

D1-6004-D

FIRST AMENDMENT TO TAX REGULATORY AGREEMENT

by and between

HGV MULTIFAMILY, L.P.,
a Colorado limited partnership, as Owner

and

CITY AND COUNTY OF DENVER, COLORADO,
as Issuer

dated as of October __, 2011

Relating to:

\$6,615,000
City and County of Denver, Colorado
Multifamily Housing Revenue Bonds
(GNMA Collateralized - Highlands Garden Village
Apartments Project)
Series 2001A

\$1,000,000
City and County of Denver, Colorado
Taxable Multifamily Housing Revenue Bonds
(GNMA Collateralized- Highlands Garden Village
Apartments Project)
Series 2001B

FIRST AMENDMENT TO TAX REGULATORY AGREEMENT

THIS FIRST AMENDMENT TO TAX REGULATORY AGREEMENT (this "First Amendment") is made and entered into as of October __, 2011 by and between HGV MULTIFAMILY, L.P., a Colorado limited partnership having its principal place of business at 33 Katonah Avenue, Katonah, New York 10536, its successors and assigns (the "Owner"), and CITY AND COUNTY OF DENVER, COLORADO, a home rule city and a municipal corporation of the State of Colorado (the "Issuer").

WITNESSETH:

WHEREAS, the Owner is the owner of a 74-unit residential housing project and the recreation and parking facilities related thereto located at 4777 West 37th Avenue and 4655 West 37th Avenue, Denver, Colorado 80212, on the site described on Exhibit A attached hereto, known as Highlands Garden Village Apartments (d/b/a Trocadero Apartments) and further identified as FHA Project No. 101-35685 (formerly FHA Project No. 101-35537) (the "Project"); and

WHEREAS, the acquisition, construction, equipping and installation of the Project was funded in part from proceeds of the sale of \$6,615,000 of the Issuer's Multifamily Housing Revenue Bonds (GNMA Collateralized—Highlands Garden Village Apartment Project) Series 2001A (the "Series 2001A Bonds") and \$1,000,000 Taxable Multifamily Housing Revenue Bonds (GNMA Collateralized—Highlands Garden Village Apartment Project) Series 2001B (the "Series 2001B Bonds") (the Series 2001A Bonds and the Series 2001B Bonds are collectively referred to herein as the "Bonds") issued pursuant to a Trust Indenture dated as of July 1, 2001 (the "Indenture"), by and between the Issuer and Zions First National Bank, as trustee ("Trustee"); and

WHEREAS, in connection with the issuance of the Bonds, the Issuer, the Owner and the Trustee entered into that certain Tax Regulatory Agreement dated as of July 1, 2001 (the "Regulatory Agreement") in order to set forth certain terms and conditions relating to the acquisition, construction, equipping and completion of the Project, and in order to ensure that the Project would be used and operated in accordance with the Code and the Act; and

WHEREAS, concurrently with the execution and delivery of this First Amendment, the Bonds are being redeemed in whole in accordance with the Indenture and will no longer be Outstanding, and the "Mortgage Loan" described in the Regulatory Agreement is being refinanced, and

WHEREAS, the Owner and the Issuer have now found it necessary and desirable to amend certain provisions of the Regulatory Agreement as set forth in this First Amendment.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Issuer and the Owner hereby agree as follows:

ARTICLE 1
DETERMINATIONS AND DEFINITIONS

Section 1.01 Authority and Purpose. This First Amendment is executed in accordance with the provisions of Section 12 of the Regulatory Agreement, which states that the Regulatory Agreement shall be amended only by a written instrument executed by the Issuer, the Trustee (so long as the Bonds are Outstanding) and the Owner, duly recorded in the real property records of the City and County of Denver, Colorado, and only upon receipt of an opinion from Bond Counsel that such amendment will not adversely affect the exclusion from gross income for federal income tax purposes of the interest paid on the Series 2001A Bonds. The Owner and the Issuer agree that the Trustee's execution of this First Amendment is not required because the Bonds are no longer Outstanding as of the effective date hereof.

