

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 15, 2022

**AMREP CORPORATION**

(Exact name of registrant as specified in its charter)

**Oklahoma**

(State or other jurisdiction of  
incorporation)

**1-4702**

(Commission File  
Number)

**59-0936128**

(IRS Employer  
Identification No.)

**850 West Chester Pike,  
Suite 205, Havertown, PA**

(Address of principal executive offices)

**19083**

(Zip Code)

Registrant's telephone number, including area code: (610) 487-0905

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock \$.10 par value	AXR	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

### Item 1.01 Entry into a Material Definitive Agreement.

Reference is made to Note 6 to the consolidated financial statements contained in the Annual Report on Form 10-K of AMREP Corporation for the year ended April 30, 2022, which was filed with the Securities and Exchange Commission on July 21, 2022, regarding the Loan Agreement (the "Loan Agreement") entered into between BOKF, NA dba Bank of Albuquerque ("BOKF") and AMREP Southwest Inc. ("ASW"), a subsidiary of AMREP Corporation, in which BOKF agrees to lend up to \$4,000,000 to ASW on a revolving line of credit basis for general corporate purposes.

On August 15, 2022, ASW and BOKF entered into the Third Modification Agreement to the Loan Agreement and ASW entered into the First Amended and Restated Revolving Line of Credit Promissory Note in favor of BOKF. These documents resulted in the following changes to the revolving line of credit financing facility: (1) the maximum amount available for borrowing increased by \$1,750,000 to a new total maximum amount of \$5,750,000, (2) the interest rate on borrowed amounts is equal to the one-month secured overnight financing rate as administered by the CME Group Benchmark Administration Limited plus a spread of 3.15%, adjusted monthly, and (3) the scheduled maturity date of the loan is August 15, 2025. ASW incurred customary costs and expenses and paid certain fees to BOKF in connection with the amendment of the revolving line of credit financing facility.

The foregoing description of the loan documentation is a summary only and is qualified in all respects by the provisions of the loan documentation; copies of the Third Modification Agreement and First Amended and Restated Revolving Line of Credit Promissory Note are attached hereto as Exhibits 10.1 and 10.2 and are incorporated herein by reference.

### Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.03.

### Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
<a href="#">10.1</a>	<a href="#">Third Modification Agreement, dated as of August 15, 2022, between BOKF, NA dba Bank of Albuquerque and AMREP Southwest Inc.</a>
<a href="#">10.2</a>	<a href="#">First Amended and Restated Revolving Line of Credit Promissory Note, dated August 15, 2022, by AMREP Southwest Inc. in favor of BOKF, NA dba Bank of Albuquerque.</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**AMREP Corporation**

Date: August 16, 2022

By: /s/ Christopher V. Vitale

Name: Christopher V. Vitale

Title: President and Chief Executive Officer

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## EXHIBIT INDEX

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<a href="#"><u>10.2</u></a>	<a href="#"><u>First Amended and Restated Revolving Line of Credit Promissory Note, dated August 15, 2022, by AMREP Southwest Inc. in favor of BOKF, NA dba Bank of Albuquerque.</u></a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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THIRD MODIFICATION AGREEMENT

BOKF, NA dba Bank of Albuquerque (the “Lender”); and AMREP Southwest Inc., a New Mexico corporation (the “Borrower”), agree:

1. Recitals. The following Recitals apply to this Third Modification Agreement (the “Agreement”).

A. Borrower is indebted to Lender as evidenced by a Revolving Line of Credit Promissory Note dated February 3, 2021, in the original principal amount of Four Million and No/100 Dollars (\$4,000,000.00), made by Borrower in favor of the Lender (the “Original Note”). In connection with the Original Note, Borrower and Lender entered into a Loan Agreement dated February 3, 2021 (the “Loan Agreement”).

