**EXHIBIT [\_\_\_]**

**MODIFICATIONS TO MULTIFAMILY LOAN AND SECURITY AGREEMENT**

**(Section 8 HAP Contract)**

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:

“**Assignment of HAP Contract**” means that certain Assignment of Housing Assistance Payments Contract dated as of the Effective Date from Borrower to Lender and Fannie Mae.

“**HAP Contract**” means that certain Housing Assistance Payments Contract by and between Borrower and HUD more particularly identified on the Summary of Loan Terms, and as collaterally assigned to Lender and Fannie Mae pursuant to the Assignment of HAP Contract.

“**HUD**” means the United States Department of Housing and Urban Development.

1. Section 3.02(a) (Personal Liability Based on Lender’s Loss) of the Loan Agreement is hereby amended by adding the following provisions at the end thereof:

([\_\_]) in the event that the HAP Contract documents delivered to Lender are not complete or do not include fully executed copies of all renewals, replacements, extensions and modifications of the original HAP Contract issued by HUD in connection with the Mortgaged Property (any missing documents are referred to herein, collectively, as the “**Missing HAP Contracts**”); any adverse impact to Lender that results from HUD’s exercise of its rights relating to any surviving covenants, conditions or requirements contained in the Missing HAP Contracts (that are not otherwise contained in the HAP Contract documents delivered to Lender);

([\_\_]) any payments made to Borrower under the HAP Contract to the extent such payments are not made to Lender as provided for under that certain Assignment of HAP Contract; or

([\_\_]) the occurrence of any default, event of default, or breach (however such terms may be defined) under the HAP Contract or the Assignment of HAP Contract.

1. Section 14.01(a) (Events of Default – Automatic Events of Default) of the Loan Agreement is hereby amended by adding the following provision at the end thereof:

([\_\_]) any default, event of default, or breach (however such terms may be defined) under the HAP Contract or the Assignment of HAP Contract.

1. The following article is hereby added to the Loan Agreement as Article [\_\_\_] (HAP Contracts):

**ARTICLE [\_\_\_]** **– HAP CONTRACTS**

**Section [\_\_].01 Representations and Warranties.**

The representations and warranties made by Borrower to Lender in this Section [\_\_\_].01 are made as of the Effective Date, and are true and correct except as disclosed on the Exceptions to Representations and Warranties Schedule.

Borrower is a party to the HAP Contract, has at all times been and is in full compliance with the HAP Contract, and has not in the past defaulted and is not in default under the HAP Contract. Borrower has provided to Lender a complete, fully executed copy of the HAP Contract, including all renewals, replacements, extensions, and modifications of the original HAP Contract.

**Section [\_\_].02 Covenants.**

Borrower shall at all times remain a party to, and in full compliance with, the HAP Contract. Borrower covenants to exercise and otherwise avail itself of any options, rights, and opportunities to renew and extend the term of the HAP Contract, provided the rents payable at commencement of the renewal term are at least the lower of (a) current HAP Contract rents, or (b) maximum rents imposed on low-income units pursuant to Section 42(g)(2) of the Internal Revenue Code.

**Section [\_\_].03 Protection of Security Interest.**

Any costs, damages or other amounts, including reasonable attorneys’ fees incurred by Lender as a result of any default by Borrower under the HAP Contract or Assignment of HAP Contract, including amounts paid to cure any default, event of default or breach under the HAP Contract or under the Assignment of HAP Contract, shall be an obligation of Borrower and become a part of the Indebtedness secured by the Security Instrument and this Loan Agreement.

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