

ASSIGNMENT OF DEVELOPMENT ASSISTANCE AGREEMENT

FOR VALUE RECEIVED, DECO Shakopee, LLC, a Minnesota limited liability company (“**Borrower**”), hereby assigns and conveys to Bell Bank, a North Dakota corporation (collectively with its successors or assigns, “**Lender**”), all of Borrower’s rights, title and interests in and under that certain Contract for Private Redevelopment by and between Economic Development Authority for the City of Shakopee (the “**EDA**”) and Borrower (as assignee of Enclave Development, LLC), dated May 1, 2019, as same is amended from time to time (the “**Development Agreement**”).

For purposes hereof, the following terms shall have the meanings set forth below:

“**Loan Agreement**” as used herein shall mean that certain Construction Loan Agreement of even date herewith between Borrower and Lender, as well as any future building loan agreements, construction loan agreements or loan agreements between Borrower and Lender which refer to this Assignment. Unless otherwise defined herein, capitalized terms used in this Assignment shall have the meanings attributed to such terms in the Loan Agreement.

“**Loan Documents**” as used herein shall mean the Loan Agreement together with all other documents and instruments evidencing, securing and executed by Borrower in connection with the Loan, including without limitation, the Promissory Note, any Guaranty, Environmental and ADA Indemnity, Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing, Assignment of Plans, Contracts, Agreements, Licenses and Permits and this Assignment.

“**Effective Date**” as used herein shall mean the date of the Loan Agreement.

“**Default**” as used herein shall mean any breach of the Loan Documents by Borrower which is not cured within applicable notice and cure periods and any other default as specifically set forth in the applicable Loan Document.

This ASSIGNMENT OF DEVELOPMENT ASSISTANCE AGREEMENT (this “**Assignment**”) constitutes a present and absolute assignment of Borrower’s rights under the Development Agreement to Lender as of the Effective Date; provided, however, Lender confers on Borrower the right to enforce the terms of the Development Agreement so long as no Default (as defined in the Loan Agreement) has occurred and is continuing under any of the Loan Documents (as defined in the Loan Agreement). Upon the occurrence of a Default under any of the Loan Documents, Lender may, in Lender’s sole discretion, give notice to the other parties to the Development Agreement of its intent to enforce the rights of Borrower under the Development Agreement and may initiate or participate in any legal proceedings respecting the enforcement of said rights. Borrower acknowledges that by accepting this Assignment, Lender does not assume any of Borrower’s obligations under the Development Agreement. Nothing in this Assignment shall give Lender a greater right than Borrower to enforce the Development Agreement. Nothing in this Assignment shall be deemed an assignment by Borrower or an assumption by Lender of Borrower’s obligations, duties, covenants or representations under the Development Agreement, and Borrower agrees that it is and will continue to be solely responsible for such obligations, duties, covenants and representations.

Borrower represents and warrants to Lender, as of the Effective Date, that (a) the Development Agreement is in full force and effect is enforceable in accordance with its terms and no default, or event which would constitute a default after notice or the passage of time, or both, exists with respect to said Development Agreement, (b) all copies of the Development Agreement delivered to Lender are complete and correct and (c) Borrower has not assigned any of Borrower’s rights under the Development Agreement.

Borrower agrees (a) to pay and perform all obligations, duties and covenants of Borrower under the Development Agreement, (b) to enforce the payment and performance of all obligations of any other person or entity under the Development Agreement, (c) not to modify the Development Agreement without Lender's prior written approval except as otherwise may be permitted in the Loan Documents and (d) not to further assign, for security or any other purposes, Borrower's rights under the Development Agreement without Lender's prior written consent.

The Borrower hereby pledges and grants the Lender a security interest in the Redevelopment Grant (the "EDA Grant"), and does hereby grant, assign, and transfer to the Lender all of its right, title and interest in and to any and all funds which the EDA pays pursuant to the terms of the Development Agreement after the date hereof and prior to the Borrower's repayment of the Loan (the "EDA Grant Proceeds"). The Borrower and the Lender agree that the EDA shall pay any EDA Grant Proceeds to pay eligible costs of the Project in accordance with the terms of the Development Agreement.

