

## **FIRST AMENDMENT TO LOAN AGREEMENT**

**THIS FIRST AMENDMENT TO LOAN AGREEMENT** (the “Amendment”) is made and entered by and between the **CITY AND COUNTY OF DENVER**, a municipal corporation organized pursuant to the Constitution of the State of Colorado (“City”), and **EC WILDHORSE LLC**, a Colorado limited liability company, whose address is 2231 20<sup>th</sup> Avenue South, Birmingham, Alabama 35223 (“Borrower”), and **ENVOLVE COMMUNITIES, LLC**, a Delaware limited liability company, whose address is 2231 20<sup>th</sup> Avenue South, Birmingham, Alabama 35223 (“Guarantor”), each individually a “Party” and collectively the “Parties.”

### **RECITALS:**

**WHEREAS**, the Parties entered into that certain Loan Agreement dated October 5, 2022 (the “Loan Agreement”) relating to a loan to Borrower in the original principal amount of \$450,000.00 of federal funds that the City received pursuant to the Home Investment Partnerships (“HOME”) Program (the “Original Loan”); and

**WHEREAS**, the Borrower executed that certain Promissory Note for the benefit of the City dated December 27, 2022 evidencing the terms of the loan (the “Note”); and

**WHEREAS**, repayment of the Note is secured by that certain Deed of Trust dated December 27, 2022, and recorded on December 30, 2022, in the real property records of the City and County of Denver at Reception No. 2022154991 as a lien against the Property (the “Deed of Trust”); and

**WHEREAS**, as a condition of the receipt of the loan, Borrower executed that certain Rental and Occupancy Covenant dated December 27, 2022, and recorded in the real property records of the City and County of Denver on December 30, 2022, at Reception No. 2022154990 (the “Covenant”) encumbering the Property to ensure that certain rental and occupancy limitations associated with the Loan Agreement were met; and

**WHEREAS**, Guarantor executed that certain Guaranty dated December 27, 2022 (the “Guaranty”); and

**WHEREAS**, collectively, the Loan Agreement, Note, Deed of Trust, Covenant, and Guaranty are referred to herein as the “Loan Documents;” and

**WHEREAS**, the Parties wish to amend and modify the terms and conditions of the Loan Documents.

**NOW THEREFORE**, in consideration of the premises herein contained and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and the Parties' mutual covenants and obligations, the Parties agree as follows:

1. Capitalized terms not otherwise defined herein shall have the meaning ascribed in the Loan Agreement.

2. The City agrees to lend Borrower an additional \$718,000.00 ("Additional Loan Sum"), making the total loan to the Borrower \$1,168,000.00 (the "Total Loan Amount").

3. Borrower will execute a First Amendment to Promissory Note and execute and record a Deed of Trust Modification Agreement to evidence and secure the Total Loan Amount.

4. In consideration of the Additional Loan Sum, Borrower agrees to provide three additional Low HOME Units. Section 6.A.iii. of the Loan Agreement is deleted in its entirety and replaced with the following:

"iii. Forty-seven (47) of the units at the Property (the "50% Units") shall have rents not exceeding the lesser of (i) fair market rent for comparable units in the area as established by the HUD, under 24 C.F.R. 888.113, or (ii) a rent that does not exceed 30% of the adjusted income of a family whose annual income equals 50% of the median income for the Denver area, as determined by HUD, with adjustments for number of bedrooms in the unit. Five of the 50% Units shall be considered "Low HOME Units" for a period of twenty (20) years from the date of project completion as defined in 24 C.F.R. § 92.2 and be subject to the HOME Program requirements and terms and conditions set forth in Part II."

