**SCHEDULE 3**

**TO MULTIFAMILY LOAN AND SECURITY AGREEMENT**

**Schedule of Interest Rate Type Provisions**

**(Hybrid ARM (SOFR))**

1. **Defined Terms.**

Capitalized terms not otherwise defined in this Schedule have the meanings given to such terms in the Definitions Schedule to the Loan Agreement.

1. **Interest Accrual.**

Except as otherwise provided in the Loan Agreement, interest shall accrue at the Fixed Rate until the HYARM Conversion Date. Thereafter, interest shall accrue at the Adjustable Rate until the Mortgage Loan is fully paid.

1. **Adjustable Rate; Index Replacement.**

**(a) Adjustments.**

The initial Adjustable Rate shall be effective beginning on the HYARM Conversion Date. Thereafter, the Adjustable Rate shall change on each Rate Change Date based on fluctuations in the Current Index as determined by Lender, which determination shall be conclusive absent manifest error. The Adjustable Rate shall not (1) exceed the Fixed Rate by more than five percentage points (5%) at any time, (2) be lower than the Margin, or (3) change by more than one percentage point (1%), plus or minus, from the Fixed Rate in effect immediately preceding the HYARM Conversion Date or from the Adjustable Rate in effect for the period immediately preceding the Rate Change Date, as applicable.

**(b) Index Replacement.**

**(1) Index Replacement Date.**

Notwithstanding anything to the contrary herein or in any other Loan Document, if an Index Transition Event and its related Index Replacement Date have occurred with respect to the Current Index, then the Index Replacement will replace the Current Index on such Index Replacement Date and all subsequent dates. The Index Replacement will become effective on the Index Replacement Date without any amendment or further action or consent of any other party to the Loan Agreement or any other Loan Document.

**(2)** **Index Replacement Conforming Changes.**

(i) In connection with the implementation of an Index Replacement, Lender shall have the right to make Index Replacement Conforming Changes from time to time. Notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Index Replacement Conforming Changes shall become effective without any further action or consent of Borrower.

(ii) Lender shall notify Borrower of (A) the occurrence of any Index Transition Event and its related Index Replacement Date, (B) the Index Replacement determined by Lender, and (C) any required Index Replacement Conforming Changes. Any determination, decision, or election made by Lender pursuant to this Section 3, including any determination by Lender with respect to tenor, rate, or adjustment, or of the occurrence or non-occurrence of an event, circumstance, or date, and any decision to take or refrain from taking any action or any selection, shall be conclusive and binding absent manifest error and may be made in Lender’s sole discretion and without consent from Borrower.

**(3) Federal Income Tax Treatment.**

For federal income tax purposes, Lender intends to effect the replacement of the Current Index with the Index Replacement in connection with an Index Transition Event such that the replacement will not result in a tax realization event under Section 1001 of the Internal Revenue Code of 1986, as amended, and relevant Treasury Regulations promulgated thereunder.

1. **Notification of Interest Rate Change and Monthly Debt Service Payment.**

Before each Payment Change Date, Lender shall notify Borrower of any change in the Adjustable Rate and the amount of the next Monthly Debt Service Payment.

1. **Correction to Monthly Debt Service Payments.**

If Lender determines at any time that it has miscalculated the amount of a Monthly Debt Service Payment (whether because of a miscalculation of the Adjustable Rate or otherwise), then Lender shall give notice to Borrower of the corrected amount of the Monthly Debt Service Payment (and the corrected Adjustable Rate, if applicable) and (a) if the corrected amount of the Monthly Debt Service Payment represents an increase, then Borrower shall, within thirty (30) calendar days thereafter, pay to Lender any sums that Borrower would have otherwise been obligated to pay to Lender had the amount of the Monthly Debt Service Payment not been miscalculated, or (b) if the corrected amount of the Monthly Debt Service Payment represents a decrease and Borrower is not otherwise in default under any of the Loan Documents, then Borrower shall thereafter be paid the sums that Borrower would not have otherwise been obligated to pay to Lender had the amount of the Monthly Debt Service Payment not been miscalculated.

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