

**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): November 21, 2025

Sterling Real Estate Trust

dba Sterling Multifamily Trust
(Exact name of registrant as specified in its charter)

North Dakota (State or other Jurisdiction of Incorporation)	000-54295 (Commission File Number)	90-0115411 (IRS Employer Identification No.)
4340 18th Ave South Ste. 200 Fargo, North Dakota (Address of Principal Executive Offices)		58103 (Zip Code)

Registrant's telephone number, including area code: **(701) 353-2720**

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

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 Shares, \$0.01 par value per share	N/A	N/A

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:

- ☐ Written communications 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 communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

On November 21, 2025 (the “Effective Date”), Sterling Properties LLLP (the “Operating Partnership”), a wholly-owned subsidiary of Sterling Real Estate Trust (the “Company”), entered into a Credit Agreement (the “Credit Agreement”) with Gate City Bank (“Lender”). In connection with the Credit Agreement and on the same date, the Company and Lender entered into a Commercial Guaranty (the “Guaranty Agreement”).

Pursuant to the Credit Agreement, Lender has made available to the Operating Partnership a \$20.0 million revolving line of credit, which the Operating Partnership will use periodically for operating needs and to help facilitate acquisitions. The Credit Agreement has a three-year term. The Operating Partnership’s obligations under the Credit Agreement are secured by mortgages of certain properties owned by the Operating Partnership and are fully guaranteed by the Company pursuant to the Guaranty Agreement. Balances under the Credit Agreement will bear interest at an annualized variable rate equal to the prime rate (7.00% as of the Effective Date) less a 1.5% reduction, which equated to an annualized rate of 5.50% as of the Effective Date.

The foregoing description of the Credit Agreement and the Guaranty Agreement are qualified in all respects by reference to the full text of the Credit Agreement and the Guaranty Agreement, which are attached as Exhibits 10.1 and 10.2 hereto and incorporated by reference herein. The Credit Agreement and the Guaranty Agreement are not intended to be a source of factual, business or operational information about the Company or its subsidiaries. The representations and warranties contained in the Credit Agreement and the Guaranty Agreement were made only for purposes of such agreement (or the applicable related agreements) and as of specific dates, were solely for the benefit of the parties to such agreement (or the applicable related agreements), and may be subject to limitations agreed upon by the parties, including being qualified by disclosures for the purpose of allocating contractual risk between the parties instead of establishing matters as facts; and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors or security holders. Accordingly, investors should not rely on the representations, warranties and covenants or any descriptions thereof as characterizations of the actual state of facts or condition of the parties.

Additionally, On November 21, 2025 (the “Effective Date”), Sterling Properties LLLP (the “Operating Partnership”), a wholly-owned subsidiary of Sterling Real Estate Trust (the “Company”), entered into a Credit Agreement (the “Credit Agreement”) with Gate City Bank (“Lender”). In connection with the Credit Agreement and on the same date, the Company and Lender entered into a Commercial Guaranty (the “Guaranty Agreement”).

Pursuant to the Credit Agreement, Lender has made available to the Operating Partnership a \$20.0 million revolving line of credit, which the Operating Partnership will use periodically for operating needs and to help facilitate acquisitions. The Credit Agreement has a three-year term. The Operating Partnership’s obligations under the Credit Agreement are secured by mortgages of certain properties owned by the Operating Partnership and are fully guaranteed by the Company pursuant to the Guaranty Agreement. Balances under the Credit Agreement will bear interest at an annualized variable rate equal to the prime rate (7.00% as of the Effective Date) less a 0.75% reduction, which equated to an annualized rate of 6.25% as of the Effective Date.

The foregoing description of the Credit Agreement and the Guaranty Agreement are qualified in all respects by reference to the full text of the Credit Agreement and the Guaranty Agreement, which are attached as Exhibits 10.3 and 10.4 hereto and incorporated by reference herein. The Credit Agreement and the Guaranty Agreement are not intended to be a source of factual, business or operational information about the Company or its subsidiaries. The representations and warranties contained in the Credit Agreement and the Guaranty Agreement were made only for purposes of such agreement (or the applicable related agreements) and as of specific dates, were solely for the benefit of the parties to such agreement (or the applicable related agreements), and may be subject to limitations agreed upon by the parties, including being qualified by disclosures for the purpose of allocating contractual risk between the parties instead of establishing matters as facts; and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors or security holders. Accordingly, investors should not rely on the representations, warranties and covenants or any descriptions thereof as characterizations of the actual state of facts or condition of the parties.

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

The information set forth in Item 1.01 is incorporated herein by reference into this Item 2.03.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

Exhibit No.	Title
10.1	<u>Credit Agreement, dated November 21, 2025, between Gate City Bank and Sterling Properties, LLLP, together with Commercial Guaranty of Sterling Real Estate Trust, dated November 21, 2025.</u>
10.2	<u>Guaranty Agreement, dated November 21, 2025, between Gate City Bank and Sterling Properties, LLLP, together with Commercial Guaranty of Sterling Real Estate Trust, dated November 21, 2025.</u>
10.3	<u>Credit Agreement, dated November 21, 2025, between Gate City Bank and Sterling Properties, LLLP, together with Commercial Guaranty of Sterling Real Estate Trust, dated November 21, 2025.</u>
10.4	<u>Guaranty Agreement, dated November 21, 2025, between Gate City Bank and Sterling Properties, LLLP, together with Commercial Guaranty of Sterling Real Estate Trust, dated November 21, 2025.</u>
104	Cover Page Interactive Data File, (Formatted in inline XBRL)

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.

Sterling Real Estate Trust

Date: November 25, 2025

By: /s/ Megan E. Schreiner

Name: Megan E. Schreiner

Title: President

CREDIT AGREEMENT AND DISCLOSURE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$20,000,000.00	11-21-2025	11-21-2028	5870613	CL55	***		7
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

Borrower: Sterling Properties, LLLP
4340 18th Ave S Ste 200
Fargo, ND 58103

Lender: Gate City Bank
Business Banking
500 2nd Ave N
PO Box 2847
Fargo, ND 58102

CREDIT LIMIT: \$20,000,000.00

DATE OF AGREEMENT: November 21, 2025

Introduction. This Credit Agreement and Disclosure ("Agreement") governs Borrower's line of credit (the "Credit Line" or the "Credit Line Account") issued through Gate City Bank. In this Agreement, the words "Borrower," "you," "your," and "Applicant" mean each and every person who signs this Agreement, including all Borrowers named above. The words "we," "us," "our," and "Lender" mean Gate City Bank. **Borrower agrees to the following terms and conditions:**

Promise to Pay. Borrower promises to pay Gate City Bank, or order, the total of all credit advances and accrued interest, together with all fees, charges, costs and expenses for which Borrower is responsible under this Agreement or under security agreements which secure Borrower's Credit Line. Borrower will pay Borrower's Credit Line according to the payment terms set forth below. **If there is more than one Borrower, each is jointly and severally liable on this Agreement. This means Lender can require any Borrower to pay all amounts due under this Agreement, including credit advances made to any Borrower. Each Borrower authorizes any other Borrower, on the authority of any one Borrower's signature alone, to cancel the Credit Line, to request and receive credit advances, and to do all other things necessary to carry out the terms of this Agreement. Lender can release any Borrower from responsibility under this Agreement, and the others will remain responsible.**

Term. The term of Borrower's Credit Line will begin as of the date of this Agreement ("Opening Date") and will continue until November 21, 2028 ("Maturity Date"). All indebtedness under this Agreement, if not already paid pursuant to the payment provisions below, will be due and payable upon maturity. The draw period of Borrower's Credit Line will begin following the perfection of the Mortgages (the "Effective Disbursement Date"). Borrower may obtain credit advances during this period ("Draw Period"). Borrower agrees that Lender may renew or extend the period during which Borrower may obtain credit advances or make payments. Borrower further agrees that Lender may renew or extend Borrower's Credit Line Account.

Minimum Payment. Borrower's "Regular Payment" will equal the amount of Borrower's accrued interest. Borrower will make 35 of these payments. Borrower will then be required to pay the entire balance owing in a single balloon payment. If Borrower makes only the "Minimum Payments", Borrower may not repay any of the principal balance by the end of the payment stream and a final balloon payment will be due at maturity of the Credit Line. Borrower's payments will be due monthly. Borrower's "Minimum Payment" is Borrower's Regular Payment, plus any amounts past due and all fees and charges. An increase in the Annual Percentage Rate may increase the amount of Borrower's Regular Payment and the final balloon payment due at maturity of the Credit Line. Borrower agrees to pay not less than the Minimum Payment on or before the due date indicated on Borrower's periodic billing statement. **Borrower agrees that if any payment is insufficient to cover accrued interest charges that Lender may add any unpaid accrued interest to the principal balance and that Lender may charge interest at the Annual Percentage Rate set forth in this Agreement on the increased Credit Line Account balance that includes these unpaid accrued interest charges.**

How Borrower's Payments Are Applied. Unless otherwise agreed or required by applicable law, payments and other credits will be applied first to accrued interest; then to unpaid principal; and then to late charges and other charges.

Receipt of Payments. All payments must be made in U.S. dollars and must be received by Lender at: Gate City Bank, P.O. Box 2847, 500 2nd Avenue North, Fargo, ND 58108. Payments must be received consistent with the following payment instructions: To ensure payments are properly credited to your account all loan payments must be accompanied by the account number or payment coupon provided to you by Gate City Bank. Loan payments must be sent to Gate City Bank, P.O. Box 2847, Fargo, ND 58108-2847 or P.O. Box 6000, Fargo, ND 58108-6000. Loan payments may also be made in person at any Gate City Bank office. Hours of operation for receiving loan payments are 9:00 a.m. to 4:00 p.m. Monday thru Friday, except bank holidays, and during Saturday business hours at any Gate City Bank office that is open. Payments established by automatic withdrawal from a deposit account will be credited the same day as the withdrawal. All other payments received will be credited as of the next loan operations business day or as otherwise permitted by law. Lender may modify these payment instructions, including changing the address for payments, by providing updated payment instructions on or with Borrower's periodic billing statement. If a payment is made consistent with Lender's payment instructions but received after 4:00 PM Central Standard Time on a business day, Lender will apply Borrower's payment to Borrower's Credit Line on the next business day.

Credit Limit. This Agreement covers a revolving line of credit for the principal amount of Twenty Million & 00/100 Dollars (\$20,000,000.00), which will be Borrower's "Credit Limit" under this Agreement. Borrower may borrow against the Credit Line, repay any portion of the amount borrowed, and re-borrow up to the amount of the Credit Limit. Borrower's Credit Limit is the maximum amount Borrower may have outstanding at any one time. Borrower agrees not to attempt, request, or obtain a credit advance that will make Borrower's Credit Line Account balance exceed Borrower's Credit Limit. Borrower's Credit Limit will not be increased should Borrower overdraw Borrower's Credit Line Account. If Borrower exceeds Borrower's Credit Limit, Borrower agrees to repay immediately the amount by which Borrower's Credit Line Account exceeds Borrower's Credit Limit, even if Lender has not yet billed Borrower. Any amount greater than the Credit Limit will be secured by the security agreement covering Borrower's property.

Charges to Borrower's Credit Line. Lender may charge Borrower's Credit Line to pay other fees and costs that Borrower is obligated to pay under this Agreement, the Mortgages or any other document related to Borrower's Credit Line. In addition, Lender may charge Borrower's Credit Line for funds required for continuing insurance coverage as described in the paragraph titled "Insurance" below or as described in the Mortgages for this transaction. Lender may also, at Lender's option, charge Borrower's Credit Line to pay any costs or expenses to protect or perfect Lender's security interest in Borrower's property. These costs or expenses include, without limitation, payments to cure defaults under any existing liens on Borrower's property. If Borrower does not pay Borrower's property taxes, Lender may charge Borrower's Credit Line and pay the delinquent taxes. Any amount so charged to Borrower's Credit Line will be a credit advance and will decrease the funds available, if any, under the Credit Line. However, Lender has no obligation to provide any of the credit advances referred to in this paragraph.

