



October 5, 2018

**NOTICE TO HOLDERS OF THE
\$17,205,000 TAX EXEMPT SENIOR LIEN
PARKING RAMP REVENUE BONDS
(FOURTH AND MINNESOTA PARKING RAMP PROJECT)
SERIES 2000-1 and 2000-7
and the
\$4,600,000 TAXABLE SUBORDINATE LIEN
PARKING RAMP REVENUE BONDS
(FOURTH AND MINNESOTA PARKING RAMP PROJECT)
SERIES 2000-2**

CUSIP NUMBERS

793044 AC 2

793044 AE 8

793044 AD 0¹

NOTE: THIS NOTICE CONTAINS IMPORTANT INFORMATION. IF APPLICABLE, ALL DEPOSITORIES, CUSTODIANS, AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO EXPEDITE RE-TRANSMITTAL TO BENEFICIAL OWNERS OF THE BONDS REFERENCED ABOVE IN A TIMELY MANNER.

Wells Fargo Bank, National Association, as successor in interest to Norwest Bank Minnesota, National Association, acts as trustee (the "Trustee") for the holders of (1) the \$17,205,000 Tax Exempt Senior Lien Parking Ramp Revenue Bonds (Fourth and Minnesota Parking Ramp Project) Series 2000-1 (the "Senior Bonds" and the holders thereof, "Holders of the Senior Bonds"), which were issued pursuant to an Indenture of Trust dated as of May 1, 2000 (the "Senior Indenture"), by and between the Trustee and the Port Authority of the City of Saint Paul (the "Issuer"), and (2) the \$4,600,000 Taxable Subordinate Lien Parking Ramp Revenue Bonds (Fourth and Minnesota Parking Ramp Project) Series 2000-2 (the "Subordinate Bonds" and the holders thereof, "Holders of the Subordinate Bonds"), which were issued pursuant to an Indenture of Trust dated as of May 1, 2000 (the "Subordinate Indenture" and together with the Senior Indenture, collectively, the "Indenture"), by and between the Trustee and the Issuer. The Senior Bonds and the Subordinate Bonds are referred to collectively herein as the "Bonds", and Holders of the Senior Bonds and Holders of the Subordinate Bonds are referred to collectively herein as "Holders". Repayment of the Senior Bonds is secured by, among other things, that certain Senior Mortgage, Security Agreement and Fixture Financing Statement dated as of May 1, 2000 (the "Senior Mortgage"),

¹ No representation is made as to the correctness of these CUSIP numbers either as printed on the Bonds or as contained in this Notice.

given by the Issuer and Capital City Properties, a Minnesota nonprofit corporation (the “Lessee”), in favor of the Trustee. Repayment of the Subordinate Bonds is secured by, among other things, that certain Subordinate Mortgage, Security Agreement and Fixture Financing Statement dated as of May 1, 2000 (the “Subordinate Mortgage”, and together with the Senior Mortgage, collectively, the “Mortgage”), given by the Issuer and the Lessee in favor of the Trustee. Concurrently with the issuance of the Senior Bonds and the Subordinate Bonds, the Issuer issued the Taxable Subordinated Cash Flow Notes, Series 2000-3 and 2000-4 each in an original principal amount of \$1,500,000. Except as otherwise defined herein, all capitalized terms shall have the meaning ascribed to them in the Senior Indenture.

As the Trustee previously notified Holders, certain Events of Default have occurred under the Mortgage and the Indenture. Due to continuing defaults, a process was proposed to sell the Capital City Plaza Parking Garage (the “Facility”) in which the Trustee would enter into an agreement with the Issuer and the Lessee for a deed in lieu of foreclosure, and then sell its rights under that agreement, including the right to take title to the Facility. As set forth in a December 1, 2017, notice to holders, Jet Park, LLC (the “Purchaser”), submitted the highest best and final offer to acquire the Facility.

