. Borrower must pay a Prepayment Charge on the Tax Abatement Prepayment calculated according to the Prepayment Structure; provided, that if the Tax Abatement Prepayment is made while the Loan is in the Lockout Period or Defeasance Period, the Prepayment Charge will be calculated as follows:

(i) If the Prepayment Structure is Defeasance, then the Prepayment Charge will be the Yield Maintenance Prepayment Charge.

(ii) If the Prepayment Structure is not Defeasance, then the Prepayment Charge will be calculated as if the Lockout Period had just expired according to the Prepayment Structure.

 If Borrower funded a Tax Abatement Reserve Fund on the Closing Date, those funds may be applied first to the Tax Abatement Prepayment and, to the extent funds remain, to the associated Prepayment Charge; Borrower will remain liable for paying the remaining amount, if any, of both the Tax Abatement Prepayment and the Prepayment Charge after application of such funds.

(b) If Borrower has not obtained the Tax Abatement by the Tax Abatement Acquisition Date but Borrower can demonstrate to Lender’s satisfaction that it has made significant progress in obtaining the Tax Abatement and that such Tax Abatement will be granted within 6 months after the Tax Abatement Acquisition Date, Lender will grant an extension of 6 months to the Tax Abatement Acquisition Date.

H. Section 9.01(ll) is deleted and replaced with the following:

(ll) Any Transfer that would cause the Tax Abatement to terminate.

I. Section 9.01(mm) is deleted and replaced with the following:

(mm) The Tax Abatement is revoked, suspended, or terminated for any period of time due to Borrower’s failure to fully comply with all of the Tax Abatement Program requirements necessary to maintain the Tax Abatement.

J. The following definitions are added to Article XII:

“**Tax Abatement**”means thepartial or full abatement or exemption of real estate taxes granted to the Mortgaged Property and/or Borrower pursuant to the Tax Abatement Program.

“**Tax Abatement Acquisition Date**” means the date by which the Tax Abatement must be received, as such date may be extended in writing by Lender. The Tax Abatement Acquisition Date is specified in Section 1.05.

“**Tax Abatement Agency**” means the Governmental Authority administering the Tax Abatement Program, acting through any authorized representative, the name of which is listed in Section 1.05.

“**Tax Abatement Performance Standard**” means Borrower has obtained Tax Abatement under the Tax Abatement Program and has delivered satisfactory evidence of same to Lender.

“**Tax Abatement Prepayment**” means the amount set forth in Section 1.05.

“**Tax Abatement Program**” means the program pursuant to which the Tax Abatement Agency administers the Tax Abatement, the name of which is listed in Section 1.05.

“**Tax Abatement Reserve Deposit**” is specified in Section 1.03.

“**Tax Abatement Reserve Fund**” means the account established pursuant to this Loan Agreement into which the Tax Abatement Reserve Deposit is deposited, if applicable.