

FOURTH AMENDMENT, MODIFICATION, ASSIGNMENT, AND
ASSUMPTION AGREEMENT

THIS FOURTH AMENDMENT, MODIFICATION, ASSIGNMENT, AND ASSUMPTION 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 **DEL NORTE NEIGHBORHOOD DEVELOPMENT CORPORATION**, a Colorado nonprofit corporation, whose address is 3275 W. 14th Ave, Suite 202, Denver, Colorado 80204 (“Del Norte”), and **RENEWAL RESIDENCES LLC**, a Colorado limited liability company, whose address is 1135 N Logan Street, Denver, CO 80203 (“Renewal”), each individually a “Party” and collectively the “Parties.”

RECITALS:

WHEREAS, the City and The Uptown Partnership, a Colorado non-profit corporation (“Uptown”) entered into that certain Loan Agreement dated January 7, 2002 (the “Original Loan Agreement”) involving a loan of local funds in the principal amount of \$341,625.00;

WHEREAS, the City provided the funds to Uptown for acquisition costs of the real property legally described as:

Lots 25 to 27,
Block 64,
Porters Addition to Denver
City and County of Denver,
State of Colorado

and known as 1135 Logan Street, Denver, Colorado (the “Property”); and

WHEREAS, Uptown executed that certain Deed of Trust for the benefit of the City, dated February 22, 2002, and recorded on February 22, 2002 at Reception No. 2002036870 of the records of City and County of Denver, State of Colorado (the “Deed of Trust”), and encumbering the Property;

WHEREAS, the Deed of Trust secures the repayment of the indebtedness evidenced by that certain Promissory Note dated February 22, 2002 (the “Note”); and

WHEREAS, certain affordability restrictions for the Property associated with the Original Loan Agreement are evidenced by that certain Covenant dated February 22, 2002, and recorded

on February 22, 2002 at Reception No. 2002036871 of the records of City and County of Denver, State of Colorado (the “Covenant”); and

WHEREAS, the City and Uptown entered into that certain Amendment and Modification Agreement dated April 17, 2002, and recorded on April 24, 2002 at Reception No. 2002076437 of the City and County of Denver, State of Colorado (the “First Amendment”) to increase the principal amount of the loan to \$461,625.00 and modify other terms of the Original Loan Agreement; and

WHEREAS, the City and Uptown entered into that certain Second Amendment and Modification Agreement dated January 31, 2006, and recorded on February 28, 2006 at Reception No. 2006033619 of the City and County of Denver, State of Colorado (the “Second Amendment”) to amend repayment terms of the loan; and

WHEREAS, the City, Uptown, and Del Norte entered into that certain Assumption and Modification Agreement dated January 9, 2007, and recorded February 7, 2007 at Reception No. 2007021837 of the City and County of Denver, State of Colorado (the “Third Amendment”) to modify the terms and conditions of the Original Loan Agreement, as amended, Note, Deed of Trust, and Covenant; to increase the principal amount of the loan to \$511,625.00; extend the covenant term from 20 years to 99 years and amend the affordability provisions therein; to amend the repayment obligations such that no repayment shall be due and zero interest on the principal amount shall accrue; to allow Del Norte to assume Uptown’s obligations under the Original Loan Agreement, as amended, Note, Deed of Trust, and Covenant; and for the City to consent to the conveyance of the Property from Uptown to Del Norte; and

WHEREAS, the Loan Agreement, First Amendment, Second Amendment, Third Amendment, Note, Deed of Trust, and Covenant, are collectively referred to herein as the “Loan Documents”; and

WHEREAS, since the execution of the Loan Agreement, the City has reorganized the responsibilities of its departments and has transferred the responsibility for overseeing housing loans from the Division of Housing & Neighborhood Development Services (“HNDS”) to the Department of Housing Stability (“HOST”); and

WHEREAS, Del Norte desires to convey the Property and assign its obligations under the Loan Documents to Renewal.

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. All of the recitals above are hereby confirmed and incorporated herein as part of this Amendment.

2. All references to "Division of Housing & Neighborhood Development Services" and "HNDS" in the Loan Documents shall be replaced to read "Department of Housing Stability" and "HOST," respectively.

3. Renewal agrees to pay the Note at the times, in the manner, and in all respects as provided in the Note; to perform all of the obligations provided in the Loan Documents at the time, in manner, and in all respects as therein provided; and to be bound by all of the terms of the Loan Documents all as though the Loan Documents had originally been made, executed, and delivered by Renewal.

4. All of the real property described in the Deed of Trust shall remain subject to the lien, charge, or encumbrance of such Deed of Trust, and nothing herein contained or done pursuant hereto shall affect or be construed to affect the lien, charge, or encumbrances of the Deed of Trust or the priority thereof over the other liens, charges, or encumbrances, except as herein otherwise expressly provided, to release or affect the liability of any party or parties who would now or may hereafter be liable under or on account of the Note or Deed of Trust, as modified herein.

5. By signature below, the City hereby consents to the transfer and conveyance of the Property by Del Norte to Renewal, thereby waiving any right the City may have to accelerate the indebtedness under the Loan Documents as a result of the transfer and conveyance of the Property by Del Norte to Renewal.