Credit Advances. Beginning on the Effective Disbursement Date of this Agreement, Borrower may obtain credit advances under Borrower's Credit Line as follows:

Credit Line Checks. Writing a preprinted "Line of Credit Check" that Lender will supply to Borrower.

Telephone Request. Requesting a credit advance from Borrower's Credit Line to be applied to Borrower's designated account by telephone. Except for transactions covered by the federal Electronic Fund Transfers Act and unless otherwise agreed in Borrower's deposit account agreement, **Borrower acknowledges and Borrower agrees that Lender does not accept responsibility for the authenticity of telephone instructions and that Lender will not be liable for any loss, expense, or cost arising out of any telephone request, including any fraudulent or unauthorized telephone request, when acting upon such instructions believed to be genuine.**

Overdrafts. Overdrawing a designated deposit account with us. Overdrafts may occur in the designated deposit account as a result of any transaction made or initiated in the account, which, either alone or together with other transactions in the account, exceeds the available collected balance in the account. Lender may, but are not required to, use the entire credit limit available under this Credit Line Account to authorize and/or pay debit card and ATM transactions on the designated deposit account.

Requests By Mail. Requesting an advance by mail.

Requests in Person. Requesting a credit advance in person at any of Lender's authorized locations.

If there is more than one person authorized to use this Credit Line Account, Borrower agrees not to give Lender conflicting instructions, such as one Borrower telling Lender not to give advances to the other.

Limitations on the Use of Checks. Lender reserves the right not to honor Line of Credit Checks in the following circumstances:

Credit Limit Violation. Borrower's Credit Limit has been or would be exceeded by paying the Line of Credit Check.

Post-dated Checks. Borrower's Line of Credit Check is post-dated. If a post-dated Line of Credit Check is paid and as a result any other check is returned or not paid, Lender is not responsible.

Stolen Checks. Borrower's Line of Credit Checks have been reported lost or stolen.

CREDIT AGREEMENT AND DISCLOSURE
(Continued)

Loan No: 5870613

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Unauthorized Signatures. Borrower's Line of Credit Check is not signed by an "Authorized Signer" as defined below.

Termination or Suspension. Borrower is in default or otherwise is in violation of this Agreement or would be so if Lender paid the Line of Credit Check.

Transaction Violation. Borrower's Line of Credit Check is less than the minimum amount required by this Agreement or Borrower is in violation of any other transaction requirement or would be if Lender paid the Line of Credit Check.

If Lender pays any Line of Credit Check under these conditions, Borrower must repay Lender, subject to applicable laws, for the amount of the Line of Credit Check. The Line of Credit Check itself will be evidence of Borrower's debt to Lender together with this Agreement. Lender's liability, if any, for wrongful dishonor of a check is limited to Borrower's actual damages. Dishonor for any reason as provided in this Agreement is not wrongful dishonor. Lender may choose not to return Line of Credit Checks along with Borrower's periodic billing statements; however, Borrower's use of each Line of Credit Check will be reflected on Borrower's periodic statement as a credit advance. Lender does not "certify" Line of Credit Checks drawn on Borrower's Credit Line.

Transaction Requirements. The following transaction limitations will apply to the use of Borrower's Credit Line:

Credit Line Line of Credit Check, Telephone Request, Overdraft, Request By Mail and In Person Request Limitations. There are no transaction limitations for the writing of Line of Credit Checks, requesting an advance by telephone, overdrawing a designated deposit account, requesting an advance by mail or requesting an advance in person.

Limitation on All Access Devices. Borrower may not use any access device, whether described above or added in the future, for any illegal or unlawful transaction, and Lender may decline to authorize any transaction that Lender believes poses an undue risk of illegality or unlawfulness. Notwithstanding the foregoing, Lender may collect on any debt arising out of any illegal or unlawful transaction.

Authorized Signers. The words "Authorized Signer" on Line of Credit Checks as used in this Agreement mean and include each person who (a) signs the application for this Credit Line, (b) signs this Agreement, or (c) has executed a separate signature authorization card for the Credit Line Account.

Lost Line of Credit Checks. If Borrower loses Borrower's Line of Credit Checks or if someone is using them without Borrower's permission, Borrower agrees to let Lender know immediately. The fastest way to notify Lender is by calling Lender at (701) 293-2400. Borrower also can notify Lender at Gate City Bank P.O. Box 2847, Fargo, ND 58108-2847.

Liability For Unauthorized Use. If Borrower notices the loss or theft of Borrower's debit card or a possible "unauthorized use" (as defined below) of Borrower's card, Borrower should write to Lender immediately at Gate City Bank, Business Banking, 500 2nd Ave N, PO Box 2847, Fargo, ND 58102 or call Lender at ()

Borrower will not be liable for any unauthorized use of Borrower's debit card after Borrower notifies Lender. Borrower may, however, be liable for unauthorized use that occurs before Borrower's notice to Lender. In any case, Borrower's liability will not exceed \$50.00 or a lesser amount under applicable state law.

For purposes of debit card transactions and Borrower's liability under Regulation Z, "unauthorized use" means the use of a debit card by a person, other than the cardholder, who does not have actual, implied, or apparent authority for such use, and from which the cardholder received no benefit. Cardholders that are either consumers or businesses may be covered by the liability limits provided under Regulation Z.

If the Credit Line is accessed through an unauthorized use of an access method other than a debit card, Borrower may be liable for the unauthorized use in accordance with applicable law and any other agreement Borrower has with Lender regarding liability for unauthorized use of the Credit Line.

Future Credit Line Services. Borrower's application for this Credit Line also serves as a request to receive any new services (such as access devices) which may be available at some future time as one of Lender's services in connection with this Credit Line. Borrower understands that this request is voluntary and that Borrower may refuse any of these new services at the time they are offered. Borrower further understands that the terms and conditions of this Agreement, together with any specific terms covering the new service, will govern any transactions made pursuant to any of these new services.

Collateral. Borrower acknowledges this Agreement is secured by Real Property located at 4900 15th Ave S, Fargo, ND 58103, Real Property located at 1898, 1850, 1802, 1998 30th Ave S and 1899, 1875, 1825 28th Ave S, Grand Forks, ND 58201, Real Property located at 2907 and 2925 Iowa Lane and 2908 Arizona Dr, Bismarck, ND 58503, Real Property located at 2735 and 2835 Rice St, Roseville, MN 55113.

Insurance. Borrower must obtain insurance on the Property securing this Agreement that is reasonably satisfactory to Lender. Borrower may obtain property insurance through any company of Borrower's choice that is reasonably satisfactory to Lender. Borrower has the option of providing any insurance required under this Agreement through an existing policy or a policy independently obtained and paid for by Borrower, subject to Lender's right, for reasonable cause before credit is extended, to decline any insurance provided by Borrower. Subject to applicable law, if Borrower fails to obtain or maintain insurance as required in the Mortgages, Lender may purchase insurance to protect Lender's own interest, add the premium to Borrower's balance, declare the loan in default, or do any one or more of these things.

Right of Setoff. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account), including without limitation, all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on this Agreement against any and all such accounts.

Periodic Statements. If Borrower has a balance owing on Borrower's Credit Line Account or has any account activity, Lender will send Borrower a periodic statement, unless prohibited by applicable law. It will show, among other things, credit advances, interest charges, fees, other charges, payments made, other credits, Borrower's "Previous Balance," and Borrower's "New Balance." Borrower's statement also will identify the Minimum Payment Borrower must make for that billing period and the date it is due.

When Interest Begins To Accrue. Interest on credit advances under Borrower's Credit Line will begin to accrue on the date of the credit advance. There is no "grace period" which would allow Borrower to avoid paying interest on Borrower's Credit Line credit advances.

Method Used to Determine the Balance on Which Interest Will Be Computed. The interest charge on the Credit Line Account is calculated by applying the applicable "Daily Periodic Rate" described below to the "average daily balance" of the Credit Line Account. To get the average daily balance, Lender takes the beginning balance of Borrower's Credit Line Account each day, adds any new advances and subtracts any payments or credits. This gives Lender a daily balance. Then, Lender adds up all the daily balances for the billing cycle and divides the total by the number of days in the billing cycle. This gives Lender the "average daily balance."

Method of Determining the Amount of Interest Charges. The interest charged to the Credit Line Account is determined by applying the applicable Daily Periodic Rate described below to the daily balance described herein. Then Lender multiplies the daily periodic interest charge by the number of days in the billing cycle (but not including February 29).

Annual Percentage Rate. The Annual Percentage Rate on Borrower's Credit Line is subject to change from time to time based on changes in an independent index which is the index issued by the large US Money Center Commercial Banks and published in the Wall Street Journal (the "Index"). The Index is not necessarily the lowest rate charged by Lender on its loans. If Lender determines, in its sole discretion, that the Index has become unavailable or unreliable, either temporarily, indefinitely, or permanently, during the term of this Agreement, Lender may amend the terms of this Agreement by designating a substantially similar substitute index. Lender may also amend and adjust the Margin to accompany the substitute index. The change to the Margin may be a positive or negative value, or zero. Lender may take into consideration any then-prevailing market convention for selecting a substitute index and margin for the specific Index that is unavailable or unreliable. Such an amendment to the terms of this Agreement will become effective and bind Borrower 10 business days after Lender gives written notice to Borrower without any action or consent of the Borrower. The Annual Percentage Rate on Borrower's Credit Line is based upon the Index as well as the margin described in the table below.

The Annual Percentage Rate on Borrower's Credit Line Account will increase or decrease as the Index increases or decreases from time to time. If the Annual Percentage Rate increases, it will have the effect disclosed in the "Minimum Payment" paragraph. To determine the Annual Percentage Rate for the Credit Line Account, Lender subtracts the applicable margin described in the table below from (adds a negative margin to) the value of the Index. This result is the Annual Percentage Rate. The Daily Periodic Rate is equal to the Annual Percentage Rate divided by

360. In no event will the Annual Percentage Rate be less than 4.000% or more than 18.000%, nor will the Annual Percentage Rate exceed the maximum rate allowed by applicable law. Adjustments to the Annual Percentage Rate resulting from changes in the Index will take effect monthly, on the 6th of each month. Today the Index is 7.000%, and therefore the applicable Annual Percentage Rate and the corresponding Daily Periodic Rate on Borrower's Credit Line Account are as stated below:

CREDIT AGREEMENT AND DISCLOSURE

(Continued)

Current Rates for the Credit Line Account			
Range of Balance or Conditions	Margin Added to Index	Annual Percentage Rate	Daily Periodic Rate
All Balances	-1.500%	5.500%	0.01528%

Notwithstanding any other provision of this Agreement, Lender will not charge interest on any undisbursed loan proceeds. Fees Imposed on the

Credit Line. Borrower agrees to pay the following fees:

Late Charge. In addition to Lender's rights upon default, Borrower's payment **will** be late **if it** is not received by Lender within **10 days after the "Payment Due Date" shown on Borrower's periodic statement.** If Borrower's payment is late Lender may charge Borrower 5.000% of the payment or \$10.00, whichever is greater.

