

DATE FILED
January 2, 2024 2:16 PM

EXHIBIT 2

(Part 1 of 3)

COMMITMENT for Insurance of Advances (Sections 207, 220, 221, 241(a) and 231)

OFFICE OF HOUSING
Multifamily Production

U.S. Department of Housing
and Urban Development

WARNING: Federal law provides that anyone who knowingly or willfully submits (or causes to submit) a document containing any false, fictitious, misleading, or fraudulent statement/certification or entry may be criminally prosecuted and may incur civil administrative liability. Penalties upon conviction can include a fine and imprisonment, as provided pursuant to applicable law, which includes, but is not limited to: 18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802, 24 C.F.R. Parts 25, 28 and 30, and 2 C.F.R. Parts 180 and 2424.

FHA Project No.:	101-35806
Project Name:	The Landings at Gateway
Project Address:	19007 E. 60 th Avenue
	Denver, CO 80249

Greystone Funding Company, LLC	The Landings at Gateway, LLC
("Lender")	("Borrower")
419 Belle Air Lane	260 North Josephine Street, Suite 600
Warrenton, VA 20186	Denver, CO 80206
("Lender Address")	("Borrower Address")

We understand that you, as Lender, have agreed to make a loan to Borrower (the **"Loan"**) in an amount not exceeding the Maximum Loan Amount (defined below), evidenced by a note (the **"Note"**) to be secured by a security instrument (the **"Security Instrument"**) covering real property as shown on the legal description of the property attached hereto as **Exhibit A** (**"Project"**).

It is your intention to present the said Note and Security Instrument to the U.S. Department of Housing and Urban Development (“**HUD**”) for mortgage insurance under the section of the National Housing Act (the “**Act**”) identified further below and the Regulations thereunder now in effect (the “**Regulations**”).

HUD hereby agrees to insure said Note and Security Instrument under the provisions of the Act and Regulations upon the following conditions, all of which must be satisfied before this commitment letter (hereinafter referred to as the “**Commitment**”) is enforceable against HUD.

Lender and Borrower expressly acknowledge and agree that each numbered item contained in this Commitment, including those in **Exhibit B**, is an independent condition that must be satisfied before HUD is legally obligated to accept the Note and Security Instrument for mortgage insurance. The HUD action that signifies its acceptance of said Note and Security Instrument for mortgage insurance is the “**Initial Endorsement**” (initial Loan closing for insured advances) or “**Final Endorsement**” (final Loan closing for insured advances).

The conditions contained herein may include various references to the *Multifamily Accelerated Processing Guide* (the “**MAP Guide**”), the *Federal Housing Administration Multifamily Program Closing Guide* (the “**FHA Closing Guide**”), and HUD “**Program Obligations**” (as defined in the Security Instrument). All applicable provisions of the MAP Guide, FHA Closing Guide, and Program Obligations are hereby incorporated by reference and must be addressed to the satisfaction of HUD prior to Initial Endorsement and Final Endorsement.

The definition of each capitalized term used in this Commitment is indicated with quotation marks, and preceded or followed by data, information, narrative, or reference to another document.

FHA Project No.	101-35806	
“Section of the Act”	221(d)(4)	
“Firm Commitment Effective Date”	Date SIGNED BY Authorized Agent of HUD, as it appears at the end of this document.	
“Firm Commitment Term”	60	Days.
“Maximum Loan Amount”	\$46,616,300	
	Forty-six million, six hundred and sixteen thousand and three hundred dollars.	

MIP owed at Initial Endorsement (This amount is shown for informational purposes only. The amount must be consistent with the upfront amount calculated pursuant to condition I.15 below. If there is a conflict, the amount established by condition I.15 controls.)	\$116,540.75	
Upfront capitalized MIP percentage rate (For informational purposes only.)	0.25	%
Annual MIP percentage rate (For informational purposes only.)	0.25	% Per Annum
“MIP Category”	Green	
“Section 50 Signatories”	Andrew Robinson, William J. Hybl and Buck Blessing	

“Permanent Financing”		
“Permanent Interest Rate”	3.35	% Per Annum
“Amortization Period”	480 Months	Months Piece “A” (if applicable) Piece “B” (if applicable)
“Initial Principal Payment Month”	23	Months after date of Initial Endorsement
“Principal and Interest Payment Amount”	\$176,417.71	Per Month Piece “A” (if applicable) Piece “B” (if applicable)