B. Payment and performance of the Original Note is secured by, among other things, a Line of Credit Mortgage, Security Agreement and Fixture Filing dated February 3, 2021, and recorded in the real property records of Sandoval County, New Mexico (the “Recording Office”) on February 3, 2021, as Document No. 2021003917, made by Borrower in favor of Lender (the “Mortgage”). The Mortgage, the Loan Agreement and all other documents evidencing, guaranteeing or securing the Original Note are referred to in this Agreement as the “Loan Documents”.

C. At the request of Borrower, Lender issued a reserve letter in favor of the City of Santa Fe, New Mexico, as evidenced by a Demand Promissory Note in the original principal amount of One Million Three Hundred Twenty-Two Thousand Seven Hundred Sixteen and 82/100 Dollars (\$1,322,716.82), dated January 25, 2022, made by Borrower in favor of Lender (the “Demand Note”). The Demand Note is secured by the Mortgage. In connection with the Demand Note, Borrower and Lender entered into a First Modification Agreement dated January 25, 2022 (the “First Modification”).

D. At the request of Borrower, Lender removed the semi-annual resting requirement in the Original Note, as evidenced by a Second Modification Agreement dated April 13, 2022 (the “Second Modification” and, together with the First Modification and this Agreement, the “Modification Agreements”).

E. Borrower, has requested that Lender renew and extend the maturity of the Original Note and increase the amount of credit available under the Original Note by One Million Seven Hundred Fifty Thousand and No/100 Dollars (\$1,750,000.00), all to be evidenced by a First Amended and Restated Revolving Line of Credit Promissory Note dated the same day as this Agreement, in the original principal amount of Five Million, Seven Hundred Fifty Thousand and No/100 Dollars (\$5,750,000.00) (the “First Restated Note”), and Lender is willing to do so, provided that, among other things, Borrower enters into this Agreement.

2. Definitions. Capitalized terms used but not defined in this Agreement have the meanings given to them in the Loan Agreement and the Mortgage.

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3. Required Payments. Concurrently with the execution of this Agreement, Borrower shall have paid to Lender: (i) all accrued unpaid interest due under the Original Note; (ii) recording fees and costs; lawyers' fees and costs; and all other fees and costs related to this Agreement; and (iii) a commitment fee in the amount of Four Thousand Three Hundred Seventy-Five and No/100 Dollars (\$4,375.00).

4. Conditions Precedent. Before this Agreement becomes effective and any party becomes obligated under it, all of the following conditions shall have been satisfied in a manner acceptable to Lender in the exercise of Lender's sole and absolute discretion:

A. Lender shall have received such assurances as Lender may require that the validity and priority of the Mortgage has not been and shall not be impaired by this Agreement or the transactions contemplated by this Agreement, including but not by way of limitation, an ALTA Title Policy Endorsement New Mexico Form 80.2 dated as of the date of recording of this Agreement and endorsing the mortgagee policy of title insurance issued in connection with the Mortgage, providing that policy coverage has not been reduced or terminated by virtue of the recording of this Agreement, showing no matters of record since the recording of the Mortgage except as are acceptable to Lender in Lender's sole discretion, and increasing the amount of insurance set forth on Schedule A to \$5,750,000.00.

B. Lender shall have received a fully executed and acknowledged original of this Agreement, a fully executed First Restated Note and such other documents as Lender requires.

C. This Agreement shall have been recorded in the Recording Office.

5. Modification of Terms of Loan Documents. The Loan Documents are supplemented, amended and modified as follows:

A. Each reference in the Loan Documents to any of the Loan Documents is deemed to be a reference to the Loan Documents as amended and modified by this Agreement.

B. Each reference in the Loan Documents to the "Note" is deemed to be a reference to the First Restated Note as amended and modified by this Agreement.

6. Ratification of Obligations Under Loan Documents. Borrower reasserts, ratifies and reaffirms all of Borrower's obligations under the Loan Documents. Borrower specifically acknowledges, agrees and represents that:

A. This Agreement is a legal, valid and binding obligation of Borrower and is enforceable against Borrower in accordance with its terms.

