

**BOARD RESOLUTION AUTHORIZING BORROWING
FOR RENOVATION AND EXPANSION PROJECT**

WHEREAS, Temple Sinai, in 2020, secured a credit line loan facility in the amount of \$4,500,000 with Eagle Bank (“Eagle LOC”) to help finance the renovation and expansion of its building and grounds recognizing that the amount to be raised from its capital campaign was uncertain and that there would be a timing difference between the collection of donor pledges and the payment of construction costs, and

WHEREAS, Temple Sinai has completed its capital campaign, and the campaign successfully raised approximately \$12 million in receipts and pledges from donors, and

WHEREAS, there is a shortfall in monies pledged and collected for the renovation and expansion project and the actual cost of the project, including borrowing costs, as well as a timing difference in the collection of some outstanding pledges, and

WHEREAS, Temple Sinai will need to secure a loan in the amount of \$4,500,000 to cover such shortfall and to replace the Eagle LOC which expires in 2025, and

WHEREAS, Temple Sinai has applied to Eagle Bank for a loan to provide such financing and Eagle Bank has issued a Letter of Intent (“Letter of Intent”) setting forth the terms and conditions for such a loan, and

WHEREAS, the members of the Congregation of Temple Sinai, will be asked at the 2024 Annual Meeting called in accordance with Article V, Section 8 of the Bylaws of Temple Sinai to approve the proposed new loan (“Member Approval”); and

WHEREAS, the Board of Trustees, in a meeting duly called, has reviewed the Letter of Intent and Eagle’s confirmation of its intent to proceed with the loan, both of which are attached hereto, and has determined that the terms of the loan described therein are appropriate and in the best interests of Temple Sinai.

BE IT RESOLVED THAT THE TEMPLE SINAI BOARD OF TRUSTEES having considered the need for securing a loan to provide financing to pay for the unfunded costs associated with the recent renovation and expansion of Temple Sinai’s building and grounds, and subject to subsequent Member Approval of such proposed loan, hereby adopts the resolutions hereinafter set forth and takes the following actions:

1. New renovation and expansion financing in the form of (i) a 10-year loan in an amount not to exceed \$4,500,000 on the terms outlined in the Letter of Intent and secured by a deed of trust on the temple’s property at 3100 Military Road Washington, DC. is hereby approved by the Board of Trustees, subject to subsequent Member Approval.

2. Subject to Member Approval, the Board of Trustees hereby authorizes and directs the President or Executive Vice President (the “Approved Officers”) to consummate the following transactions, including authority to execute documents on behalf of Temple Sinai as either of such Approved Officers may determine is necessary or appropriate:

- a. A loan in an amount not to exceed \$4,500,000 with a maximum term of 120 months in accordance with the terms set forth in the Letter of Intent.
- b. To use the proceeds of said loan to extinguish the existing Eagle LOC entered into in connection with the renovation and expansion project in 2020.

3. Either of the Approved Officers, acting alone, is authorized to execute and deliver any and all documents that such officer may reasonably deem is necessary or desirable to consummate the Loan transactions in accordance with the resolutions of the members and the Board of Trustees.

4. The Loan will be administered in accordance with Temple Sinai's standard practices.

5. The Secretary and/or either of the Approved Officers is authorized to sign a certificate with a representation that this resolution was properly approved by the Board.

APPROVED BY THE BOARD OF TRUSTEES in accordance with the Bylaws of Temple Sinai as of the ___ day of _____, 2024.

Attachments: Eagle Bank Letter of Intent and Confirmation by Eagle Bank of Internal Approval to Proceed



January 16th, 2024

Andrei Israel
Temple Sinai
3100 Military Road NW
Washington, D.C. 20015

Dear Andrei,

Based on our ongoing discussions, the Bank is currently contemplating the below indicative terms on which it might offer a formal term sheet. Once you've had a chance to review, we'd love to get your initial feedback. If you are favorably inclined, we would like to complete our screening process with our committee and come back to you with a definitive term sheet.

Please note, this is NOT a commitment to lend.

<u>Borrower(s):</u>	Temple Sinai
<u>Guarantor(s):</u>	None
<u>Credit Facility:</u>	Term Loan (the "Loan")
<u>Amount/Purpose:</u>	Up to \$4,500,000
<u>Maturity:</u>	120 months
<u>Repayment Terms:</u>	120 monthly payments of fixed principal and interest based on a 30 year amortization schedule.
<u>Interest Rate:</u>	Fixed at closing at the 5 year Treasury Constant fixed 5 days before closing (Currently 3.84%) plus 2.30%. Current rate is 6.14%. To be reset after year 5 to the then 5 year Treasury Constant plus 2.30% or elect a variable rate of 1 month SOFR + 2.30% with a floor of 4.8%.