“Additional Funding Sources”		
“Secondary Financing”	N/A	<i>[Insert numeric amount for each source]</i>
“Tax Credit Equity”	N/A	<i>[Insert numeric amount for each source]</i>
“Bridge Loan”	N/A	<i>[Insert numeric amount]</i>
“Bonds”	N/A	

“Construction Terms”		
“Construction Contract Amount”	\$38,877,523	
“Construction Term”	19	<i>Months</i>
[“Surety Bond Amounts”] or [“Completion Assurance Agreement Amount”]	\$38,877,523	
“Construction Period Interest Rate”	3.35%	<i>% Per Annum</i>
“Cost Certification”	REQUIRED	

“Drawing and Specifications”	The Landings at Gateway	
	1/8/2021	
“Deferred Drawing & Specifications”	N/A	
“Survey”	10/1/2020	
	Kevin J Kucharczyk License Number: 34591	

“Current Davis-Bacon Wage Decision”

[Attach current wage decision(s) as **Exhibit F**, if available. If more than one wage decision is applicable to the Project, attach all applicable wage decisions. Consult with the Office of Davis-Bacon and Labor Standards.

Insert the following information from the wage decision(s).

(Note, this box (and Exhibit F) must be verified (and updated, if necessary) to ensure the accuracy of the wage decision(s) immediately prior to Initial Endorsement.)

Denver	County
COLORADO	State
CO20210004 07/23/2021	General Decision No.
None	Modification No.
RESIDENTIAL	Construction Category
CO20210020 07/23/2021	General Decision No.
None	Modification No.
BUILDING	Construction Category

“Reserves, Insurance and Escrows”

“Initial Reserve for Replacement Deposit Amount”	N/A	<i>Prior to Closing</i>
“Annual Reserve for Replacement Amount”	\$48,000	<i>Per Year</i>
“Monthly Reserve for Replacement Payment Rate”	\$4,000	<i>Per Month</i>

“Inspection Fee Amount”	\$233,082
“Exam Fee Amount”	\$139,849
“Flood Insurance”	NOT REQUIRED
“Property Insurance Coverage Amount”	\$26,601,630
“Estimated Insurable Value”	\$33,252,038
“Maximum Allowable Property Insurance Deductible”	\$25,000

“Working Capital Deposit Escrow Amount”	\$1,864,652
“Additional Project Capital Amount”	\$290,740
[“Maximum Contractor's Fee”] [“BSPRA”]	\$4,690,704
“Off-site Improvement Cost”	\$353,017
“Assurance of Completion Amount for Off-Site Improvements”	\$353,017
“Demolition Cost”	N/A
“Initial Operating Deficit Deposit”	\$2,233,553
“Operating Deficit Period”	<u>12</u> <i>Months after the date of Final Endorsement</i>

“ADDITIONAL & DEAL-SPECIFIC CONDITIONS”	
Additional & Deal-Specific Conditions are identified in Exhibit B	[SEE EXHIBIT B]

I. UNIFORM CONDITIONS - FIRM COMMITMENT

1. **Firm Commitment Acceptance; Corrections.** The Borrower's and Lender's acceptance of the Commitment must be evidenced by the return of a fully executed copy to HUD on or before ten (10) business days from the Firm Commitment Effective Date. This Commitment and exhibits referred to herein, and the Act and Regulations constitute the entire agreement among the parties, and the signature of the Borrower and Lender below hereof evidences acceptance of the terms. Notwithstanding anything to the contrary contained in this Commitment, Borrower and Lender agree to revise and execute any documents HUD determines necessary to complete the Loan closing in accordance with Program Obligations, and/or correct ministerial or clerical errors in the Commitment that are inconsistent with the loan application and supporting documents.
2. **Firm Commitment Term.** This Commitment shall expire after the Firm Commitment Term unless extended by HUD. Upon such expiration, all rights and obligations of the respective parties shall cease, and pursuant to 24 C.F.R. § 200.47, HUD shall not insure the Note and Security Instrument. Prior to any extension of this Commitment, HUD may, at its option, reexamine this Commitment to determine whether it shall be extended in the same amount, or shall be amended to include a lesser amount. The Firm Commitment Term shall commence on the Firm Commitment Effective Date.
 - (a) **Reopening of Expired Firm Commitment.** A request for the reopening of this Commitment received within ninety (90) days of its expiration must be accompanied by the reopening fee of \$.50 per \$1,000 of the amount of the expired commitment.
3. **No Material Adverse Change.** Prior to Initial Endorsement the Lender must certify that there has been no material adverse change to the: (a) underwriting assumptions stated on the attachments to this Commitment; (b) financial condition or creditworthiness of the Borrower, or principals thereof; (c) Borrower's ability to perform its obligations or responsibilities under the loan documents; or (d) Project; and no event has occurred, or circumstances exist that may result in such material adverse effect.
4. **Third Party Updates.** HUD may require submission of updated third-party reports and underwriting, which will be subject to HUD review and approval, to extend this Commitment beyond its original expiration. HUD may elect to not insure the Note and Security Instrument as a consequence of any material adverse change to such reports or underwriting.
5. **Compliance with Laws and HUD Requirements.** The Borrower, Lender, and Project shall comply with all Program Obligations, and all applicable state and local laws. All certificates, documents and agreements required by this Commitment and required for closing are on HUD forms or, if no HUD form is available, must be approved by HUD. The closing procedures and requirements in the FHA Closing Guide are followed, including procedures for changes to closing documents when requested. To the extent any condition references a specific form number, HUD may require the use of any renumbered, successor, or otherwise formally updated version.

