
FIRST AMENDMENT TO TAX REGULATORY AGREEMENT

by and between

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

and

CITY AND COUNTY OF DENVER, COLORADO,
as Issuer

dated as of October __, 2010

Relating to:

\$4,045,000
City and County of Denver, Colorado
Multifamily Housing Mortgage Revenue Bonds
(FHA Insured Mortgage Loan – Highlands Garden Village
Senior Apartments)
Series 1999A

\$150,000
City and County of Denver, Colorado
Taxable Multifamily Housing Mortgage Revenue Bonds
(FHA Insured Mortgage Loan – Highlands Garden Village
Senior Apartments)
Series 1999B

99-858-D

FIRST AMENDMENT TO TAX REGULATORY AGREEMENT

THIS FIRST AMENDMENT TO TAX REGULATORY AGREEMENT (this "First Amendment") is made and entered into as of October ____, 2010 by and between HGV SENIOR, 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 61-unit age-restricted residential housing project and the parking facilities related thereto located at 3755, 3755-A and 3755-B Tennyson Street, Denver, Colorado 80212, on the site described on Exhibit A attached hereto, known as Highlands Garden Senior Housing Apartments and further identified as FHA Project No. 101-32015 (the "Project"); and

WHEREAS, the acquisition, construction, equipping and installation of the Project was funded in part from proceeds of the sale of \$4,045,000 of the Issuer's Multifamily Housing Mortgage Revenue Bonds (FHA Insured Mortgage Loan—Highlands Garden Village Senior Apartments) Series 1999A (the "Series 1999A Bonds") and \$150,000 Taxable Multifamily Housing Mortgage Revenue Bonds (FHA Insured Mortgage Loan—Highlands Garden Village Senior Apartments) Series 1999B (the "Series 1999B Bonds") (the Series 1999A Bonds and the Series 1999B Bonds are collectively referred to herein as the "Bonds") issued pursuant to a Trust Indenture dated as of November 1, 1999 (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 November 1, 1999 (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 1999A 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 original principal amount of \$3,972,500 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 Senior, L.P.
1585 California Street
Denver, Colorado 80202
Attention: Charles Perry

HGV Senior, 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 _____, 2010 (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 SENIOR, L.P.,
a Colorado limited partnership

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

By: 
Jonathan F.P. Rose, 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 BY
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

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

UNITED STATES OF AMERICA
SECRETARY OF HOUSING AND URBAN DEVELOPMENT

By: _____
Name: _____
Title: _____

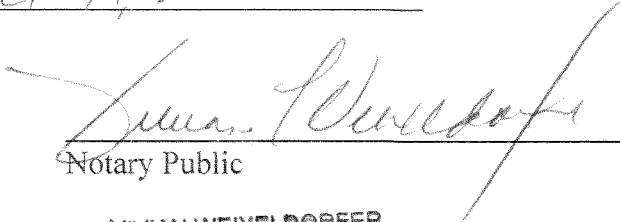
[SIGNATURE PAGE TO FIRST AMENDMENT TO TAX REGULATORY AGREEMENT]

STATE OF NEW YORK)
) ss.
COUNTY OF Westchester)

This instrument was acknowledged before me this 20 day of September, 2010, by Jonathan F.P. Rose as President of HGV Senior GP, Inc., a Colorado corporation, as general partner of HGV Senior, L.P., a Colorado limited partnership.

WITNESS my hand and official seal.

My commission expires: Oct. 17, 2014



Notary Public

VIVIAN WEIXELDORFER
Notary Public, State of New York
No. 01WE5034560
Qualified in Westchester County
Commission Expires October 17, 2014

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

On this ____ day of October, 2010, personally came before me _____, _____, _____ and _____, who by me duly sworn, did say respectively that they are the Mayor, City Attorney, Manager of Finance, City Auditor, 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 _____, _____, _____ 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)

 This instrument was acknowledged before me this ____ day of October, 2010, by
_____, as _____ of the U.S. Department of
Housing and Urban Development.

WITNESS my hand and official seal.

My commission expires: _____

Notary Public
(SEAL)

EXHIBIT A

LEGAL DESCRIPTION

Lot 4, Block 4, Highlands Garden Village Filing No. 1,
City and County of Denver,
State of Colorado.