B. The covenants and obligations set forth in this Agreement benefit and are in the best interest of the Borrower.

C. The indebtedness evidenced by the First Restated Note is valid and existing and is not subject to any defenses, offsets, claims or counterclaims.

D. No indulgence or part indulgence by Lender and nothing contained herein or in any other agreement among Borrower and/or Lender nor any other action or inaction by Lender, has waived or shall constitute a waiver of any default or Event of Default that may exist under the Loan Documents or an election of remedies by Lender or a waiver of any of the rights, remedies or recourse of Lender provided in any of the Loan Documents or otherwise afforded by law or in equity.

E. The Mortgage, as modified by the Modification Agreements, secures the Note, as modified by the Modification Agreement and the First Restated Note.

7. Release. To the extent Borrower now has any claims, offsets, defenses to or counterclaims against the Lender or as to the repayment of all or a portion of the indebtedness evidenced by the First Restated Note or the transaction evidenced by the Loan Documents, whether known or unknown, fixed or contingent, the same are hereby forever irrevocably waived and released in their entirety by Borrower.

8. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected thereby; and in lieu of such illegal, invalid or unenforceable provisions, there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

9. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of Borrower and Lender and their respective successors, legal representatives and assigns.

10. Applicable Law. **THIS AGREEMENT, AND EACH OTHER LOAN DOCUMENT, AND ALL MATTERS RELATING HERETO OR THERETO OR ARISING THEREFROM (WHETHER SOUNDING IN CONTRACT LAW, TORT LAW OR OTHERWISE), SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW MEXICO, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES. BORROWER AND LENDER HEREBY CONSENT TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE COUNTY OF SANDOVAL, STATE OF NEW MEXICO AND IRREVOCABLY AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS SHALL BE LITIGATED IN SUCH COURTS. BORROWER AND LENDER EXPRESSLY SUBMIT AND CONSENT TO THE JURISDICTION OF THE AFORESAID COURTS AND WAIVE ANY DEFENSE OF FORUM NON CONVENIENS.**

11. Waiver of Jury Trial. EACH OF BORROWER AND LENDER HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH OF BORROWER AND LENDER ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP THAT EACH HAS RELIED ON THE WAIVER IN ENTERING INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN THEIR RELATED FUTURE DEALINGS. EACH OF BORROWER AND LENDER WARRANTS AND REPRESENTS THAT EACH HAS HAD THE OPPORTUNITY OF REVIEWING THIS JURY WAIVER WITH LEGAL COUNSEL, AND THAT EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS.

BORROWER AND LENDER EXPRESSLY INTEND AND AGREE THAT THIS AGREEMENT EVIDENCES A MODIFICATION ONLY OF THE LOAN DOCUMENTS AND IS NOT A NOVATION.

[SIGNATURES ON NEXT PAGE]



Dated: Effective August 15, 2022.

“BORROWER”

AMREP SOUTHWEST INC.,  
a New Mexico corporation

By:           /s/ Carey Plant            
Carey Plant, Vice President

“LENDER”

BOKF, NA dba BANK OF ALBUQUERQUE

By:           /s/ Jordan Herrington            
Jordan Herrington, Senior Vice President

STATE OF NEW MEXICO

COUNTY OF SANDOVAL

This instrument was acknowledged before me on August 15, 2022, by Carey Plant, Vice President of AMREP Southwest Inc., a New Mexico corporation.

          /s/ Karen Lee Ward            
Notary Public

My Commission Expires: November 18, 2025

STATE OF NEW MEXICO

COUNTY OF BERNALILLO

This instrument was acknowledged before me on August 15, 2022, by Jordan Herrington, Senior Vice President of BOKF NA, dba Bank of Albuquerque.

