**EXHIBIT [\_\_]**

**MODIFICATIONS TO MULTIFAMILY LOAN AND SECURITY AGREEMENT**

**(Manufactured Housing Community – Non-Traditional Ownership)**

The foregoing Loan Agreement is hereby modified as follows:

1. Capitalized terms used and not specifically defined herein have the meanings given to such terms in the Loan Agreement.
2. The Definitions Schedule is hereby amended by adding the following new definitions in the appropriate alphabetical order:

“**Borrower Affiliate-Owned Homes**” means, individually and collectively, any Manufactured Homes leased or available for lease to residential tenants now or hereafter owned by a Borrower Affiliate.

“**Borrower-Owned Homes**” has the meaning set forth in the Security Instrument.

“**Community**” means the manufactured housing community known as the Manufactured Community Name, located on the Mortgaged Property, owned and operated by Borrower, consisting of approximately the Number of Sites (inclusive of the Number of MH Sites identified on the Summary of Loan Terms), and related amenities, landscaping, roads and infrastructure.

“**Dwelling Units**” means any unit or space in Improvements located on the Mortgaged Property, other than a Manufactured Home, and leased or available for lease to residential tenants.

“**Homeowner**” means a Person, other than Borrower or Borrower Affiliate, who owns a Manufactured Home located or to be located in the Community.

“**Manufactured Community Name**” has the meaning set forth in the Summary of Loan Terms.

“**Manufactured Home**” has the meaning set forth in the Security Instrument.

“**MH Lease**” means a residential Lease for the occupancy of a Manufactured Home.

“**MH Site**” has the meaning set forth in the Security Instrument.

“**MH** **Site Lease**” means a residential Lease of a Site for a Manufactured Home.

“**MH Site Lessee**” means, individually and collectively, any Homeowner or tenant in possession of a Manufactured Home.

“**National Manufactured Home Standards**” has the meaning set forth in the Security Instrument.

“**Non-Traditional Entity**” means the entity identified in the Summary of Loan Terms.

“**Number of MH Sites**” means the total number of MH Sites on the Mortgaged Property as identified in the Summary of Loan Terms.

“**Number of Sites**” the total number of Sites on the Mortgaged Property as identified in the Summary of Loan Terms.

“**Rules and Regulations**” means written rules and regulations governing tenant conduct for the Community.

“**RV Site**” means a lot on the Mortgaged Property leased or anticipated to be leased to a recreational vehicle (inclusive of any “park model recreational vehicle”).

“**Site**” has the meaning set forth in the Security Instrument.

“**Site Lease**” means, individually and collectively, any (a) MH Site Lease, and (b) residential Lease of a Site for a recreational vehicle.

**[DRAFTING NOTE: INSERT THE FOLLOWING DEFINITIONS IN THE APPROPRIATE ALPHABETICAL ORDER IF A SEASONAL WORKING CAPITAL RESERVE IS REQUIRED AT INITIAL CLOSING:**

“**Initial Deposits**” has the meaning set forth in the Summary of Loan Terms.

“**Prepaid Rents**” means the total aggregate annualized amount of Rentspaid more than thirty (30) days in advance of the applicable “due dates.”

“**Reserve Determination Date**” means the eleventh day of each month during the Loan Term.

“**Seasonal Working Capital Contribution**” means the amount determined by Lender in the exercise of Lender’s sole discretion, but in any event not less than the total annualized amount of the Prepaid Rents.

“**Seasonal Working Capital Reserve Account**” means the escrow account established by Borrower under the Seasonal Working Capital Reserve Agreement.

“**Seasonal Working Capital Reserve Agreement**” means that certain Seasonal Working Capital Reserve Fund and Security Agreement executed by and between Borrower and Lender dated as of the Effective Date.

“**Seasonal Working Capital Reserve Funds**” means, collectively, the Initial Deposit and all other funds deposited in the Seasonal Working Capital Reserve Account.**]**

1. [Intentionally Deleted.]
2. Section 4.01(a) (Borrower Status – Representations and Warranties – Due Organization and Qualification; Organizational Agreements) of the Loan Agreement is hereby amended by adding the following to the end thereof:

Borrower is a Non-Traditional Entity as identified in the Summary of Loan Terms.

