**EXHIBIT [\_\_\_]**

**MODIFICATIONS TO MULTIFAMILY LOAN AND SECURITY AGREEMENT**

**(Tax Increment Financing)**

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:

“**Authority**” means \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, organized and existing under the laws of the [State][Commonwealth] of \_\_\_\_\_\_\_.

“**[Redevelopment] Agreement**” means that certain \_\_\_\_\_\_\_\_\_\_\_\_\_\_ [to be inserted] dated \_\_\_\_\_\_\_\_\_\_\_ between \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [to be inserted] and the Authority.

“**Tax Increment Financing**” means all of Borrower’s right, title and interest in and to any and all payments made or to be made under the Tax Increment Revenue Note and all rights, benefits and proceeds therefrom.

“**Tax Increment Revenue Note**” means that certain [Tax Increment Note] dated \_\_\_\_\_\_\_\_\_\_\_, made by the Authority in favor of [Borrower or Borrower’s predecessor] in the original principal amount of $\_\_\_\_\_\_\_\_\_\_[, as the same has been assigned to Borrower pursuant to that certain \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [to be inserted] dated as of \_\_\_\_\_\_\_\_\_\_\_], as [further] assigned from Borrower to Lender pursuant to a Collateral Assignment of [Tax Increment Note] and [Redevelopment Agreement] dated as of the Effective Date.

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 Increment Financing.

1. 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 default, event of default, or breach (however such terms may be defined) under the Tax Increment Revenue Note and [Redevelopment] Agreement;

([\_\_]) any failure by Borrower to comply with Section [\_\_].03 (Tax Increment Financing Covenants) of this Loan Agreement, which failure continues beyond the expiration of any applicable cure period afforded to Borrower under the [Redevelopment] Agreement or Tax Increment Revenue Note; or

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

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

**ARTICLE [\_\_\_]** **– TAX INCREMENT FINANCING**

**Section [\_\_].01** **Tax** **Increment Financing.**

Borrower is eligible for Tax Increment Financing pursuant to the Tax Increment Revenue Note and the [Redevelopment] Agreement.

**Section [\_\_].02** **Representations and Warranties.**

Borrower represents and warrants that:

(a) the Mortgaged Property is eligible for Tax Increment Financing pursuant to the Tax Increment Revenue Note and the [Redevelopment] Agreement and is receiving the Tax Increment Financing;

(b) Borrower has not received any notice indicating that the Tax Increment Financing will be terminated or substantially reduced before its scheduled expiration date; and

(c) Borrower has adhered to any restrictions imposed by the Tax Increment Revenue Note and the [Redevelopment] Agreement.

**Section [\_\_].03** **Tax Increment Financing Covenants.**

**(a) Compliance with Tax** **Increment Financing.**

(1) Borrower must file or cause to be filed on a timely basis all documentation necessary to maintain the Tax Increment Financing and shall provide Lender with copies of such documentation.

(2) Borrower must comply or cause compliance fully with the Tax Increment Revenue Note and the [Redevelopment] Agreement in order to maintain the Tax Increment Financing, including, but not limited to, making timely payments of taxes and maintaining adequate insurance coverage.

(3) 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 Increment Financing or that the Mortgaged Property is not being maintained as required by the Tax Increment Revenue Note or the [Redevelopment] Agreement.

(4) 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 Increment Financing, would result in the termination or substantial reduction of the Tax Increment Financing.

(5) Borrower shall not voluntarily take or cause to be taken any action that would threaten the Tax Increment Financing or cause the Tax Increment Financing to terminate or be substantially reduced without the prior written consent of Lender.

**(b) Indemnification.**

If Lender elects to exercise its rights under Section 14.03 due to Borrower’s failure to diligently cure any non-compliance with the requirements of the [Redevelopment] Agreement or Tax Increment Revenue Note, Borrower shall indemnify and hold Lender harmless for all actions, suits, claims, demands, liabilities, losses, damages, obligations, and costs or expenses, (including all litigation costs, reasonable attorneys’ fees) arising from or in any way connected with Lender’s actions to effectuate a cure; provided that Borrower shall have no indemnity obligation if such actions, suits, claims, demands, liabilities, losses, damages, obligations, arise as a result of the willful misconduct or gross negligence of Lender, Lender’s agents, employees, or representatives as determined by a court of competent jurisdiction pursuant to a final non-appealable court order.

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