          /s/ Lesa B. Richard            
Notary Public

My Commission Expires: November 13, 2025

FIRST AMENDED AND RESTATED  
REVOLVING LINE OF CREDIT PROMISSORY NOTE

\$5,750,000.00  
Note #457290

Effective August 15, 2022  
Albuquerque, New Mexico

FOR VALUE RECEIVED, the undersigned AMREP Southwest Inc., a New Mexico corporation (“Maker”), hereby promises to pay to the order of BOKF, NA dba Bank of Albuquerque (“Lender”), at its office located at 100 Sun Avenue, Suite 500, Albuquerque, New Mexico 87109, or at such other place as may be designated in writing by the holder of this First Amended and Restated Revolving Line of Credit Promissory Note (“Note”), the principal sum of Five Million Seven Hundred Fifty Thousand and No/100 Dollars (\$5,750,000.00), or so much thereof as shall be disbursed hereunder, together with interest thereon at the rates specified in this Note, payable as set forth herein.

1. Definitions. As used in this Note, the following terms shall have the meanings indicated for each:

A. “Additional Advance” means an increase in the amount of credit available under this Note in the principal amount of One Million Seven Hundred Fifty Thousand and No/100 Dollars (\$1,750,000.00).

B. “Business Day” means any day that is not a Saturday, Sunday, or other day that is a legal holiday under the laws of the State of New Mexico or is a day on which banking institutions in such state are authorized or required by law to close.

C. “Event of Default” has the meaning ascribed to such term in the Mortgage, which includes, without limitation, a default in payment or performance under this Note.

D. “Interest Period” means the period commencing on the date of the Loan and ending on the numerically corresponding day in the calendar month that is one month thereafter (in each case, subject to the availability thereof); provided that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day; (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period; and (iii) no Interest Period shall extend beyond the Maturity Date. For purposes hereof, the date of a Loan initially shall be the date on which such Loan is made and thereafter shall be the effective date of the most recent conversion or continuation of such Loan or Borrowing.

E. “Interest Rate” means from and following the closing date, the Loan and the other obligations shall bear interest at Term SOFR plus three hundred fifteen (315) basis points as calculated in accordance with Paragraph 5 of this Note. Notwithstanding any language herein seemingly to the contrary: (a) Maker shall not be obligated to pay in excess of the maximum interest rate permitted by law for any interest payment period; and (b) upon the occurrence of an Event of Default, at the option of the holder of this Note, interest will accrue at the after-Default Rate of interest hereafter specified. Whenever increases occur in the Term SOFR, Lender, at its option, may do one or more of the following: (x) increase Maker’s payments of principal or interest or both, or (y) continue Maker’s payments at the same amount and increase the final payment.

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F. “Loan” means the loan evidenced by this Note.

G. “Loan Agreement” means that certain Loan Agreement, dated February 3, 2021, made by Maker in favor of Lender, and pursuant to which this Note is executed, as supplemented, modified and amended.

H. “Maturity Date” means August 15, 2025, or such earlier date on which the entire unpaid principal balance of this Note shall be paid or required to be paid in full, whether by prepayment, acceleration or otherwise.

I. “Mortgage” means the Line of Credit Mortgage, Security Agreement and Fixture Filing, dated February 3, 2021, and recorded in the real property records of Sandoval County, New Mexico on February 3, 2021, as Document No. 2021003917, made by Maker in favor of Lender and securing, among other things, payment of this Note, as supplemented, modified and amended.

J. “Term SOFR” means the Term SOFR Reference Rate for a one (1) month Interest Period on the day (such day, the “Periodic Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator, provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for a one (1) month Interest Period has not been published by the Term SOFR Administrator, then Term SOFR will be the Term SOFR Reference Rate for a one (1) month Interest Period as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for a one (1) month Interest Period was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such SOFR Determination Day. If the Term SOFR Reference Rate becomes unavailable during the term of this Loan, Lender may designate a comparable substitute index after notifying Borrower.