6. The Deed of Trust is hereby modified to reflect the transfer of ownership of the Property from Del Norte to Renewal.

7. Paragraph 5 of the Third Amendment is amended by deleting the third sentence in its entirety.

8. Paragraph 6 of the Original Loan Agreement, as amended by the Third Amendment, is amended to read as follows:

"6. RESTRICTIONS ON USE OF PROPERTY:

A. Rent Limitations.

Del Norte Neighborhood Corporation /
Renewal Residences LLC
Contract No. HOST-202264559-04 / CE1Y121-04

i. Fifteen (15) 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 U.S. Department of Housing and Urban Development (“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.

ii. Fifteen (15) of the units at the Property (the “30% Units”) shall have rents not exceeding the lesser of (i) fair market rent for comparable units in the area as established by the U.S. Department of Housing and Urban Development (“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 30% of the median income for the Denver area, as determined by HUD, with adjustments for number of bedrooms in the unit.

iii. By executing this Loan Agreement, Borrower acknowledges receipt of HUD's current rent guidelines from HOST. It shall be Borrower's responsibility to obtain updated guidelines from HOST to confirm the annual calculation of the maximum rents for the Denver area.

iv. The City shall determine maximum monthly allowances for utilities and services annually in accordance with 24 C.F.R. 92.252(d)(1) or another method acceptable to the City. Rents shall not exceed the maximum rents as determined above minus the monthly allowance for utilities and services. The City shall review rents for compliance within ninety (90) days after HOST requests rent information from the Borrower.

B. Occupancy Limitations.

i. The 50% Units shall be occupied by tenants whose incomes are at or below fifty percent (50%) of the median

income for the Denver area as determined by HUD, with adjustments for family size.

ii. The 30% Units shall be occupied by tenants whose incomes are at or below thirty percent (30%) of the median income for the Denver area as determined by HUD, with adjustments for family size.

iii. By executing this Loan Agreement, Borrower acknowledges receipt of HUD's current income guidelines from HOST. It shall be Borrower's responsibility to obtain updated guidelines from HOST and comply with the current guidelines.

C. Covenant Running with the Land. Borrower shall execute and record a covenant in a form satisfactory to the City (the "Covenant") setting forth the rental and occupancy limitations described in subparagraphs A and B above, which shall constitute a covenant running with the land. The Covenant shall encumber the Property until February 6, 2106. Violation of the Covenant shall be enforceable as an event to default."

9. The Covenant is hereby modified to reflect the revised terms of this Amendment.

10. Paragraph 24 of the Original Loan Agreement, as added by Paragraph 10 of the Third Amendment, is amended to read as follows:

"24. **Intentionally Omitted.**"

11. The Original Loan Agreement is amended to add the following as a new Paragraph 26:

"26. **ELECTRONIC SIGNATURES AND ELECTRONIC RECORDS:** Borrower consents to the use of electronic signatures by the City. The Loan Agreement, and any other documents requiring a signature hereunder, may be signed electronically by the City in the manner specified by the City. The Parties agree not to deny the legal effect or enforceability of the Loan Agreement solely because it is in electronic form or because an electronic record was used in its

formation. The Parties agree not to object to the admissibility of the Loan Agreement in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.”

12. Except as herein amended, the Loan Documents continue in effect, and are affirmed and ratified in each and every particular.

13. The Executive Director of HOST, or the Executive Director’s designee, is authorized to execute documents necessary to accomplish the intent of this Amendment so long as the documents are in a form satisfactory to the City Attorney.

14. 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-202264559-04 / CE1Y121-04
DEL NORTE NEIGHBORHOOD DEVELOPMENT CORP
RENEWAL RESIDENCES, 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:

HOST-202264559-04 / CE1Y121-04

Contractor Name:

DEL NORTE NEIGHBORHOOD DEVELOPMENT CORP
RENEWAL RESIDENCES, LLC

DEL NORTE NEIGHBORHOOD DEVELOPMENT CORPORATION
a Colorado non-profit corporation

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-202264559-04 / CE1Y121-04

Contractor Name:

DEL NORTE NEIGHBORHOOD DEVELOPMENT CORP
RENEWAL RESIDENCES, LLC

RENEWAL RESIDENCES, 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)

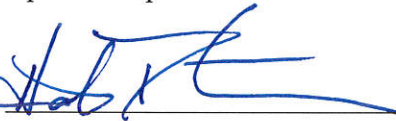
Contract Control Number:

HOST-202264559-04 / CE1Y121-04

Contractor Name:

DEL NORTE NEIGHBORHOOD DEVELOPMENT CORP
RENEWAL RESIDENCES, LLC

DEL NORTE NEIGHBORHOOD DEVELOPMENT CORPORATION
a Colorado non-profit corporation

By: _____

Name: _____

(please print)

Title: _____

(please print)

ATTEST: [if required]

By: _____

Name: _____

(please print)

Title: _____

(please print)

Contract Control Number:
Contractor Name:

HOST-202264559-04 / CEIY121-04
DEL NORTE NEIGHBORHOOD DEVELOPMENT CORP
RENEWAL RESIDENCES, LLC

RENEWAL RESIDENCES, LLC
a Colorado limited liability company

By: 

Name: Joseph Friedman
(please print)

Title: Manager of Renewal Residences LLC
(please print)

ATTEST: [if required]

By: _____

Name: _____
(please print)

Title: _____
(please print)