Additional Fees. The following additional fees **will** be paid in cash or charged to Borrower's Credit Line ("Financed"):

<u>Description</u>	<u>Financed</u>	<u>In Cash</u>
Flood Certification Fee	\$180.00	
Title Fee	\$24,056.00	
ND Recording Fee	\$390.00	
MN Recording Fee	\$92.00	
MN Registry Tax Fee	\$60,000.00	
MN County Conservation Fee	\$5.00	
Appraisal Fee	\$4,000.00	
Total:	\$88,723.00	

Right to Credit Advances. Beginning on the Effective Disbursement Date, Lender will honor Borrower's requests for credit advances up to Borrower's Credit Limit so long as: (A) Borrower is not in default under the terms of this Agreement; (B) this Agreement has not been terminated or suspended.

Default. Lender may declare Borrower to be in default if any one or more of the following events occur: (A) Borrower fails to pay a Minimum Payment when due; (B) an event of default occurs under the security agreement for the Property; (C) the Property is further encumbered in any way, voluntarily or involuntarily; (D) Borrower dies; (E) Borrower makes any false or misleading statements on Borrower's Credit Line application; (F) Borrower violates any provision of this Agreement or any other agreement with Lender; (G) any garnishment, attachment, or execution is issued against any material asset owned by Borrower; (H) Borrower exceeds Borrower's Credit Limit; (I) Borrower files for bankruptcy or other insolvency relief, or an involuntary petition under the provisions of the Bankruptcy Code is filed against Borrower; (J) Lender in good faith believes itself insecure.

Lender's Rights. If Borrower is in default, Lender will send notice to Borrower setting forth a time period of at least ten (10) days within which such default may be cured. During this cure period, without notice, Lender may suspend Borrower's Credit Line as provided below. If such default is not cured during this period, Lender may either terminate or continue suspension of Borrower's Credit Line Account.

Suspension. If Lender suspends Borrower's Credit Line, Borrower will lose the right to obtain further credit advances. However, all other terms of this Agreement will remain in effect and be binding upon Borrower, including Borrower's liability for any further unauthorized use of any Credit Line access devices.

Termination. If Lender terminates Borrower's Credit Line, Borrower's Credit Line will be suspended and the entire unpaid balance of Borrower's Credit Line Account will be immediately due and payable, without prior notice except as may be required by law, and Borrower agrees to pay that amount plus all interest, fees and other amounts due under this Agreement.

Collection Costs. Lender may hire or pay someone else to help collect this Agreement if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including reasonable attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

Access Devices. If Borrower's Credit Line is suspended or terminated, Borrower must immediately return to Lender all Line of Credit Checks and any other access devices. Any use of Line of Credit Checks or other access devices following suspension or termination may be considered fraudulent. Borrower will also remain liable for any further use of Line of Credit Checks or other Credit Line access devices not returned to Lender.

Delay in Enforcement. Lender may delay or waive the enforcement of any of Lender's rights under this Agreement without losing that right or any other right. If Lender delays or waives any of Lender's rights, Lender may enforce that right at any time in the future without advance notice. For example, not terminating Borrower's account for non-payment will not be a waiver of Lender's right to terminate Borrower's account in the future if Borrower has not paid.

Termination by Borrower. If Borrower terminates this Agreement, Borrower must notify Lender in writing at the address shown on Borrower's periodic billing statement or other designated address and return all Line of Credit Checks and any other access devices to Lender. Despite termination, Borrower's obligations under this Agreement will remain in full force and effect until Borrower has paid Lender all amounts due under this Agreement.

Prepayment. Borrower may prepay all or any amount owing under this Credit Line at any time without penalty, except Lender will be entitled to receive all accrued interest, fees, and other charges, if any. Payments in excess of Borrower's Minimum Payment will not relieve Borrower of Borrower's obligation to continue to make Borrower's Minimum Payments. Instead, they will reduce the principal balance owed on the Credit Line. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Agreement, and Borrower will remain obligated to pay any further amount owed to Lender. **All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: Gate City Bank, Business Banking, 500 2nd Ave N, PO Box 2847, Fargo, ND 58102.**

Notices. All notices will be sent to Borrower's address as shown in Borrower's Credit Line application. Notices will be mailed to Borrower at a different address if Borrower gives Lender written notice of a different address. Borrower agrees to advise Lender promptly if Borrower changes Borrower's mailing address.

Annual Review. Borrower agrees that Borrower will provide Lender with a current financial statement, a new credit application, or both, annually, on forms provided by Lender. Based upon this information Lender will conduct an annual review of Borrower's Credit Line Account. Borrower also agrees Lender may obtain credit reports on Borrower at any time, at Lender's sole option and expense, for any reason, including but not limited to determining whether there has been an adverse change in Borrower's financial condition. Lender may require a new appraisal of the Property which secures Borrower's Credit Line at any time, including an internal inspection, at Lender's sole option and expense. Based upon a material adverse change in Borrower's financial condition (such as termination of employment or loss of income), Lender may suspend Borrower's Credit Line.

Transfer or Assignment. Without prior notice or approval from Borrower, Lender reserves the right to sell or transfer Borrower's Credit Line Account and Lender's rights and obligations under this Agreement to another lender, entity, or person, and to assign Lender's rights under the Mortgages. Borrower's rights under this Agreement belong to Borrower only and may not be transferred or assigned. Borrower's obligations, however, are binding on Borrower's heirs and legal representatives. Upon any such sale or transfer, Lender will have no further obligation to provide Borrower with credit advances or to perform any other obligation under this Agreement.

Payment Due Date Classic Line. Your payment will be due monthly, on the 8th of each month.

Governing Law. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of North Dakota without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of North Dakota.

Choice of Venue. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of Cass County, State

CREDIT AGREEMENT AND DISCLOSURE (Continued)

of North Dakota.

Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Interpretation. Borrower agrees that this Agreement, together with the Mortgages, is the most reliable evidence of Borrower's agreements with Lender. If a court finds that any provision of this Agreement is not valid or should not be enforced, that fact by itself will not mean that the rest of this Agreement will not be valid or enforced. Therefore, a court may enforce the rest of the provisions of this Agreement even if a provision of this Agreement may be found to be invalid or unenforceable. If Lender goes to court for any reason, Lender can use a copy, filmed or electronic, of any periodic statement, this Agreement, the Mortgages or any other document to prove what Borrower owes Lender or that a transaction has taken place. The copy, microfilm, microfiche, or optical image will have the same validity as the original. Borrower agrees that, except to the extent Borrower can show there is a billing error, Borrower's most current periodic statement is the most reliable evidence of Borrower's obligation to pay.

Severability. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

Acknowledgment and Amendments. Borrower understands and agrees to the terms and conditions in this Agreement. Borrower acknowledges that, subject to applicable laws, Lender has the right to change the terms and conditions of the Credit Line program, including without limitation, the Margin. Borrower also understands and agrees that Borrower may be subject to other agreements with Lender regarding transfer instruments or access devices which may access Borrower's Credit Line. Any person signing below may request a modification to this Agreement, and, if granted, the modification will be binding upon all signers. By signing this Agreement, Borrower acknowledges that Borrower has read this Agreement. Borrower also acknowledges receipt of a completed copy of this Agreement.

BORROWER:

STERLING PROPERTIES, LLLP

STERLING REAL ESTATE TRUST DBA STERLING MULTIFAMILY TRUST, General Partner of Sterling Properties, LLLP

**By: /s/ Luke Brady Swenson
Luke Brady Swenson, Chief Investment
Officer of Sterling Real Estate Trust DBA
Sterling Multifamily Trust**

COMMERCIAL GUARANTY

Exhibit 10.2

Borrower: Sterling Properties, LLLP
4340 18th Ave S Ste 200
Fargo, ND 58103

Lender: Gate City Bank
Business Banking
500 2nd Ave N PO Box 2847
Fargo, ND 58102

Guarantor: Sterling Real Estate Trust DBA Sterling Multifamily Trust
4340 18th Ave S Suite 200
Fargo, ND 58103

CONTINUING GUARANTEE OF PAYMENT AND PERFORMANCE. For good and valuable consideration, Guarantor absolutely and unconditionally guarantees full and punctual payment and satisfaction of the Indebtedness of Borrower to Lender, and the performance and discharge of all Borrower's obligations under the Credit Agreement and the Related Documents. This is a guaranty of payment and performance and not of collection, so Lender can enforce this Guaranty against Guarantor even when Lender has not exhausted Lender's remedies against anyone else obligated to pay the Indebtedness or against any collateral securing the Indebtedness, this Guaranty or any other guaranty of the Indebtedness. Guarantor **will** make any payments to Lender or its order, on demand, in legal tender of the United States of America, in same-day funds, without set-off or deduction or counterclaim, and **will** otherwise perform Borrower's obligations under the Credit Agreement and Related Documents. Under this Guaranty, Guarantor's liability is unlimited and Guarantor's obligations are continuing.

INDEBTEDNESS. The word "Indebtedness" as used in this Guaranty means all of the principal amount outstanding from time to time and at any one or more times, accrued unpaid interest thereon and all collection costs and legal expenses related thereto permitted by law, reasonable attorneys' fees, arising from any and all debts, liabilities and obligations of every nature or form, now existing or hereafter arising or acquired, that Borrower individually or collectively or interchangeably with others, owes or will owe Lender. "Indebtedness" includes, without limitation, loans, advances, debts, overdraft indebtedness, credit card indebtedness, lease obligations, liabilities and obligations under any interest rate protection agreements or foreign currency exchange agreements or commodity price protection agreements, other obligations, and liabilities of Borrower, and any present or future judgments against Borrower, future advances, loans or transactions that renew, extend, modify, refinance, consolidate or substitute these debts, liabilities and obligations whether: voluntarily or involuntarily incurred; due or to become due by their terms or acceleration; absolute or contingent; liquidated or unliquidated; determined or undetermined; direct or indirect; primary or secondary in nature or arising from a guaranty or surety; secured or unsecured; joint or several or joint and several; evidenced by a negotiable or non-negotiable instrument or writing; originated by Lender or another or others; barred or unenforceable against Borrower for any reason whatsoever; for any transactions that may be voidable for any reason (such as infancy, insanity, ultra vires or otherwise); and originated then reduced or extinguished and then afterwards increased or reinstated.

If Lender presently holds one or more guaranties, or hereafter receives additional guaranties from Guarantor, Lender's rights under all guaranties shall be cumulative. This Guaranty shall not (unless specifically provided below to the contrary) affect or invalidate any such other guaranties. Guarantor's liability will be Guarantor's aggregate liability under the terms of this Guaranty and any such other unexpired guaranties.

CONTINUING GUARANTY. THIS IS A "CONTINUING GUARANTY" UNDER WHICH GUARANTOR AGREES TO GUARANTEE THE FULL AND PUNCTUAL PAYMENT, PERFORMANCE AND SATISFACTION OF THE INDEBTEDNESS OF BORROWER TO LENDER, NOW EXISTING OR HEREAFTER ARISING OR ACQUIRED, ON AN OPEN AND CONTINUING BASIS. ACCORDINGLY, ANY PAYMENTS MADE ON THE INDEBTEDNESS WILL NOT DISCHARGE OR DIMINISH GUARANTOR'S OBLIGATIONS AND LIABILITY UNDER THIS GUARANTY FOR ANY REMAINING AND SUCCEEDING INDEBTEDNESS EVEN WHEN ALL OR PART OF THE OUTSTANDING INDEBTEDNESS MAY BE A ZERO BALANCE FROM TIME TO TIME.

