

TAX REGULATORY AGREEMENT

By and Among

1732 CHAMPA LP,
a Colorado limited partnership, as Owner

and

CITY AND COUNTY OF DENVER, COLORADO,
as Issuer

and

BANK ONE, COLORADO, NA,
as Trustee

Dated as of August 1, 1997

Relating to:

\$4,950,000
CITY AND COUNTY OF DENVER, COLORADO
Multifamily Housing Revenue Bonds
(FHA Insured Mortgage Loan—The Buerger Brothers and
Denver Fire Clay Lofts Project)
Series 1997A

\$80,000
CITY AND COUNTY OF DENVER, COLORADO
Taxable Multifamily Housing Revenue Bonds
(FHA Insured Mortgage Loan—The Buerger Brothers and
Denver Fire Clay Lofts Project)
Series 1997B

KC42791B97

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TAX REGULATORY AGREEMENT

THIS TAX REGULATORY AGREEMENT (including the exhibits attached hereto) (the "Agreement"), made as of August 1, 1997, by and among 1732 CHAMPA LP, a Colorado limited partnership having its principal place of business at 1700 Lincoln Street, Suite 3900, Denver, CO 80203, its successors and assigns (the "Owner"), CITY AND COUNTY OF DENVER, COLORADO, a home rule city and a municipal corporation of the State of Colorado (the "Issuer") and BANK ONE, COLORADO, NA, a national banking association having its principal corporate trust office in Denver, Colorado, as trustee (the "Trustee") for the Bonds described below;

WITNESSETH:

WHEREAS, the Owner is or shall be the owner of a 31-unit multifamily residential rental facility, commercial facilities and the parking facilities related thereto located at 1732-46 Champa Street, Denver, Colorado 80202, on the site described in Exhibit D hereto, known as the Buerger Brothers Lofts Apartments and the Fire Clay Lofts Apartments and further identified as FHA Project No. 101-32008-PM (the "Project"); and

WHEREAS, the acquisition, construction, equipping and installation of the Project will be funded in part from proceeds of the sale of the Issuer's \$4,950,000 Multifamily Housing Revenue Bonds (FHA Insured Mortgage Loan—The Buerger Brothers and Denver Fire Clay Lofts Project) Series 1997A (the "Series 1997A Bonds") and \$80,000 Taxable Multifamily Housing Revenue Bonds (FHA Insured Mortgage Loan—The Buerger Brothers and Denver Fire Clay Lofts Project) Series 1997B (the "Series 1997B Bonds") (the Series 1997A Bonds and the Series 1997B Bonds are collectively referred to herein as the "Bonds") to be issued pursuant to a Trust Indenture, dated as of August 1, 1997, by and between the Issuer and the Trustee (the "Indenture"); and

WHEREAS, interest on the Series 1997A Bonds to Series 1997A Bondholders is not includible in gross income for federal income tax purposes if, among other things, the Project continuously complies during the Qualified Project Period (as defined herein) with Sections 142(a) and 142(d) of the Internal Revenue Code of 1986, as amended (the "Code"), and applicable regulations promulgated thereunder (the "Treasury Regulations"); and

WHEREAS, Project compliance with Sections 142(a) and 142(d) of the Code is within the control of the Owner; and

WHEREAS, the Issuer is unwilling to provide Bond proceeds to finance the Project unless the Owner shall, by executing this Agreement, consent to certain restrictions on the Project necessary to preserve the tax-exempt status of the interest on the Series 1997A Bonds under Section 103(a) of the Code; and

WHEREAS, the Owner has applied for an allocation of historic rehabilitation tax credits and low income housing tax credit dollars for the Project; and

WHEREAS, the Owner must continuously comply with Section 42 and other applicable sections of the Code and the applicable regulations thereunder; and

WHEREAS, the Owner has represented to the Issuer in its application for low income housing tax credits that the Owner shall lease 20% of the units in the Project to individuals or families whose income is 50% or less of area median gross income determined in accordance with the Code;

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, and of other valuable consideration, the Owner, the Issuer and the Trustee agree as follows:

Section 1. *Representations of the Owner.* The Owner hereby represents, as of the date hereof, and warrants, covenants and agrees as follows:

(a) The Owner is a Colorado limited partnership and has duly authorized, by proper action, the execution and delivery of this Agreement. The Owner is duly authorized by the laws of the State of Colorado to transact business in Colorado and to perform all of its duties hereunder.

(b) To the best of its knowledge, neither the execution and delivery of this Agreement or any other document in connection with the financing of the Project, the consummation of the transactions contemplated hereby and thereby nor the fulfillment of or compliance with the terms and conditions hereof and thereof conflicts with or results in a breach of any of the terms, conditions or provisions of any agreement or instrument to which the Owner is now a party or by which it is bound or constitutes a default (with due notice or the passage of time or both) under any of the foregoing or results in the creation or imposition of any prohibited lien, charge or encumbrance whatsoever upon any of the property or assets of the Owner under the terms of any instrument or agreement to which the Owner is now a party or by which it is bound.

(c) The execution, delivery and performance of this Agreement and all other documents to be delivered by the Owner in connection with the consummation of the transactions contemplated hereby will not conflict with, or constitute a breach of or default under, any indenture, mortgage, deed of trust, lease, note, commitment, agreement or other instrument or obligation to which the Owner is a party or by which the Owner or any of its property is bound, or to our knowledge under any law, rule, regulation, judgment, order or decree to which the Owner is subject or by which the Owner or any of its property is bound.

(d) There is no action, suit, proceeding, inquiry or investigation by or before any governmental agency, public board or body pending or to its knowledge threatened against the Owner (nor is there any basis therefor), which (i) affects or seeks to enjoin, prohibit or restrain the issuance, sale or delivery of the Bonds or the execution and delivery of this Agreement, (ii) affects or questions the validity or enforceability of the Bonds, the use of the proceeds of the Bonds or this Agreement, (iii) questions the tax-exempt status of the Series 1997A Bonds or (iv) questions the power or authority of the Owner to own, acquire, construct, equip or operate the Project or to execute, deliver or perform the Owner's obligations under this Agreement.

(e) The Project is located wholly within the boundaries of Denver, Colorado and within the boundaries of the Denver Urban Renewal Authority.

(f) The Owner has and will have title to the Project sufficient to carry out the purposes of this Agreement, and such title shall be in and remain in the name of the Owner except as otherwise permitted by this Agreement.