K. “Term SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Lender in its reasonable discretion).

L. "Term SOFR Reference Rate" means a forward-looking term rate based on the secured overnight financing rate ("SOFR") as administered by the Term SOFR Administrator.

M. "U.S. Government Securities Business Day" means any day other than a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

2. Note. This Note shall evidence a revolving line of credit, which can be advanced, repaid and re-advanced from time to time; provided, however, that Maker shall not be entitled to advances under the Loan if Maker's total Liquidity is less than Three Million and No/100s Dollars (\$3,000,000). As used in this Note "Liquidity" means the sum of: (a) Maker's and Maker's subsidiaries' unencumbered cash, cash equivalents, and marketable securities; and (b) Maker's and Maker's subsidiaries' unrestricted cash, cash equivalents, and marketable securities, all as determined on a current value basis. Each request for an advance of the Loan shall be accompanied by evidence acceptable to Lender that Maker's total Liquidity exceeds Three Million and No/100s Dollars (\$3,000,000). The total of all the advances of principal made during the term of this Note may exceed Five Million Seven Hundred Fifty Thousand and No/100 Dollars (\$5,750,000.00); provided, however, the outstanding principal balance of this Note shall not exceed Five Million Seven Hundred Fifty Thousand and No/100 Dollars (\$5,750,000.00) at any time. Further, there will be times when no amounts are outstanding under this Note, but this shall not impair or in any way affect either the validity or enforceability of this Note.

3. Payments. Maker shall make payments of interest only at the Interest Rate due under this Note on a monthly basis, beginning on September 15, 2022, and continuing on the same day of each month thereafter, through and including the Maturity Date. If not sooner paid, the unpaid principal balance of this Note and all unpaid, accrued interest thereon shall be due and payable on the Maturity Date.

4. Loan Commitment Fee. On the date this Note is signed, Maker will pay to Lender a loan commitment fee in the amount of Four Thousand Three Hundred Seventy-Five and No/100 Dollars (\$4,375.00).

5. Computation of Interest and Related Fees. Interest due under this Note shall be calculated on the unpaid principal to the date of each installment paid, and each payment of principal and/or interest made hereunder shall be credited first to the discharge of interest, and the balance shall be credited to the unpaid principal sum. All payments of interest shall be computed on the per annum basis of a year consisting of three hundred sixty (360) days and for the actual number of days elapsed (including the first day, but excluding the last if payment is received by the holder of this Note by 1:00 p.m. mountain daylight time or mountain standard time, whichever is applicable).

6. Default Interest. Subject to the notice and cure provisions contained in the Mortgage, while any Event of Default exists in the making of any of the payments herein provided to be made, or in the performance or observance of any of the terms, covenants or conditions of the Loan Agreement, this Note, the Mortgage or of any instrument now or hereafter securing payment of the indebtedness evidenced by this Note, at the option of the holder of this Note, in its sole discretion, the entire unpaid principal balance hereof shall bear interest at the rate per annum equal to the applicable Interest Rate, adjusted as of the date of any change therein, plus five percent (5%) per annum (the "Default Rate"). During the existence of any such Event of Default, the holder of this Note may apply payments received on any amounts due hereunder, or under the terms of any instrument now or hereafter evidencing or amounts due hereunder, or under the terms of any instrument now or hereafter evidencing or securing such indebtedness, as the holder may determine, and if the holder of this Note so elects, notice of election being expressly waived, the principal hereof remaining unpaid, together with accrued interest, shall at once become due and payable. Any and all additional interest that has accrued at the rate provided in this paragraph shall be due and payable at the time of, and as a condition precedent to, the curing of any Event of Default.

7. Late Fees. Subject to the notice and cure provisions contained in the Mortgage, to the extent any principal and interest due under this Note is not paid within fifteen (15) calendar days of the due date therefore, and, to the extent that the following described fee is deemed to constitute interest, subject to Paragraph 9 of this Note, in addition to any interest or other fees and charges due hereunder or under this Note, Maker shall pay a late fee equal to the lesser of: (a) five percent (5%) of the amount of the payment that was to have been made; or (b) \$700.00. Maker agrees that the charges set forth herein are reasonable compensation to Lender for the acceptance and handling of such late payments.