As set forth in the Notice to Holders dated as of January 18, 2018 (the “January 18th Notice”), to transfer the Facility to the Purchaser, a Deed in Lieu of Foreclosure Agreement by and among the Trustee, the Lessee, and the Issuer (the “Deed in Lieu Agreement”), and an Agreement for Assignment and Assumption of Deed in Lieu of Foreclosure Agreement between the Trustee and the Purchaser (as amended, the “Assignment Agreement” and together with the Deed in Lieu Agreement, collectively, the “Agreements”), were executed and delivered. As set forth in previous notices to holders dated January 31, 2018, and March 9, 2018, the Trustee and the Purchaser amended the Assignment Agreement.

As set forth in the January 18th Notice, the Trustee filed a trust instruction petition (the “Petition”) with the Hennepin County, Minnesota, District Court (the “District Court”) seeking, among other things, authorization to implement the Agreements. As set forth in a February 16, 2018 notice to holders, CCV-1, L.L.C. (“CCV-1”) and WHTW, LLC (“WHTW” and, together with CCV-1, collectively, the “Rupp Entities”) filed an objection (the “Objection”) to the Petition.

On April 25, 2018, the Trustee filed a Motion for Partial Judgment on the Pleadings with the District Court, asking the Court to overrule the Objection as a matter of law. On July 5, 2018, the District Court converted the motion to one for partial summary judgment and granted it, determining that the Objection could not be maintained because WHTW’s rights are terminated by the proposed deed in lieu transaction and because CCV-1’s rights are not triggered by the proposed deed in lieu transaction.

On August 30, 2018, the Rupp Entities appealed the District Court’s July 5, 2018 order to the Minnesota Court of Appeals. On September 4, 2018, the Minnesota Court of Appeals issued an order questioning its jurisdiction over the appeal and directing parties to file memoranda addressing jurisdiction by September 17, 2018. The Minnesota Court of Appeals extended the September 17 filing deadline to October 1, 2018, to give parties time to engage in discussions toward a possible settlement and dismissal of the appeal. As of October 1, 2018, the parties have not reached a settlement. On October 1, 2018, the Trustee and the Rupp Entities each filed a jurisdiction memorandum with the Minnesota Court of Appeals.

As a result of the unexpectedly poor financial performance of the Facility, the Purchaser indicated to the Trustee that it was unwilling to perform under the Assignment Agreement unless the Purchase Price was further reduced. In addition, the Issuer informed the Trustee of the need for certain structural repairs to the Facility. Accordingly, the Trustee, after obtaining the approval of the Bondholder Committee, has entered into a Third Amendment to Agreement for Assignment and Assumption of Deed in Lieu of Foreclosure Agreement (the “Third Amendment”) with the Purchaser. The Third Amendment reduces the purchase price of the Facility to \$12,000,000.00. Additionally, as set forth in the Term Sheet attached to the Third Amendment as Exhibit A, the Third Amendment contemplates that the Purchaser will sublease the Facility from the Lessee, subject to the right of either party to terminate the sublease on 50 days’ notice, and will pay the Trustee (as Mortgagee) \$66,000 per month for use of the Facility. In addition, among other things, the Purchaser will assume responsibility for all expenses related to the operation of the Facility and the structural repairs. The Third Amendment includes the following conditions to the closing of the Assignment Agreement: (1) a final and non-appealable court order regarding the Petition, (2) the Trustee having the right to take fee title to the Facility following foreclosure or deed-in-lieu of foreclosure, free and clear of any interest and claim of the Rupp Entities, and (3) either (a) the Purchaser being released by the Rupp Entities from having any liability with respect to the claims of the Rupp Entities in the Facility or (b) the Trustee having received a court order determining that the Trustee has no liability with respect to the claims of the Rupp Entities in the Facility. A copy of the Third Amendment is attached to this notice. Pursuant to the Third Amendment, the original, \$250,000 escrow deposited by the Purchaser was unconditionally released to the Trustee, although it will be credited against the purchase price at closing.

The Purchaser has also informed the Trustee that as part of the negotiations by an affiliated party to purchase the St. Paul Athletic Club building from affiliates of the Rupp Entities, it is seeking an agreement with the Rupp Entities satisfactory to the Purchaser and the Trustee withdrawing the Rupp Entities’ objections to the Petition. The Purchaser has indicated to the Trustee that it is highly confident its affiliate will enter into an agreement under which it will obtain the agreement of the Rupp Entities to withdraw the Objection. Since there have been no other objections to the Petition, withdrawal of the objections of the Rupp Entities should permit the Petition to move forward in an expeditious manner. The Trustee plans to amend the Petition to reflect the terms of the Third Amendment once the Trustee is satisfied with the Purchaser’s ability to perform under the Assignment Agreement and obtain the withdrawal of the Objection.

