

FIRST AMENDMENT TO LOAN AGREEMENT

between

U.S. BANK NATIONAL ASSOCIATION

and

ROSE PARK PLAZA PARTNERS LTD., RLLLP

and

THE CITY OF BILLINGS, MONTANA

Relating to:

\$5,824,310 First Mortgage Housing Revenue Bonds
(Rose Park Plaza Project)

Consisting of

\$4,349,900 First Mortgage Housing Revenue Bond (Rose Park Plaza Project),
Series 2004A

And

\$1,474,410 First Mortgage Housing Revenue Bond (Rose Park Plaza Project),
Series 2004B
City of Billings, Montana

Dated _____, 2014

FIRST AMENDMENT TO LOAN AGREEMENT

THIS FIRST AMENDMENT TO LOAN AGREEMENT (this “**First Amendment**”) is entered into this ____ day of _____ by and between **Rose Park Plaza Partners, Ltd., RLLLP**, whose address is 2300 15th Street, Suite 325, Denver, Colorado 80202 (“**Borrower**”), and the **City of Billings, Montana**, whose address is 210 N. 27th Street, Billings, Montana 59103 (the “**City**”), and **U.S. Bank National Association**, a national banking association, whose address is 918 17th Street, 5th Floor, Denver, CO 80202 (“**Lender**”) to amend the Loan Agreement between Borrower and Lender dated December 8, 2004 (“**Loan Agreement**”).

RECITALS

WHEREAS, Section 4.03(f) of the Loan Agreement entitled “Operating Reserve/Residual Receipts Account,” created a combined residual receipts and operating reserve account, and was initially funded by the deposits of approximately \$987,055.59 of Rose Park Plaza Apartments accrued Residual Receipts.

WHEREAS, Lender and Borrower desire to delete Section 4.03(f) in its entirety, and replace it with two new sections, a Section 4.03(f)(1) entitled “Operating Reserve,” and a Section 4.03(f)(2) entitled “Residual Receipts Account.”

WHEREAS, the City sold, assigned and transferred to the Lender the City’s entire interest in the Loan Agreement, together with all rights and interests thereunder, including but not limited to, the City’s right to receive loan repayments as provided in that certain Assignment of Loan Agreement by the City in favor of the Lender, dated as of December 8, 2004.

NOW, THEREFORE, for Ten Dollars (\$10.00) and other good and valuable consideration, Borrower and Lender covenant and agree as follows:

1. Termination and Deletion of Loan Agreement Section 4.03(f). Effective on the date hereof, Section 4.03(f) of the Loan Agreement is hereby deleted in its entirety.

2. Addition of Section 4.03(f)(1) – Operating Reserve.

4.03(f)(1) Operating Reserve. Effective on the date hereof, Borrower shall deposit into an interest-bearing account held by Lender (“Operating Reserve Account”) a sum equal to three (3) months Loan Debt Service, an amount equal to \$71,211.00. The Borrower covenants to maintain, at all times during the term of the Loan Agreement, a minimum Operating Reserve Account balance of \$71,211.00. The funds held in the Operating Reserve Account shall be used by Borrower, from time to time, solely for the purpose of covering expenses when the Debt Service Coverage Ratio is less than 1:1. No withdrawal from the Operating Reserve Account shall be made by the Borrower without the express written consent of the Lender, which consent shall not be unreasonably withheld. Any funds withdrawn from the Operating Reserve Account, which cause the Operating Reserve Account balance to fall below the minimum account balance

of \$71,211.00, shall be replaced by the Borrower within six (6) months of the date of withdrawal.

3. Addition of Section 4.03(f)(2) – Residual Receipts Account.

4.03(f)(2) Residual Receipts Account. Effective on the date hereof, the currently designated “Operating Reserve/Residual Receipts Account” shall be re-designated as the “Residual Receipts Account” and maintained by Borrower and Lender as the account holding the Project’s Residual Receipts, as that term is defined in the U.S. Department of Housing and Urban Development (“HUD”) applicable regulations and HUD Notice H-2012-14 issued August 3, 2012. Borrower shall maintain the Residual Receipts Account balance in accordance with applicable HUD regulations.

4. No Further Amendment - Counterparts. This First Amendment constitutes the entire amendment thereof approved and authorized by Borrower and Lender. This First Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this First Amendment to the Loan Agreement, as of the day and year first above written.

[Signatures contained on following pages]

Rose Park Plaza Apartments Ltd., RLLLP Signature Page

Rose Park Plaza Apartments Ltd., RLLLP,
a Colorado limited liability limited partnership

By: Little Creek Land, LLC,
a Colorado limited liability company
General Partner

By: _____

Name: _____

Title: _____

City of Billings, Montana Signature Page

CITY OF BILLINGS, MONTANA

By: _____
Mayor

By: _____
City Administrator

Attest: _____
City Clerk

(SEAL)

U.S. Bank National Association Signature Page

Lender hereby consents, acknowledges and agrees to the terms of this First Amendment.

U.S. Bank National Association

By: _____

Name: _____

Title: _____

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