The Borrower agrees that, upon receipt by Borrower of any notice of an Event of Default given by the EDA under the Development Agreement, the Borrower will promptly provide the Lender a copy of such notice at the address shown below:

Lender's Address:

Bell Bank
3100 13th Avenue S.
Fargo, ND 58103
Attn: Alyson Bjornstad
Email: ABjornstad@BellBanks.com

With a required copy to:

Bell Bank
The Colonnade
5500 Wayzata Blvd.
Minneapolis, MN 55416
Attn: General Counsel

This Assignment is one of the Loan Documents and secures payment and performance by Borrower of all obligations of Borrower under the Loan Documents.

This Assignment shall be governed by, and construed and enforced in accordance with the laws of the State of Minnesota, except to the extent preempted by federal laws. Borrower and all persons and entities in any manner obligated to lender under the Loan Documents consent to jurisdiction of any federal or state court within the state which is the governing state law of the Loan Agreement having proper venue and also consent to service of process by any means authorized by the laws of the state which is the governing state law of the Loan Agreement or federal law. Any prevailing party in any such action shall be entitled, in addition to any other recovery, to reasonable attorney's fees and costs.

Except as otherwise expressly provided under the terms and conditions herein, the terms of this Assignment shall bind and inure to the benefit of the heirs, executors, administrators, nominees, successors, and assigns of the parties hereto.

All exhibits, schedules, riders and other items attached hereto are incorporated into this Assignment by such attachment for all purposes.

[Remainder of page intentionally left blank. Signature follows.]

**SIGNATURE PAGE OF BORROWER
TO
ASSIGNMENT OF DEVELOPMENT ASSISTANCE AGREEMENT**

Dates as of September ___, 2019.

BORROWER:

DECO Shakopee, LLC, a Minnesota limited liability company

By: Syndica, LLP, a North Dakota limited liability partnership
Its: Manager

By: _____
Name: Austin J. Morris
Its: General Partner

**CONSENT TO ASSIGNMENT
AND SUBORDINATION OF DEVELOPMENT AGREEMENT**

Dated September 17, 2019

The undersigned Economic Development Authority for the City of Shakopee, a body corporate and politic organized and existing under the laws of the State of Minnesota (the “**EDA**”) hereby consents to the foregoing Assignment of Development Assistance Agreement (“**Assignment**”), of which this Consent (“**Consent**”) is a part.