At this time, no exact timetable has been set for a closing should the contingencies contained in the Agreements be resolved.

Any Holder with further questions may direct them to the Trustee by mail addressed to the following:

Wells Fargo Bank, N.A.
Corporate Trust Services
600 S 4th Street
MAC: N9300-061
Minneapolis, MN 55479
Attention: Corbin B. Connell, Vice President
Phone: 612-667-4076
Email: Corbin.B.CConnell@wellsfargo.com

Holders should not rely on the Trustee as their sole source of information. The Trustee makes no recommendations and gives no investment, accounting, financial, tax or legal advice concerning the Bonds. The Trustee may conclude that a specific response to particular inquiries from individual Holders is not consistent with equal and full dissemination of material information to all Holders. Prior to any distribution to Holders, funds held under the Indenture are to be used first for payment of the fees and costs incurred or to be incurred by the Trustee in performing its duties, as well as for any indemnities owing or to become owing to the Trustee. This includes, but is not limited to, compensation for Trustee time spent, and the fees and costs of counsel and other agents it employs, to pursue remedies or other actions to protect the interests of Holders.

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Trustee

B

**THIRD AMENDMENT TO AGREEMENT FOR ASSIGNMENT AND ASSUMPTION
OF DEED IN LIEU OF FORECLOSURE AGREEMENT**

THIS THIRD AMENDMENT TO AGREEMENT FOR ASSIGNMENT AND ASSUMPTION OF DEED IN LIEU OF FORECLOSURE AGREEMENT (this "Third Amendment") is made and entered into as of this 21st day of August, 2018, by and between **WELLS FARGO BANK, NATIONAL ASSOCIATION**, as Trustee pursuant to the Indenture ("Assignor") and **JET PARK, LLC**, a Illinois limited liability company ("Assignee").

RECITALS

WHEREAS, Assignor and Assignee entered into that certain Agreement for Assignment and Assumption of Deed in Lieu of Foreclosure Agreement, dated as of January 8, 2018 (the "Original Agreement");

WHEREAS, Assignor and Assignee entered into that certain First Amendment to Agreement for Assignment and Assumption of Deed in Lieu of Foreclosure Agreement, dated as of January 29, 2018 (the "First Amendment");

WHEREAS, Assignor and Assignee entered into that certain Second Amendment to Agreement for Assignment and Assumption of Deed in Lieu of Foreclosure Agreement, dated as of February 28, 2018 (the "Second Amendment")(the Original Agreement, as amended by the First Amendment and the Second Amendment, is hereinafter referred to as the "Agreement"); and

WHEREAS, Assignor and Assignee desire to amend the Agreement as provided herein.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements hereinafter contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, it is hereby mutually agreed by and between Assignor and Assignee as follows:

1. Purchase Price. The Purchase Price is hereby reduced to \$12,000,000.00.
2. Assignor Entitled to Earnest Money. In consideration of the execution of this Third Amendment, Assignee shall immediately instruct Old Republic National Title Insurance Company ("Escrow Agent") to disburse to Assignor, by wire transfer of immediately available

funds, the \$250,000.00 of Earnest Money (the "Deposit") now being held by Escrow Agent. Assignor shall be deemed to have earned the Deposit and shall be entitled to retain the Deposit under any and all circumstances. Notwithstanding the foregoing, if a Closing does occur, Assignee shall be entitled to a credit against the Purchase Price in the amount of the Deposit.

3. Lease. Assignee shall enter into a lease for the Property with Mortgagor (the "Lease"), substantially in accordance with the terms set forth in the Term Sheet attached hereto as Exhibit A, within thirty (30) days after the date of this Third Amendment. Assignor shall use commercially reasonable efforts to persuade Mortgagor to enter into the Lease.