8. Currency. All sums called for, payable, or to be paid hereunder shall be paid in lawful money of the United States of America, which, at the time of payment, is legal tender for the payment of public and private debts therein. Additionally, Maker shall have the right to make payments by wire transfer or ACH directly to Lender. Within ten (10) days after written request by Maker, Lender shall provide wiring and ACH instructions to Maker for all payments due pursuant to the Loan.

9. Interest Savings Clause. All agreements between Maker and the holder of this Note are expressly limited so that in no event whatsoever, whether by reason of disbursement of the proceeds hereof or otherwise, shall the amount of interest or loan finance charge contracted for, charged or received by the holder of this Note exceed the highest lawful contractual rate of interest or the maximum finance charge permissible under applicable federal or state law which a court of competent jurisdiction, by final non-appealable order, determines to be applicable hereto. It is the intention of Maker and the holder of this Note to conform strictly to applicable usury laws from time to time in force, and all agreements between Maker and the holder of this Note, whether now existing or hereafter arising and whether oral or written, are hereby expressly limited so that in no contingency or event whatsoever, whether by acceleration of the maturity hereof or otherwise, shall the amount paid or agreed to be paid to the holder of this Note, or collected by the holder of this Note, for the use, forbearance or detention of the money to be loaned hereunder or otherwise, or for the payment or performance of any covenant or obligation contained herein or in the Mortgage or in any other document evidencing, securing or pertaining to the indebtedness evidenced hereby, exceed the maximum amount permissible under applicable usury laws. If under any circumstances whatsoever fulfillment of any provisions hereof or of the Mortgage or any other document evidencing, securing or pertaining to the indebtedness evidenced hereby, at the time performance of such provision shall be due, shall involve transcending the limit of validity prescribed or permitted by law, including judicial determination, then *ipso facto*, the obligation to be fulfilled shall be reduced to the limit of such validity; and if under any circumstances the holder of this Note hereby shall ever receive an amount deemed interest by applicable law which would exceed the highest lawful rate, such amount that would be excessive interest under applicable usury laws shall be applied to the reduction of the principal amount owing hereunder or to other indebtedness secured by the Mortgage and not to the payment of interest, or if such excessive interest exceeds the unpaid balance of principal and other indebtedness, the excess shall be deemed to have been a payment made by mistake and shall be refunded to Maker or to any other person entitled thereto. All sums contracted for, charged or received by the holder of this Note for the use, forbearance or detention of the indebtedness of Maker evidenced hereby, outstanding from time to time shall, to the extent permitted by applicable law, be amortized, pro-rated, allocated and spread from the date of disbursement of the proceeds of this Note until payment in full of such indebtedness so that the actual rate of interest on account of such indebtedness is uniform through the term hereof. The terms and provisions of this Paragraph shall control and supersede every other provision of all agreements between the holder of this Note and Maker and any endorser or guarantor of this Note.

10. Governing Law. Payment of this Note is secured, without limitation, by the Mortgage, which covers real and personal property located in Rio Rancho, New Mexico. **THIS NOTE AND EACH OTHER LOAN DOCUMENT (AS DEFINED IN THE LOAN AGREEMENT) AND ALL MATTERS RELATING HERETO OR THERETO OR ARISING THEREFROM (WHETHER SOUNDING IN CONTRACT LAW, TORT LAW OR OTHERWISE), SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW MEXICO, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES. MAKER HEREBY CONSENTS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE COUNTY OF SANDOVAL, STATE OF NEW MEXICO, AND IRREVOCABLY AGREES THAT, SUBJECT TO LENDER'S ELECTION, ALL ACTIONS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS NOTE OR THE OTHER RELATED DOCUMENTS SHALL BE LITIGATED IN SUCH COURTS. MAKER EXPRESSLY SUBMITS AND CONSENTS TO THE JURISDICTION OF THE AFORESAID COURTS AND WAIVES ANY DEFENSE OF FORUM NON CONVENIENS.**