DURATION OF GUARANTY. This Guaranty will take effect when received by Lender without the necessity of any acceptance by Lender, or any notice to Guarantor or to Borrower, and will continue in full force until all the Indebtedness incurred or contracted before receipt by Lender of any notice of revocation shall have been fully and finally paid and satisfied and all of Guarantor's other obligations under this Guaranty shall have been performed in full. If Guarantor elects to revoke this Guaranty, Guarantor may only do so in writing. Guarantor's written notice of revocation must be mailed to Lender, by certified mail, at Lender's address listed above or such other place as Lender may designate in writing. Written revocation of this Guaranty will apply only to new Indebtedness created after actual receipt by Lender of Guarantor's written revocation. For this purpose and without limitation, the term "new Indebtedness" does not include the Indebtedness which at the time of notice of revocation is contingent, unliquidated, undetermined or not due and which later becomes absolute, liquidated, determined or due. For this purpose and without limitation, "new Indebtedness" does not include all or part of the Indebtedness that is: incurred by Borrower prior to revocation; incurred under a commitment that became binding before revocation; any renewals, extensions, substitutions, and modifications of the Indebtedness. This Guaranty shall bind Guarantor's estate as to the Indebtedness created both before and after Guarantor's death or incapacity, regardless of Lender's actual notice of Guarantor's death. Subject to the foregoing, Guarantor's executor or administrator or other legal representative may terminate this Guaranty in the same manner in which Guarantor might have terminated it and with the same effect. Release of any other guaranty or termination of any other guaranty of the Indebtedness shall not affect the liability of Guarantor under this Guaranty. A revocation Lender receives from any one or more Guarantors shall not affect the liability of any remaining Guarantors under this Guaranty. **It is anticipated that fluctuations may occur in the aggregate amount of the Indebtedness covered by this Guaranty, and Guarantor specifically acknowledges and agrees that reductions in the amount of the Indebtedness, even to zero dollars (\$0.00), shall not constitute a termination of this Guaranty. This Guaranty is binding upon Guarantor and Guarantor's heirs, successors and assigns so long as any of the Indebtedness remains unpaid and even though the Indebtedness may from time to time be zero dollars (\$0.00).**

GUARANTOR'S AUTHORIZATION TO LENDER. Guarantor authorizes Lender, either before or after any revocation hereof, **without notice or demand and without lessening Guarantor's liability under this Guaranty, from time to time:** (A) prior to revocation as set forth above, to make one or more additional secured or unsecured loans to Borrower, to lease equipment or other goods to Borrower, or otherwise to extend additional credit to Borrower; (B) to alter, compromise, renew, extend, accelerate, or otherwise change one or more times the time for payment or other terms of the Indebtedness or any part of the Indebtedness, including increases and decreases of the rate of interest on the Indebtedness; extensions may be repeated and may be for longer than the original loan term; (C) to take and hold security for the payment of this Guaranty or the Indebtedness, and exchange, enforce, waive, subordinate, fail or decide not to perfect, and release any such security, with or without the substitution of new collateral; (D) to release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, endorsers, or other guarantors on any terms or in any manner Lender may choose; (E) to determine how, when and what application of payments and credits shall be made on the Indebtedness; (F) to apply such security and direct the order or manner of sale thereof, including without limitation, any nonjudicial sale permitted by the terms of the controlling security agreement or deed of trust, as Lender in its discretion may determine; (G) to sell, transfer, assign or grant participations in all or any part of the Indebtedness; and (H) to assign or transfer this Guaranty in whole or in part.

GUARANTOR'S REPRESENTATIONS AND WARRANTIES. Guarantor represents and warrants to Lender that (A) no representations or agreements of any kind have been made to Guarantor which would limit or qualify in any way the terms of this Guaranty; (B) this Guaranty is

**COMMERCIAL GUARANTY
(Continued)**

executed at Borrower's request and not at the request of Lender; (C) Guarantor has full power, right and authority to enter into this Guaranty; (D) the provisions of this Guaranty do not conflict with or result in a default under any agreement or other instrument binding upon Guarantor and do not result in a violation of any law, regulation, court decree or order applicable to Guarantor; (E) Guarantor has not and will not, without the prior written consent of Lender, sell, lease, assign, encumber, hypothecate, transfer, or otherwise dispose of all or substantially all of Guarantor's assets, or any interest therein; (F) upon Lender's request, Guarantor will provide to Lender financial and credit information in form acceptable to Lender, and all such financial information which currently has been, and all future financial information which will be provided to Lender is and will be true and correct in all material respects and fairly present Guarantor's financial condition as of the dates the financial information is provided; (G) no material adverse change has occurred in Guarantor's financial condition since the date of the most recent financial statements provided to Lender and no event has occurred which may materially adversely affect Guarantor's financial condition; (H) no litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Guarantor is pending or threatened; (I) Lender has made no representation to Guarantor as to the creditworthiness of Borrower; and (J) Guarantor has established adequate means of obtaining from Borrower on a continuing basis information regarding Borrower's financial condition. Guarantor agrees to keep adequately informed from such means of any facts, events, or circumstances which might in any way affect Guarantor's risks under this Guaranty, and Guarantor further agrees that, absent a request for information, Lender shall have no obligation to disclose to Guarantor any information or documents acquired by Lender in the course of its relationship with Borrower.

GUARANTOR'S WAIVERS. Except as prohibited by applicable law, Guarantor waives any right to require Lender (A) to continue lending money or to extend other credit to Borrower; (B) to make any presentment, protest, demand, or notice of any kind, including notice of any nonpayment of the Indebtedness or of any nonpayment related to any collateral, or notice of any action or nonaction on the part of Borrower, Lender, any surety, endorser, or other guarantor in connection with the Indebtedness or in connection with the creation of new or additional loans or obligations; (C) to resort for payment or to proceed directly or at once against any person, including Borrower or any other guarantor; (D) to proceed directly against or exhaust any collateral held by Lender from Borrower, any other guarantor, or any other person; (E) to give notice of the terms, time, and place of any public or private sale of personal property security held by Lender from Borrower or to comply with any other applicable provisions of the Uniform Commercial Code; (F) to pursue any other remedy within Lender's power; or (G) to commit any act or omission of any kind, or at any time, with respect to any matter whatsoever.

Guarantor also waives any and all rights or defenses based on suretyship or impairment of collateral including, but not limited to, any rights or defenses arising by reason of (A) any "one action" or "anti-deficiency" law or any other law which may prevent Lender from bringing any action, including a claim for deficiency, against Guarantor, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale; (B) any election of remedies by Lender which destroys or otherwise adversely affects Guarantor's subrogation rights or Guarantor's rights to proceed against Borrower for reimbursement, including without limitation, any loss of rights Guarantor may suffer by reason of any law limiting, qualifying, or discharging the Indebtedness; (C) any disability or other defense of Borrower, of any other guarantor, or of any other person, or by reason of the cessation of Borrower's liability from any cause whatsoever, other than payment in full in legal tender, of the Indebtedness; (D) any right to claim discharge of the Indebtedness on the basis of unjustified impairment of any collateral for the Indebtedness; (E) any statute of limitations, if at any time any action or suit brought by Lender against Guarantor is commenced, there is outstanding Indebtedness which is not barred by any applicable statute of limitations; or (F) any defenses given to guarantors at law or in equity other than actual payment and performance of the Indebtedness. If payment is made by Borrower, whether voluntarily or otherwise, or by any third party, on the Indebtedness and thereafter Lender is forced to remit the amount of that payment to Borrower's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, the Indebtedness shall be considered unpaid for the purpose of the enforcement of this Guaranty.

Guarantor further waives and agrees not to assert or claim at any time any deductions to the amount guaranteed under this Guaranty for any claim of setoff, counterclaim, counter demand, recoupment or similar right, whether such claim, demand or right may be asserted by the Borrower, the Guarantor, or both.

GUARANTOR'S UNDERSTANDING WITH RESPECT TO WAIVERS. Guarantor warrants and agrees that each of the waivers set forth above is made with Guarantor's full knowledge of its significance and consequences and that, under the circumstances, the waivers are reasonable and not contrary to public policy or law. If any such waiver is determined to be contrary to any applicable law or public policy, such waiver shall be effective only to the extent permitted by law or public policy.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Guarantor's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Guarantor holds jointly with someone else and all accounts Guarantor may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Guarantor authorizes Lender, to the extent permitted by applicable law, to hold these funds if there is a default, and Lender may apply the funds in these accounts to pay what Guarantor owes under the terms of this Guaranty.

SUBORDINATION OF BORROWER'S DEBTS TO GUARANTOR. Guarantor agrees that the Indebtedness, whether now existing or hereafter created, shall be superior to any claim that Guarantor may now have or hereafter acquire against Borrower, whether or not Borrower becomes insolvent. Guarantor hereby expressly subordinates any claim Guarantor may have against Borrower, upon any account whatsoever, to any claim that Lender may now or hereafter have against Borrower. In the event of insolvency and consequent liquidation of the assets of Borrower, through bankruptcy, by an assignment for the benefit of creditors, by voluntary liquidation, or otherwise, the assets of Borrower applicable to the payment of the claims of both Lender and Guarantor shall be paid to Lender and shall be first applied by Lender to the Indebtedness. Guarantor does hereby assign to Lender all claims which it may have or acquire against Borrower or against any assignee or trustee in bankruptcy of Borrower; provided however, that such assignment shall be effective only for the purpose of assuring to Lender full payment in legal tender of the Indebtedness. If Lender so requests, any notes or credit agreements now or hereafter evidencing any debts or obligations of Borrower to Guarantor shall be marked with a legend that the same are subject to this Guaranty and shall be delivered to Lender. Guarantor agrees, and Lender is hereby authorized, in the name of Guarantor, from time to time to file financing statements and continuation statements and to execute documents and to take such other actions as Lender deems necessary or appropriate to perfect, preserve and enforce its rights under this Guaranty.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Guaranty:

Amendments. This Guaranty, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Guaranty. No alteration or amendment to this Guaranty shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Attorneys' Fees; Expenses. Guarantor agrees to pay upon demand all of Lender's costs and expenses, including Lender's reasonable attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Guaranty. Lender may hire or pay someone else to help enforce this Guaranty, and Guarantor shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's reasonable attorneys' fees and legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Guarantor also shall pay all court costs and such additional fees as may be directed by the court.

Caption Headings. Caption headings in this Guaranty are for convenience purposes only and are not to be used to interpret or define the provisions of this Guaranty.

Governing Law. This Guaranty will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of North Dakota without regard to its conflicts of law provisions.

Choice of Venue. If there is a lawsuit, Guarantor agrees upon Lender's request to submit to the jurisdiction of the courts of Cass County, State of North Dakota.

Integration. Guarantor further agrees that Guarantor has read and fully understands the terms of this Guaranty; Guarantor has had the opportunity to be advised by Guarantor's attorney with respect to this Guaranty; the Guaranty fully reflects Guarantor's intentions and parol evidence is not required to interpret the terms of this Guaranty. Guarantor hereby indemnifies and holds Lender harmless from all losses, claims, damages, and costs (including Lender's attorneys' fees) suffered or incurred by Lender as a result of any breach by Guarantor of the warranties, representations and agreements of this paragraph.

Interpretation. In all cases where there is more than one Borrower or Guarantor, then all words used in this Guaranty in the singular shall be deemed to have been used in the plural where the context and construction so require; and where there is more than one Borrower named in this Guaranty or when this Guaranty is executed by more than one Guarantor, the words "Borrower" and "Guarantor" respectively shall mean all and any one or more of them. The words "Guarantor," "Borrower," and "Lender" include the heirs, successors, assigns, and transferees of each of them. If a court finds that any provision of this Guaranty is not valid or should not be enforced, that fact by itself will not mean that the rest of this Guaranty will not be valid or enforced. Therefore, a court will enforce the rest of the provisions of this Guaranty even if a provision of this Guaranty may be found to be invalid or unenforceable. If any one or more of Borrower or Guarantor are corporations, partnerships, limited liability companies, or similar entities, it is not necessary for Lender to inquire into the powers of Borrower or Guarantor or of the officers, directors, partners, managers, or other agents acting or purporting to act on their behalf, and any indebtedness made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Guaranty.