6. **Draft Closing Documents.** Draft closing documents shown in comparison form against the model forms, conforming to the terms of this Commitment, must be submitted not less than fifteen (15) business days prior to Initial Endorsement and/or Final Endorsement. After review, the place and date of the closing will be designated, at which time the documents and exhibits in final form shall be delivered to HUD for approval. Borrowers and Lenders must use the most recent closing checklists for Initial Endorsement and Final Endorsement found here: https://www.hud.gov/OGC_Multifamily_Closing_Documents_Checklist
7. **Closing Statement Certification.** Upon closing, the Lender must submit a certified loan closing statement signed by the Lender and Borrower that itemizes the disbursement of Loan proceeds and Borrower's cash contribution, if any. The statement regarding the disbursements must be specific and list the amounts to be paid to satisfy the Borrower's obligations for: (1) existing or other indebtedness in a refinancing transaction, (2) repairs, (3) discounts, (4) financing fees, (5) legal expenses, (6) organizational expenses, (7) title and recording costs, and (8) any Lender required escrows for GNMA, taxes, or insurance. The certified closing statement signed by the Borrower and Lender must include the following certification:
- WARNING: Federal law provides that anyone who knowingly or willfully submits (or causes to submit) a document containing any false, fictitious, misleading, or fraudulent statement/certification or entry may be criminally prosecuted and may incur civil administrative liability. Penalties upon conviction can include a fine and imprisonment, as provided pursuant to applicable law, which includes, but is not limited to: 18 U.S.C. 1001, 1010, 1012; 13 U.S.C. 3729, 3802, 24 C.F.R. Parts 25, 28 and 30, and 2 C.F.R. Parts 180 and 2424.
8. **Assurance of Permanent Financing.** Prior to Initial Endorsement, the Lender must provide HUD with a commitment for a permanent loan or other firm written assurance demonstrating that permanent financing will be available at the rate shown in the firm commitment application. The form of assurance must address; but is not limited to the: (1) source of financing; (2) term; (3) interest rate; (4) extension provisions; (5) dates for delivery of the permanent mortgage; and (6) any conditions that are, will be part of, or will impact on the permanent financing arrangements.
9. **Electronic Documents.** Acceptance of this Commitment includes the Lender's agreement to provide, within five (5) business days after closing, a CD or USB flash drive containing electronic copies of the fully executed and otherwise collected closing documents. The CD or USB flash drive should be submitted to the assigned HUD closing coordinator and the HUD closing attorney.
10. **HUD Review.** HUD reserves the right to examine the Lender's file materials related to the underwriting of the Note and Security Instrument at any time during the ten (10) -year period following Initial or Initial/Final (as applicable) Endorsement. If there is evidence of fraud or misrepresentation by the Lender, HUD reserves its legal rights under the contract of

mortgage insurance and Mortgagee Review Board requirements. The Lender agrees to retain, in accessible files, all materials related to the underwriting of the Note and Security Instrument for a period of ten (10) years, even though the Note and Security Instrument itself may be sold to another entity.