(g) The Project consists and will consist of those facilities described herein, which generally are described as an apartment complex and related facilities situated on the real property described in Exhibit D hereto. The Owner shall make no changes to the Project or to the operation thereof which would affect the qualification of the Project under the Act as defined in the Indenture, or impair the exemption from federal income taxation of the interest on the Series 1997A Bonds. The Owner intends to utilize the residential units of the Project as multifamily rental housing during the term of the Bonds.

(h) The Project meets the requirements of Rev. Proc. 62-21, which requires that the average reasonably expected economic life of the Project must be at least 40 years; the average maturity of the Series 1997A Bonds must be not more than 120% of such economic life.

(i) The Owner has obtained, or will obtain on or before the date required therefor, all necessary certificates, approvals, permits and authorizations with respect to the operation of the Project.

(j) The Owner does not and will not own any of the Bonds.

(k) Money on deposit in any fund or account in connection with the Bonds, whether or not such money was derived from other sources, shall not be used by or under the direction of the Owner, in a manner which would cause the Series 1997A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and the Owner specifically agrees that the investment of money in any such fund shall be restricted as may be necessary to prevent the Series 1997A Bonds from being "arbitrage bonds" under the Code.

(l) The Owner (and any person related to it within the meaning of Section 147(a)(2) of the Code) will not take or omit to take, as is applicable, any action if such action or omission would in any way cause the proceeds from the sale of the Bonds to be applied in a manner contrary to the requirements of the Indenture or this Agreement.

Section 2. *Term of Restrictions.*

(a) *Occupancy Restrictions.* The occupancy restrictions set forth in Section 4 of this Agreement (the "Occupancy Restrictions") will remain in effect throughout the Qualified Project Period, as defined herein. The "Qualified Project Period" shall be the period beginning on the first day on which 10 percent of the residential units in the Project are occupied and ending on the latest of the following: (i) the date which is 15 years after the date on which at least 50 percent of the residential units in the Project are occupied; (ii) the first day on which no tax-exempt private activity bond (as defined in Section 141(a) of the Code) issued with respect to the Project is outstanding; or (iii) the date on which any assistance provided with respect to the Project under Section 8 of the United States Housing Act of 1937 ("Section 8") ends:

(b) *Rental Restrictions.* The rental restrictions set forth in Section 5 of this Agreement (the "Rental Restrictions") will remain in effect throughout the Qualified Project Period.

(c) Notwithstanding the provisions of (a) and (b) of this Section, this Agreement and all other restrictions hereunder shall terminate in the event of an involuntary noncompliance caused by unforeseen events such as fire, seizure, requisition, foreclosure, transfer of title by deed in lieu of foreclosure, change in a federal law or an action of a federal agency after the date of issue of the Bonds which prevents the Issuer or the Trustee from enforcing the provisions of this Agreement, or condemnation or similar event, provided (i) the Bonds are retired within a reasonable period; or (ii) within a reasonable time period any insurance proceeds or condemnation award or other amounts received as a result of such loss or destruction are used to provide a project which meets the requirements of Sections 142(a) and 142(d) of the Code and applicable Treasury Regulations. However, the provisions of this paragraph shall cease to apply (and the provisions of paragraphs (a) and (b) shall apply for the remainder of the Qualified Project Period) in the event of foreclosure, transfer of title by deed in lieu of foreclosure, or similar event if, at any time subsequent to such event and during the Qualified Project Period, the obligor on a purpose investment (as defined in § 1.148-1 of the Regulations) or a related person (as defined in Section 147(a)(2) of the Code) obtains an ownership interest in the Project for tax purposes.

(d) This Agreement shall terminate upon the earlier of (i) termination of the Occupancy Restrictions and the Rental Restrictions as provided in paragraphs (a) and (b) of this Section, or (ii) a termination pursuant to the provisions of paragraph (c) of this

Section or (iii) delivery to the Issuer, the Owner and the Trustee of an opinion of nationally recognized bond or tax counsel acceptable to the Issuer and the Trustee to the effect that continued compliance with the Rental Restrictions and Occupancy Restrictions is not required in order for interest on the Series 1997A Bonds to remain excludable from the gross income of the owners of the Series 1997A Bonds for purposes of federal income taxation.

Section 3. *Project Restrictions.* The Owner represents, warrants and covenants that:

(a) The Project is being constructed or rehabilitated for the purpose of providing a multifamily "qualified residential rental project," pursuant to Section 142(d) of the Code and described in that Section and in any applicable Treasury Regulations thereunder and will constitute a qualified residential rental project.

(b) The residential portion of the Project will consist solely and exclusively of a building or structure or several proximate buildings or structures containing similar residential units in quality and type of construction and amenities and which are located on a single tract of land or contiguous parcels of land, and such buildings and land will be owned, for federal tax purposes, at all times by the same person, and may include facilities functionally related and subordinate thereto. Each such building or structure shall be a discrete edifice or other man-made construction consisting of independent (i) foundation, (ii) outer walls and (iii) roof.

(c) Any functionally related and subordinate facilities (e.g., parking areas, swimming pool, tennis courts, etc.) which are to be included as part of the Project will be made available to all tenants on an equal basis. Fees will only be charged with respect to the use thereof if the charging of fees is customary for the use of such facilities at similar residential rental properties in the surrounding area. In any event, any fees charged will not be discriminatory or exclusionary as to the low or moderate income tenants.

(d) The Owner will not knowingly take or permit to be taken any action which would have the effect, directly or indirectly, of subjecting the Owner or the Project to non-compliance with Section 142 of the Code and applicable Treasury Regulations promulgated thereunder. If the Owner becomes aware of any situation, event or condition which would result in non-compliance of the Project or the Owner with Section 142 of the Code or applicable Treasury Regulations thereunder, the Owner shall promptly give written notice thereof to the Issuer and the Trustee.

(e) No part of the Project will at any time be owned or used by a cooperative housing corporation (as defined in Section 216(b)(1) of the Code).

(f) In the event a unit within a building or structure is occupied by the Owner or a person related to the Owner, the building or structure must include no fewer than four units not occupied by the Owner or a person related to the Owner.

(g) Each residential unit in the Project will contain separate complete living, sleeping, eating, cooking, and sanitation facilities for a single person or a family.

(h) None of the units in the Project will at any time be utilized on a transient basis, or used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, hospital, nursing home, sanitarium, rest home, retirement home or trailer park. Prior to commencing occupancy in any unit in the Project, a tenant shall execute a written lease which shall be effective for a term of at least thirty (30) days.