Notices. Any notice required to be given under this Guaranty shall be given in writing, and, except for revocation notices by Guarantor, shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Guaranty. All revocation notices by Guarantor shall be in writing and shall be effective upon delivery to Lender as provided in the section of this Guaranty entitled "DURATION OF GUARANTY." Any party may change its address for notices under this Guaranty by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Guarantor agrees to keep Lender informed at all times of Guarantor's current address. Unless otherwise provided or required by law, if there is more than one Guarantor, any notice given by Lender to any Guarantor is deemed to be notice given to all Guarantors.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Guaranty unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Guaranty shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Guaranty. No prior waiver by Lender, nor any course of dealing between Lender and Guarantor, shall constitute a waiver of any of Lender's rights or of any of Guarantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Guaranty, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Successors and Assigns. Subject to any limitations stated in this Guaranty on transfer of Guarantor's interest, this Guaranty shall be binding upon and inure to the benefit of the parties, their successors and assigns.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Guaranty. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Guaranty shall have the meanings attributed to such terms in the Uniform Commercial Code:

Borrower. The word "Borrower" means Sterling Properties, LLLP and includes all co-signers and co-makers signing the Credit Agreement and all their successors and assigns.

Credit Agreement. The words "Credit Agreement" mean two Credit Agreements dated November 21, 2025. Credit Agreement 5876412 with credit limit of \$20,000,000.00 and Credit Agreement 5870613 with credit limit of \$20,000,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancing of, consolidations of, and substitutions for the promissory note or agreement.

Guarantor. The word "Guarantor" means everyone signing this Guaranty, including without limitation Sterling Real Estate Trust DBA Sterling Multifamily Trust, and in each case, any signer's successors and assigns.

Guaranty. The word "Guaranty" means this guaranty from Guarantor to Lender.

Indebtedness. The word "Indebtedness" means Borrower's indebtedness to Lender as more particularly described in this Guaranty.

Lender. The word "Lender" means Gate City Bank, its successors and assigns.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

**COMMERCIAL GUARANTY
(Continued)**

EACH UNDERSIGNED GUARANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS GUARANTY AND AGREES TO ITS TERMS. IN ADDITION, EACH GUARANTOR UNDERSTANDS THAT THIS GUARANTY IS EFFECTIVE UPON GUARANTOR'S EXECUTION AND DELIVERY OF THIS GUARANTY TO LENDER AND THAT THE GUARANTY WILL CONTINUE UNTIL TERMINATED IN THE MANNER SET FORTH IN THE SECTION TITLED "DURATION OF GUARANTY". NO FORMAL ACCEPTANCE BY LENDER IS NECESSARY TO MAKE THIS GUARANTY EFFECTIVE. THIS GUARANTY IS DATED NOVEMBER 21, 2025.

GUARANTOR:

STERLING REAL ESTATE TRUST DBA STERLING MULTIFAMILY TRUST

By: /s/ Luke Brady Swenson
Luke Brady Swenson, Chief Investment Officer of
Sterling Real Estate Trust DBA Sterling
Multifamily Trust

CREDIT AGREEMENT AND DISCLOSURE

Exhibit 10.3

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Office	Initials
\$20,000,000.00	11-21-2025	11-21-2028	5876412		CL55	***	i
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							
Borrower: Sterling Properties, LLLP 4340 18th Ave S Ste 200 Fargo, ND 58103				Lender: Gate City Bank Business Banking 500 2nd Ave N PO Box 2847 Fargo, ND 58102			

CREDIT LIMIT: \$20,000,000.00

DATE OF AGREEMENT: November 21, 2025

Introduction. This Credit Agreement and Disclosure ("Agreement") governs Borrower's line of credit (the "Credit Line" or the "Credit Line Account") issued through Gate City Bank. In this Agreement, the words "Borrower," "you," "your," and "Applicant" mean each and every person who signs this Agreement, including all Borrowers named above. The words "we," "us," "our," and "Lender" mean Gate City Bank. **Borrower agrees to the following terms and conditions:**

Promise to Pay. Borrower promises to pay Gate City Bank, or order, the total of all credit advances and accrued interest, together with all fees, charges, costs and expenses for which Borrower is responsible under this Agreement or under security agreements which secure Borrower's Credit Line. Borrower will pay Borrower's Credit Line according to the payment terms set forth below. **If there is more than one Borrower, each is jointly and severally liable on this Agreement. This means Lender can require any Borrower to pay all amounts due under this Agreement, including credit advances made to any Borrower. Each Borrower authorizes any other Borrower, on the authority of any one Borrower's signature alone, to cancel the Credit Line, to request and receive credit advances, and to do all other things necessary to carry out the terms of this Agreement. Lender can release any Borrower from responsibility under this Agreement, and the others will remain responsible.**

Term. The term of Borrower's Credit Line will begin as of the date of this Agreement ("Opening Date") and will continue until November 21, 2028 ("Maturity Date"). All indebtedness under this Agreement, if not already paid pursuant to the payment provisions below, will be due and payable upon maturity. The draw period of Borrower's Credit Line will begin following the perfection of the mortgage or deed of trust (the "Effective Disbursement Date"). Borrower may obtain credit advances during this period ("Draw Period"). Borrower agrees that Lender may renew or extend the period during which Borrower may obtain credit advances or make payments. Borrower further agrees that Lender may renew or extend Borrower's Credit Line Account.

Minimum Payment. Borrower's "Regular Payment" will equal the amount of Borrower's accrued interest. Borrower will make 35 of these payments. Borrower will then be required to pay the entire balance owing in a single balloon payment. If Borrower makes only the "Minimum Payments", Borrower may not repay any of the principal balance by the end of the payment stream and a final balloon payment will be due at maturity of the Credit Line. Borrower's payments will be due monthly. Borrower's "Minimum Payment" is Borrower's Regular Payment, plus any amounts past due and all fees and charges. An increase in the Annual Percentage Rate may increase the amount of Borrower's Regular Payment and the final balloon payment due at maturity of the Credit Line. Borrower agrees to pay not less than the Minimum Payment on or before the due date indicated on Borrower's periodic billing statement. **Borrower agrees that if any payment is insufficient to cover accrued interest charges that Lender may add any unpaid accrued interest to the principal balance and that Lender may charge interest at the Annual Percentage Rate set forth in this Agreement on the increased Credit Line Account balance that includes these unpaid accrued interest charges.**

How Borrower's Payments Are Applied. Unless otherwise agreed or required by applicable law, payments and other credits will be applied first to accrued interest; then to unpaid principal; and then to late charges and other charges.

Receipt of Payments. All payments must be made in U.S. dollars and must be received by Lender at: Gate City Bank, P.O. Box 2847, 500 2nd Avenue North, Fargo, ND 58108. Payments must be received consistent with the following payment instructions: To ensure payments are properly credited to your account all loan payments must be accompanied by the account number or payment coupon provided to you by Gate City Bank. Loan payments must be sent to Gate City Bank, P.O. Box 2847, Fargo, ND 58108-2847 or P.O. Box 6000, Fargo, ND 58108-6000. Loan payments may also be made in person at any Gate City Bank office. Hours of operation for receiving loan payments are 9:00 a.m. to 4:00 p.m. Monday thru Friday, except bank holidays, and during Saturday business hours at any Gate City Bank office that is open. Payments established by automatic withdrawal from a deposit account will be credited the same day as the withdrawal. All other payments received will be credited as of the next loan operations business day or as otherwise permitted by law. Lender may modify these payment instructions, including changing the address for payments, by providing updated payment instructions on or with Borrower's periodic billing statement. If a payment is made consistent with Lender's payment instructions but received after 4:00 PM Central Standard Time on a business day, Lender will apply Borrower's payment to Borrower's Credit Line on the next business day.

Credit Limit. This Agreement covers a revolving line of credit for the principal amount of Twenty Million & 00/100 Dollars (\$20,000,000.00), which will be Borrower's "Credit Limit" under this Agreement. Borrower may borrow against the Credit Line, repay any portion of the amount borrowed, and re-borrow up to the amount of the Credit Limit. Borrower's Credit Limit is the maximum amount Borrower may have outstanding at any one time. Borrower agrees not to attempt, request, or obtain a credit advance that will make Borrower's Credit Line Account balance exceed Borrower's Credit Limit. Borrower's Credit Limit will not be increased should Borrower overdraw Borrower's Credit Line Account. If Borrower exceeds Borrower's Credit Limit, Borrower agrees to repay immediately the amount by which Borrower's Credit Line Account exceeds Borrower's Credit Limit, even if Lender has not yet billed Borrower. Any amount greater than the Credit Limit will be secured by the security agreement covering Borrower's property.

Charges to Borrower's Credit Line. Lender may charge Borrower's Credit Line to pay other fees and costs that Borrower is obligated to pay under this Agreement, the mortgage or deed of trust or any other document related to Borrower's Credit Line. In addition, Lender may charge Borrower's Credit Line for funds required for continuing insurance coverage as described in the paragraph titled "Insurance" below or as described in the mortgage or deed of trust for this transaction. Lender may also, at Lender's option, charge Borrower's Credit Line to pay any costs or expenses to protect or perfect Lender's security interest in Borrower's property. These costs or expenses include, without limitation, payments to cure defaults under any existing liens on Borrower's property. If Borrower does not pay Borrower's property taxes, Lender may charge Borrower's Credit Line and pay the delinquent taxes. Any amount so charged to Borrower's Credit Line will be a credit advance and will decrease the funds available, if any, under the Credit Line. However, Lender has no obligation to provide any of the credit advances referred to in this paragraph.

Credit Advances. Beginning on the Effective Disbursement Date of this Agreement, Borrower may obtain credit advances under Borrower's Credit Line as follows:

Credit Line Checks. Writing a preprinted "Line of Credit Check" that Lender will supply to Borrower.

Telephone Request. Requesting a credit advance from Borrower's Credit Line to be applied to Borrower's designated account by telephone. Except for transactions covered by the federal Electronic Fund Transfers Act and unless otherwise agreed in Borrower's deposit account agreement, **Borrower acknowledges and Borrower agrees that Lender does not accept responsibility for the authenticity of telephone instructions and that Lender will not be liable for any loss, expense, or cost arising out of any telephone request, including any fraudulent or unauthorized telephone request, when acting upon such instructions believed to be genuine.**

Overdrafts. Overdrawing a designated deposit account with us. Overdrafts may occur in the designated deposit account as a result of any transaction made or initiated in the account, which, either alone or together with other transactions in the account, exceeds the available collected balance in the account. Lender may, but are not required to, use the entire credit limit available under this Credit Line Account to authorize and/or pay debit card and ATM transactions on the designated deposit account.

Requests By Mail. Requesting an advance by mail.

Requests in Person. Requesting a credit advance in person at any of Lender's authorized locations.

If there is more than one person authorized to use this Credit Line Account, Borrower agrees not to give Lender conflicting instructions, such as one Borrower telling Lender not to give advances to the other.

Limitations on the Use of Checks. Lender reserves the right not to honor Line of Credit Checks in the following circumstances:

Credit Limit Violation. Borrower's Credit Limit has been or would be exceeded by paying the Line of Credit Check.

Post-dated Checks. Borrower's Line of Credit Check is post-dated. If a post-dated Line of Credit Check is paid and as a result any other check is returned or not paid, Lender is not responsible.

Stolen Checks. Borrower's Line of Credit Checks have been reported lost or stolen.

CREDIT AGREEMENT AND DISCLOSURE (Continued)

Loan No: 5876412

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Unauthorized Signatures. Borrower's Line of Credit Check is not signed by an "Authorized Signer" as defined below.

Termination or Suspension. Borrower is in default or otherwise is in violation of this Agreement or would be so if Lender paid the Line of Credit Check.

Transaction Violation. Borrower's Line of Credit Check is less than the minimum amount required by this Agreement or Borrower is in violation of any other transaction requirement or would be if Lender paid the Line of Credit Check.

