**EXHIBIT [\_\_\_]**

**MODIFICATIONS TO MULTIFAMILY LOAN AND SECURITY AGREEMENT**

**(Tax Abatement or Exemption)**

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:

“**Code**” means the **[describe code provision which enables the State to provide a tax exemption or abatement]**.

[“**PILOT**” means that [**describe pilot agreement or other documents which grant the PILOT**] dated \_\_\_\_\_\_\_\_\_\_\_\_, **[by and between Borrower and [\_\_\_\_\_\_\_\_\_\_]]**.**]**

“**Tax [Abatement] [Exemption]**” means that **[tax abatement] [tax exemption]** granted to Borrower pursuant to the Code[, and the amount by which the taxes Borrower would be obligated to pay without the PILOT is reduced by the payments in lieu of taxes due under the PILOT].

“**Tax [Abatement] [Exemption] Program**” means, collectively, the Tax **[Abatement] [Exemption] [and] [,]** the Code **[and the PILOT]**.

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

([\_\_]) the occurrence of an Event of Default under Section 14.01(a)([\_\_]), ([\_\_]) or ([\_\_]) of this Loan Agreement that results in the termination or substantial reduction of the Tax **[Abatement] [Exemption]**.

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 Tax **[Exemption][Abatement]** Program;

([\_\_]) any failure by Borrower to comply with Section [\_\_].02 (Compliance with Tax **[Abatement][Exemption]**) of this Loan Agreement, which failure continues beyond the expiration of any applicable cure period; or

([\_\_]) any transfer of the Mortgaged Property, any interest in the Mortgaged Property, or any interest in Borrower that would cause the Tax **[Abatement] [Exemption]** to terminate or be substantially reduced.

1. The following article is hereby added to the Loan Agreement as Article [\_\_\_] (Tax Abatement or Exemption):

**ARTICLE [\_\_\_]** **– TAX ABATEMENT OR EXEMPTION**

**Section [\_\_].01** **Tax** **[Abatement] [Exemption].**

The Mortgaged Property is eligible for a Tax **[Abatement] [Exemption]** pursuant to the Code **[and the PILOT]**.

**Section [\_\_].02** **Compliance with Tax** **[Abatement] [Exemption].**

(a) Borrower must file or cause to be filed on a timely basis all documentation necessary to maintain the Tax **[Abatement] [Exemption]** and shall provideLender with copies of such documentation.

(b) Borrower must comply or cause compliance fully with all of the Tax **[Abatement] [Exemption]** Program requirements in order to maintain the Tax **[Abatement] [Exemption][, including, but not limited to making timely payments of quarterly payments in lieu of taxes and/or annual services charges in accordance with the requirements of the PILOT]**.

(c) Borrower shall promptly provide Lender with a copy of any notice Borrower may receive alleging that Borrower is in breach of the requirements of the Tax **[Abatement] [Exemption]** Program or that the Mortgaged Property is not being maintained as required by the Tax **[Abatement] [Exemption]** Program.

(d) Borrower shall notify Lender if the Transfer of (1) the Mortgaged Property, (2) any interest in the Mortgaged Property or (3) any interest in Borrower, without the consent of the agency administering the Tax **[Abatement] [Exemption]**,would result in the termination or substantial reduction of the Tax **[Abatement] [Exemption]**.

(e) Borrower shall avail itself of all rights and opportunities to renew or extend the Tax **[Abatement] [Exemption]**.

(f) Borrower shall not voluntarily take or cause to be taken any action that would threaten the Tax **[Abatement] [Exemption]** or cause the Tax **[Abatement] [Exemption]** to terminate or be substantially reduced without the prior written consent of Lender.

**Section [\_\_].03** **Representations and Warranties.**

Borrower represents and warrants that:

(a) The Mortgaged Property is eligible for a Tax **[Abatement] [Exemption]** pursuant to the Code and is receiving the Tax **[Abatement] [Exemption]**.

(b) Borrower has not received any notice indicating that the Tax **[Abatement] [Exemption]** will be terminated or substantially reduced before its scheduled expiration date.

(c) Borrower has adhered to any income, rent or other restrictions imposed by the Tax **[Abatement] [Exemption]**.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Borrower Initials