(i) All the units in the Project will be leased, rented, or available for lease or rental on a continuous basis to members of the general public (other than units for a resident manager, maintenance personnel and/or security personnel) subject, however, to the requirements of Section 4(a) hereof.

(j) If a Housing Assistance Payments Contract is entered into with respect to the Project pursuant to the Housing Assistance Payments Program under Section 8 of the United States Housing Act of 1937, as amended, the Owner will comply with all applicable Section 8 requirements.

(k) The Owner shall notify the Issuer of each of the dates referred to in Section 2(a) hereof and of the date on which units in the Project are first placed in service and of the date on which substantial completion of the Project occurs, and shall deliver such certificates and documents to the Issuer, the Trustee and the Compliance Agent, if any.

(l) The Owner shall not discriminate on the basis of race, creed, color, sex, sexual preference, source of income (e.g., TANF, SSI), physical disability, age, religion, national origin, marital status or political opinion or affiliation in the rental, lease, use or occupancy of the Project or in connection with the employment or application for employment of persons for the operation and management of the Project. The Project should generally be made available to families with children.

Section 4. *Occupancy Restrictions.* Pursuant to Section 142(d)(1) of the Code, the Issuer hereby elects, and the Owner hereby agrees, that the "20-50 Test" of subparagraph (A) of such Section 142(d)(1) of the Code shall apply to the Project. The Owner represents, warrants and covenants, in addition to the covenants contained in Section 6.12 of the Financing Agreement, that at all times during the Qualified Project Period:

(a) At least 20% of the completed units in the Project shall be occupied (or treated as occupied as provided herein) by Qualified Tenants (as defined below).

"Qualified Tenants" means individuals or families whose income does not exceed 50% (adjusted for family size) of the median gross income for the area in which the Project is located; provided that if all the occupants of a unit are students (as defined in Section 151(c)(4) of the Code), no one of whom is entitled to file a joint return under Section 6013 of the Code, the occupants of that unit shall not be deemed to be "Qualified Tenants." If a Qualified Tenant vacates a unit, such unit shall be treated as occupied by a Qualified Tenant until reoccupied, other than for a temporary period not in excess of 31 days, at which time a redetermination of whether the unit is occupied by a Qualified Tenant shall be made.

(b) The income of individuals and area median gross income shall be determined by the Secretary of the Treasury in a manner consistent with determinations of lower income families and area median gross income under Section 8 of the United States Housing Act of 1937, as amended (or, if such program is terminated, under such program as in effect immediately before such termination). The Owner acknowledges that the actual income limits may differ based on the figures actually published for the Section 8 program, and that such figures will change periodically, generally on an annual basis.

(c) The determination of whether a resident meets the income requirements of subparagraph (a) above shall be made at least *annually* (each October 1) on the basis of the current income of the resident. Each lease (whether or not such tenant is intended to be a Qualified Tenant) shall require the tenant to certify the income of the residents annually and at any time as the Owner may reasonably request in the manner set forth in (d) below.

(d) As a condition of occupancy, each person who is intended to be a Qualified Tenant shall be required to sign and deliver to the Owner the Certification of Adjusted Income attached hereto as Exhibit "A" (the "Income Certification") in which the prospective Qualified Tenant certifies that he or she is a Qualified Tenant or that he or she and his/her family are Qualified Tenants. In addition, such person shall be required to provide whatever other information, documents or certification are deemed necessary (including income tax returns) by the Owner, the Issuer, the Compliance Agent, if any, or the Trustee to substantiate the Income Certification. The Owner shall have each Qualified Tenant recertify the Income Certification at least once per year.

(e) If the income of a resident of a unit in the Project did not exceed the applicable income limit upon commencement of such resident's occupancy of such unit (or as of any later determination under subparagraph (c)), the income of such resident shall be treated as continuing to not exceed the applicable income limit. The preceding sentence shall cease to apply to any resident whose income as of the most recent determination under subparagraph (c) exceeds one hundred forty percent (140%) of the applicable income limit (either as a result of an increase in income or a decrease in family size).

(f) The form of lease to be used by the Owner in renting any units in the Project to Qualified Tenants shall provide for termination of the lease and consent by such person to immediate eviction for failure to qualify as a Qualified Tenant as a result of any material misrepresentation made by such person with respect to the Income Certification.

(g) All Income Certifications will be maintained on file at the Project with respect to each tenant who resides in a Project unit or resided therein during the immediately preceding calendar year, and the Owner will, promptly upon receipt, file a copy thereof with the Trustee. Income Certifications pertaining to the Qualified Tenants shall be provided by the Owner to the Compliance Agent, if any. Income Certifications pertaining to the occupants of the Project who are not Qualified Tenants shall be provided by the Owner to the Compliance Agent, if any, upon request. Copies of all Income Certifications shall be furnished to the Issuer and the Compliance Agent, if any, upon request.

(h) On the first day of each month after the Project is available for occupancy, the Owner shall submit to the Trustee and Compliance Agent, if any, a Monthly Tenant Report in substantially the form attached hereto as Exhibit "B" (or such substitute form as shall be approved by the Issuer) executed by the Owner stating the number and percentage of units of the Project which were occupied by Qualified Tenants at all times during the preceding month and identifying Qualified Tenants who commenced or terminated occupancy of the Project during such month.

(i) At least quarterly beginning on the commencement of the Qualified Project Period, the Owner shall submit to the Issuer, the Compliance Agent, if any, and the Trustee a Certificate of Continuing Program Compliance in substantially the form attached hereto as Exhibit "C" (or such substitute form as shall be approved by the Issuer and Bond Counsel) executed by the Owner stating the percentage of units of the Project which are occupied or being held available for occupancy by Qualified Tenants.

(j) The Trustee shall maintain all records, reports, certificates or other documentation submitted to it for the duration of this Agreement.

Section 5. *Rental Restrictions.* Subject to Sections 2(a) and (b) hereof, the Owner represents, covenants and warrants that once available for occupancy each unit in the Project will be rented or available for rental on a continuous basis.

Section 6. *Residential Project for Eligible Tenants.* The Issuer, the Owner and the Trustee hereby declare their understanding, intent and agreement that the Project is to be owned, managed and operated by the Owner as a "residential facility for low-and middle-income families or persons intended for use as the sole place of residence by the owners or intended occupants" as set forth in § 29-3-103, Colorado Revised Statutes, as amended (the "Act"). Under the Act, "low- and middle-income persons and families" means person and families determined by the

Issuer (which determination shall be conclusive) to lack the financial ability to pay prices or rentals sufficient to induce private enterprise in such county to build a sufficient supply of adequate, safe and sanitary dwellings without the special assistance afforded by the Act.

