



SECOND AMENDMENT TO DEVELOPMENT AGREEMENT

THIS SECOND AMENDMENT TO DEVELOPMENT AGREEMENT (this "Amendment") is executed as of _____, 2022, by and between THE ECONOMIC DEVELOPMENT GROWTH ENGINE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF MEMPHIS AND COUNTY OF SHELBY, TENNESSEE, a public nonprofit corporation under Tennessee Code Annotated §§ 7-53-101, et. seq. ("EDGE"), and PARKSIDE DEVELOPMENT, LLC, a Tennessee limited liability company ("Parkside").

WITNESSETH:

WHEREAS, EDGE and Parkside at Shelby Farms, LLC, a Tennessee limited liability company ("Original Developer"), have previously entered into that certain Development Agreement dated as of December 12, 2018, as amended by that certain First Amendment to Development Agreement dated November 17, 2021 (as amended the "Agreement"), to provide for the method of development, design and construction of a commercial property that includes 60 acres adjacent to Shelby Farms in the Cordova neighborhood of Memphis, as more particularly described in the Agreement; and

WHEREAS, on or about the date hereof, Original Developer has assigned all of its rights and obligations under the Agreement to Parkside, which is an Affiliate of Original Developer and a permitted assignee of Original Developer under the Agreement;

WHEREAS, Developer has requested that EDGE close a Tax Increment Financing Loan, as more particularly described below; and

WHEREAS, the parties now desire to amend the Agreement as to certain matters, as more particularly set forth below.

NOW, THEREFORE, in consideration of the premises hereof and other good and valuable consideration, the receipt and sufficiency are hereby acknowledged, the parties agree as follows:

1. EDGE hereby acknowledges and consents to the assignment of the Development Agreement by Original Developer to Parkside.
2. The Agreement is hereby amended by adding the following defined terms to Section 1:

“Phase 1 and 2 Bonds” means Series 2022A Bonds and any Additional Bonds, as those terms are defined in the Trust Indenture.

“Phase 1 and 2 Financing” means that financing transaction that is the

subject of the Phase 1 and 2 Financing Documents.

“Phase 1 and 2 Financing Documents” means the Trust Indenture, the Phase 1 and 2 Bonds, and all other supporting documents approved by EDGE in support of the Phase 1 and 2 Bonds.

“Trust Indenture” means that certain Trust Indenture dated _____, 2022, between EDGE, as issuer, and Trustee, as trustee.

“Trustee” means Regions Bank, an Alabama banking corporation, or its successors or assignees.

Section 1.h. of the Agreement is hereby deleted in its entirety and replaced with the following:

h. “Developer” means Parkside Development, LLC, any Affiliate thereof, and any other permitted assignee thereof (including, without limitation, Parkside Phases 1 and 2, LLC and Parkside Phases 1 and 2 Parking Garages, Inc.).

3. The first sentence of Section 2.b. is hereby deleted in its entirety and replaced with the following:

If (and only if) the City of Memphis/State of Tennessee’s Shelby Farms Parkway Work actually commences, Developer agrees to establish and thereafter maintain the Shelby Farms Parkway Required Credit Enhancement in the amount required by this Agreement within sixty (60) days after Developer receives written notice from EDGE that the construction of the City of Memphis/State of Tennessee’s Shelby Farms Parkway Work has actually commenced.

4. The fifth sentence of Section 2.c. of the Agreement is hereby deleted in its entirety and replaced with the following:

Subject to force majeure, Developer must substantially complete all Eligible Improvements, including but not limited to the Planned Improvements, for which the Tax Increment Incentive will be utilized by the earlier of (i) as to any Off-Site Improvements, any time required by the Off-Site Improvement Contracts applicable thereto, or (ii) as to any other Eligible Improvements, June 30, 2030.

5. Section 6 of the Agreement is hereby deleted in its entirety and replaced with the following:

6. Disbursement of Tax Increment Revenues to pay Tax Increment Financing Loan. The Board and Trustee will close the Phase 1 and 2 Financing by executing, delivering, and accepting (as applicable) the Phase 1 and 2 Financing Documents. The Board hereby agrees to commit the Tax Increment Revenues to the payment of the Phase 1 and 2 Bonds, and the Board hereby agrees to commit the proceeds of the Phase 1 and 2 Bonds to the payment of Eligible Costs pursuant to the Trust Indenture in accordance with the terms of the Trust Indenture and this Agreement. Developer hereby

