**EXHIBIT [\_\_]**

**MODIFICATIONS TO MULTIFAMILY LOAN AND SECURITY AGREEMENT**

**(1031 Exchange)**

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:

“**Exchange Accommodator**” means [\_\_\_\_\_\_\_\_\_\_\_].

[“**Exchange Loan**” means the equity funds lent by Key Principal to the sole member of Borrower for the acquisition of the Mortgaged Property in connection with the Reverse Exchange. **[DRAFTING NOTE: DELETE OR REVISE AS NEEDED]]**

[“**Exchange Loan Documentation**” means the promissory note evidencing the Exchange Loan and the pledge of ownership interests in Borrower securing the Exchange Loan. **[DRAFTING NOTE: DELETE OR REVISE AS NEEDED]]**

[“**Exchange Operating Lease**” means that certain [\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_] dated as of [\_\_\_\_\_\_\_\_\_\_] between Exchange Accommodator, as landlord, and Borrower, as tenant, pursuant to which Borrower master leases the Mortgaged Property from Exchange Accommodator. **[DRAFTING NOTE: DELETE OR REVISE AS NEEDED; EXCHANGE OPERATOR AND BORROWER MUST EXECUTE A FORM 6446.ML SUBORDINATION, ASSIGNMENT AND SECURITY AGREEMENT IN CONNECTION WITH ANY EXCHANGE OPERATING LEASE]**]

“**Exchange Permitted Transfer**” means [\_\_\_\_\_\_\_\_\_\_]. **[DRAFTING NOTE: DESCRIBE EXCHANGE TRANSFER]**

“**Exchange Termination Date**” means [\_\_\_\_\_\_\_\_\_\_]. **[DRAFTING NOTE: TYPICALLY 180 TO 240 DAYS AFTER THE EFFECTIVE DATE]**

“**Reverse Exchange**” means [\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]. **[DRAFTING NOTE: DESCRIBE 1031 EXCHANGE]**

[“**SASA**” means that certain Subordination, Assignment and Security Agreement by and among Borrower, Lender, and Exchange Accommodator as amended, restated, replaced, supplemented, or otherwise modified from time to time.] **[DRAFTING NOTE: DELETE IF NOT APPLICABLE]**

1. The definition of “Borrower” in the Definitions Schedule is hereby deleted and restated in its entirety to read as follows:

“**Borrower**” means, together, (a) individually (and jointly and severally (solidarily instead for purposes of Louisiana law) if more than one), the entity (or entities) identified as “Borrower” in the first paragraph of the Loan Agreement, and/or (b) from the Effective Date until the completion of the Exchange Permitted Transfer, the Exchange Accommodator.

1. Section 3.01 (Non-Recourse Mortgage Loan; Exceptions) of the Loan Agreement is hereby amended by adding the following paragraph at the end thereof:

Notwithstanding anything to the contrary in this Loan Agreement, the Note or any of the other Loan Documents, Lender hereby waives any right to obtain a money judgment against Exchange Accommodator, its shareholders, directors, officers, partners, or employees, whether by an action brought under this Loan Agreement or any of the other Loan Documents and agrees that the extent of liability on the part of such parties with respect to this Loan Agreement or any of the other Loan Documents is and shall for all purposes be limited to the membership interests of Exchange Accommodator in Borrower, and Lender’s only recourse for the satisfaction of the Indebtedness and the performance of any covenant, stipulation, promise, indemnity, agreement, or obligation contained herein with respect to Exchange Accommodator shall be Lender’s exercise of its rights and remedies with respect to the Mortgaged Property and any other collateral held by Lender as security for the Indebtedness.

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

[(\_\_)] the Exchange Permitted Transfer described in Section 11.[\_\_] (Permitted Transfer to Effectuate Tax Free Exchange) hereof, or anything associated with the Reverse Exchange.

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

**[(\_\_)] 1031 Reverse Exchange.**

On or before the Exchange Termination Date, Borrower shall complete the Exchange Permitted Transfer described in Section 11.[\_\_] (Permitted Transfer to Effectuate Tax Free Exchange) **[DRAFTING NOTE: DELETE IF THERE IS NO EXCHANGE OPERATING LEASE IN PLACE: and** **cause the termination of the Exchange Operating Lease]**.