Section 7. *Transfer Restrictions; Covenants to Run With the Land; Term of Agreement.*

(a) The Owner covenants and agrees that the Owner will cause or require as a condition precedent to any conveyance, transfer, assignment or any other disposition of the Project (the "Transfer") prior to the termination of this Agreement that the transferee of the Project pursuant to the Transfer assume in writing, in a form acceptable to the Issuer and the Trustee (the "Assumption Agreement"), all duties and obligations of the Owner under this Agreement, including this Section in the event of a subsequent Transfer by the transferee prior to the termination of this Agreement. The Owner shall deliver the Assumption Agreement to the Issuer and the Trustee prior to the Transfer.

(b) This Agreement shall be placed of record in the land records of the City and County of Denver, Colorado and, except as provided in Sections 2(c) and 13 hereof, the covenants contained herein shall run with the land and shall bind, and the benefits shall inure to, respectively, the Owner and its successors and assigns and all subsequent owners of the Project or any interest therein, and the Issuer and its successors and assigns, until the termination of this Agreement as provided in Section 2(d) herein.

Section 8. *Certification to Secretary.* The Owner (or other operator of the Project) shall submit to the Secretary of the Department of the Treasury Internal Revenue Service Form 8703 (at such time, generally March 31 of each year during the Qualified Project Period, and in such manner as the Secretary shall prescribe in the instructions to such form 8703) which is an annual certification as to whether the Project continues to meet the requirements of Section 142(d) of the Code. The Owner shall simultaneously send copies of such certifications to the Issuer, the Trustee and the Compliance Agent, if any. The Owner acknowledges that failure to file such certification shall subject the Owner to penalty as provided in Section 6652(j) of the Code.

Section 9. *Enforcement.*

(a) Upon the receipt of reasonable notice, the Owner shall permit any duly authorized representative of the Issuer, the Compliance Agent, if any, or the Trustee to inspect any books and records of the Owner regarding the Project and with respect to the incomes of Qualified Tenants which pertain to compliance with the provisions of this Agreement and Section 142(d) of the Code and the Treasury Regulations and with respect to the incomes of Eligible Tenants which pertain to compliance with the provisions of this Agreement.

(b) The Owner agrees to pay all costs and expenses of the Issuer, the Compliance Agent, if any, and the Trustee in connection with any actions taken pursuant to this Section.

(c) In addition to the information provided for in Sections 4(h) and (i) and 8, the Owner shall submit any other information, documents or certifications requested by the Issuer, the Compliance Agent, if any, or the Trustee which the Issuer or the Trustee deems reasonably necessary to substantiate the Owner's continuing compliance with the provisions of this Agreement and Section 142(d) of the Code and the Treasury Regulations.

(d) The Issuer, the Owner and the Trustee each covenants that it will not knowingly take and the Owner and the Trustee each covenant that it will not knowingly permit any action that it knows would adversely affect the exclusion from gross income for federal income tax purposes of interest on the 1997A Bonds. Moreover, each covenants to take any lawful action (including amendment of this Agreement as may be necessary in the opinion of Bond Counsel (as defined in the Indenture)) to comply fully with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the Internal Revenue Service from time to time pertaining to obligations issued under Section 142(d) of the Code and affecting the Project.

(e) The Owner covenants and agrees to inform the Issuer and the Trustee by written notice of any violation of the Owner's obligations hereunder within five (5) days of actual knowledge of any such violation, and the Issuer and the Trustee each covenant and agree to inform the Owner by written notice or other communication of any material violation of the Owner's obligations hereunder within five (5) days of first discovering such violation and to provide the Owner a period of time in which to correct such violation. If any such violation is not corrected to the satisfaction of the Issuer and the Trustee within the period of time specified by the Issuer and the Trustee which shall be at least thirty (30) days after the date any notice to or by the Owner is mailed, or within such further time (as may be approved in an opinion of Bond Counsel addressed to the Owner, the Issuer and the Trustee) as is necessary to correct the violation without loss of the exclusion from gross income for federal income tax purposes of interest on the Series 1997A Bonds, not to exceed any limitations set by applicable Treasury Regulations, without further notice, the Issuer and the Trustee shall declare a default under this Agreement effective on the date of such declaration of default, and upon such default, the Owner hereby agrees to pay to the Issuer an amount equal to any rents or other amounts received by the Owner for any units in the Project which were in violation of this Agreement during the period any such violation continued, and the Issuer shall apply to any court, state or federal, for specific performance of this Agreement or an injunction against any violation of this Agreement, or for the appointment of a receiver to take over and operate the Project in accordance with the terms of this Agreement, or

any other remedies at law or in equity or any such other actions as shall be necessary or desirable so as to correct noncompliance with this Agreement.

(f) The Owner, the Issuer and the Trustee each acknowledge that the primary purpose for requiring compliance by the Owner with the restrictions provided in this Agreement is to preserve the exclusion from gross income for federal income tax purposes of interest on the Series 1997A Bonds to the Series 1997A Bondholders, and that the Trustee on behalf of the Series 1997A Bondholders, who are declared to be third party beneficiaries of this Agreement, shall be entitled for any breach of the provisions hereof, to all remedies both at law and in equity in the event of any default hereunder.

(g) The Owner shall provide a report to the Compliance Agent, if any, substantially in the same form as is attached hereto as Exhibit E within thirty (30) days after each March 1, June 1, September 1 and December 1 during the term hereof.

Section 10. *Agents of the Issuer and the Trustee.* The Issuer and the Trustee shall each have the right to appoint an agent to carry out any of its duties and obligations hereunder, and shall inform the Owner, the Issuer, and the Trustee of any such agency appointment by written notice.

Section 11. *Interpretation.* Any terms not defined in this Agreement shall have the same meaning as terms defined in relevant sections of the Code and Treasury Regulations thereunder.

Section 12. *Amendment.* The Agreement may be amended by an instrument in writing duly executed by the Issuer, the Trustee (so long as the Bonds are Outstanding) and the Owner, and duly recorded. However, no such amendment of this Agreement shall be made without receipt of an opinion of Bond Counsel to the effect that such amendment will not adversely affect the exclusion from gross income for federal income tax purposes of the interest paid on the Series 1997A Bonds.

