Resolution #599-2025
Contract # 382-2025

**LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**
**DIVISION OF GRANTS AND SPECIAL PROGRAMS**
**FIRST AMENDMENT TO THE HOME LOAN AGREEMENT**

**THIS FIRST AMENDMENT TO THE HOME LOAN AGREEMENT** ("First Amendment"), dated and entered into this the 20th day of January, 2026, is by and between the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government of the Commonwealth of Kentucky, pursuant to Chapter 67A of the Kentucky Revised Statutes, 200 East Main Street, Lexington, Fayette County, Kentucky 40507 (hereinafter referred to as "Government" or "LFUCG"), through its Division of Grants and Special Programs, and **PARKSIDE DEVELOPMENT GROUP III, LLLP** a Kentucky limited liability limited partnership, whose principal address is 159 Old Georgetown St., Lexington, KY 40508 (herein "Borrower").

**W I T N E S S E T H:**

**WHEREAS,** Government, in accordance with the regulations codified at 24 CFR 92.102 – 92.106 for the HOME Investment Partnerships Program, has been designated a Participating Jurisdiction by the U.S. Department of Housing and Urban Development ("HUD") and is the recipient of federal funding from the HOME Investment Partnerships Program;

**WHEREAS**, the Government has been awarded federal funds from HUD's HOME Investment Partnerships Program (CFDA # 14.239) under Federal Award Number M16-MC-21-0201 awarded September 9, 2016;

**WHEREAS,** Government's approved 2016 Consolidated Plan provide FIVE HUNDRED THOUSAND DOLLARS AND 00/100 CENTS ($500,000.00) to Borrower with Unique Entity Identifier LKDBVDAKY2X5 ("Loan") in funding from the HOME Investment Partnerships Program for the development of rental housing for low-income HOME-eligible persons and/or households in accordance with the HOME Investment Partnerships Program regulations as stated in 24 CFR Part 92.205-92.206;

**WHEREAS**, the Borrower entered into that certain Loan Agreement ("Agreement") dated October 25, 2016 (attached hereto and incorporated herein as **Exhibit A**), whereby the parties agreed to the Loan to construct a multi-family residential project located at 1044-1048 Cross Keys Road, Lexington, Fayette County, Kentucky 40504;

**WHEREAS**, LFUCG and Borrower desire to memorialize a modification to the Agreement (attached hereto and incorporated herein as **Exhibit A)** to comply with regulations regarding the utility allowances and to reflect the new understanding between the parties as set forth in the First Amendment below.

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

1. **Section 1.09 of the Agreement shall be amended to read as follows:**

For a period of thirty (30) years from the date on which development of the Project is completed, established as the date the HUD's Integrated Disbursement and Information System (IDIS) accepts and records the Completion report, Borrower shall charge the LOW HOME in HOME-assisted units as established from time to time by HUD pursuant to any regulations promulgated by HUD or the Government. The rents so charged must include utility costs. The maximum allowable HOME rent must be reduced by a utility allowance approved by Government if tenant is required to pay separately for utilities. The Utility Allowance approved by the Government is the Lexington-Fayette Urban County Housing Authority's Section 8 Existing Housing Allowance for Tenant Furnished Utilities and Other Services. Utility allowances approved by Government may vary as periodic adjustments are made. Should HUD revise these or other rent guidelines set out herein so as to permit Borrower to adjust the rent charged, Borrower must obtain the approval of the Government prior to adjusting rents and provide tenants with no less than thirty (30) days' written notice before adjustments are implemented.

2. The Borrower must annually certify to the Participating Jurisdiction that each building and all HOME-assisted units in the project are suitable for occupancy, taking into account State and local health, safety, and other applicable codes, ordinances, and requirements, and the ongoing property standards established by the participating jurisdiction.

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

**IN WITNESS WHEREOF**, the parties have executed this First Amendment to the Loan Agreement at Lexington, Kentucky, the day and year first above written.

**THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY LEFT BLANK**

**SIGNATURE PAGES TO FOLLOW**

## SIGNATURE PAGE - LFUCG

**LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**
By: Linda Gorton
Its: Mayor

By: Linda Gorton
Linda Gorton, Mayor

COMMONWEALTH OF KENTUCKY )
) SCT
COUNTY OF FAYETTE )

The foregoing instrument was subscribed, sworn to, and acknowledged before me this the 20th day of January, 2025, by Linda Gorton, as Mayor of the Lexington-Fayette Urban County Government.

Notary Public, State At Large, Kentucky
My Commission Expires: 11/20/2027
Commission Number: KYNP62853

**SIGNATURE PAGE – BORROWER**

**PARKSIDE DEVELOPMENT GROUP III, LLLP,**
**a Kentucky limited liability limited partnership**

By: AU Associates, Inc.,
a Kentucky corporation,
its General Partner

By: _____
Name: Johan Graham
Title: Managing Member

COMMONWEALTH OF KENTUCKY )
) SCT
COUNTY OF FAYETTE )

The foregoing instrument was subscribed, sworn to, and acknowledged before me this the 15th day of January, 2026, by Johan Graham, as Managing Member of Parkside Development Group III, LLLP, a Kentucky limited liability company, whose General Partner is AU Associates, Inc., a Kentucky corporation.

JERICA L. WALLACE
COMMISSION # KYNP71143
NOTARY PUBLIC
Exp. 04/21/2027
STATE AT LARGE, KENTUCKY

_____
Notary Public, State At Large, Kentucky
My Commission Expires: 4/21/2027
Commission Number: KYNP71143

# EXHIBIT A

## October 25th, 2016 Loan Agreement

4931-2332-2190, v. 1