UNIFORM CONDITIONS - SECURITY

- 11. Form of the Note and Security Instrument.** The Note and Security Instrument to be insured shall be in the form prescribed by HUD for use in connection with loans insured under the Act in the locality in which the property is situated.
- 12. First Lien Security Interest.** The Borrower and Lender, as applicable, shall provide a security agreement, UCC financing statements, and such other documents as required under State law, granting Lender and HUD a perfected first lien security interest in the UCC Collateral (as that term is defined in the Security Instrument, form HUD-94000M) for the duration of the insured Note and Security Instrument (subject only to liens for taxes and assessments that are not delinquent). For § 241 loans only, the preceding provision is modified to substitute “second” in lieu of “first.”
- 13. Title Policy.** Prior to Initial Endorsement and again prior to Final Endorsement, the Borrower shall present to HUD an ALTA Loan title policy and title policy endorsements in conformity with the FHA Closing Guide in effect on the date of this Commitment. The title policy must indicate that fee simple title to the property (or, if approved by HUD, a leasehold estate therein) is vested in the Borrower free of all exceptions to title, other than those specifically determined to be acceptable by HUD, on the date of Initial Endorsement and Final Endorsement (as applicable). Said title policy shall by its terms inure to the benefit of the Lender and/or the U.S. Department of Housing and Urban Development, as their interests may appear. Lender and Borrower each agree that as a condition of this Commitment, title exceptions must be acceptable to HUD.
- 14. Survey.** Prior to Initial Endorsement, and again prior to Final Endorsement, the Borrower shall present to HUD an ALTA/NSPS Survey of the Project and Surveyor’s Report dated within 120 days of the closing, in form and substance satisfactory to HUD.
- 15. Upfront Mortgage Insurance Premium.** Upon Initial Endorsement, the Lender shall pay to HUD, in advance, the “Upfront Mortgage Insurance Premium,” which is defined by multiplying the Maximum Loan Amount by the upfront mortgage insurance premium rate published in the Federal Register pursuant to 24 C.F.R. 207.254 that is applicable to the Loan’s Section of the Act and MIP Category, as of the Firm Commitment Effective Date.
- 16. Changes in Tax Credit Allocation or Other Governmental Assistance.** Pursuant to Form HUD-2880, this Commitment is based on Borrower certifications regarding the absence or use of Tax Credits or Other Government Assistance. Any change to the Borrower’s financial position relating to Tax Credits or Other Government Assistance must be reflected in an updated Form HUD-2880. HUD reserves the right to unilaterally alter any and all of its

underwriting determinations, and/or revise the terms of this Commitment or Regulatory Agreement in accordance with the change in Tax Credit Allocation or Other Governmental Assistance. This condition survives through Final Endorsement.

UNIFORM CONDITIONS - AUTHORITY & OWNERSHIP

- 17. Borrower Authority.** The Borrower must possess the powers necessary for complying with Program Obligations for insurance of the Note and Security Instrument. Prior to Initial Endorsement, there shall be delivered to HUD and the Lender (a) copies of ownership entity documentation that complies with applicable requirements of HUD, including a copy of the instrument under which the Borrower entity is created, together with copies of all instruments or agreements necessary under the laws of the applicable jurisdiction to authorize execution of the other closing documents, and (b) a regulatory agreement in the form prescribed by HUD for use in connection with loans insured under the Act (the “**Regulatory Agreement**”).
- 18. Section 50 Signatory.** Section 50 of the Regulatory Agreement shall apply to the individuals or entities identified above as Section 50 Signatories. It is a condition of this Commitment that none of the Section 50 Signatories may withdraw or be substituted without HUD’s prior written approval.
- 19. Previous Participation (2530) Review.** Any individuals and entities in control of the Project are subject to a previous participation review as set forth in 24 C.F.R. part 200, subpart H (as may be amended from time to time) (“**Controlling Participants**”) and other Program Obligations (“**Previous Participation**”).

Any individual or entity who is subject to the Previous Participation regulations but who has not already received Previous Participation approval or who may later become involved with the Project, is subject to said Previous Participation review, mortgage credit review, and Office of Foreign Assets Control (OFAC)/Terrorism checks and verifications as required by the U.S. Patriot Act, prior to Initial Endorsement or Final Endorsement (as applicable). HUD’s obligations under this Commitment remain subject to satisfactory resolution of any adverse items found by HUD during HUD Previous Participation review, as determined by HUD.

A closing date shall not be set until appropriate clearance and HUD approval is obtained for all participants. Previous Participation Certifications may be submitted to HUD electronically via the Active Partners Performance System (APPS) or via paper form HUD-2530, or as directed by HUD. Controlling Participants who opt to file a paper form HUD-2530 must also register at Business Partner Registration HUD Multifamily. To register, and for more information, please visit:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/apps/appsmfhm.