- At the Borrower's election, the borrower can choose to float the loan at 1 month SOFR + 2.30% for up to one year prior to fixing the interest rate at the then 5-year treasury rate + 2.30% for the remaining 4 years. The rate will reset at year 5 to the then 5 year Treasury Constant plus 2.30%. If electing to float for year one, this option must be chosen as part of accepting the terms in this indicative term sheet.

Loan Fee: \$22,000

Collateral: The Loan will be secured by the following:
a) First Deed of Trust on the property located 3100 Military Rd. NW, Washington, D.C. 20015

Prepayment Borrower will be allowed to prepay the loan without penalty as long as funds used are internal funds and not third party financed or refinanced. Borrower will be allowed to prepay in full or partially without penalty at the 5 year rate reset regardless of the source of funds. Borrower will be able to repay without penalty if the variable rate option is chosen

Deposit Relationship: The Borrower or any related entities will maintain a minimum of 10% of the total loan amount in deposit accounts at EagleBank for the term of the loan. Should the Borrower fail to do so, this will result in the default of the loan. This default can be cured within 90 days. Deposits can be in the form of savings, money market, or CDs, and checking accounts. Interest bearing products will be offered at competitive rates.

Insurance: Not less than 7 days prior to the closing of the loan, the Borrower will provide to the Bank a copy of the Policy Declaration Page of its business insurance policy evidencing insurance coverage for casualty losses to its equipment and other tangible business property and inventory (if applicable). The Policy Declaration Page must name EagleBank as first loss payee of the policy. The insurance policy must be acceptable to the Bank in all respects, including coverage amounts, issuing companies and scope of coverage.

Other Conditions: The Borrower must be in good standing with the jurisdiction in which it is domiciled.

Minimum Debt Service Coverage at 1.0 X to be measured annually.

If minimum debt service of 1.0X is not achieved at annual review, the loan will not be in default as long as the borrower can show liquidity on hand greater or equal to the then outstanding loan balance.

The Borrower must comply with all applicable federal, state and local laws, rules, regulations and ordinances.

This Term Sheet is not assignable.

Borrower shall maintain all appropriate insurance for itself and the Bank, throughout the Loan term.

All costs for due diligence including but not limited to title, attorney, review, fees in connection with this closing will be at the expense of the borrower.

Revocability: Should information come to the Bank, which in its sole discretion is deemed adverse or detrimental, the Bank reserves the right to terminate this application at any time.

Warranties: The Borrower hereby warrants that (i) there is no litigation or administrative or judicial proceeding existing, pending or planned that would in any manner adversely affect the borrower's ability to repay the funds provided under the proposal; (ii) that the proceeds described in the proposal will be used solely for the commercial and business purposes of the borrower and not for personal, family or household purposes; (iii) that any litigation now pending or threatened against the borrower is de minimis or adequately covered by existing liability insurance. All warranties will be true as of the date of the closing of the Loan and will continue as true until the Loan has been repaid in full. The borrower agrees to promptly inform the Bank of any event which causes any of these warranties to become untrue and, from time to time, to execute and deliver to the Bank, upon request, such affidavits or certifications affirming the continued truth of said Warranties as the Bank may request.

Adeep Sandhu
Senior Vice President, C&I Relationship Manager

Foregoing proposed terms and conditions are hereby accepted and agreed to on this, the 18th day of January, 2023.

BORROWER(S):

Temple Sinai

By: 

Andrei Israel



April 11th, 2024

Andrei Israel
Temple Sinai
3100 Military Road NW
Washington, D.C. 20015

Dear Andrei,

As a follow-up to the term sheet that was dated 01/16/24 and accepted 01/18/24 . We are pleased to advise you that EagleBank (the "Bank") has fully approved your loan request subject to the following terms and conditions set out in the term sheet and governed by the loan documents that have been sent in draft form. The approval is dated 03/28/24. The expiration of that approval is 05/28/24. An extension of approval can be granted for an additional 30 days to close on the loan.

A handwritten signature in black ink, appearing to read "AS", with a long horizontal flourish extending to the right.

Adeep Sandhu
SVP, C&I Relationship Manager
EagleBank, *Relationships F•I•R•S•I*
2001 K Street NW, Suite 150
Washington, DC 20006
Direct: 202-292-1623
Fax: 202-292-1652
ASandhu@eaglebankcorp.com
www.eaglebankcorp.com