



May 13, 2019

City of Columbia and  
Columbia Community Land Trust  
701 E. Broadway  
Columbia, MO 65201

Dear Ladies and Gentlemen:

Providence Bank is pleased to provide this commitment letter for development financing at 6 Fourth Avenue and 19 Third Avenue. It is our understanding that the City and the Columbia Community Land Trust intend to construct a single-family home on each of these sites. Providence Bank would commit the following terms towards the construction/development financing of each home:

1. Interest rate of 1%; interest payment due monthly; principal balance due at maturity
2. 18-month term of each loan
3. No origination fees charged to the City or CCLT
4. Each construction/development loan will be secured by a 1<sup>st</sup> Deed of Trust as well as Assignment of Leases and Rents
5. Loan to value not to exceed 80% based on as completed appraisal to be ordered by Providence Bank

In addition, Providence Bank will work with the buyers of the proposed homes for potential down payment assistance provided through the Federal Home Loan Bank of Des Moines. Down payment assistance is subject to certain provisions required by the Federal Home Loan Bank as well as full underwriting of each potential buyer by Providence Bank.

We very much appreciate the past and current relationship enjoyed by the City, Columbia Community Land Trust and Providence Bank. We look forward to these future opportunities to continue our fruitful partnership.

Please contact me directly with questions.

Best Regards,

A handwritten signature in blue ink that reads "Eric R. Morrison".

Eric R. Morrison  
President – Columbia Market