- 20. Changes in Ownership/Financial Support.** HUD has materially relied on the representations made in the firm commitment application as to the identity of all entities and

individuals having an ownership interest (directly or indirectly) in the Borrower entity. It is a condition of this Commitment that any change to such entities or individuals requires a written request to HUD for written approval of the change, and any such change shall be subject to HUD's credit review and Previous Participation clearance prior to Initial Endorsement and Final Endorsement. Additionally, the withdrawal of any entity or individual relied on for financial capacity prior to Initial or Final Endorsement requires prior approval by HUD.

UNIFORM CONDITIONS - PROJECT

- 21. Property Insurance Coverage.** Prior to issuance of the Permission to Occupy or prior to Final Endorsement as applicable, the Borrower must provide evidence to Lender that all required insurance complies with Program Obligations. Property insurance, including fire and other property insurance as required by the Security Instrument, shall be in full force and effect and coverage must equal the Property Insurance Coverage Amount with a deductible that equals the Maximum Allowable Property Insurance Deductible.
- 22. Reserve for Replacement.** The Regulatory Agreement shall provide, among other things, for the establishment of a reserve fund for replacements (the "**Reserve for Replacement**") under the control of the Lender by payment of the Annual Reserve for Replacement Amount, to be accumulated monthly at the Monthly Reserve for Replacement Payment Rate, commencing on the date of the first payment to principal as established in the Note and Security Instrument, unless a later date is agreed upon by HUD. In addition to the Annual Reserve Fund for Replacement Amount, there shall be an initial deposit in the amount of not less than the Initial Reserve for Replacement Deposit Amount made to the Reserve for Replacement by the Borrower at the time of Initial Endorsement. If applicable, attached hereto as **Exhibit D**, is the Reserve for Replacement Funding Schedule which supports the per annum and initial deposits to the Reserve for Replacement. The Annual Reserve for Replacement Amount shall be subject to change in accordance with Program Obligations.

II. PROGRAM CONDITIONS **(New Construction/Substantial Rehabilitation)**

- 1. Note Terms.**
- (a)** The Note shall bear interest at the Construction Period Interest Rate during the "**Construction Period**." As used herein, the Construction Period shall begin on the date of Initial Endorsement and end on the cost cut-off date approved by HUD (or such other date as may be approved by HUD). The Construction Period is scheduled to last for the number of months identified above as the Construction Term. After the Construction Period ends, the Note shall bear interest at the Permanent Interest Rate and shall be payable in the manner set forth below. (If the Note does not specify a Construction Period Interest Rate, the Note shall bear interest at the Permanent Interest Rate and shall be payable in the manner set forth below.)

Note: Any change in the interest rate may require reprocessing of the mortgage insurance application and amendment of this Commitment prior to Initial Endorsement.

- (b) Payments of interest only on the outstanding principal balance shall be due and payable on the first day of each month, commencing not later than the first day of the month following Initial Endorsement and continuing through the first day of the month immediately prior to the date on which the first monthly payment of principal is due.
 - (c) The first payment to principal (commencement of amortization) shall be due on the first day of the Initial Principal Payment Month. The Note and Security Instrument shall be payable on a level annuity basis in the amount identified above as the Principal and Interest Payment Amount. Monthly principal and interest payments due prior to, or on the first day of the month after Final Endorsement shall be adjusted to the extent that the full principal amount of the Note and Security Instrument has not yet been advanced in order for such payments to equal the sum of (i) interest on the outstanding principal balance plus (ii) the regularly scheduled principal amortization payments due on the Note and Security Instrument assuming that the full amount thereof has been advanced. The Amortization Period shall begin on the due date of the first repayment of the principal.
 - (d) Upon Final Endorsement, the Borrower must be current with respect to all payments required by the Note and Security Instrument, including all deposits required to be made with the Lender for mortgage insurance premiums, fire and other property insurance premiums, ground rents, water rates, taxes and other assessments.
2. **Project Construction.** The Project shall be constructed or substantially rehabilitated (as applicable) on the property shown on **Exhibit A** in accordance with a Construction Contract (HUD-92442M), approved by HUD, and with the project's final Drawings and Specifications filed with HUD and identified in the index attached hereto as **Exhibit C**. The Drawings and Specifications, which include "General Conditions of the Contract for Construction" (AIA Document A201) and "Supplementary Conditions of the Contract for Construction" (HUD-92554M), shall be identified in a manner acceptable to HUD by the following parties or their authorized agents: Borrower, design architect, architect administering the Construction Contract, contractor, and if applicable, the contractor's surety. HUD encourages Borrowers to utilize energy saving devices and methods.
3. **Changes to Drawings and Specifications.** Any change in the Drawings and Specifications or in the related conditions upon which this Commitment is based, that may occur after the date hereof, shall be explained in writing, or in a supplementary application if required by HUD, and must be approved by HUD prior to Initial Endorsement. Any such change must be brought to the attention of HUD immediately upon occurrence, and must be documented as a project change order and approved by both HUD and the Lender. HUD's approval of any change described above is subject to the procedures set forth in Chapter 12 of the MAP Guide.