1. Section 4.01(h) (Borrower Status – Representations and Warranties – Borrower Single Asset Status) of the Loan Agreement is hereby amended by adding the following provision to the end thereof:

**[DRAFTING** **NOTE:** **INCLUDE** **IF** **THERE** **ARE** **NO** **BORROWER-OWNED** **HOMES AS OF THE EFFECTIVE DATE:**

([\_\_]) does not engage in the ownership, retail sale or financing of Manufactured Homes (other than the ownership of a *de minimus* number of Borrower-Owned Homes (A) which are occupied only by an on-site property manager and are not otherwise leased or (B) for a short period following a tenant eviction); and

([\_\_]) does not include any provision in any MH Site Lease which provides that, upon payment of the stipulated rent or a nominal charge, title to the Manufactured Home shall convey or be conveyed to the lessee.**]**

**[DRAFTING** **NOTE:** **INCLUDE** **IF** **THERE** **ARE** **BORROWER-OWNED** **HOMES AS OF THE EFFECTIVE DATE:**

([\_\_]) does not engage in the retail sale or financing of Manufactured Homes; and

([\_\_]) does not include any provision in the MH Site Lease which provides that, upon payment of the stipulated rent or a nominal charge, title to the Manufactured Home shall convey or be conveyed to the lessee.**]**

1. Section 4.02(a) (Borrower Status – Covenants – Maintenance of Existence; Organizational Documents) of the Loan Agreement is hereby amended by amending and restating the first sentence as follows:

At all times during the Loan Term, Borrower shall maintain its existence, franchises, rights, and privileges under the laws of the state of its formation or organization (as applicable) as the Non-Traditional Entity identified in the Summary of Loan Terms.

1. Section 4.02(d) (Borrower Status – Covenants – Borrower Single Asset Status) of the Loan Agreement is hereby amended by adding the following new language at the end thereof:

**[DRAFTING NOTE: INCLUDE IF THERE ARE NO BORROWER-OWNED HOMES AS OF THE EFFECTIVE DATE:**

([\_\_]) shall not engage in the ownership, retail sale or financing of Manufactured Homes (other than the ownership of a *de minimus* number of Borrower-Owned Homes (A) which are occupied only by an on-site property manager and are not otherwise leased or (B) for a short period following a tenant eviction); and

([\_\_]) shall not enter into an MH Site Lease which provides that, upon payment of the stipulated rent or a nominal charge, title to the Manufactured Home shall convey or be conveyed to the lessee.**]**

**[DRAFTING NOTE: INCLUDE IF THERE ARE BORROWER-OWNED HOMES:**

([\_\_]) shall not engage in the retail sale or financing of Manufactured Homes; and

([\_\_]) shall not permit any MH Site Lease to provide that, upon payment of the stipulated rent or a nominal charge, title to the Manufactured Home shall convey or be conveyed to the lessee.**]**

1. Section 6.01 (Property Use, Preservation and Maintenance – Representations and Warranties) of the Loan Agreement is hereby amended by adding the following provisions to the end thereof:

**([\_\_]) Manufactured Housing Community.**

(1) The Community is located on the Mortgaged Property and is owned and operated by Borrower;

(2) construction of the Community is complete;

(3) the Community complies with all local, state and federal laws and regulations governing Manufactured Homes and manufactured home communities;

(4) all public and private utilities on the Mortgaged Property comply with local conditions and code requirements;

(5) the Community has paved roads;

(6) the Community consists of approximately the Number of Sites and approximately the Number of MH Sites;

(7) the Community has at least fifty (50) MH Sites;

(8) a minimum of fifty percent (50%) of existing MH Sites accommodate double wide Manufactured Homes in compliance with local zoning and ordinances;

(9) the percentage of all tenant-occupied Manufactured Homes (inclusive of any Borrower-Owned Homes, Borrower Affiliate-Owned Homes and any other tenant-occupied Manufactured Homes) does not exceed twenty-five percent (25%) of all Manufactured Homes at the Mortgaged Property;