Section 13. *Superseding HUD Insurance Provisions.*

(a) *Definitions.* As used herein the following terms shall have the following meanings:

"HUD" means the U.S. Department of Housing and Urban Development.

"HUD/FHA Loan Documents" means that certain Mortgage, Mortgage Note, HUD Regulatory Agreement, Building Loan Agreement, Security Agreement, Financing Statements and the various other documents, certifications and assurances executed and delivered by the Owner to the Trustee in connection with the Mortgage Loan insured by HUD.

"*HUD Regulatory Agreement*" means that certain Regulatory Agreement executed by the Owner and HUD in connection with the Mortgage Loan.

"*Mortgage*" means the mortgage or deed of trust in favor of the Trustee securing the Mortgage Loan.

"*Mortgage Loan*" means that certain mortgage loan in the original principal amount of \$4,776,100 to be insured by HUD under Section 220 of the National Housing Act, as amended, with respect to the Project.

"*National Housing Act*" means the National Housing Act of 1934, as amended.

(b) *Rules of Construction.* Notwithstanding anything in this Agreement to the contrary:

1. In the event of any conflict between any provision elsewhere contained in this Agreement and any provision contained in this Section, the provision contained in this Section shall govern and be controlling in all respects.

2. In consideration of HUD's agreement to insure the Mortgage Loan, and in reliance of HUD upon the promises of the Owner, the Issuer and the Trustee to comply herewith, HUD has reserved the right to require the Issuer and the Trustee to remove or void the restrictions contained herein that exceed the requirements of Section 142(d) of the Code upon a determination by HUD that the restriction(s) is (are) threatening the financial viability of the Project (i.e., impairing the Owner's ability to sustain a level of income sufficient to meet all financial obligations of the Project, including debt service costs, HUD-required escrows and Project operation expenses). In the absence of compliance by the Issuer and the Trustee with a HUD request that the restriction(s) be removed or voided, the Issuer and the Trustee expressly recognize the power of HUD to take the appropriate action to unilaterally remove or void the restriction(s) and that HUD shall not have to look any further than the legal instrument containing the restriction(s) for the power to remove or void it.

3. Notwithstanding anything in this document to the contrary, the provisions of this Agreement are subordinate to all applicable HUD mortgage insurance (and Section 8, if applicable) regulations and related administrative requirements. In the event of any conflict between the provisions of this Agreement and the provisions of any applicable HUD regulations, related HUD administrative requirements or HUD/FHA loan documents, the HUD regulations, related administrative requirements or loan documents shall control.

4. No failure on the part of the Owner to comply with the provisions of this Agreement shall serve as a basis for a default on the Mortgage Loan.

5. No amendment to Section 13 of this Agreement shall be effective without the prior written approval of HUD.

6. Enforcement of the provisions of this Agreement shall not result in any claim under the Mortgage Loan, or any claim against the Project, Mortgage Loan proceeds, any reserve or deposit made with the Trustee or another person or entity required by HUD or the Trustee in connection with the Mortgage Loan transaction, or against the rents or other income from the Project (other than available "surplus cash," "distributions" and "residual receipts" (as such terms are defined in the HUD Regulatory Agreement) and duly authorized for release by the Trustee).

7. The Owner shall not be deemed to be in violation of this Agreement if it shall take any actions required or refrain from taking any actions prohibited by HUD pursuant to the National Housing Act, applicable mortgage insurance regulations, related administrative requirements, the HUD/FHA Loan Documents, and, if applicable, Section 8 of the U.S. Housing Act of 1937, as amended, and regulations promulgated thereunder.

8. This Agreement and the restrictions hereunder are subject and subordinate to the lien and security interest granted by the Mortgage. In the event of foreclosure or transfer of title by deed in lieu of foreclosure, this Agreement and the restrictions hereunder shall automatically and immediately terminate and shall thereafter be of no further force and effect.

9. Other than as provided in Section 6 hereof, in the event that any covenant or provision contained in this Agreement is more stringent or burdensome than the minimum requirements, as in effect on the date hereof, imposed for the financing of multifamily residential rental housing developments with bonds which are tax-exempt pursuant to Section 142(a)(7) of the Internal Revenue Code (and implementing Treasury Regulations), such covenant or provision herein which is more stringent or burdensome shall automatically become and be deemed a nullity and shall be reduced to and be replaced by the comparable minimum requirement provided for in Section 142(d) of the Internal Revenue Code (and implementing Treasury Regulations) in effect on the date of execution of this Agreement, as if the same were fully set forth at length herein.

10. The provisions of this Agreement shall inure to the benefit of HUD, and its successors and assigns.

Section 14. *Indemnification.* The Owner shall indemnify, hold harmless and defend the Issuer and the Trustee and the respective officers, members, directors, officials and employees of each of them against all loss, costs (reasonable and customary), damages, expenses (reasonable and customary), suits, judgments, actions and liabilities of whatever nature (including, without limitation, attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from or arising out of or related to (a) the design, construction, installation, operation, use, occupancy, maintenance, or ownership of the Project (including compliance with laws, ordinances and rules and regulations of public authorities relating thereto); or (b) any written statements or representations with respect to the Owner, the Project or the Bonds made or given to the Issuer or the Trustee, or any underwriters or purchasers of any of the Bonds, by the Owner, or any of its members, agents or employees, including, but not limited to, statements or representations of facts or financial information. The Owner also shall pay and discharge and shall indemnify and hold harmless the Issuer and the Trustee from (x) any lien or charge upon payments by the Owner to the Issuer and the Trustee hereunder and (y) any taxes (including, without limitation, all ad valorem taxes and sales taxes), assessments, impositions and other charges in respect of any portion of the Project. If any such claim is asserted, or any such lien or charge upon payments, or any such taxes, assessments, impositions or other charges, are sought to be imposed, the Issuer, or the Trustee shall give prompt notice to the Owner, and the Owner shall have the sole right and duty to assume, and will assume, the defense thereof, including the employment of counsel selected by the Owner but subject to the approval of the indemnified party and the payment of all expenses related thereto, with full power to litigate, compromise or settle the same with the approval of the Issuer and the Trustee.

Section 15. *Compliance by Owner.* Notwithstanding any provision herein to the contrary, the Owner shall be responsible for monitoring and verifying compliance of the Project with this Agreement and the Code. The Owner shall be authorized to rely upon representations made by the Compliance Agent, if any, on behalf of the Issuer.