4. **Building Agreements.** Approval of advances of insured loan proceeds in accordance with the Building Loan Agreement (Form HUD-92441M) must be obtained on a form prescribed by HUD prior to the date of each advance to be insured. A Contractor's Prevailing Wage Certificate is included with the Contractor's Requisition Form (HUD-92448) and shall be filed with the request for approval of each advance that includes a payment for construction costs. HUD's execution of Applications for Insurance of Advances of Mortgage Proceeds (Form HUD-92403) shall be required only for advances made at Initial Endorsement and Final Endorsement and for advances of all or part of the contractor's retainage, and the Lender shall have the authority to approve all other advances of Loan proceeds. The Current Davis-Bacon Wage Decision, as identified above, applies as of the Firm Commitment Effective Date, but must be verified, and updated as necessary, prior to Initial Endorsement.
5. **Davis Bacon Wage Requirements.** The HUD Closing Coordinator will contact the HUD Office of Davis Bacon and Labor Standards ("DBLS") at least two (2) weeks prior to the start of construction to determine whether a wage conference is necessary. If determined necessary, authorized representatives from the Borrower, general contractor, and any subcontractors specified by DBLS must attend the conference (all subcontractors are encouraged to attend). Initial Endorsement is contingent on the Borrower having obtained a wage decision from DBLS effective for the date of Initial Endorsement.
6. **Pre-Construction Conference.** A pre-construction conference must be held the day of Initial Endorsement or, if requested and HUD scheduling permits, at an earlier date. Required attendees include authorized representatives from the Lender, Borrower, general contractor, architect, and sureties.
7. **Estimated Progress Schedule of Work.** No fewer than ten (10) calendar days prior to Initial Endorsement, an Estimated Progress Schedule of Work must be submitted by the general contractor for review and approval by HUD. The progress schedule is required by the AIA General Conditions, which is an integral part of the FHA Construction Contract, Form HUD-92442M.
8. **E&O Insurance.** Prior to Initial Endorsement, both the design architect and supervising architect shall provide evidence of errors and omissions (liability) insurance and shall agree to maintain errors and omissions insurance through acceptance of the 12-month warranty inspection.
9. **Asbestos O&M Plan/Lead Based Paint Survey.** Should any asbestos-containing materials, lead paint or other environmental contaminants be encountered in the course of demolition or construction, such contaminants are to be handled in accordance with all applicable federal, state, and local requirements.
10. **Section 106 Consultation.** If an archaeological site, human remains, or cultural resources of tribal interest are revealed during the project's construction, HUD must be notified. HUD will contact responders to the Section 106 consultation, as applicable.

- 11. HUD Inspection and Inspection Fee.** During the course of construction, HUD shall at all times have access to the property and the right to inspect the progress of construction, and the Inspection Fee Amount shall be paid at or before Initial Endorsement. The inspection of construction by a representative of HUD shall be only for the benefit and protection of HUD. The inspection fee is subject to change based on the resizing of the Note and Security Instrument prior to Initial Endorsement.
- 12. HUD Application Fee (“Exam Fee”).** Prior to Initial Endorsement, the Lender shall also pay to HUD an application fee (also known as an “Exam Fee”) equal to the Exam Fee Amount set forth above, in accordance with Chapter 3 of the MAP Guide.
- 13. Completion Assurance.** At or prior to Initial Endorsement, there shall be submitted to HUD assurance of completion of the Project in the form of (i) Payment and Performance Bonds reflecting the Surety Bond Amounts set forth above and issued by a surety acceptable to HUD, or (ii) a completion assurance agreement reflecting a deposit of the Completion Assurance Agreement Amount set forth above.
- 14. Escrows.** At or before Initial Endorsement, the Lender or its nominee shall collect escrowed funds (in the form of cash and/or, except with respect to clause (c) below, one or more unconditional and irrevocable letters of credit) to be applied to the following items:
- (a) Working Capital Deposit Escrow Amount.** Funds for application to taxes, mortgage insurance premiums, property insurance premiums and assessments required by the terms of the Security Instrument accruing subsequent to Initial Endorsement, and not from Loan proceeds, in the amount identified above as the Working Capital Deposit Escrow Amount.
 - (b) Additional Project Capital Amount.** Funds required over and above Note and Security Instrument proceeds for completion of the Project in the amount identified above as the Additional Project Capital Amount. This sum represents the difference between HUD’s estimate of the total cash required for carrying charges, financing, and for construction of the Project, including contractor’s fees and overhead, architect’s fees, and other fees, and the maximum amount of the Note and Security Instrument to be insured. These funds may be reduced by (i) so much of the contractor’s fees up to Maximum Contractor’s Fee or BSPRA (as applicable), as the closing documents show that are not to be paid in cash, and (ii) amounts that have been prepaid by or on behalf of the Borrower, as evidenced by a certification of the Borrower.
 - (c) Off-site Improvement Cost & Demolition Cost.** Funds for application to the costs of off-site improvements in the amount identified above as the Off-site Improvement Cost, and the amount identified above as the Demolition Cost.
 - (d) Initial Operating Deficit Deposit.** Funds in the amount identified above as the Initial Operating Deficit Deposit held in escrow either by cash, a letter of credit, or excess mortgage proceeds, or excess land equity, if any, for application to the Project expenses

