

EXHIBIT B

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Terms of Loan

A. Principal Amount: The principal amount of the Loan shall be the lesser of:

- 1) the principal amount as stated in the Application, or;
- 2) the amount later approved by the Department as consistent with the requirements of the MHP Guidelines.

B. Interest and Payment: The initial term of the Loan shall be at least fifty-five (55) years, and it shall commence on the date of recordation of the MHP Loan documents. Principal and accumulated interest is due and payable upon completion of the term of the Loan. The Loan shall bear simple interest at the rate and be payable as provided in section 7308 of the MHP Guidelines and under the terms of the Department's promissory note to be executed at loan closing. Interest shall accrue from the date that funds are disbursed by the Department to or on behalf of the Sponsor. For the first thirty (30) years of the Loan term, payments in the amount of 0.42 percent (0.42%) of the outstanding principal loan balance shall be payable to the Department; such payments will commence on the last day of the Initial Operating Year and will continue on each anniversary date thereafter. The Loan may not be prepaid without the prior written consent of the Department.

2. Invoicing and Payment

A. All Loan proceeds shall be disbursed through an independent escrow/title company. The Department shall prepare and submit instructions to the escrow holder, detailing the requirements for the release of Loan proceeds to the Borrower.

B. The Loan shall be released through escrow upon the Sponsor's, or its assignee's, submittal of the Request for Funds form and the satisfaction of the terms of the Award Letter and this Agreement. The Department reserves the right to retain 10 percent (10%) of the approved loan proceeds pending receipt and acceptance of the cost audit and any remaining Loan closing checklist items.

3. Payees

The authorized Payee(s) is/are as specified below:

Name:

Amount: \$XXX,XXX.00

Multifamily Housing Program (MHP)

NOFA Date: 07/15/2020

Approved Date: 10/28/2020

Prep. Date: [REDACTED]