4. Conditions to Closing. Notwithstanding anything contained in the Agreement, the sole conditions to closing the transaction contemplated by the Agreement, as amended by this Third Amendment, shall consist of: (i) entry of an order in the pending Trust Instruction Proceeding substantially in the form requested by Assignor, subject to such revisions as may be mutually acceptable to Assignee and Assignor or reasonably required by the Court, and expiration of the applicable appeal period; (ii) Assignee having the right to take fee title to the Property following foreclosure or deed in lieu of foreclosure, free and clear of any interest of and all claims by (1) CCV-1, LLC regarding its taxable subordinated cash flow note, and (2) WHTW, LLC regarding that certain Option to Purchase and First Refusal Agreement, dated as of May 11, 2000, between WHTW, LLC, the Port Authority of the City of Saint Paul and Capital City Properties (collectively, the "Rupp Claims"); and (iii) Assignor having been released by CCV-1, LLC and WHTW, LLC (collectively, the "Rupp Entities") from any liability in connection with the Rupp Claims, or Assignor having received an order of the Court in the Trust Instruction Proceeding concluding that Assignor has no liability in connection with the Rupp Claims.

5. New Earnest Money. Within five (5) business days after the earlier of (i) the execution and delivery of a definitive agreement between Assignee, on the one hand, and the Rupp Entities, on the other hand, resolving the Rupp Claims, including the Rupp Entities releasing Assignor from any liability in connection with the Rupp Claims, or (ii) the receipt by Assignor of (1) a title insurance commitment, in form and substance reasonably satisfactory to Assignee, committing to insure Assignor or its assignee as fee owner of the Property, free and clear of any interest of the Rupp Entities, and (2) an order of the Court in the Trust Instruction Proceeding concluding that Assignor has no liability in connection with the Rupp Claims, Assignee shall deposit Seven Hundred Fifty Thousand and No/100 Dollars (\$750,000.00) with Escrow Agent, to be held as new earnest money ("New Earnest Money") pursuant to the Agreement, on the same terms as the original Earnest Money prior to the execution of this Third Amendment. Failure by Assignee to deposit the New Earnest Money by the date required pursuant to the preceding sentence shall constitute a default by Assignee under the Agreement, as amended by this Third Amendment, entitling Assignor to immediately terminate the Agreement, as amended by this Third Amendment. For the avoidance of doubt, Assignee acknowledges and agrees that Assignor shall be entitled to receive from the Escrow Agent the New Earnest Money and the New Earnest Money shall not be refunded to Assignee unless (i) Mortgagor defaults under the DIL Agreement and, as a result, no Closing occurs; (ii) Assignor defaults under the Agreement, as amended by this Third Amendment, and fails to cure any such default within the time period permitted by Section 22 of the Original Agreement, and Assignee

elects to terminate the Agreement, as amended by this Third Amendment; or (iii) the DIL Agreement should terminate other than due to Assignee's default.

6. Financing Commitment. Within thirty (30) days after the earlier of the occurrence of (i), (ii) or (iii), as described in Section 4 above, Assignee shall provide to Assignor a fully executed loan commitment from an institutional lender in the amount of not less than \$6,000,000.00, committing to finance Assignee's acquisition of the Property, which loan commitment shall contain no conditions or contingencies to funding other than Assignee's acquisition of the Property simultaneously with the closing of such loan. Failure by Assignee to provide a true, correct and complete copy of the executed loan commitment to Assignor by the date required pursuant to the preceding sentence shall constitute a default by Assignee under the Agreement, as amended by this Third Amendment, entitling Assignor to immediately terminate the Agreement, as amended by this Third Amendment, in which event Assignor shall be entitled to receive from the Escrow Agent the New Earnest Money.

7. Closing. Assignor shall cooperate in closing the transaction contemplated by the Agreement, as amended by this Third Amendment, as soon as reasonably possible after the expiration of the appeal period following the entering of the Order, or, if later, the final dismissal of any appeals filed during such appeal period.

8. Counterparts/Facsimile Signature. This Third Amendment may be executed simultaneously in two or more counterparts each of which shall be deemed an original, but all of which shall constitute one and the same Third Amendment. Assignor and Assignee agree that the delivery of an executed copy of this Third Amendment by facsimile or e-mail shall be legal and binding and shall have the same full force and effect as if an original executed copy of this Third Amendment had been delivered. However, upon any such execution by facsimile or e-mail, the parties shall thereafter exchange executed original signature pages, if requested by any party to this Third Amendment.