If Lender pays any Line of Credit Check under these conditions, Borrower must repay Lender, subject to applicable laws, for the amount of the Line of Credit Check. The Line of Credit Check itself will be evidence of Borrower's debt to Lender together with this Agreement. Lender's liability, if any, for wrongful dishonor of a check is limited to Borrower's actual damages. Dishonor for any reason as provided in this Agreement is not wrongful dishonor. Lender may choose not to return Line of Credit Checks along with Borrower's periodic billing statements; however, Borrower's use of each Line of Credit Check will be reflected on Borrower's periodic statement as a credit advance. Lender does not "certify" Line of Credit Checks drawn on Borrower's Credit Line.

Transaction Requirements. The following transaction limitations will apply to the use of Borrower's Credit Line:

Credit Line Line of Credit Check, Telephone Request, Overdraft, Request By Mail and In Person Request Limitations. There are no transaction limitations for the writing of Line of Credit Checks, requesting an advance by telephone, overdrawing a designated deposit account, requesting an advance by mail or requesting an advance in person.

Limitation on All Access Devices. Borrower may not use any access device, whether described above or added in the future, for any illegal or unlawful transaction, and Lender may decline to authorize any transaction that Lender believes poses an undue risk of illegality or unlawfulness. Notwithstanding the foregoing, Lender may collect on any debt arising out of any illegal or unlawful transaction.

Authorized Signers. The words "Authorized Signer" on Line of Credit Checks as used in this Agreement mean and include each person who (a) signs the application for this Credit Line, (b) signs this Agreement, or (c) has executed a separate signature authorization card for the Credit Line Account.

Lost Line of Credit Checks. If Borrower loses Borrower's Line of Credit Checks or if someone is using them without Borrower's permission, Borrower agrees to let Lender know immediately. The fastest way to notify Lender is by calling Lender at (701) 293-2400. Borrower also can notify Lender at Gate City Bank P.O. Box 2847, Fargo, ND 58108-2847.

Liability For Unauthorized Use. If Borrower notices the loss or theft of Borrower's debit card or a possible "unauthorized use" (as defined below) of Borrower's card, Borrower should write to Lender immediately at Gate City Bank, Business Banking, 500 2nd Ave N, PO Box 2847, Fargo, ND 58102 or call Lender at ()

Borrower will not be liable for any unauthorized use of Borrower's debit card after Borrower notifies Lender. Borrower may, however, be liable for unauthorized use that occurs before Borrower's notice to Lender. In any case, Borrower's liability will not exceed \$50.00 or a lesser amount under applicable state law.

For purposes of debit card transactions and Borrower's liability under Regulation Z, "unauthorized use" means the use of a debit card by a person, other than the cardholder, who does not have actual, implied, or apparent authority for such use, and from which the cardholder received no benefit. Cardholders that are either consumers or businesses may be covered by the liability limits provided under Regulation Z.

If the Credit Line is accessed through an unauthorized use of an access method other than a debit card, Borrower may be liable for the unauthorized use in accordance with applicable law and any other agreement Borrower has with Lender regarding liability for unauthorized use of the Credit Line.

Future Credit Line Services. Borrower's application for this Credit Line also serves as a request to receive any new services (such as access devices) which may be available at some future time as one of Lender's services in connection with this Credit Line. Borrower understands that this request is voluntary and that Borrower may refuse any of these new services at the time they are offered. Borrower further understands that the terms and conditions of this Agreement, together with any specific terms covering the new service, will govern any transactions made pursuant to any of these new services.

Collateral. Borrower acknowledges this Agreement is secured by Real Property located at 4900 15th Ave S, Fargo, ND 58103, Real Property located at 1898, 1850, 1802, 1998 30th Ave S and 1899, 1875, 1825 28th Ave S, Grand Forks, ND 58201, Real Property located at 2907 and 2925 Iowa Lane and 2908 Arizona Dr, Bismarck, ND 58503, Real Property located at 2735 and 2835 Rice St, Roseville, MN 55113.

Insurance. Borrower must obtain insurance on the Property securing this Agreement that is reasonably satisfactory to Lender. Borrower may obtain property insurance through any company of Borrower's choice that is reasonably satisfactory to Lender. Borrower has the option of providing any insurance required under this Agreement through an existing policy or a policy independently obtained and paid for by Borrower, subject to Lender's right, for reasonable cause before credit is extended, to decline any insurance provided by Borrower. Subject to applicable law, if Borrower fails to obtain or maintain insurance as required in the mortgage or deed of trust, Lender may purchase insurance to protect Lender's own interest, add the premium to Borrower's balance, declare the loan in default, or do any one or more of these things.

Right of Setoff. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account), including without limitation, all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on this Agreement against any and all such accounts.

Periodic Statements. If Borrower has a balance owing on Borrower's Credit Line Account or has any account activity, Lender will send Borrower a periodic statement, unless prohibited by applicable law. It will show, among other things, credit advances, interest charges, fees, other charges, payments made, other credits, Borrower's "Previous Balance," and Borrower's "New Balance." Borrower's statement also will identify the Minimum Payment Borrower must make for that billing period and the date it is due.

When Interest Begins To Accrue. Interest on credit advances under Borrower's Credit Line will begin to accrue on the date of the credit advance. There is no "grace period" which would allow Borrower to avoid paying interest on Borrower's Credit Line credit advances.

Method Used to Determine the Balance on Which Interest Will Be Computed. The interest charge on the Credit Line Account is calculated by applying the applicable "Daily Periodic Rate" described below to the "average daily balance" of the Credit Line Account. To get the average daily balance, Lender takes the beginning balance of Borrower's Credit Line Account each day, adds any new advances and subtracts any payments or credits. This gives Lender a daily balance. Then, Lender adds up all the daily balances for the billing cycle and divides the total by the number of days in the billing cycle. This gives Lender the "average daily balance."

Method of Determining the Amount of Interest Charges. The interest charged to the Credit Line Account is determined by applying the applicable Daily Periodic Rate described below to the daily balance described herein. Then Lender multiplies the daily periodic interest charge by the number of days in the billing cycle (but not including February 29).

Annual Percentage Rate. The Annual Percentage Rate on Borrower's Credit Line is subject to change from time to time based on changes in an independent index which is the index issued by the large US Money Center Commercial Banks and published in the Wall Street Journal (the "Index"). The Index is not necessarily the lowest rate charged by Lender on its loans. If Lender determines, in its sole discretion, that the Index has become unavailable or unreliable, either temporarily, indefinitely, or permanently, during the term of this Agreement, Lender may amend the terms of this Agreement by designating a substantially similar substitute index. Lender may also amend and adjust the Margin to accompany the substitute index. The change to the Margin may be a positive or negative value, or zero. Lender may take into consideration any then-prevailing market convention for selecting a substitute index and margin for the specific Index that is unavailable or unreliable. Such an amendment to the terms of this Agreement will become effective and bind Borrower 10 business days after Lender gives written notice to Borrower without any action or consent of the Borrower. The Annual Percentage Rate on Borrower's Credit Line is based upon the Index as well as the margin described in the table below.

The Annual Percentage Rate on Borrower's Credit Line Account will increase or decrease as the Index increases or decreases from time to time. If the Annual Percentage Rate increases, it will have the effect disclosed in the "Minimum Payment" paragraph. To determine the Annual Percentage Rate for the Credit Line Account, Lender subtracts the applicable margin described in the table below from (adds a negative margin to) the value of the Index. This result is the Annual Percentage Rate. The Daily Periodic Rate is equal to the Annual Percentage Rate divided by

360. In no event will the Annual Percentage Rate be less than 4.000% or more than 18.000%, nor will the Annual Percentage Rate exceed the maximum rate allowed by applicable law. Adjustments to the Annual Percentage Rate resulting from changes in the Index will take effect monthly, on the 6th of each month. Today the Index is 7.000%, and therefore the applicable Annual Percentage Rate and the corresponding Daily Periodic Rate on Borrower's Credit Line Account are as stated below:

CREDIT AGREEMENT AND DISCLOSURE

(Continued)

Current Rates for the Credit Line Account

Range of Balance or Conditions	Margin Added to Index	Annual Percentage Rate	Daily Periodic Rate
All Balances	-0.750%	6.250%	0.01736%

Notwithstanding any other provision of this Agreement, Lender will not charge interest on any undisbursed loan proceeds. Fees Imposed on the

Credit Line. Borrower agrees to pay the following fees:

Late Charge. In addition to Lender's rights upon default, Borrower's payment will be late if it is not received by Lender within **10 days after the "Payment Due Date" shown on Borrower's periodic statement.** If Borrower's payment is late Lender may charge Borrower 5.000% of the payment or \$10.00, whichever is greater.

Additional Fees. The following additional fees will be paid in cash or charged to Borrower's Credit Line ("Financed"):

Description	Financed	In Cash
Origination Fee	\$20,000.00	
Total:	\$20,000.00	

Right to Credit Advances. Beginning on the Effective Disbursement Date, Lender will honor Borrower's requests for credit advances up to Borrower's Credit Limit so long as: (A) Borrower is not in default under the terms of this Agreement; (B) this Agreement has not been terminated or suspended.

Default. Lender may declare Borrower to be in default if any one or more of the following events occur: (A) Borrower fails to pay a Minimum Payment when due; (B) an event of default occurs under the security agreement for the Property; (C) the Property is further encumbered in any way, voluntarily or involuntarily; (D) Borrower dies; (E) Borrower makes any false or misleading statements on Borrower's Credit Line application; (F) Borrower violates any provision of this Agreement or any other agreement with Lender; (G) any garnishment, attachment, or execution is issued against any material asset owned by Borrower; (H) Borrower exceeds Borrower's Credit Limit; (I) Borrower files for bankruptcy or other insolvency relief, or an involuntary petition under the provisions of the Bankruptcy Code is filed against Borrower; (J) Lender in good faith believes itself insecure.

Lender's Rights. If Borrower is in default, Lender will send notice to Borrower setting forth a time period of at least ten (10) days within which such default may be cured. During this cure period, without notice, Lender may suspend Borrower's Credit Line as provided below. If such default is not cured during this period, Lender may either terminate or continue suspension of Borrower's Credit Line Account.

Suspension. If Lender suspends Borrower's Credit Line, Borrower will lose the right to obtain further credit advances. However, all other terms of this Agreement will remain in effect and be binding upon Borrower, including Borrower's liability for any further unauthorized use of any Credit Line access devices.

Termination. If Lender terminates Borrower's Credit Line, Borrower's Credit Line will be suspended and the entire unpaid balance of Borrower's Credit Line Account will be immediately due and payable, without prior notice except as may be required by law, and Borrower agrees to pay that amount plus all interest, fees and other amounts due under this Agreement.

Collection Costs. Lender may hire or pay someone else to help collect this Agreement if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including reasonable attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

Access Devices. If Borrower's Credit Line is suspended or terminated, Borrower must immediately return to Lender all Line of Credit Checks and any other access devices. Any use of Line of Credit Checks or other access devices following suspension or termination may be considered fraudulent. Borrower will also remain liable for any further use of Line of Credit Checks or other Credit Line access devices not returned to Lender.

Delay in Enforcement. Lender may delay or waive the enforcement of any of Lender's rights under this Agreement without losing that right or any other right. If Lender delays or waives any of Lender's rights, Lender may enforce that right at any time in the future without advance notice. For example, not terminating Borrower's account for non-payment will not be a waiver of Lender's right to terminate Borrower's account in the future if Borrower has not paid.

Termination by Borrower. If Borrower terminates this Agreement, Borrower must notify Lender in writing at the address shown on Borrower's periodic billing statement or other designated address and return all Line of Credit Checks and any other access devices to Lender. Despite termination, Borrower's obligations under this Agreement will remain in full force and effect until Borrower has paid Lender all amounts due under this Agreement.