5. Section 6.C. of the Loan Agreement is deleted in its entirety and replaced with the following:

"C. Designation of Units. All of the Affordable Units are floating, and are designated as follows; provided, however, that two (2) of the Low HOME Units must be two-bedroom units and three (3) of the Low HOME Units must be three-bedroom units:

<b>BEDROOMS</b>	<b>30% Units</b>	<b>50% Units</b>	<b>70% Units</b>
2 Bedroom	3	17	20
3 Bedroom	9	30	40
TOTAL	12	47	60

6. The Executive Director of HOST may execute or otherwise consent to a Deed of Trust Modification Agreement, Amendment to Rental and Occupancy Covenant, and any other documents necessary to carry out the intent and purpose of this Amendment.

7. Except as herein amended, the Loan Agreement will continue in effect, and is affirmed and ratified in each and every particular.

8. No disbursements of the Additional Loan Sum may occur until the Borrower executes the First Amendment to Promissory Note and executes and records the Deed of Trust Modification Agreement and Amendment to Rental and Occupancy Covenant.

9. By execution below, Guarantor hereby agrees and consents to this Amendment and the modification of the other Loan Documents pursuant to this Amendment. Guarantor reaffirms and ratifies its obligations under the Guaranty in each and every particular.

10. This Amendment will not be effective or binding on the City until it has been fully executed by all required signatories of the City and County of Denver, and if required by Charter, approved by the City Council.

**[SIGNATURE PAGES TO FOLLOW]**

**Contract Control Number:** HOST-202367972-01 / HOST-202160903-01  
**Contractor Name:** EC WILDHORSE LLC  
ENVOLVE COMMUNITIES, LLC

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at Denver, Colorado as of:

**SEAL**

**CITY AND COUNTY OF DENVER:**

**ATTEST:**

By:

\_\_\_\_\_

\_\_\_\_\_

**APPROVED AS TO FORM:**

**REGISTERED AND COUNTERSIGNED:**

Attorney for the City and County of Denver

By:

By:

\_\_\_\_\_

\_\_\_\_\_

By:

\_\_\_\_\_

**Contract Control Number:**  
**Contractor Name:**

HOST-202367972-01 / HOST-202160903-01  
EC WILDHORSE LLC  
ENVOLVE COMMUNITIES, LLC

**BORROWER:**

EC WILDHORSE LLC,  
a Colorado limited liability company

By: See attached signature page

Name: See attached signature page  
(please print)

Title: \_\_\_\_\_  
(please print)

ATTEST: [if required]

By: \_\_\_\_\_

Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)

**Contract Control Number:** HOST-202367972-01 / HOST-202160903  
**Contractor Name:** EC WILDHORSE LLC  
ENVOLVE COMMUNITIES, LLC

GUARANTOR:

ENVOLVE COMMUNITIES, LLC  
a Delaware limited liability company

By: See attached signature page

Name: See attached signature page  
(please print)

Title: \_\_\_\_\_  
(please print)

ATTEST: [if required]

By: \_\_\_\_\_

Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)

**Contract Control Number:**  
**Contractor Name:**

HOST-202367972-01 / HOST-202160903-01  
EC WILDHORSE LLC  
ENVOLVE COMMUNITIES, LLC

BORROWER:

EC WILDHORSE LLC,  
a Colorado limited liability company

By: Ty Tyson

Name: Ty Tyson  
(please print)

Title: SVP, Investments, Authorized Signer  
(please print)

ATTEST: [if required]

By: [Signature]

Name: Wade Wood  
(please print)

Title: AVP, Investments  
(please print)

**Contract Control Number:**  
**Contractor Name:**

HOST-202367972-01 / HOST-202160903  
EC WILDHORSE LLC  
ENVOLVE COMMUNITIES, LLC

GUARANTOR:

ENVOLVE COMMUNITIES, LLC  
a Delaware limited liability company

By: Ty Tyson

Name: Ty Tyson  
(please print)

Title: SVP, Investments, Authorized Signer  
(please print)

ATTEST: [if required]

By: [Signature]

Name: Wade Wood  
(please print)

Title: AVP, Investments  
(please print)