1. The EDA acknowledges that Bell Bank (“**Lender**”) is making a construction loan to DECO Shakopee, LLC (“**Developer**” or “**Borrower**”) in the principal amount of \$12,400,000.00 (“**Loan**”) pursuant to the terms of a Construction Loan Agreement dated on or about the date of the Assignment (“**Loan Agreement**”). The EDA acknowledges the Loan, including any extensions, modifications, replacements and/or amendments thereof. The EDA also consents to and approves the assignment of the Contract for Private Redevelopment between the EDA and the Borrower dated May 1, 2019 (“**Development Agreement**”) to the Lender as collateral for the Loan; provided, however, that, as between the EDA on the one hand, and the Developer, on the other hand, this consent shall not deprive the EDA of or otherwise limit any of the EDA’s rights or remedies under the Development Agreement and shall not relieve the Developer of any of its obligations under the Development Agreement.
2. The EDA hereby understands and acknowledges that the Loan Documents (as defined in the foregoing Assignment of Development Assistance Agreement), and all amendments, modifications, extensions, replacements and renewals thereof, shall unconditionally be and remain at all times a lien or charge on the Redevelopment Property (as defined in the Development Agreement) prior and superior to the lien or charge of the Development Agreement and shall be senior to the rights of the EDA with respect to the Redevelopment Property under the Development Agreement, and the rights of the EDA in, to or under the Development Agreement and in and to the Redevelopment Property are hereby subjected and subordinated and shall remain in all respects and for all purposes subject, subordinate and junior to the lien of the Loan Documents and any and all amendments, modifications, renewals, extensions or replacements thereof.
3. The EDA acknowledges that the Lender is not a party to the Development Agreement and by accepting the assignment of the Development Agreement does not become a party to the Development Agreement, and specifically does not assume and shall not be bound by any obligations of the Developer to the EDA under the Development Agreement, and that the Lender shall incur no obligations whatsoever to the EDA except as expressly provided herein.
4. EDA agrees that, in the event of a breach by Borrower of the Development Agreement, the EDA will give simultaneous copies of such written notice of default to Lender at the address shown below of such breach.
5. Lender shall have (90) ninety days following the EDA’s notice of the Event of Default to the Developer pursuant to the Development Agreement to elect to remedy or cure said default provided, if such default is of a nature that it cannot be cured within such (90) ninety-day period, Lender shall have commenced the cure within such period and shall thereafter have such reasonable period of time to complete such cure as is necessary plus such time as may be reasonably necessary for Lender to obtain possession of the Property; and the EDA will accept such curative or remedial action taken by a Lender with the same effect as if such action had been timely completed by Developer. Nothing herein shall require Lender to cure said default or to undertake completion of construction of the Improvements.

6. EDA further agrees that, except with the prior written approval of Lender, it will not consent to any amendment or modification to the Development Agreement.
7. EDA agrees that if Lender forecloses on the Redevelopment Property or acquires (either directly or through an affiliate) the Redevelopment Property by a deed-in-lieu of foreclosure, Lender, its successors and/or assigns shall not be bound by the terms and conditions of the Development Agreement; provided Lender shall have the right to treat the Development Agreement as prior to the lien of the Loan Documents and may further assign Borrower's rights under the Development Agreement to a purchaser of the Redevelopment Property at the foreclosure or to any purchaser from Lender (or its affiliate) following its acquisition of the Redevelopment Property by a deed-in-lieu of foreclosure.
8. EDA agrees that upon receipt of notice from Lender that a Default has occurred under the terms of the Loan Agreement, (i) Lender shall be entitled, but not obligated, to construct and operate the Minimum Improvements (as defined in the Development Agreement), and (ii) Redevelopment Grant proceeds will be disbursed to Lender in accordance with the terms of the Development Agreement as if made to Developer.
9. EDA warrants and represents that it has no knowledge of any prior assignment(s) of any interest in the Development Agreement. Except as otherwise defined herein, the terms used herein shall have the meanings given them in the Assignment.
10. EDA has approved the assignment of the Development Agreement from Enclave Development, LLC to DECO Shakopee, LLC pursuant to an Assignment and Assumption of Contract for Private Redevelopment, dated September 3, 2019.
11. For the avoidance of doubt, this Assignment and Consent subordinates the EDA's interests in the Development Agreement to the Loan Documents but does not restrict the ability of the EDA to exercise its rights and remedies under the Development Agreement other than to require giving the Lender a ninety day cure period following written notice of an event of default under the Development Agreement.

Lender's Address for Notices:

Bell Bank
3100 13th Avenue S.
Fargo, ND 58103
Attn: Alyson Bjornstad
Email: ABjornstad@BellBanks.com

With a required copy to:
Bell Bank
The Colonnade
5500 Wayzata Blvd.
Minneapolis, MN 55416
Attn: General Counsel

[Remainder of page intentionally left blank. Signature follows.]

**SIGNATURE PAGE OF EDA
TO
CONSENT TO ASSIGNMENT AND
SUBORDINATION OF DEVELOPMENT AGREEMENT**

Dated as of the date first written above.

ECONOMIC DEVELOPMENT AUTHORITY
FOR THE CITY OF SHAKOPEE

By: _____
Its President

By: _____
Its Executive Director