

**LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT  
AFFORDABLE HOUSING FUND  
FIRST AMENDMENT TO LOAN AGREEMENT**

**THIS FIRST AMENDMENT TO THE LOAN AGREEMENT** ("Amendment") is made and entered into this 20 day of September 2022, by and **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government created pursuant to KRS Chapter 67A, whose principal address is 200 East Main Street, Lexington, Kentucky 40507 (hereinafter referred to as "LFUCG") through its **OFFICE OF AFFORDABLE HOUSING**, and **THE BAXTER II, LLC**, a Kentucky limited liability company, whose principal address is 2095 Highway 211 NW, Ste. 2F334, Braselton, GA, 30517 (hereinafter referred to as the "Borrower").

**WITNESSETH:**

**WHEREAS**, pursuant to Chapter 2, Article XXXXV, Section 2-482 of the Lexington-Fayette County Code of Ordinances (the "Code"), the Affordable Housing Fund ("Fund") was created to preserve, produce and provide safe, quality and affordable housing; and

**WHEREAS**, pursuant to Chapter 2, Article XXXXV, Section 2-479 of the Code, the Affordable Housing Governing Board (the "Board") oversees and manages the administration of the Fund; and

**WHEREAS**, LFUCG and the Borrower entered into that certain Loan Agreement ("Agreement") dated March 10, 2022, (attached hereto and incorporated herein as **Exhibit A**), whereby the parties agreed to Affordable Housing Loan Program terms to fund a rehabilitation and/or renovation project located at 1577, 1581, 1585, 1593 Martha Court, Lexington, KY 40505, known as The Baxter II Apartments; and

**WHEREAS**, the Borrower has requested additional funding to complete the project;

**WHEREAS**, the Board has agreed to provide this funding, as evidenced by the Commitment Letter (attached hereto and incorporated herein as **Exhibit B**); and

**WHEREAS**, in accordance with Section 7.8 of the Agreement, LFUCG and Borrower desire to memorialize a modification to the Agreement.

**NOW, THEREFORE**, the parties agree to the following modifications to the Agreement:

1. Section 1.1 of the Agreement, titled "LFUCG's Commitment," shall be amended as follows:

Pursuant to the Application and this Agreement, LFUCG will make available an amount not to exceed **FOUR HUNDRED FIFTY THOUSAND DOLLARS (\$450,000.00)** ("**AHF Loan**") to Borrower from the Affordable Housing Fund. Affordable Housing Funds will be disbursed by LFUCG to Borrower in accordance with the requirements set forth in this Agreement and in the Commitment, conditioned upon

Borrower's continued satisfactory performance under the terms of this Agreement. The AHF Loan will be evidenced by one or more promissory notes ("Notes") in form and substance satisfactory to LFUCG payable to LFUCG and signed by Borrower. The AHF Loan shall be repaid according to the terms and conditions set forth in the Notes, executed by Borrower on March 11, 2022 and \_\_\_\_\_ [date of execution of this Agreement], (hereafter "Notes"). Principal and interest (if any) of the Loan shall be amortized in equal, consecutive installments of principal, unless the Notes specify otherwise. Accrued but unpaid interest (if any) shall continue to accrue until principal and interest have been paid in full. All unpaid principal and interest shall be due on **March 1, 2037** ("Maturity Date"), in accordance with the terms and conditions set forth in the Notes. In the event of any inconsistency between the Application and this Agreement, this Agreement will control. The Loan will be expended only for the purpose of renovation and/or rehabilitation on the Property (defined below) described in the mortgage(s) executed pursuant to Section 1.2 below and in conformity with the other provisions of this Agreement, the Commitment and the Application. Further, LFUCG will not be required to advance any amount under this Agreement if an Event of Default (as hereinafter defined) has occurred and is continuing.

2. In the event of a conflict between the terms of this Amendment and the terms of the Agreement, this Amendment shall control. All other terms of the Agreement shall remain unchanged and in full force and effect.

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SIGNATURE PAGE – LFUCG

IN WITNESS WHEREOF, this Agreement is executed as of the day first written above.

**LEXINGTON-FAYETTE URBAN  
COUNTY GOVERNMENT**

BY: *Linda Gorton*  
Linda Gorton, Mayor

ATTEST:

*deputy Mackenzie Stock*  
Clerk, Urban County Council