Section 16. *No Duty to Monitor Compliance.* Notwithstanding any provision herein to the contrary, the Owner recognizes and agrees that the Issuer shall have no duty to monitor compliance with the terms and conditions of this Agreement.

Section 17. *Severability.* The invalidity of any clause, part or provision of this Agreement shall not affect the validity of the remaining portions thereof.

Section 18. *Notices.* All notices to be given pursuant to this Agreement shall be in writing and shall be deemed given when mailed by certified or registered mail, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing.

The Owner:

1732 Champa LP
1700 Lincoln Street
Suite 3900
Denver, CO 80203
Attention: Mr. David Sommers Cohen

The Issuer:

City and County of Denver, Colorado
City and County Building
1437 Bannock Street
Denver, CO 80202
Attention: City Attorney

with a copy to:

Planning and Development Office
200 West 14th Avenue
Room 203
Denver, CO 80204
Attention: Mr. Stephen D. Gordon

The Trustee:

Bank One, Colorado, NA
1125 Seventeenth Street
Denver, CO 80202
Attention: Trust Administration

with a copy to:

Bank One Trust Company, N.A.
P.O. Box 710181
100 East Broad Street, 8th Floor
Columbus, OH 43271-0181
Attention: Structured Finance Group


Section 19. *Governing Law.* This Agreement shall be governed by the laws of the State of Colorado and, where applicable, the laws of the United States of America.

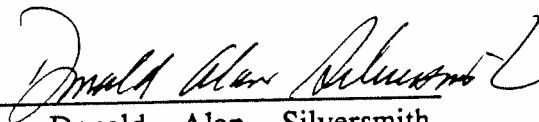
IN WITNESS WHEREOF, the parties have caused this Agreement to be signed and sealed by their respective, duly authorized representatives, as of the day and year first written above.

1732 CHAMPA LP, a Colorado limited partnership

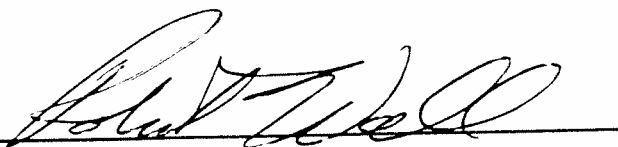
By: SILREPCO LP, a Colorado limited partnership, General Partner

By: CS CHAMPA, INC., a Colorado corporation, General Partner

By 
David Sommers Cohen,
President

By 
Donald Alan Silversmith,
Vice President

BANK ONE, COLORADO, NA, as Trustee

By 
Authorized Officer

[Signature Page to Tax Regulatory Agreement]

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed and sealed by their respective, duly authorized representatives, as of the day and year first written above.

[SEAL]

CITY AND COUNTY OF DENVER,
COLORADO

Attest:

By *Joseph E. Godwin*
City Clerk and Recorder

By *Walter E. Wells*
Mayor

By *Robert M. Hall*
Assistant City Attorney

Countersigned and Registered


By *[Signature]*
Auditor

[Signature Page to Tax Regulatory Agreement]

STATE OF COLORADO]
] ss:
CITY AND COUNTY OF DENVER]

This 7th day of October 1997, personally came before me, David Sommers Cohen and Donald Alan Silversmith, who being by me duly sworn, says that they are authorized representatives of 1732 Champa LP; and that the foregoing instrument was signed by them as authorized representatives of 1732 Champa LP, by authority duly given.

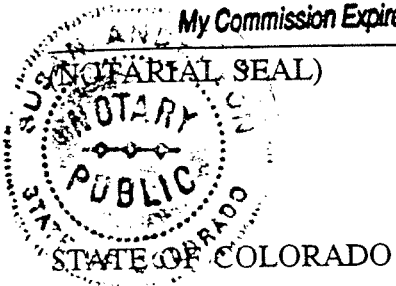
4



Notary Public


My Commission expires:

My Commission Expires Jan. 3, 2000



STATE OF COLORADO]
] ss:
CITY AND COUNTY OF DENVER]

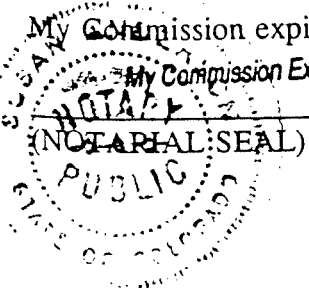
This 7th day of October 1997, personally came before me, Wellington E. Webb, Donald J. Mares, Robert M. Kelly, Esq. and Rosemary E. Rodriguez, who by me duly sworn, did say respectively that they are the Mayor, Auditor, Assistant City Attorney and City Clerk and Recorder of the Issuer and that the said writing was signed and sealed by them on behalf of said Issuer, by authority duly given. And the said Wellington E. Webb, Donald J. Mares, Robert M. Kelly, Esq. and Rosemary E. Rodriguez acknowledged the said writing to be the act and deed of said Issuer.



Notary Public

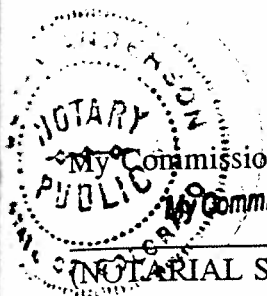
My Commission expires:

My Commission Expires Jan. 3, 2000



STATE OF COLORADO]
] ss:
CITY AND COUNTY OF DENVER]

This 7th day of October 1997, personally came before me, Robert Wall, who by me duly sworn, did say respectively that he/she is the Vice President and Trust Officer of Bank One, Colorado, NA; and that the said writing was signed and sealed by him/her on behalf of said Bank One, Colorado, NA, by authority duly given. And the said Robert Wall acknowledged the said writing to be the act and deed of said Vice President and Trust Officer.



Susan Anderson
Notary Public

My Commission expires:
My Commission Expires Jan. 3, 2000
(NOTARIAL SEAL)

EXHIBIT A

**CERTIFICATION OF ADJUSTED INCOME
(AS DEFINED IN FORMER TREASURY REGULATION § 1.167 (k)-3(b)(3))
FOR TENANT ELIGIBILITY**

4

NAME OF PROJECT: The Buerger Brothers Lofts Apartments and Fire Clay Lofts Apartments

ADDRESS OF PROJECT: 1732-46 Champa Street, Denver, Colorado 80202

DATE: _____

If additional space is needed in filling out this form, attach sheets identifying the additional information referenced to the appropriate line number.