(10) **[DRAFTING** **NOTE:** **INCLUDE** **IF** **THERE ARE** **BORROWER-OWNED** **HOMES AS OF THE EFFECTIVE DATE:** Borrower has clear title to all Borrower-Owned Homes, all Manufactured Homes owned by Borrower are located on the Mortgaged Property,and the total number of Borrower-Owned Homes at the Mortgaged Property is set forth in the Summary of Loan Terms;] **OR** **[DRAFTING NOTE: INCLUDE IF THERE ARE NO BORROWER HOMES AS OF THE EFFECTIVE DATE:** there are no Borrower-Owned Homes;**]**

(11) **[DRAFTING NOTE:** **INCLUDE IF THERE ARE BORROWER AFFILIATE-OWNED HOMES AS OF THE EFFECTIVE DATE:** the total number of Borrower Affiliate-Owned Homes at the Mortgaged Property is set forth in the Summary of Loan Terms;**]** **OR** **[DRAFTING NOTE: INCLUDE IF THERE ARE NO BORROWER AFFILIATE-OWNED HOMES AS OF THE EFFECTIVE DATE:** there are no Borrower Affiliate-Owned Homes;**]**

(12) no Borrower-Owned Home, if any, is subject to any Lien, claim (including condemnation proceedings or the total or partial taking of the Improvements, the Fixtures, the Personalty, or any other part of the Mortgaged Property under the power of eminent domain or otherwise and including any conveyance in lieu thereof), or encumbrance other than Lender’s lien and Permitted Encumbrances;

(13) all Manufactured Homes in the Community conform to the requirements of the National Manufactured Home Standards; provided, however, to the extent any Manufactured Homes located on the Mortgaged Property on the Effective Date were constructed before 1974 and are “grandfathered” in and not subject to and do not conform to the requirements of the National Manufactured Home Standards, such Manufactured Homes comply with all local, state and federal safety requirements;

(14) all Manufactured Homes are professionally skirted;

(15) hitches on all Manufactured Homes are concealed;

(16) the Community has a minimum of two (2) paved parking spaces per MH Site, which may be on or off-street, as permitted by local ordinance;

(17) *check if applicable:*  the Community has a septic system or a private treatment plant system that (A) has passed an inspection by a qualified engineer, (B) does not have a record of operating violations, (C) has required licensing, and (D) is not owned by a separate entity;

(18) *check if applicable:*  applicable law requires public sewer hookup, and the Community has established a special escrow to cover all hook-up costs including tap fees; and

(19) *check if applicable:*  applicable law requires public water hookup, and the Community has established a special escrow to cover all hook-up costs including tap fees, or  the Community has a private water well system that (A) has passed an inspection by a qualified engineer, (B) does not have a record of operating violations, (C) has required licensing, and (D) is not owned by a separate entity.

**([\_\_]) Operation of the Community.**

(1) The Community has Rules and Regulations that are appropriate and enforceable, and maintain the viability and physical condition of the Community;

(2) **[DRAFTING NOTE:** **LENDER TO CONFIRM LEASE STRUCTURE** **AND DISCUSS WITH FANNIE MAE IMMEDIATELY IF BORROWER CANNOT MAKE THIS REP AND/OR IF BORROWER AFFILIATE OWNS ANY MANUFACTURED HOMES AND THERE IS ONLY ONE LEASE FOR BOTH SITE AND HOME OR ONLY ONE RENT CHECK:** each MH Site Lease arises from a bona fide lease to an MH Site Lessee and runs solely to Borrower as Landlord;**]**

(3) **[[DRAFTING NOTE: LENDER TO CONFIRM LEASE STRUCTURE AND DISCUSS WITH FANNIE MAE IMMEDIATELY IF BORROWER CANNOT MAKE THIS REP AND/OR IF BORROWER AFFILIATE OWNS ANY MANUFACTURED HOMES AND THERE IS ONLY ONE LEASE FOR BOTH SITE AND HOME OR ONLY ONE RENT CHECK:** each tenant in possession of a Manufactured Home has entered into an MH Lease for such Manufactured Home and a separate MH Site Lease for the MH Site upon which the Manufactured Home is located, and each MH Lease of a Borrower-Owned Home or Borrower Affiliate-Owned Home, as applicable arises from a bona fide lease of the Manufactured Home to a tenant in possession;**]** **OR [DRAFTING NOTE: IF APPROVED BY FANNIE MAE, INSERT IF THE TENANT EXECUTES A SINGLE LEASE FOR BOTH THE MH SITE LEASE AND THE MH LEASE:** Rent payable under any Lease that covers both an MH Site and a Manufactured Home is payable to and deposited by Borrower;**]** **[DRAFTING NOTE: DISCUSS WITH FANNIE MAE WHETHER LOCK BOX OR CASH MANAGEMENT MAY BE NEEDED]]**