9. Definitions. All capitalized terms used in this Third Amendment but not defined in this Third Amendment shall have the same meanings as set forth in the Agreement.

10. No Other Amendments. Except to the extent amended herein, all of the terms and conditions of the Agreement are ratified and confirmed and shall remain in full force and effect.

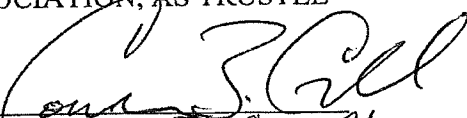
IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed the day and year first above written.

ASSIGNOR:

WELLS FARGO BANK, NATIONAL
ASSOCIATION, AS TRUSTEE

By:

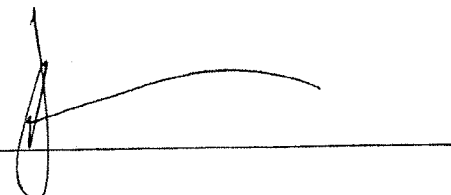
Name:


Cory B. Cooney
VICE PRES. GEN.
SIGNED 9/26/2018

ASSIGNEE:

JET PARK, LLC

By:



Title: _____

Name: JOHN WILFRED THOMAS
Title: MGR

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The undersigned hereby executes this Third Amendment for the sole purpose of acknowledging its agreement with the provisions of this Third Amendment relating to its duties and obligations as escrow agent with respect to the Deposit and the New Earnest Money.

9127
Dated: August , 2018

OLD REPUBLIC NATIONAL TITLE
INSURANCE COMPANY

By: Chris Harg
Its: VP



EXHIBIT A

TERM SHEET

August 7, 2018

This term sheet (this "Term Sheet") sets forth the basic terms and conditions upon which **CAPITAL CITY PROPERTIES** ("Landlord") would sublease the Capital City Plaza Parking Ramp (the "Parking Ramp") located in downtown Saint Paul, Minnesota to **JET PARK, LLC** ("Tenant"), subject to execution of a definitive sublease (the "Lease"):

1. Landlord: Capital City Properties, a Minnesota non-profit corporation
2. Tenant: JET Park, LLC, an Illinois limited liability company
3. Premises: the Parking Ramp and all improvements related thereto, as well as the parcel of land on which the Parking Ramp is located and any skyways rights appurtenant thereto.
4. Term: Fifty (50) days, automatically extending each day for the following fifty (50) days, subject to Landlord's right to terminate the Lease at any time upon fifty (50) days prior written notice. The Term shall commence on the date (the "Commencement Date") all of the contingencies set forth in Section 16 below have been satisfied.
5. Base Rent: \$66,000.00 per calendar month. Base Rent shall begin on the Commencement Date. Base Rent for any partial calendar month shall be prorated on a per diem basis. In the Lease, Landlord shall direct Tenant to pay to Trustee (defined below) all installments of Base Rent.
6. Completely Net Lease. In addition to the Base Rent, Tenant shall pay all expenses of any nature related in any way to the Premises, foreseen or unforeseen, ordinary or extraordinary, of any kind or nature whatsoever, including, without limitation, real estate taxes, personal property taxes or personal property tax in lieu of real estate taxes (if any), special assessments, insurance, operating expenses and capital expenses. Insurance policies required by the Lease shall list the Saint Paul Port Authority and Capital City Properties, LLC as additional insureds.
7. Utilities and Services. Tenant shall pay for all utilities and services of any kind delivered or related to the Premises.
8. Condition at Commencement; Tenant Repairs and Replacements. Landlord shall deliver the Premises to Tenant at the commencement of the Term in its "as is, where is" condition. Prior of December 31, 2018, Tenant, at its expense, shall make all of the repairs and replacements recommended in that certain "2018 Annual Structural Condition

Report,” issued by Palanisami & Associates, Inc. for the Premises, executed by John Hareland, PE.