Listed below are the names of all persons who intend to reside in the unit of the above-named Project:

LINE: 1.	2.	3.	4.	5.
<u>Name of Members of the Household</u>	<u>Relationship to Head of Household</u>	<u>Age</u>	<u>Social Security Number</u>	<u>Place of Employment</u>
_____	<u>HEAD OF HOUSEHOLD</u>	_____	_____	_____
_____	<u>SPOUSE</u>	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Each line hereinafter is for the income of all of the above persons during the 12-month period beginning on this date. Please refer to Part I of the Instruction Sheet for detailed explanations as to the income information required. Part II of the Instruction Sheet provides information on income which may be excluded.

6. (a) Wages, salaries, tips, etc. \$ _____

 (b) Interest (also enter on line 14(b)(i)) \$ _____

- (c) Dividends (also enter on line 14(b)(ii)) . . . \$ _____
- 7. Net income from the operation of a business
or profession \$ _____
- 8. The full amount of periodic payments received from
social security, annuities, insurance policies,
retirement funds, pensions, disability or death
benefits and other similar types of periodic receipts,
including a lump-sum payment for the delayed start
of a periodic payment \$ _____
- 9. Payments in lieu of earnings, such as
unemployment and disability compensation,
worker's compensation and severance pay \$ _____
- 10. Welfare or other payments to families or
individuals, based on need, that are made under
programs funded, separately or jointly, by Federal,
State or local governments \$ _____
- 11. Periodic and determinable allowances, such as
alimony and child support payments, and regular
contributions or gifts received from persons not
residing in the unit \$ _____
- 12. All regular pay, special pay, and allowances of a
member of the Armed Forces (whether or not living
in the unit) who is Head of the Family, Spouse, or
other person whose dependents are residing in the
unit \$ _____
- 13. Any earned income tax credit to the extent it
exceeds income tax liability \$ _____

The individual incomes of all the persons listed in Line 1 above during the 12-month period beginning this date is as follows:

<u>Names</u>	<u>Totals</u>
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

14. If any of the persons described above has any net income of any kind from assets, being real or personal property, provide the following:

(a) The total value of all such assets owned by all such persons \$ _____

4

(b) The total amount of income expected to be derived from such assets in the 12-month period commencing this date \$ _____

This includes:

(i) interest (from line 6(b)) \$ _____

(ii) dividends (from line 6(c)) \$ _____

15. (a) Will all of the persons listed under Line 1 above be or have they been full time students during five calendar months of this calendar year at an educational institution (other than a correspondence school) with regular faculty and students)?

Yes _____ No _____

(b) If the answer to 15(a) is yes, is any such person (other than nonresident aliens) married and eligible to file a joint federal income tax return?

Yes _____ No _____

I/we, the undersigned, state that I/we have read and answered fully and truthfully each of the preceding questions for all members of the Household who are to occupy a unit in the above-named apartment Project for which application is made, all of whom are listed above.

I/we will assist the Owner of the above-named Project in obtaining any information or documents required to verify the statements made herein, including either an income verification from my/our present employer(s) or copies of federal tax returns for the immediately preceding calendar year.

I/we acknowledge that I/we have been advised that the making of any misrepresentation or misstatement in this declaration will constitute a material breach of my/our agreement with the Owner of the above-named Project to lease a unit in the above-named Project and will entitle

the Owner of the above-named Project to prevent or terminate my/our occupancy of the unit by institution of an action for ejection or other appropriate proceedings.

HEAD OF HOUSEHOLD

SPOUSE

SUBSCRIBED AND SWORN to before me this _____ day of _____, _____.

(NOTARY SEAL)

Notary Public in and for the State of
Colorado, County of _____

My Commission Expires:

FOR COMPLETION BY PROJECT OWNER:

I. CALCULATION OF ADJUSTED INCOME:

1. Enter the amount of income for the entire Family by adding line 6(a) with lines 7 through 13: \$ _____
- 2.(a) If the amount entered in 14(a) is greater than \$5,000, enter the greater of: \$ _____
- (i) the amount entered in 14(b) or
- (ii) a percentage of the total entered in 14(a) based on the current passbook savings rate as determined by the Department of Housing and Urban Development
- (b) If the amount entered in 14(a) is less than \$5,000, enter the amount entered in 14(b): \$ _____
3. Add number (1) and (2) to determine ADJUSTED INCOME: \$ _____

II. DETERMINATION OF TENANT ELIGIBILITY:

- I. Answer one of the following according to family size:
- (a) If the Household consists of a single individual is the amount entered in line 3 above less than or equal to Median Gross Income for the Area for a family of one*? Yes _____ No _____
- (b) If the Family consists of a family of two is the amount entered in line 3 above less than or equal to Median Gross Income for the Area for a family of two*? Yes _____ No _____
- (c) If the Family consists of a family of three is the amount entered in line 3 above less than or equal to Median Gross Income for the Area for a family of three*? Yes _____ No _____

(d) If the Family consists of a family of four or greater is the amount entered in line 3 above less than or equal to Median Gross Income for the Area for a family of four*?

Yes _____ No _____

2. Check one of the following:

(a) Line (1) above is No, therefore the Household does not qualify as a Qualified Tenant. _____

(b) Line (1) above is Yes, and 15(a) above is No, therefore the Household qualifies as a Qualified Tenant. _____

(c) Line (1) above is Yes, and 15(a) above is Yes, and 15(b) above is Yes, therefore the Household qualifies as a Qualified Tenant. _____

(d) Line (1) above is Yes, and 15(a) above is Yes and 15(b) above is No, therefore the Household does not qualify as a Qualified Tenant. _____

3. Number of apartment unit assigned: _____

Owner

*"Median Gross Income for the Area" means the median income for the area where the Project is located as determined by the Secretary of Housing and Urban Development under Section 8(f)(3) of the United States Housing Act of 1937, as amended, or if programs under Section 8(f) are terminated, median income determined under the method used by the Secretary prior to the termination. The Owner acknowledges that such figures will vary depending on the size of family and will be revised periodically, generally on an annual basis.

INSTRUCTION SHEET

Part I of this Instruction Sheet contains line-by-line instructions to assist your completion of the Certification of Adjusted Income Form. The Income Certification is a statement of the total annual income from all sources received by the Head of the Family and Spouse (even if temporarily absent) and by each additional member of the Family who proposes to live in the unit during the 12-month period beginning on the application date, including all net income derived from assets. Excluded therefrom is income that is temporary, or sporadic and certain other types of income specified in PART II of this section.