beginning on the later of (1) the date on which all or part of the Project receives a certificate of occupancy, or (2) the date on which the residents first occupy the Project, and ending on the later of (1) the Operating Deficit Period or (2) the date by which the Project has demonstrated to HUD's satisfaction that the Project has achieved a debt service coverage ratio (including Mortgage Insurance Premium) of at least 1.0 for six consecutive months (break-even occupancy).

- (e) At Initial Endorsement, the Lender shall deliver to HUD a Lender's Certificate (form HUD-92434M) evidencing the escrow of funds corresponding to the accounts described in (a) – (d) above. All funds deposited with the Lender or its nominee under this paragraph shall be held and disbursed by the Lender or its nominee in accordance with the applicable Program Obligations.

- 15. Occupancy Approval.** To the extent that the Borrower has not done so prior to Initial Endorsement, the Borrower must provide to HUD evidence/documentation from the appropriate local/state local authorities showing approval or conditional approval for the occupancy of the Project prior to any actual occupancy of the Project (or applicable portion thereof).
- 16. Tenant Security Deposits.** If the Project is currently occupied, the Borrower must provide proof of a tenant security deposit account prior to Initial Endorsement. The Borrower agrees that it will comply with the Regulatory Agreement covering Security Deposits.
- 17. Cost Certification and Cost Savings.** Borrower must provide a Cost Certification (under Forms HUD-92330 and 92330-A) unless HUD has determined that the Project is exempt from this requirement pursuant to Program Obligations as indicated in the table above. Any interest savings resulting purely from a differential between the processed interest rate and the actual final interest rate may not be construed as excess funds offsetting costs in other categories at the time of cost certification. To the extent that the amount of the Note and Security Instrument set forth in this Commitment has been determined based upon replacement cost, any such savings must be applied as a reduction in the amount of the Note and Security Instrument or placed in the Reserve for Replacement account (if permitted by Program Obligations) or other use as deemed appropriate as project betterment by HUD.
- 18. Continuing Obligations & Final Endorsement.** Once HUD endorses the Note and Security Instrument for mortgage insurance upon satisfaction of all conditions required prior to Initial Endorsement, pursuant to 24 C.F.R. § 200.100(b), Borrower and Lender shall continue to be obligated to satisfy all remaining conditions contained herein that must be satisfied before Final Endorsement. Upon completion of the Project in accordance with the Drawings and Specifications, the Note will be finally endorsed for insurance to the extent of the advances of Note and Security Instrument proceeds approved by HUD, subject to reduction as provided in the Act and Regulations.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

acting by and through the **Secretary:**

Matt Naish

Digitally signed by: Matt Naish
DN: CN = Matt Naish email = john.
naish@hud.gov C = AD O = Multifamily
West OU = Regional Director
Date: 2021.08.25 10:50:48 -07'00'

By: _____

Date: _____

Matt Naish, Authorized Agent
Regional Director
Multifamily West Region

This Commitment, including **Exhibit B** conditions, is hereby accepted by the undersigned, and we hereby agree to be bound by the terms hereof.