(4) there are (A) no other agreements between Borrower and a Homeowner other than the MH Site Lease and the Rules and Regulations, and (B) no other agreements between Borrower and a tenant in possession of Manufactured Home other than the MH Site Lease, the MH Lease of a Borrower-Owned Home (if applicable), and the Rules and Regulations; and

(5) Borrower has complied with (and, if there are any Borrower Affiliate-Owned Homes, has caused Borrower Affiliate to comply with) all laws and regulations applicable to (A) the application for credit of each Homeowner (or tenant in possession of a Borrower-Owned Home, a Borrower Affiliate-Owned Home, or a Dwelling Unit or an owner or tenant in possession of a recreational vehicle as applicable), (B) the advertising, making and servicing of each MH Site Lease and any MH Lease (if applicable), and (C) the development, ownership and operation of the Community, including the Federal Trade Commission Act and all rules and regulations promulgated thereunder; the National Manufactured Home Standards; the Equal Credit Opportunity Act and all rules and regulations promulgated thereunder; the Fair Credit Reporting Act and all rules and regulations promulgated thereunder; the Fair Housing Act and all rules and regulations promulgated thereunder; the Real Estate Settlement Procedures Act, and all other applicable Federal, state, and local laws, regulations, rules, and ordinances, as any of the foregoing from time to time may be amended.

1. Section 6.02(a)(2) (Property Use, Preservation and Maintenance – Covenants – Use of Property) of the Loan Agreement is hereby deleted and restated in its entirety to read as follows:

(2) convert any individual Dwelling Units or common areas to commercial use, convert any common area or commercial use to individual Dwelling Units, convert any MH Site to an RV Site or convert any RV Site to an MH Site;

1. Section 6.02 (Property Use, Preservation and Maintenance – Covenants) of the Loan Agreement is hereby amended by adding the following provision to the end thereof:

**([\_\_])** **Location of Mortgaged Property; Site Stability**.

(1) Any Borrower-Owned Homes shall be located on the Mortgaged Property, Borrower shall not move a Borrower-Owned Home from the Mortgaged Property without Lender’s prior written consent, and any Manufactured Home owned by Borrower shall be located on the Mortgaged Property;

(2) Borrower shall not permit any Manufactured Home which is not a Borrower-Owned Home to be moved from a Site, except in accordance with the terms of the MH Site Lease for such Manufactured Home;

(3) the Community shall be located on the Mortgaged Property and shall be owned and operated by Borrower;

(4) the Community shall comply with all local, state and federal laws and regulations governing Manufactured Homes and manufactured home communities;

(5) all public and private utilities on the Mortgaged Property shall comply with local conditions and code requirements;

(6) the Community shall have paved roads;

(7) the Community shall consist of approximately the Number of Sites and the Number of MH Sites;

(8) the Community shall have at least fifty (50) MHSites;

(9) a minimum of fifty percent (50%) of existing MH Sites shall accommodate double wide Manufactured Homes in compliance with local zoning and ordinances;

(10) the percentage of all tenant-occupied Manufactured Homes (inclusive of any Borrower-Owned Homes, Borrower Affiliate-Owned Homes, and any other tenant-occupied Manufactured Homes) shall not exceed twenty-five percent (25%) of all Manufactured Homes at the Mortgaged Property;

(11)Borrower shall have clear title to each Borrower-Owned Home;

(12) no Borrower-Owned Home shall be subject to any Lien, claim (including condemnation proceedings or the total or partial taking of the Improvements, the Fixtures, the Personalty, or any other part of the Mortgaged Property under the power of eminent domain or otherwise and including any conveyance in lieu thereof), or encumbrance other than Lender’s lien and Permitted Encumbrances;