Prepayment. Borrower may prepay all or any amount owing under this Credit Line at any time without penalty, except Lender will be entitled to receive all accrued interest, fees, and other charges, if any. Payments in excess of Borrower's Minimum Payment will not relieve Borrower of Borrower's obligation to continue to make Borrower's Minimum Payments. Instead, they will reduce the principal balance owed on the Credit Line. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Agreement, and Borrower will remain obligated to pay any further amount owed to Lender. **All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: Gate City Bank, Business Banking, 500 2nd Ave N, PO Box 2847, Fargo, ND 58102.**

Notices. All notices will be sent to Borrower's address as shown in Borrower's Credit Line application. Notices will be mailed to Borrower at a different address if Borrower gives Lender written notice of a different address. Borrower agrees to advise Lender promptly if Borrower changes Borrower's mailing address.

Annual Review. Borrower agrees that Borrower will provide Lender with a current financial statement, a new credit application, or both, annually, on forms provided by Lender. Based upon this information Lender will conduct an annual review of Borrower's Credit Line Account. Borrower also agrees Lender may obtain credit reports on Borrower at any time, at Lender's sole option and expense, for any reason, including but not limited to determining whether there has been an adverse change in Borrower's financial condition. Lender may require a new appraisal of the Property which secures Borrower's Credit Line at any time, including an internal inspection, at Lender's sole option and expense. Based upon a material adverse change in Borrower's financial condition (such as termination of employment or loss of income), Lender may suspend Borrower's Credit Line.

Transfer or Assignment. Without prior notice or approval from Borrower, Lender reserves the right to sell or transfer Borrower's Credit Line Account and Lender's rights and obligations under this Agreement to another lender, entity, or person, and to assign Lender's rights under the mortgage or deed of trust. Borrower's rights under this Agreement belong to Borrower only and may not be transferred or assigned. Borrower's obligations, however, are binding on Borrower's heirs and legal representatives. Upon any such sale or transfer, Lender will have no further obligation to provide Borrower with credit advances or to perform any other obligation under this Agreement.

Payment Due Date Classic Line. Your payment will be due monthly, on the 8th of each month.

Governing Law. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of North Dakota without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of North Dakota.

Choice of Venue. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of Cass County, State of North Dakota.

Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Interpretation. Borrower agrees that this Agreement, together with the mortgage or deed of trust, is the most reliable evidence of Borrower's agreements with Lender. If a court finds that any provision of this Agreement is not valid or should not be enforced, that fact by itself will not mean that the rest of this Agreement will not be valid or enforced. Therefore, a court may enforce the rest of the provisions of this Agreement even if a provision of this Agreement may be found to be invalid or unenforceable. If Lender goes to court for any reason, Lender can use a copy, filmed or electronic, of any periodic statement, this Agreement, the mortgage or deed of trust or any other document to prove what

CREDIT AGREEMENT AND DISCLOSURE
(Continued)

Borrower owes Lender or that a transaction has taken place. The copy, microfilm, microfiche, or optical image will have the same validity as the original. Borrower agrees that, except to the extent Borrower can show there is a billing error, Borrower's most current periodic statement is the most reliable evidence of Borrower's obligation to pay.

Severability. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

Acknowledgment and Amendments. Borrower understands and agrees to the terms and conditions in this Agreement. Borrower acknowledges that, subject to applicable laws, Lender has the right to change the terms and conditions of the Credit Line program, including without limitation, the Margin. Borrower also understands and agrees that Borrower may be subject to other agreements with Lender regarding transfer instruments or access devices which may access Borrower's Credit Line. Any person signing below may request a modification to this Agreement, and, if granted, the modification will be binding upon all signers. By signing this Agreement, Borrower acknowledges that Borrower has read this Agreement. Borrower also acknowledges receipt of a completed copy of this Agreement.

BORROWER:

STERLING PROPERTIES, LLLP

STERLING REAL ESTATE TRUST DBA STERLING MULTIFAMILY TRUST, General Partner of Sterling Properties, LLLP

**By: /s/ Luke Brady Swenson
Luke Brady Swenson, Chief Investment
Officer of Sterling Real Estate Trust DBA
Sterling Multifamily Trust**

COMMERCIAL GUARANTY

Exhibit 10.4

Borrower: Sterling Properties, LLLP
4340 18th Ave S Ste 200
Fargo, ND 58103

Lender: Gate City Bank
Business Banking
500 2nd Ave N PO Box 2847
Fargo, ND 58102

Guarantor: Sterling Real Estate Trust DBA Sterling Multifamily Trust
4340 18th Ave S Ste 200
Fargo, ND 58103

CONTINUING GUARANTEE OF PAYMENT AND PERFORMANCE. For good and valuable consideration, Guarantor absolutely and unconditionally guarantees full and punctual payment and satisfaction of the Indebtedness of Borrower to Lender, and the performance and discharge of all Borrower's obligations under the Credit Agreement and the Related Documents. This is a guaranty of payment and performance and not of collection, so Lender can enforce this Guaranty against Guarantor even when Lender has not exhausted Lender's remedies against anyone else obligated to pay the Indebtedness or against any collateral securing the Indebtedness, this Guaranty or any other guaranty of the Indebtedness. Guarantor **will** make any payments to Lender or its order, on demand, in legal tender of the United States of America, in same-day funds, without set-off or deduction or counterclaim, and **will** otherwise perform Borrower's obligations under the Credit Agreement and Related Documents. Under this Guaranty, Guarantor's liability is unlimited and Guarantor's obligations are continuing.

INDEBTEDNESS. The word "Indebtedness" as used in this Guaranty means all of the principal amount outstanding from time to time and at any one or more times, accrued unpaid interest thereon and all collection costs and legal expenses related thereto permitted by law, reasonable attorneys' fees, arising from any and all debts, liabilities and obligations of every nature or form, now existing or hereafter arising or acquired, that Borrower individually or collectively or interchangeably with others, owes or will owe Lender. "Indebtedness" includes, without limitation, loans, advances, debts, overdraft indebtedness, credit card indebtedness, lease obligations, liabilities and obligations under any interest rate protection agreements or foreign currency exchange agreements or commodity price protection agreements, other obligations, and liabilities of Borrower, and any present or future judgments against Borrower, future advances, loans or transactions that renew, extend, modify, refinance, consolidate or substitute these debts, liabilities and obligations whether: voluntarily or involuntarily incurred; due or to become due by their terms or acceleration; absolute or contingent; liquidated or unliquidated; determined or undetermined; direct or indirect; primary or secondary in nature or arising from a guaranty or surety; secured or unsecured; joint or several or joint and several; evidenced by a negotiable or non-negotiable instrument or writing; originated by Lender or another or others; barred or unenforceable against Borrower for any reason whatsoever; for any transactions that may be voidable for any reason (such as infancy, insanity, ultra vires or otherwise); and originated then reduced or extinguished and then afterwards increased or reinstated.

If Lender presently holds one or more guaranties, or hereafter receives additional guaranties from Guarantor, Lender's rights under all guaranties shall be cumulative. This Guaranty shall not (unless specifically provided below to the contrary) affect or invalidate any such other guaranties. Guarantor's liability will be Guarantor's aggregate liability under the terms of this Guaranty and any such other unexpired guaranties.

CONTINUING GUARANTY. THIS IS A "CONTINUING GUARANTY" UNDER WHICH GUARANTOR AGREES TO GUARANTEE THE FULL AND PUNCTUAL PAYMENT, PERFORMANCE AND SATISFACTION OF THE INDEBTEDNESS OF BORROWER TO LENDER, NOW EXISTING OR HEREAFTER ARISING OR ACQUIRED, ON AN OPEN AND CONTINUING BASIS. ACCORDINGLY, ANY PAYMENTS MADE ON THE INDEBTEDNESS WILL NOT DISCHARGE OR DIMINISH GUARANTOR'S OBLIGATIONS AND LIABILITY UNDER THIS GUARANTY FOR ANY REMAINING AND SUCCEEDING INDEBTEDNESS EVEN WHEN ALL OR PART OF THE OUTSTANDING INDEBTEDNESS MAY BE A ZERO BALANCE FROM TIME TO TIME.

DURATION OF GUARANTY. This Guaranty will take effect when received by Lender without the necessity of any acceptance by Lender, or any notice to Guarantor or to Borrower, and will continue in full force until all the Indebtedness incurred or contracted before receipt by Lender of any notice of revocation shall have been fully and finally paid and satisfied and all of Guarantor's other obligations under this Guaranty shall have been performed in full. If Guarantor elects to revoke this Guaranty, Guarantor may only do so in writing. Guarantor's written notice of revocation must be mailed to Lender, by certified mail, at Lender's address listed above or such other place as Lender may designate in writing. Written revocation of this Guaranty will apply only to new Indebtedness created after actual receipt by Lender of Guarantor's written revocation. For this purpose and without limitation, the term "new Indebtedness" does not include the Indebtedness which at the time of notice of revocation is contingent, unliquidated, undetermined or not due and which later becomes absolute, liquidated, determined or due. For this purpose and without limitation, "new Indebtedness" does not include all or part of the Indebtedness that is: incurred by Borrower prior to revocation; incurred under a commitment that became binding before revocation; any renewals, extensions, substitutions, and modifications of the Indebtedness. This Guaranty shall bind Guarantor's estate as to the Indebtedness created both before and after Guarantor's death or incapacity, regardless of Lender's actual notice of Guarantor's death. Subject to the foregoing, Guarantor's executor or administrator or other legal representative may terminate this Guaranty in the same manner in which Guarantor might have terminated it and with the same effect. Release of any other guaranty or termination of any other guaranty of the Indebtedness shall not affect the liability of Guarantor under this Guaranty. A revocation Lender receives from any one or more Guarantors shall not affect the liability of any remaining Guarantors under this Guaranty. **It is anticipated that fluctuations may occur in the aggregate amount of the Indebtedness covered by this Guaranty, and Guarantor specifically acknowledges and agrees that reductions in the amount of the Indebtedness, even to zero dollars (\$0.00), shall not constitute a termination of this Guaranty. This Guaranty is binding upon Guarantor and Guarantor's heirs, successors and assigns so long as any of the Indebtedness remains unpaid and even though the Indebtedness may from time to time be zero dollars (\$0.00).**

GUARANTOR'S AUTHORIZATION TO LENDER. Guarantor authorizes Lender, either before or after any revocation hereof, **without notice or demand and without lessening Guarantor's liability under this Guaranty, from time to time:** (A) prior to revocation as set forth above, to make one or more additional secured or unsecured loans to Borrower, to lease equipment or other goods to Borrower, or otherwise to extend additional credit to Borrower; (B) to alter, compromise, renew, extend, accelerate, or otherwise change one or more times the time for payment or other terms of the Indebtedness or any part of the Indebtedness, including increases and decreases of the rate of interest on the Indebtedness; extensions may be repeated and may be for longer than the original loan term; (C) to take and hold security for the payment of this Guaranty or the Indebtedness, and exchange, enforce, waive, subordinate, fail or decide not to perfect, and release any such security, with or without the substitution of new collateral; (D) to release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, endorsers, or other guarantors on any terms or in any manner Lender may choose; (E) to determine how, when and what application of payments and credits shall be made on the Indebtedness; (F) to apply such security and direct the order or manner of sale thereof, including without limitation, any nonjudicial sale permitted by the terms of the controlling security agreement or deed of trust, as Lender in its discretion may determine; (G) to sell, transfer, assign or grant participations in all or any part of the Indebtedness; and (H) to assign or transfer this Guaranty in whole or in part.

