



**ADDENDUM TO COMMITMENT LETTER
DATED APRIL 24, 2019**

TO: Laura Junek, Treasurer
Cynthia Burns, Regional Account Executive

FROM: Steve DeAmico, Portfolio Mgr. – CAB Lending

DATE: May 23, 2019

SUBJECT: Spring Creek Oaks Community Improvement Association

#2 of the commitment letter dated April 24, 2019 states:

180 month term loan. Loan advances will take place during the first 6 months of the term loan ("Draw Period"). Payments will be monthly interest only during the Draw Period. After the Draw Period, payments will be monthly principal and interest, fully amortized for the remaining term of the loan. The rate for the 15 year term loan will be fixed at 5.20% conditioned upon this loan closing on or before May 31, 2019. If not closed on or before May 31, 2019, the rate for the 15year term loan will be fixed based on the 20 year US Treasury Constant Maturity in effect on the fifth business day prior to closing plus a spread of 2.45%. The rate will have a floor of 5.20% during the entire loan term.

This paragraph shall be revised to state the following:

180 month term loan. Loan advances will take place during the first 6 months of the term loan ("Draw Period"). Payments will be monthly interest only during the Draw Period. After the Draw Period, payments will be monthly principal and interest, fully amortized for the remaining term of the loan. The rate for the 15 year term loan will be fixed at 5.20% conditioned upon this loan closing on or before June 7, 2019. If not closed on or before June 7, 2019, the rate for the 15year term loan will be fixed based on the 20 year US Treasury Constant Maturity in effect on the fifth business day prior to closing plus a spread of 2.45%. The rate will have a floor of 5.20% during the entire loan term.

Paragraph 9(d) of the commitment letter dated April 24, 2019 states:

Borrower shall submit to Lender a written "Draw Request" for each Advance, which Draw Request shall bear the signature of: (i) one or more designated individuals who are either a member of Borrower's Board or duly authorized by Borrower to request Advances. The Draw request shall identify in reasonable detail the products and/or services to be purchased with such Advance and shall be accompanied by original invoices or paid receipts of the party claiming payment due, and Borrower shall represent and warrant to that effect. Upon Lender's approval of the form and content of a Draw Request, Lender will disburse the amount requested to Borrower. Borrower shall provide evidence of: (i) signed construction contracts; or (ii) bids in writing, signed and acceptable to Lender prior to Lender's approval of a Draw Request. If Lender determines that the Advance requested or any part thereof is not to be made, Lender will inform Borrower of the reason(s) for not making the Advance. Each Advance shall be made by credit transfer to Borrower. Advances are limited to twice a month.

Funds will be advanced based on work completed and verified to be within the budget and scope of work as presented to Bank. Copies of all invoices will be required at time of advance/release request.

Lender will require third party inspection report at Borrower's reasonable expense at the time of the final Draw Request, confirming to Lender's satisfaction that the subject project has been completed according to the construction contract and local building codes.

A final, unconditional lien waiver will be required at completion of the Project.

This paragraph shall be revised to state the following:

- . Funds will be advanced based on the presentation of invoices. The remaining available funds at the conclusion of the draw period will be advanced to the Association.
- . Borrower's authorized representative to sign each draw request indicating the review of the work completed.
- . Advances limited to twice a month.