1. **[DRAFTING NOTE: DELETE IF THERE IS NO EXCHANGE OPERATING LEASE IN PLACE] [**Article 7 (Leases and Rents) of the Loan Agreement is hereby amended by adding the following provision at the end thereof:

**Section 7.[\_\_] Exchange Operating Lease.**

If the Exchange Operating Lease is a “master lease,” then, subject to any SASA executed by Borrower and Exchange Accommodator:

(a) Lender shall not be obligated to provide any non-disturbance rights to the master tenant under such “master lease;”

(b) the master tenant under such “master lease” agrees to execute an assignment of all Leases, including all subleases assigned to or entered into by master tenant covering or affecting the Mortgaged Property, or any portion of the Mortgaged Property, the “master lease,” and all modifications, extensions or renewals thereof; and

(c) the master tenant agrees to execute an assignment of master tenant’s interest in and to all Rents payable by subtenants and any amounts due to master tenant under the “master lease,” as additional security for the Mortgage Loan.**]**

1. Section 11.02(d) (No Mezzanine Financing or Preferred Equity) of the Loan Agreement is hereby deleted and restated in its entirety to read as follows:

**(d) No Mezzanine Financing or Preferred Equity.**

Neither Borrower nor any direct or indirect owner of Borrower shall: (1) incur any Mezzanine Debt other than Permitted Mezzanine Debt, (2) issue any Preferred Equity other than Permitted Preferred Equity, or (3) incur any similar indebtedness or issue any similar equity. **[DRAFTING NOTE: DELETE IF THERE IS NO EXCHANGE LOAN:**  **Notwithstanding the foregoing, Borrower and Lender acknowledge the Exchange Loan has been made, as evidenced by the Exchange Loan Documentation, and agree that the Exchange Loan is fully subordinate to the Mortgage Loan and will be repaid or forgiven and the Exchange Loan Documentation terminated upon completion of the Exchange Permitted Transfer.]**

1. Article 11 (Liens, Transfers, and Assumptions) of the Loan Agreement is hereby amended by adding the following provision at the end thereof:

**Section 11.[\_\_] Permitted Transfer to Effectuate Tax Free Exchange.**

Notwithstanding the provisions of Section 11.02(b) (Transfers), the Exchange Permitted Transfer shall be permitted subject to Borrower’s satisfaction of the following conditions:

(a) Borrower delivers to Lender written notice at least thirty (30) days prior to such Exchange Permitted Transfer, which notice shall include:

(1) the form of documentation intended to complete the proposed Exchange Permitted Transfer;

(2) fully executed copies of the then current organizational documents and current good standing certificates for Borrower and Exchange Accommodator; and

(3) confirmation that the Property Manager approved by Lender will continue to manage the Mortgaged Property.

(b) Borrower delivers to Lender immediately prior to completion of the proposed Exchange Permitted Transfer a current good standing certificate for Borrower;

(c) Borrower has submitted to Lender all information required by Lender to make the determination required by this Section 11.[\_\_] (Permitted Transfer to Effectuate Tax Free Exchange)**[, including evidence of termination of the Exchange Operating Lease]**;

(d) no Event of Default has occurred and is continuing, and no event which, with the giving of notice or the passage of time, or both, would constitute an Event of Default has occurred;

(e) **[DRAFTING NOTE: NAMES OF SPONSOR/KEY PRINCIPALS]** shall directly or indirectly manage and Control the day-to-day operations of the Mortgaged Property;

(f) Exchange Accommodator, Borrower and any other necessary parties have executed and delivered to Lender an assumption agreement (or an amendment to the Loan Agreement, as appliable) acceptable to Lender that documents the Exchange Permitted Transfer;

(g) Guarantor ratifies its obligations under the Non-Recourse Guaranty (via the assumption agreement or a separate document) in a form acceptable to Lender;

(h) Lender has reviewed and approved the documents effectuating the Exchange Permitted Transfer;

(i) the proposed Exchange Permitted Transfer is completed by no later than the Exchange Termination Date; and

(j) Borrower delivers to Lender finalized and fully executed copies of the documentation effectuating the Exchange Permitted Transfer in form and substance acceptable to Lender within two (2) Business Days following completion of the proposed Exchange Permitted Transfer.

If the conditions set forth in this Section 11.[\_\_] (Permitted Transfer to Effectuate Tax Free Exchange) are satisfied, the Transfer Fee shall be waived provided Borrower shall pay the Review Fee and out-of-pocket costs set forth in Section 11.03(g) (Further Conditions to Transfers and Assumptions).

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:

([\_\_]) in the event that Lender suffers any loss or damage as a result of the Reverse Exchange, including a failure to close the Exchange Permitted Transfer.

**[Remainder of Page Intentionally Blank]**