11. Remedies. Subject to the notice and cure provisions contained in the Mortgage, upon the occurrence or existence of any Event of Default, the holder hereof may, without further notice, declare the entire unpaid principal balance of this Note and all unpaid, accrued interest on this Note and all other obligations of Maker to the holder of this Note, whether direct or indirect, absolute or contingent, now existing or hereafter arising, immediately due and payable, without further notice or demand, and Maker shall pay all such sums and other obligations. Further, upon the occurrence or existence of any such Event of Default, the holder of this Note shall be entitled to exercise any or all remedies provided or referenced in this Note, the Loan Agreement, the Mortgage or any other instrument or agreement evidencing, securing or relating to the indebtedness evidenced by this Note and any other rights and remedies under state or federal law. Failure to exercise any such rights and remedies upon any Event of Default shall not constitute a waiver of any rights in the event of any subsequent Event of Default. If this Note is placed in the hands of an attorney for collection or if collected through the probate court, bankruptcy court, or by any other legal or judicial proceedings, Maker agrees and is obligated to pay, in addition to the sums referred to above, the reasonable attorneys' fees of the holder of this Note, together with all court costs and other reasonable expenses paid by such holder.

12. Waiver. Maker, endorsers, sureties, guarantors and all other parties who may become liable for all or any part of this Note severally waive demand, presentment, notice of dishonor, protest, notice of protest, notice of nonpayment, notice of intent to accelerate, notice of acceleration of the maturity of this Note and consent to: (a) any and all extensions of time for any term or terms regarding any payment due under this Note, including partial payments or renewals before or after maturity; (b) changes in interest rates as provided in this Note; (c) any substitutions or release of collateral; and (d) the addition, substitution or release of any party liable for payment of this Note.

13. Miscellaneous. All notices provided for herein shall be given in accordance with the provisions of the Loan Agreement.

A. This Note is given to evidence an obligation incurred for business purposes and not for personal, single family residential or agricultural purposes.

B. This Note may not be terminated orally, but only by a discharge in writing and signed by the party who is the owner and holder of this Note at the time enforcement of any discharge is sought.

**C. MAKER HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE RELATED DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. MAKER ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT LENDER HAS RELIED ON THE WAIVER IN ENTERING INTO THIS NOTE AND THE OTHER RELATED DOCUMENTS, AND THAT LENDER WILL CONTINUE TO RELY ON THIS WAIVER IN THEIR RELATED FUTURE DEALINGS. MAKER WARRANTS AND REPRESENTS THAT MAKER HAS HAD THE OPPORTUNITY OF REVIEWING THIS JURY WAIVER WITH LEGAL COUNSEL, AND THAT MAKER KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS.**

**D. MAKER AGREES THAT IT IS THE INTENTION OF MAKER AND LENDER THAT THIS NOTE EVIDENCES THE ADDITIONAL ADVANCE AND AN EXTENSION OF THE MATURITY DATE OF THE INDEBTEDNESS EVIDENCED BY THE REVOLVING LINE OF CREDIT PROMISSORY NOTE DATED FEBRUARY 3, 2021, IN THE ORIGINAL PRINCIPAL AMOUNT OF \$4,000,000.00, MADE BY MAKER IN FAVOR OF LENDER, AND IS NOT A NOVATION.**

[SIGNATURE ON NEXT PAGE]

Signed and delivered effective as of (but not necessarily on) the date set forth above.

“MAKER”

AMREP SOUTHWEST INC.,  
a New Mexico corporation

By           /s/ Carey Plant            
Carey A. Plant, Vice President