consents to the disbursement of the proceeds of the Phase 1 and 2 Bonds in accordance with the Phase 1 and 2 Financing Documents. The Board shall provide commercially reasonable cooperation to Developer in closing the Phase 1 and 2 Financing and any future Tax Increment Financing Loan(s) pursuant to Tax Increment Financing Loan Documents acceptable to the Board in its sole and absolute discretion. The Board shall not be obligated to incur any out-of-pocket cost or expense in connection therewith, and, to the extent not financed as Transaction Costs, Developer shall pay all such reasonable out-of-pocket costs or expenses incurred by the Board in connection with any Tax Increment Financing Loan arranged by Developer; provided, that such costs or expenses shall be included in Transaction Costs eligible for payment or reimbursement as Eligible Costs. At the request of either Developer or the Board, the parties shall enter into any addendum to (or amended and restated version of) this Agreement reasonably requested by either party to further evidence and memorialize the parties' rights and obligations with respect to any Tax Increment Financing Loan hereafter arranged by Developer as set forth in this Section 6; provided, that such addendum (or amended and restated agreement) must be acceptable to the Board in its sole and absolute discretion. The Board shall use the proceeds of any such Tax Increment Financing Loan to pay Eligible Costs in accordance with this Agreement, as amended, and the Loan Documents for such Tax Increment Financing Loan.

6. Section 7.b. of the Agreement is hereby deleted in its entirety and replaced with the following:

b. If (and only if) construction of the City of Memphis/State of Tennessee's Shelby Farms Parkway Work is actually commenced, Developer shall deliver the Shelby Farms Parkway Required Credit enhancement within sixty (60) days after Developer receives written notice from EDGE regarding the commencement of such construction.

7. Section 7 of the Agreement is hereby amended to insert a new subsection j. as follows:

j. Developer shall take all actions to cause Phase 1 and Phase 2 of the Project to be assessed for purposes of ad valorem real estate taxes as one or more separate parcels that are distinct from any other property.

8. Section 8 of the Agreement is hereby amended to insert a new subsection d. as follows:

d. The Board has approved and will comply with the Phase 1 and 2 Financing Documents. The Board also agrees that it will not agree or consent to any amendment, modification or change in the Phase 1 and 2 Financing Documents without the prior written consent of Developer.

9. Section 13 of the Agreement is hereby deleted in its entirety and replaced with the following:

13. Assignment.

a. With the exception of a pledge of all or any portion of Developer's rights as collateral for any Tax Increment Financing Loan(s), Developer may not assign or transfer this Agreement or any interest of Developer hereunder without the prior written consent of the Board, which consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, an assignment or transfer of this Agreement or any interest of Developer hereunder to any Affiliate of the Developer shall not be deemed an assignment or transfer subject to the provisions of this Section 13, and any such assignment shall not release the Developer of all duties and obligations under this Agreement with respect to the portions of the Project subject to such assignment arising after the date of such assignment. Except as otherwise set forth in this Section 13, any other assignment shall not relieve Developer of Developer's liability for the performance of its duties and obligations hereunder unless the Board consents in writing to such release, which consent shall not be unreasonably withheld, conditioned or delayed. The Board may not assign or transfer this Agreement or any interest of the Board hereunder without the prior written consent of Developer.

b. The Board acknowledges that Developer may sell parcels comprising portions of the Project to other developers for the purpose of separately developing, financing, constructing, owning, or operating components of the Project. If Developer intends to partially assign its rights under this Agreement in connection with any such sale, such assignment will be subject to Section 13 of this Agreement. Subject to the provisions of Section 13 of this Agreement, including the exclusion for assignments or transfers to Affiliates, in the event such a sale will result in another developer (an "Additional Developer") incurring Eligible Costs, upon request from Developer, the Board and Developer will work with Additional Developer in good faith to approve a development agreement between the Board and the Additional Developer on substantially the same terms as this Agreement for the portion of the Eligible Costs for which the Additional Developer shall be responsible. However, until and unless a development agreement is fully approved and executed with an Additional Developer no expenditures shall be made for any costs that would otherwise be Eligible Costs.

10. Except as expressly modified by this Amendment, the Agreement is in full force and effect in accordance with its original terms and conditions. In the event any terms of this Amendment conflict with terms of the Agreement, the terms of this Amendment control. This Amendment constitutes the entire agreement of the parties regarding the subject matter hereof. Any previous agreements between the parties related to the subject matter of this Amendment are hereby replaced by this Amendment. This Amendment may be modified or changed only by a written instrument signed by both parties. This Amendment may be executed in one or more counterparts, each of which is considered an original and all of which together constitute one and the same instrument, and may be delivered by facsimile or electronic mail.

[Signatures commence on next page]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first above mentioned.

THE ECONOMIC DEVELOPMENT GROWTH
ENGINE INDUSTRIAL DEVELOPMENT
BOARD OF THE CITY OF MEMPHIS AND
COUNTY OF SHELBY, TENNESSEE

By: _____
Name: _____
Title: _____

PARKSIDE DEVELOPMENT, LLC

By: _____
Name: _____
Title: _____