Section 1.02 Contract With Parties and Beneficiaries. Each of the parties hereto hereby reconfirms its obligations and covenants made in the Regulatory Agreement.

Section 1.03 Definitions. Except as otherwise defined herein, all capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Regulatory Agreement.

ARTICLE 2
AMENDMENTS TO THE REGULATORY AGREEMENT

Section 2.01 Definitions of "Mortgage" and "Mortgage Loan."

(a) The definition of "Mortgage" as set forth in Section 13(a) of the Tax Regulatory Agreement is hereby amended and restated as follows:

"Mortgage" means the mortgage or deed of trust in favor of Berkadia Commercial Mortgage LLC securing the Mortgage Loan.

(b) The definition of "Mortgage Loan" as set forth in Section 13(a) of the Regulatory Agreement is hereby amended and restated as follows:

"Mortgage Loan" means that certain mortgage loan in the maximum principal amount of \$7,281,400 to be insured by HUD under Section 223(a)(7) of the National Housing Act, as amended, with respect to the Project.

Section 2.02 Notice Addresses. Section 18 of the Regulatory Agreement is modified to (a) delete the address of the Trustee and (b) amend and restate the addresses of the Owner and the Issuer as follows:

The Owner: HGV Multifamily, L.P.
3927 West 32nd Avenue
Denver, Colorado 80212
Attention: Charles Perry

HGV Multifamily, L.P.
33 Katonah Avenue
Katonah, New York 10536
Attention: Jonathan Rose

With a copy to: Otten, Johnson, Robinson, Neff & Ragonetti, P.C.
950 Seventeenth Street, Suite 1600
Denver, Colorado 80202
Attention: Kathleen Bottagaro

The Issuer: City and County of Denver, Colorado
The Office of Economic Development
201 West Colfax Avenue
Department 204
Denver, Colorado 80202
Attention: Executive Director

With a copy to: City and County of Denver, Colorado
Department of Law
1437 Bannock Street, Room 353
Denver, Colorado 80202
Attention: City Attorney

ARTICLE 3 MISCELLANEOUS

Section 3.01 Recording and Filing. The Owner shall cause this First Amendment to be recorded and filed in the real property records of the City and County of Denver, Colorado.

Section 3.02 Governing Law. This First Amendment shall be governed by the laws of the State of Colorado.

Section 3.03 Severability. If any provision of this First Amendment shall be invalid, illegal, inoperative or unenforceable, the validity, legality and enforceability of this First Amendment, as so amended, shall not in any way be affected or impaired thereby.

Section 3.04 Counterparts. This First Amendment may be simultaneously executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original.

Section 3.05 Applicable Provisions of Law. This First Amendment shall be governed by and construed in accordance with the laws of the State.

Section 3.06 Effective Date. This First Amendment shall become effective as of _____, 2011 (the "Effective Date").

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this First Amendment to be signed and sealed by their respective duly authorized representatives as of the Effective Date.

HGV MULTIFAMILY, L.P.,
a Colorado limited partnership

By: HGV Multifamily GP, Inc.,
a Colorado corporation,
its General Partner

By: _____
Charles J. Perry, Vice President

[SIGNATURE PAGE TO FIRST AMENDMENT TO TAX REGULATORY AGREEMENT]

The foregoing is confirmed and accepted as of the Effective Date.

[SEAL]

CITY AND COUNTY OF
DENVER, COLORADO, Issuer

Attest:

By: _____
Clerk and Recorder

By: _____
Mayor

APPROVED AS TO FORM:

By: _____
City Attorney

COUNTERSIGNED AND REGISTERED:

By: _____
Manager of Finance

By: _____
City Auditor

[SIGNATURE PAGE TO FIRST AMENDMENT TO TAX REGULATORY AGREEMENT]

CONSENT TO FIRST AMENDMENT

Pursuant to Section 13 of the Regulatory Agreement described above, the undersigned Secretary of Housing and Urban Development consents to the terms and provisions of the First Amendment to which this Consent is attached.