GUARANTOR'S REPRESENTATIONS AND WARRANTIES. Guarantor represents and warrants to Lender that (A) no representations or agreements of any kind have been made to Guarantor which would limit or qualify in any way the terms of this Guaranty; (B) this Guaranty is

executed at Borrower's request and not at the request of Lender; (C) Guarantor has full power, right and authority to enter into this Guaranty; (D) the provisions of this Guaranty do not conflict with or result in a default under any agreement or other instrument binding upon Guarantor and do not result in a violation of any law, regulation, court decree or order applicable to Guarantor; (E) Guarantor has not and will not, without the prior written consent of Lender, sell, lease, assign, encumber, hypothecate, transfer, or otherwise dispose of all or substantially all of Guarantor's assets, or any interest therein; (F) upon Lender's request, Guarantor will provide to Lender financial and credit information in form acceptable to Lender, and all such financial information which currently has been, and all future financial information which will be provided to Lender is and will be true and correct in all material respects and fairly present Guarantor's financial condition as of the dates the financial information is provided; (G) no material adverse change has occurred in Guarantor's financial condition since the date of the most recent financial statements provided to Lender and no event has occurred which may materially adversely affect Guarantor's financial condition; (H) no litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Guarantor is pending or threatened; (I) Lender has made no representation to Guarantor as to the creditworthiness of Borrower; and (J) Guarantor has established adequate means of obtaining from Borrower on a continuing basis information regarding Borrower's financial condition. Guarantor agrees to keep adequately informed from such means of any facts, events, or circumstances which might in any way affect Guarantor's risks under this Guaranty, and Guarantor further agrees that, absent a request for information, Lender shall have no obligation to disclose to Guarantor any information or documents acquired by Lender in the course of its relationship with Borrower.

GUARANTOR'S WAIVERS. Except as prohibited by applicable law, Guarantor waives any right to require Lender (A) to continue lending money or to extend other credit to Borrower; (B) to make any presentment, protest, demand, or notice of any kind, including notice of any nonpayment of the Indebtedness or of any nonpayment related to any collateral, or notice of any action or nonaction on the part of Borrower, Lender, any surety, endorser, or other guarantor in connection with the Indebtedness or in connection with the creation of new or additional loans or obligations; (C) to resort for payment or to proceed directly or at once against any person, including Borrower or any other guarantor; (D) to proceed directly against or exhaust any collateral held by Lender from Borrower, any other guarantor, or any other person; (E) to give notice of the terms, time, and place of any public or private sale of personal property security held by Lender from Borrower or to comply with any other applicable provisions of the Uniform Commercial Code; (F) to pursue any other remedy within Lender's power; or (G) to commit any act or omission of any kind, or at any time, with respect to any matter whatsoever.

Guarantor also waives any and all rights or defenses based on suretyship or impairment of collateral including, but not limited to, any rights or defenses arising by reason of (A) any "one action" or "anti-deficiency" law or any other law which may prevent Lender from bringing any action, including a claim for deficiency, against Guarantor, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale; (B) any election of remedies by Lender which destroys or otherwise adversely affects Guarantor's subrogation rights or Guarantor's rights to proceed against Borrower for reimbursement, including without limitation, any loss of rights Guarantor may suffer by reason of any law limiting, qualifying, or discharging the Indebtedness; (C) any disability or other defense of Borrower, of any other guarantor, or of any other person, or by reason of the cessation of Borrower's liability from any cause whatsoever, other than payment in full in legal tender, of the Indebtedness; (D) any right to claim discharge of the Indebtedness on the basis of unjustified impairment of any collateral for the Indebtedness; (E) any statute of limitations, if at any time any action or suit brought by Lender against Guarantor is commenced, there is outstanding Indebtedness which is not barred by any applicable statute of limitations; or (F) any defenses given to guarantors at law or in equity other than actual payment and performance of the Indebtedness. If payment is made by Borrower, whether voluntarily or otherwise, or by any third party, on the Indebtedness and thereafter Lender is forced to remit the amount of that payment to Borrower's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, the Indebtedness shall be considered unpaid for the purpose of the enforcement of this Guaranty.

Guarantor further waives and agrees not to assert or claim at any time any deductions to the amount guaranteed under this Guaranty for any claim of setoff, counterclaim, counter demand, recoupment or similar right, whether such claim, demand or right may be asserted by the Borrower, the Guarantor, or both.

GUARANTOR'S UNDERSTANDING WITH RESPECT TO WAIVERS. Guarantor warrants and agrees that each of the waivers set forth above is made with Guarantor's full knowledge of its significance and consequences and that, under the circumstances, the waivers are reasonable and not contrary to public policy or law. If any such waiver is determined to be contrary to any applicable law or public policy, such waiver shall be effective only to the extent permitted by law or public policy.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Guarantor's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Guarantor holds jointly with someone else and all accounts Guarantor may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Guarantor authorizes Lender, to the extent permitted by applicable law, to hold these funds if there is a default, and Lender may apply the funds in these accounts to pay what Guarantor owes under the terms of this Guaranty.

SUBORDINATION OF BORROWER'S DEBTS TO GUARANTOR. Guarantor agrees that the Indebtedness, whether now existing or hereafter created, shall be superior to any claim that Guarantor may now have or hereafter acquire against Borrower, whether or not Borrower becomes insolvent. Guarantor hereby expressly subordinates any claim Guarantor may have against Borrower, upon any account whatsoever, to any claim that Lender may now or hereafter have against Borrower. In the event of insolvency and consequent liquidation of the assets of Borrower, through bankruptcy, by an assignment for the benefit of creditors, by voluntary liquidation, or otherwise, the assets of Borrower applicable to the payment of the claims of both Lender and Guarantor shall be paid to Lender and shall be first applied by Lender to the Indebtedness. Guarantor does hereby assign to Lender all claims which it may have or acquire against Borrower or against any assignee or trustee in bankruptcy of Borrower; provided however, that such assignment shall be effective only for the purpose of assuring to Lender full payment in legal tender of the Indebtedness. If Lender so requests, any notes or credit agreements now or hereafter evidencing any debts or obligations of Borrower to Guarantor shall be marked with a legend that the same are subject to this Guaranty and shall be delivered to Lender. Guarantor agrees, and Lender is hereby authorized, in the name of Guarantor, from time to time to file financing statements and continuation statements and to execute documents and to take such other actions as Lender deems necessary or appropriate to perfect, preserve and enforce its rights under this Guaranty.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Guaranty:

Amendments. This Guaranty, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Guaranty. No alteration or amendment to this Guaranty shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Attorneys' Fees; Expenses. Guarantor agrees to pay upon demand all of Lender's costs and expenses, including Lender's reasonable attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Guaranty. Lender may hire or pay someone else to help enforce this Guaranty, and Guarantor shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's reasonable attorneys' fees and legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Guarantor also shall pay all court costs and such additional fees as may be directed by the court.

**COMMERCIAL GUARANTY
(Continued)**

Caption Headings. Caption headings in this Guaranty are for convenience purposes only and are not to be used to interpret or define the provisions of this Guaranty.

Governing Law. This Guaranty will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of North Dakota without regard to its conflicts of law provisions.

Choice of Venue. If there is a lawsuit, Guarantor agrees upon Lender's request to submit to the jurisdiction of the courts of Cass County, State of North Dakota.

Integration. Guarantor further agrees that Guarantor has read and fully understands the terms of this Guaranty; Guarantor has had the opportunity to be advised by Guarantor's attorney with respect to this Guaranty; the Guaranty fully reflects Guarantor's intentions and parol evidence is not required to interpret the terms of this Guaranty. Guarantor hereby indemnifies and holds Lender harmless from all losses, claims, damages, and costs (including Lender's attorneys' fees) suffered or incurred by Lender as a result of any breach by Guarantor of the warranties, representations and agreements of this paragraph.

Interpretation. In all cases where there is more than one Borrower or Guarantor, then all words used in this Guaranty in the singular shall be deemed to have been used in the plural where the context and construction so require; and where there is more than one Borrower named in this Guaranty or when this Guaranty is executed by more than one Guarantor, the words "Borrower" and "Guarantor" respectively shall mean all and any one or more of them. The words "Guarantor," "Borrower," and "Lender" include the heirs, successors, assigns, and transferees of each of them. If a court finds that any provision of this Guaranty is not valid or should not be enforced, that fact by itself will not mean that the rest of this Guaranty will not be valid or enforced. Therefore, a court will enforce the rest of the provisions of this Guaranty even if a provision of this Guaranty may be found to be invalid or unenforceable. If any one or more of Borrower or Guarantor are corporations, partnerships, limited liability companies, or similar entities, it is not necessary for Lender to inquire into the powers of Borrower or Guarantor or of the officers, directors, partners, managers, or other agents acting or purporting to act on their behalf, and any indebtedness made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Guaranty.

Notices. Any notice required to be given under this Guaranty shall be given in writing, and, except for revocation notices by Guarantor, shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Guaranty. All revocation notices by Guarantor shall be in writing and shall be effective upon delivery to Lender as provided in the section of this Guaranty entitled "DURATION OF GUARANTY." Any party may change its address for notices under this Guaranty by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Guarantor agrees to keep Lender informed at all times of Guarantor's current address. Unless otherwise provided or required by law, if there is more than one Guarantor, any notice given by Lender to any Guarantor is deemed to be notice given to all Guarantors.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Guaranty unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Guaranty shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Guaranty. No prior waiver by Lender, nor any course of dealing between Lender and Guarantor, shall constitute a waiver of any of Lender's rights or of any of Guarantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Guaranty, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Successors and Assigns. Subject to any limitations stated in this Guaranty on transfer of Guarantor's interest, this Guaranty shall be binding upon and inure to the benefit of the parties, their successors and assigns.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Guaranty. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Guaranty shall have the meanings attributed to such terms in the Uniform Commercial Code:

Borrower. The word "Borrower" means Sterling Properties, LLLP and includes all co-signers and co-makers signing the Credit Agreement and all their successors and assigns.

Credit Agreement. The words "Credit Agreement" mean two Credit Agreements dated November 21, 2025. Credit Agreement 5876412 with credit limit of \$20,000,000.00 and Credit Agreement 5870613 with credit limit of \$20,000,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancing of, consolidations of, and substitutions for the promissory note or agreement.

Guarantor. The word "Guarantor" means everyone signing this Guaranty, including without limitation Sterling Real Estate Trust DBA Sterling Multifamily Trust, and in each case, any signer's successors and assigns.

Guaranty. The word "Guaranty" means this guaranty from Guarantor to Lender.

Indebtedness. The word "Indebtedness" means Borrower's indebtedness to Lender as more particularly described in this Guaranty.

Lender. The word "Lender" means Gate City Bank, its successors and assigns.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

**COMMERCIAL GUARANTY
(Continued)**

EACH UNDERSIGNED GUARANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS GUARANTY AND AGREES TO ITS TERMS. IN ADDITION, EACH GUARANTOR UNDERSTANDS THAT THIS GUARANTY IS EFFECTIVE UPON GUARANTOR'S EXECUTION AND DELIVERY OF THIS GUARANTY TO LENDER AND THAT THE GUARANTY WILL CONTINUE UNTIL TERMINATED IN THE MANNER SET FORTH IN THE SECTION TITLED "DURATION OF GUARANTY". NO FORMAL ACCEPTANCE BY LENDER IS NECESSARY TO MAKE THIS GUARANTY EFFECTIVE. THIS GUARANTY IS DATED NOVEMBER 21, 2025.

GUARANTOR:

STERLING REAL ESTATE TRUST DBA STERLING MULTIFAMILY TRUST

By: /s/ Luke Brady Swenson
Luke Brady Swenson, Chief Investment Officer of
Sterling Real Estate Trust DBA Sterling
Multifamily Trust