(13) all Manufactured Homes in the Community shall conform to the requirements of the National Manufactured Home Standards; provided, however, to the extent any Manufactured Homes located on the Mortgaged Property were constructed before 1974 and are “grandfathered” in and not subject to and do not conform to the requirements of the National Manufactured Home Standards, such Manufactured Homes comply with all local, state and federal safety requirements; provided further, however, Borrower shall not permit any new or replacement Manufactured Homes to be added or replaced at a Mortgaged Property after the Effective Date that do not conform to the then current requirements of the National Manufactured Home Standards;

(14) all Manufactured Homes shall be professionally skirted;

(15) hitches on all Manufactured Homes shall be concealed;

(16) the Community shall have a minimum of two (2) paved parking spaces per MH Site, which may be on or off-street, as permitted by local ordinance;

(17) the Community shall have Rules and Regulations that are appropriate and enforceable, and shall maintain the viability and physical condition of the Community;

(18) **[DRAFTING NOTE:** **LENDER TO CONFIRM LEASE STRUCTURE AND DISCUSS WITH FANNIE MAE IMMEDIATELY IF BORROWER CANNOT MAKE THIS COVENANT AND/OR IF BORROWER AFFILIATE OWNS ANY MANUFACTURED HOMES AND THERE IS ONLY ONE LEASE FOR BOTH SITE AND HOME OR ONLY ONE RENT CHECK:** each MH Site Lease shall arise from a bona fide lease to an MH Site Lessee and shall run solely to Borrower as Landlord;**]**

(19) **[[DRAFTING NOTE: LENDER TO CONFIRM LEASE STRUCTURE AND DISCUSS WITH FANNIE MAE IMMEDIATELY IF BORROWER CANNOT MAKE THIS COVENANT AND/OR IF BORROWER AFFILIATE OWNS ANY MANUFACTURED HOMES AND THERE IS ONLY ONE LEASE FOR BOTH SITE AND HOME OR ONLY ONE RENT CHECK:** each tenant in possession of a Manufactured Home shall enter into an MH Lease for such Manufactured Home and a separate MH Site Lease for the MH Site upon which the Manufactured Home shall be located, and each MH Lease of a Borrower-Owned Home or Borrower Affiliate-Owned Home, as applicable shall arise from a bona fide lease of the Manufactured Home to a tenant in possession;**]** **OR [DRAFTING NOTE: IF APPROVED BY FANNIE MAE, INSERT IF THE TENANT EXECUTES A SINGLE LEASE FOR BOTH THE MH SITE LEASE AND THE MH LEASE:** Rent payable under any Lease that covers both an MH Site and a Manufactured Home shall be payable to and deposited by Borrower;**]** **[DRAFTING NOTE: DISCUSS WITH FANNIE MAE WHETHER LOCK BOX OR CASH MANAGEMENT MAY BE NEEDED]]**

(20) there shall be (A) no other agreements between Borrower and a Homeowner other than the MH Site Lease and the Rules and Regulations, and (B) no other agreements between Borrower and a tenant in possession of Manufactured Home other than the MH Site Lease, the MH Lease of a Borrower-Owned Home (if applicable), and the Rules and Regulations; and

(21) Borrower shall comply with (and, if applicable, shall cause Borrower Affiliate to comply with) all laws and regulations applicable to (A) the application for credit of each Homeowner (and each tenant in possession of a Borrower-Owned Home, a Borrower Affiliate-Owned Home, and a Dwelling Unit and each owner or tenant in possession of a recreational vehicle, as applicable), (B) the advertising, making and servicing of each Site Lease and any MH Lease (if applicable), and (C) the development, ownership and operation of the Community, including the Federal Trade Commission Act and all rules and regulations promulgated thereunder; the National Manufactured Home Standards; the Equal Credit Opportunity Act and all rules and regulations promulgated thereunder; the Fair Credit Reporting Act and all rules and regulations promulgated thereunder; the Fair Housing Act and all rules and regulations promulgated thereunder; the Real Estate Settlement Procedures Act, and all other applicable Federal, state, and local laws, regulations, rules, and ordinances, as any of the foregoing from time to time may be amended.

