

FIRST AMENDMENT AND MODIFICATION AGREEMENT

THIS FIRST AMENDMENT AND MODIFICATION 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 **ARCHWAY MONTVIEW MANOR, LLC**, a Colorado limited liability company, whose address is 8585 W. 14th Ave, Suite A, Lakewood, Colorado 80215 (“Borrower”), each individually a “Party” and collectively the “Parties.”

RECITALS:

WHEREAS, the Parties entered into a loan agreement dated November 30, 2022 (the “Loan Agreement”), relating to a loan to Borrower in the original principal amount of \$3,400,000.00 (the “Loan”); and

WHEREAS, the Borrower executed a promissory note for the benefit of the City dated December 14, 2022 evidencing the terms of the Loan (the “Note”); and

WHEREAS, repayment of the Note was secured by that certain Deed of Trust dated December 14, 2022 and recorded December 15, 2022 at Reception No. 2022149557 as a lien against the Property (the “Deed of Trust”); and

WHEREAS, collectively, the Loan Agreement, Note, Deed of Trust, 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. Section 1.B. of the Loan Agreement entitled “Repayment; Forgiveness Based on Performance,” is deleted in its entirety and replaced with the following:

“B. Repayment; Forgiveness Based on Performance:

i. One Million Four Hundred Fifty Thousand Dollars and No/100 (\$1,450,000.00) of the Loan shall accrue simple interest at a rate of one percent (1%) per annum commencing on the date on which the first draw on the

Loan is made (the “Cash Flow Portion”). Simple interest shall accrue on the outstanding principal balance of the Cash Flow Portion until repaid in full. Principal and any interest accrued on the Cash Flow Portion shall be due and payable, at such place as may be designated by City, in annual installments of the amount calculated in accordance with the order of priority and other provisions set forth in **Exhibit F**, attached hereto and incorporated herein (“Cash Flow Payment”). Such annual installments shall commence and be due on the first June 1st following the date that is twenty-four (24) calendar months after the effective date of the Promissory Note and each June 1st thereafter, with the entire unpaid balance of principal and accrued interest on the Cash Flow Portion due and payable on the thirtieth (30th) anniversary of the date of the Promissory Note, if not sooner paid. Each year after repayment of the Loan has commenced, Borrower shall provide to the City, no later than June 1st, (i) an audited financial statement for the Project for the preceding calendar year; and (ii) a statement or letter from an auditor that details (a) the total amount of Cash Flow Payment available for distribution, and (b) a calculation that details the amount(s) and the person(s) or entity (entities) to which any payments will be distributed based on the order of priority and other provisions set forth in Exhibit F.

ii. One Million Nine Hundred Fifty Thousand Dollars and No/100 (\$1,950,000.00) of the Loan shall accrue simple interest at a rate of zero percent (0%) per annum (the “Performance Portion”). Repayment of the Performance Portion shall be deferred and forgiven by the City on the sixtieth (60th) anniversary of the Promissory Note so long as Borrower is in compliance with all terms and conditions of this Loan Agreement and the Covenant.”

2. Section 6.D. of the Loan Agreement entitled “Accessibility Requirements,” is deleted in its entirety and replaced with the following:

“D. Unit Requirements. Borrower must comply with Section 504 of the Rehabilitation Act of 1973 and HUD’s implementing regulations at 24 C.F.R. Part 8. It is anticipated that Borrower’s projected cost of alterations will be less than seventy-five percent (75%) of the replacement cost of the restricted value of the completed facility. As such, Borrower must comply with 24 C.F.R. § 8.23, which

requires, among other things, that Borrower shall ensure that alterations to dwelling units at the Property, to the maximum extent feasible, be made readily accessible to and usable by individuals with disabilities. If, during the project period, the cost of alterations exceeds 75% of the replacement cost of the completed facility, then the provisions of 24 C.F.R. § 8.22 shall apply to the Project.”

3. Borrower will execute an amended promissory note to evidence the amendments set forth herein. Borrower will execute and record a Deed of Trust Modification Agreement to evidence the amendments set forth herein.

4. The Executive Director of HOST may execute a Deed of Trust Modification Agreement and any other documents necessary to carry out the intent and purpose of this Amendment.

5. Except as herein amended, the Loan Agreement continues in effect, and is affirmed and ratified in each and every particular.

6. 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.

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[SIGNATURE PAGES TO FOLLOW]

Contract Control Number:
Contractor Name:

HOST-202368206-01 / HOST-202265493-01
ARCHWAY MONTVIEW MANOR 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-202368206-01 / HOST-202265493-01
ARCHWAY MONTVIEW MANOR LLC

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-202368206-01 / HOST-202265493-01
ARCHWAY MONTVIEW MANOR LLC

By: Sebastian Corradi

Name: SEBASTIAN CORRADI
(please print)

Title: PRESIDENT
(please print)

ATTEST: [if required]

By: _____

Name: _____
(please print)

Title: _____
(please print)