9. Maintenance, Repair and Replacement. In addition to the work described in Section 8 above, Tenant shall maintain and keep the Premises in good repair, reasonable wear and tear and damage by casualty excepted, including any necessary replacements. Tenant shall comply with all applicable laws, codes, rules and regulations regarding the Premises, including, without limitation, the ADA.
10. Use. Tenant shall use the parking ramp portion of the Premises for a public parking ramp (the “Parking Ramp”) and the commercial rental space formerly occupied by Peoples Bank as commercial rental space (“Commercial Rental Space”) and the Parking Ramp and the Commercial Rental Space shall each be used for no other purpose whatsoever. Tenant shall not enter into any contract with any third party for longer than a month-to-month term, without Trustee’s prior written consent, which shall be in Trustee’s sole discretion. Notwithstanding the foregoing, provided Tenant obtains all governmental approvals required in order to do so, Tenant, at its expense, may install signage on the façade of the Premises in a size and at a location approved by Landlord, which approval shall not be unreasonably withheld, conditioned or delayed; provided, however, no lease or license of any such signage or signage space to a third party may extend beyond the expiration or earlier termination of the Lease.
11. Additional Tenant Defaults. In addition to typical tenant defaults that will be included in the Lease, Tenant shall be in default if Tenant ceases to remain open for business in the Premises for the Use described above for a period in excess of three (3) consecutive calendar days, except due to casualty or temporary interruptions related to maintenance, repair or replacement work.
12. Brokers: Tenant warrants it has not dealt with any brokers in connection with this sublease transaction.
13. Termination of Current Parking Manager; Engagement of New Parking Manager: Upon the Commencement Date, Landlord will assign the Allied Parking management agreement to Tenant. Landlord approves Tenant terminating the Allied Parking management agreement at any time after the Commencement Date, at Tenant’s sole discretion, and entering into a new parking management contract with Interstate Parking or other suitable designee, provided no such parking management contract may extend beyond the expiration or earlier termination of the Lease.
14. Existing Mortgages: Tenant acknowledges that the Premises are subject to and, except as may be agreed otherwise by Trustee, the Lease will be subordinate to, two existing mortgages in favor of Wells Fargo Bank, National Association, as Trustee (“Trustee”).
15. Foreclosure of Existing Mortgages: Landlord and Tenant acknowledge that the Trustee may elect to foreclose one or both of its two existing mortgages.
16. Contingencies: The Lease will be contingent upon the satisfaction of each of the following contingencies:

- a. Trustee and the owner/prime landlord of the Premises, the Port Authority of the City of Saint Paul, shall have consented to the Lease.
 - b. Tenant and Trustee shall have entered into an amendment of the Agreement for Assignment and Assumption of Deed in Lieu of Foreclosure Agreement, dated as of January 8, 2018, as amended, on mutually acceptable terms, including, without limitation:
 - (i) a purchase price equal to \$12,000,000;
 - (ii) the sole condition to closing consisting of either (A) entry of an order in the pending Trust Instruction Proceeding substantially in the form requested by Trustee, subject to such revisions as may be mutually acceptable to Tenant and Trustee or reasonably required by the Court, and expiration of the applicable appeal period; or (B) Trustee having the right to take fee title to the Parking Ramp following foreclosure, free and clear of any interest of and all claims by (1) CCV-1, LLC regarding its taxable subordinated cash flow note, and (2) WHTW, LLC regarding that certain Option to Purchase and First Refusal Agreement, dated as of May 11, 2000, between WHTW, LLC, the Port Authority of the City of Saint Paul and Capital City Properties (the "Rupp Claims"); and
 - (iii) within five (5) business days after the earlier of (A) the execution and delivery of a definitive agreement between the Tenant, on the one hand, and CCV-1, LLC and WHTW, LLC (the "Rupp Entities"), on the other hand, resolving the Rupp Claims; or (B) the receipt by Trustee of a title insurance commitment, in form and substance reasonably satisfactory to Tenant, committing to insure Trustee or its assignee as fee owner of the Parking Ramp, free and clear of any interest of the Rupp Entities, the non-refundable earnest money under the Purchase Agreement shall be increased to \$1,000,000.
17. Assignment: Tenant may not assign the Lease without Landlord's approval, which shall be in Landlord's sole discretion.
18. Non-binding: This Term Sheet is not binding on Landlord, Tenant or Trustee.