SECRETARY OF HOUSING AND URBAN DEVELOPMENT,
Acting by and through the FEDERAL HOUSING COMMISSIONER

By: _____
Name: _____
Title: _____

[SIGNATURE PAGE TO FIRST AMENDMENT TO TAX REGULATORY AGREEMENT]

STATE OF COLORADO)
 CITY AND) ss
COUNTY OF DENVER)

 This instrument was acknowledged before me this ____ day of _____, 2011, by Charles J. Perry as Vice President of HGV Multifamily GP, Inc., a Colorado corporation, as general partner of HGV Multifamily, L.P., a Colorado limited partnership.

 WITNESS my hand and official seal.

 My commission expires: _____

Notary Public
(SEAL)

STATE OF COLORADO)
 CITY AND) ss.
COUNTY OF DENVER)

On this ____ day of _____, 2011, personally came before me _____ and _____, who by me duly sworn, did say that they are the Mayor and Clerk and Recorder, respectively, 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 _____ and _____ acknowledged the said writing to be the act and deed of said Issuer.

WITNESS my hand and official seal

My commission expires: _____

Notary Public
(SEAL)

STATE OF COLORADO)
 CITY AND) ss.
COUNTY OF DENVER)

On this ____ day of _____, 2011, personally came before me _____, who by me duly sworn, did say that he/she is the City Attorney of the Issuer and that the said writing was signed and sealed by him/her on behalf of said Issuer, by authority duly given. And the said _____ acknowledged the said writing to be the act and deed of said Issuer.

WITNESS my hand and official seal.

My commission expires: _____

Notary Public
(SEAL)

STATE OF COLORADO)
 CITY AND) ss.
COUNTY OF DENVER)

On this ____ day of _____, 2011, personally came before me _____, who by me duly sworn, did say that he/she is the Manager of Finance of the Issuer and that the said writing was signed and sealed by him/her on behalf of said Issuer, by authority duly given. And the said _____ acknowledged the said writing to be the act and deed of said Issuer.

WITNESS my hand and official seal.

My commission expires: _____

Notary Public
(SEAL)

STATE OF COLORADO)
 CITY AND) ss.
COUNTY OF DENVER)

On this ____ day of _____, 2011, personally came before me _____, who by me duly sworn, did say that he/she is the City Auditor of the Issuer and that the said writing was signed and sealed by him/her on behalf of said Issuer, by authority duly given. And the said _____ acknowledged the said writing to be the act and deed of said Issuer.

WITNESS my hand and official seal.

My commission expires: _____

Notary Public
(SEAL)

STATE OF COLORADO)
 CITY AND) ss.
COUNTY OF DENVER)

Before me, _____, a Notary Public in and for the said State, on this _____ day of _____, 2011, personally appeared _____, who is well known to me to be the _____ Director, Denver Multifamily Hub, and the person who executed the foregoing instrument by virtue of the authority vested in him/her by Section 7(d) of the Department of Housing and Urban Development Act, 42 U.S.C.A. §3535(d), as amended, and Section 207(b) of the National Housing Act, 12 U.S.C.A. § 1713(b), as amended, and I having first made known to him/her the contents thereof, he/she did acknowledge the signing thereof to be his/her free and voluntary act and done on behalf of Shaun Donovan, Secretary of Housing and Urban Development, for the uses, purposes and considerations therein set forth.

Witness my hand and official seal the _____ day of _____, 2011.

My commission expires: _____

Notary Public
(SEAL)

EXHIBIT A
LEGAL DESCRIPTION

PARCEL 1:

LOT 2, BLOCK 1, HIGHLANDS GARDEN VILLAGE FILING NO. 3, ACCORDING TO THE PLAT THEREOF RECORDED APRIL 17, 2001 AT RECEPTION NO. 2001056911, CITY AND COUNTY OF DENVER, STATE OF COLORADO.

PARCEL 2:

LOT 8, BLOCK 1, HIGHLANDS GARDEN VILLAGE FILING NO. 3, ACCORDING TO THE PLAT THEREOF RECORDED APRIL 17, 2001 AT RECEPTION NO. 2001056911, CITY AND COUNTY OF DENVER, STATE OF COLORADO.