PART I

Line:

1. "Family" means two or more persons related by blood, marriage, adoption, or operation of law.

6. (a) Provide the total of all wages, salaries, commissions, tips, bonuses, overtime pay, fees and other compensation for personal services before payroll deductions.

(b) Enter total taxable interest income. Examples of interest income are interest from accounts, notes, loans and mortgages you have made to other persons, tax refunds, bonds, debentures, and other investments.

(c) Dividends are distributions of money, stock, or other property that corporations pay to stockholders. They also include dividends received through a partnership, S corporation, or an estate or trust. Payers include nominees or other agents.

7. For this purpose expenditures for business expansion or amortization of capital indebtedness shall not be deducted to determine the net income from a business. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in regulations of the United States Treasury.

9. Payments in lieu of earnings does not include lump-sum additions to Family assets such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses.

10. If the Welfare Assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the Welfare Assistance agency in accordance with the actual cost of shelter and utilities, the amount of Welfare Assistance income to be included as income shall consist of:

- (i) the amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities, plus
 - (ii) the maximum amount that the Welfare Assistance agency could in fact allow the Family for shelter and utilities. If the Family's Welfare Assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.
12. This does not include the special pay to a Family member in the Armed Forces who is exposed to hostile fire.
14. This question applies if any of the persons described above has any savings, stocks, bonds, ownership interests in real property or other forms of capital investment,
- (a) excluding an interest in Indian trust land, the value of necessary items of personal property such as furniture and automobiles, and the value of a trust fund which is not revocable by, or under the control of, any member of the family, so long as the fund continues to be held in trust, but
 - (b) including any income distributed from a trust fund and the value of any assets disposed of by a household member for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of this certificate in excess of the consideration received therefor. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the household member receives important consideration measurable in dollar terms.

For this purpose, expenditures for amortization of capital indebtedness shall not be deducted to determine the income. An allowance for depreciation may be deducted, based on straight-line depreciation, as provided in regulations of the United States Treasury.

PART II:

The determination of income for the Certification of Adjusted Income does not include any of the following:

- A. Temporary, nonrecurring or sporadic income (including gifts).
- B. Income from the employment of children (including foster children) under the age of 18 years.
- C. Payments received for the care of foster children.

- D. Amounts received by the Family that are specifically for, or in reimbursement of, the cost of medical expenses for any Family member.
- E. Amounts of educational scholarships paid directly to the student or to the educational institution, and amounts paid by the Government to a veteran, for use in meeting the costs of tuition, fees, books and equipment, materials, supplies, transportation and miscellaneous personal expenses of the student. Any amount of such scholarships, or payments to a veteran, not used for the above purposes that are available for subsistence are to be included in income.
- F.
 - (i) Amounts received under training programs funded by HUD;
 - (ii) Amounts received by a disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS); or
 - (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
- G. Income of a person who resides with an elderly, disabled, or handicapped person or persons and who -
 - (a) Is determined to be essential to the care and well-being of the person(s);
 - (b) Is not obligated for the support of the person(s); and
 - (c) Would not be living in the unit except to provide the necessary supportive services.
- H. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937, as amended, as published in the Federal Register from time to time.

EXHIBIT B

MONTHLY TENANT REPORT

Project Name The Buerger Brothers Lofts Apartments and Fire Clay Lofts Apartments

Total Number of Units _____

Required number of units to be leased
to Qualified Tenants (20% of total units) _____

Month of Report _____

Number of Units Leased _____

% Units Leased of Total Units _____

Units Leased to Qualified Tenants _____

Units Leased to Non-Qualified Tenants _____

% Units Leased to Qualified Tenants _____

% Units Leased to Non-Qualified Tenants _____

Units Leased to Eligible Tenants _____

% Units Leased to Eligible Tenants _____

Attached is a current tenant listing (Exhibit B-1) and all new Tenant Income Certifications with respect to Qualified Tenants and Eligible Tenants.

Owner/Manager Statement: The information on this form has been verified as required by the Tax Regulatory Agreement among the City and County of Denver, Colorado, [TRUSTEE] and the Undersigned. I certify the incomes reported on the Tenant List are true and complete to the best of my knowledge and belief and are given under the penalty of perjury.

Property Owner or Manager

EXHIBIT C

CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE

Project Name: The Buerger Brothers Lofts Apartments and Fire Clay Lofts Apartments

Project Location: 1732-46 Champa Street, Denver, Colorado 80202

Witnesseth that on this _____ day of _____, the undersigned, having borrowed certain funds from the City and County of Denver, Colorado (the "Issuer") for the purposes of acquiring, constructing or rehabilitating a multifamily housing development qualifying as "residential rental property" within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Project") does hereby certify that:

(i) since the beginning of the Qualified Project Period or since the date of filing the last Certificate of Continuing Compliance, as applicable, the Project was continually in compliance with the Tax Regulatory Agreement,

(ii) on the first day of this month _____ % of the units in the Project were actually occupied by Qualified Tenants,

(iii) on the first day of this month _____ % of the units in the Project were vacant but were previously occupied by and are being held for Qualified Tenants,

(iv) on the first day of this month _____ % of the units in the Project were actually occupied by Eligible Tenants,

(v) on the first day of this month _____ % of the units in the Project were vacant and are available for Eligible Tenants, and (vi) the representations set forth herein are true and correct to the best of the undersigned's knowledge and belief.

1732 CHAMPA LP, a Colorado limited partnership

By: SILREPCO LP, a Colorado limited partnership, General Partner

By: CS CHAMPA, INC., a Colorado corporation, General Partner

By _____
David Sommers Cohen,
President

By _____
Donald Alan Silversmith,
Vice President

EXHIBIT D

LEGAL DESCRIPTION AND PROJECT SITE

Lots 5, 6, 7 and 8,
Block 128,
East Denver,
City and County of Denver,
State of Colorado.

EXHIBIT E

COMPLIANCE AGENT REPORT

Burger Brothers Lofts and Denver Fire Clay Lofts Compliance Log

Date	Move In or Out	Unit #	Tenant Name	Number of Occupants	Income	Income Category	Low Income Units			Eligible Tenants		Non-Eligible Tenants		Vacant Units	Total Units	Compliance	
							Number Occupied	Vacant Held for Low	Total # of Low	% Low	Number	Percent	Number			Percent	Low Income Yes or No