

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

THIS THIRD AMENDMENT TO THE HOME LOAN AGREEMENT (“Third Amendment”), dated and entered into this the _____ day of _____ 2025, 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 **BALLARD APARTMENTS, LLC**, a Kentucky limited liability company, whose principal address is **300 West New Circle Rd, Lexington, KY 40505** (herein “Borrower”).

WITNESSETH:

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 M18-MC-21-0201 awarded October 17, 2018**;

WHEREAS, Government’s approved **2018 Consolidated Plan** provided **THREE HUNDRED THOUSAND DOLLARD AND 00/100 CENT (300,000)** to **Borrower with Unique Entity Identifier HJR4YKWPFWX6** (“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 **April 12, 2019** (attached hereto and incorporated herein as **Exhibit A**), whereby the parties agreed to develop rental housing for low-income persons and/or households at **635 Ballard Street Lexington, Fayette County, Kentucky 40508** under the name of **Ballard Apartments**. **The number of HOME-funded units is four (4).**

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 Third Amendment and the terms of the Agreement, this Third Amendment shall control. All other terms of the Agreement, as amended via the First and Second Amendments, attached hereto as collective Exhibit A, shall remain unchanged and in full force and effect.

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

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SIGNATURE PAGES TO FOLLOW

SIGNATURE PAGE - LFUCG

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

By: Linda Gorton

Its: Mayor

By: _____
Linda Gorton, Mayor

COMMONWEALTH OF KENTUCKY)
) SCT
COUNTY OF FAYETTE)

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

Notary Public, State At Large, Kentucky

My Commission Expires: _____

Commission Number: _____

SIGNATURE PAGE – BORROWER

BALLARD APARTMENTS, LLC, a Kentucky limited liability company

By: **BALLARD APARTMENTS HOUSING SERVICES, INC.**, a Kentucky nonprofit corporation, its member

By: _____
Name: Austin J. Simms
Title: President

COMMONWEALTH OF KENTUCKY)
) SCT
COUNTY OF FAYETTE)

The foregoing instrument was subscribed, sworn to, and acknowledged before me this the _____ day of _____, 2025, by Austin J. Simms, as President, by and on behalf **BALLARD APARTMENTS, LLC**, a Kentucky limited liability company.

Notary Public, State At Large, Kentucky
My Commission Expires: _____
Commission Number: _____

EXHIBIT A

April 12, 2019 Loan Agreement
July 11, 2022 First Amendment to Loan Agreement
February 6, 2023 Second Amendment to Loan Agreement

4931-2332-2190, v. 1