1. [Intentionally Deleted.]
2. Section 7.02(a)(3) and Section 7.02(a)(4) (Leases) of the Loan Agreement are hereby deleted and restated in their entirety and new Section 7.02(a)(5) is hereby added as follows:

(3) require that all Site Leases (A) comply with applicable law and (B) have initial lease terms of not less than six (6) months and not more than twenty-four (24) months (however, if customary in the applicable market for properties comparable to the Mortgaged Property, Site Leases with terms of less than six (6) months (but in no case less than one (1) month) may be permitted with Lender’s prior written consent), provided however with respect to (B):

(i) Short-Term Rentals (regardless of the duration of the term) shall not be permitted unless otherwise expressly approved by Lender in writing, and

(ii) this Section 7.02(a)(3)(B) shall not apply to any lease, license, or other rental agreement with respect to recreational vehicles having a term of less than one (1) month; such lease, license, or other rental agreement being a non-Material Commercial Lease;

(4) not permit any Site Lease to contain an option to purchase or right of first refusal to purchase or right of first offer to purchase (except when such option or right is required by applicable law); and

(5) (A) promptly provide Lender a copy of any non-Residential Lease at the time such Lease is executed (subject to Lender’s consent rights for Material Commercial Leases in Section 7.02(b) (Commercial Leases)) and (B) upon Lender’s written request, promptly provide Lender a copy of each Site Lease and any MH Lease for a Borrower-Owned Home or Borrower Affiliate-Owned Home, if any (including any lease, license, or other rental agreement with respect to recreational vehicles, or Dwelling Units) then in effect.

1. **[DRAFTING NOTE: INSERT THE FOLLOWING IF A SEASONAL WORKING CAPITAL RESERVE IS REQUIRED AT INITIAL CLOSING:**  Section 7.02(c)(3) (Payment of Rents) of the Loan Agreement is hereby deleted and restated in its entirety to read as follows:

(3) notwithstanding the provisions of Section 7.01(b) (Prepaid Rents), on the Effective Date and upon each Reserve Determination Date thereafter, if the Prepaid Rents exceed five percent (5%) of the total annual Rents, fund the Seasonal Working Capital Reserve Account pursuant to the terms of the Seasonal Working Capital Reserve Agreement. Borrower shall deposit into the Seasonal Working Capital Reserve Account all sums required to be deposited under the Seasonal Working Capital Reserve Agreement and Lender shall hold all sums deposited into the Seasonal Working Capital Reserve Account pursuant to the terms of the Seasonal Working Capital Reserve Agreement.**]**

1. Section 7.03(b) (Residential Lease Form) of the Loan Agreement is hereby deleted and restated in its entirety to read as follows:

**(b) Site Lease Form.**

All Site Leases entered into from and after the Effective Date shall be on forms approved by Lender. Borrower shall give Lender thirty (30) days’ written notice of any material changes to the Rules and Regulations and the form(s) of the Site Lease(s).

1. [Intentionally Deleted.]
2. Section 14.01(a) (Events of Default – Automatic Events of Default) of the Loan Agreement is hereby amended by adding the following provisions to the end thereof:

([\_\_]) any change by Borrower in the occupancy requirements for Site Leases regarding age restrictions.

1. [Intentionally Deleted.]
2. Section 14.02(a) (Remedies – Acceleration; Foreclosure) of the Loan Agreement is hereby amended by adding the following new language to the end thereof:

In the event that there are Borrower-Owned Homes, at Lender’s option, Lender may repossess the Borrower-Owned Homes peacefully without Borrower’s permission. Lender also may require Borrower to make the Borrower-Owned Homes available to Lender at a place Lender designates that is reasonably convenient to Borrower and Lender. At Lender’s option, Lender may detach and remove the Borrower-Owned Homes from the Mortgaged Property, or Lender may take possession of it and leave it on the Mortgaged Property. Borrower agrees to cooperate with Lender if Lender exercises these rights. After Lender repossesses, Lender may then sell the Borrower-Owned Homes and apply what Lender receives to Lender’s reasonable repossession, repair, storage, and sale expenses, and then toward any other amounts Borrower owes under the Loan Documents, as allowed by law.

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