Each signatory below hereby certifies such signatory's statements and representations contained in this Commitment and all supporting documentation provided by such signatory are true, accurate, and complete. This Commitment has been made, presented, and delivered for the purpose of influencing an official action of HUD in insuring the Loan, and may be relied upon by HUD as a true statement of the facts contained therein.

BORROWER:

The Landings at Gateway, LLC

Date: _____

By: _____

Name: _____

Title: _____

LENDER:

Greystone Funding Company, LLC

Date: _____

By: _____

Name: _____

Title: _____

Attachments:

- Exhibit A – Legal Description
- Exhibit B – Additional Conditions
- Exhibit C – Listing of Drawings and Specifications
- Exhibit D – Reserve for Replacement Funding Schedule (if applicable)
- Exhibit E – Forms HUD-92264A, Forms HUD 92264, 2328, 92329 and 92447
- Exhibit F – Davis-Bacon Wage Decision(s)
- Exhibit G – Equity Contribution Schedule (include for tax credit deals only)

Closing Coordinator: Mikaela Urgo mikaela.l.urgo@hud.gov
--

EXHIBIT A**PARCEL 2:**

THAT PORTION OF THE SOUTHWEST 1/4 OF SECTION 10, TOWNSHIP 3 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY AND COUNTY OF DENVER, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE WEST QUARTER CORNER OF SAID SECTION 10, WHENCE THE CENTER QUARTER CORNER OF SAID SECTION BEARS NORTH 89 DEGREES 12 MINUTES 57 SECONDS EAST, A DISTANCE OF 2652.17 FEET; THENCE ALONG THE NORTH LINE OF SAID SOUTHWEST QUARTER, NORTH 89 DEGREES 12 MINUTES 57 SECONDS EAST, A DISTANCE OF 690.04 FEET TO THE NORTHEAST CORNER OF THAT PARCEL OF LAND DESCRIBED AS THE NORTH 660 FEET OF THE WEST 690 FEET OF SAID SOUTHWEST QUARTER OF SECTION 10, AND THE POINT OF BEGINNING;

THENCE CONTINUING ALONG SAID NORTH LINE, NORTH 89 DEGREES 12 MINUTES 57 SECONDS EAST, A DISTANCE OF 108.37 FEET TO THE WEST RIGHT OF WAY LINE OF ARGONNE STREET;

THENCE ALONG SAID WEST RIGHT OF WAY LINE, SOUTH 00 DEGREES 12 MINUTES 21 SECONDS EAST, A DISTANCE OF 624.33 FEET TO THE BEGINNING OF A NON-TANGENT CURVE NORTHWESTERLY HAVING A RADIUS OF 30.00 FEET, THE RADIUS POINT OF SAID CURVE BEARS SOUTH 89 DEGREES 47 MINUTES 47 SECONDS WEST, ALSO BEING A POINT ON THE NORTH LINE OF THAT CITY AND COUNTY OF DENVER RIGHT OF WAY PARCEL AS DESCRIBED ; THENCE ALONG SAID NORTH LINE THE FOLLOWING FOUR (4) COURSES:

1. SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 89 DEGREES 25 MINUTES 01 SECONDS AN ARC LENGTH OF 46.82 FEET;

2. SOUTH 89 DEGREES 12 MINUTES 57 SECONDS WEST, A DISTANCE OF 30.21 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY HAVING A RADIUS OF 64.00 FEET;

3. WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 20 DEGREES 16 MINUTES 32 SECONDS AN ARC LENGTH OF 22.65 FEET;

4. NORTH 70 DEGREES 29 MINUTES 52 SECONDS WEST, A DISTANCE OF 27.88 FEET TO THE EAST BOUNDARY OF SAID PARCEL OF LAND DESCRIBED AS THE NORTH 660 FEET OF THE WEST 690 FEET OF SAID SOUTHWEST QUARTER;

THENCE ALONG SAID EAST BOUNDARY, NORTH 00 DEGREES 12 MINUTES 21 SECONDS WEST, A DISTANCE OF 640.39 FEET TO THE POINT OF BEGINNING.

PARCEL 3:

THAT PORTION OF THE SOUTHWEST 1/4 OF SECTION 10, TOWNSHIP 3 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY AND COUNTY OF DENVER, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTER QUARTER CORNER OF SAID SECTION 10, WHENCE THE WEST QUARTER CORNER OF SAID SECTION BEARS SOUTH 89 DEGREES 12 MINUTES 57 SECONDS WEST, A DISTANCE OF 2652.17 FEET; THENCE ALONG THE NORTH LINE OF SAID SOUTHWEST QUARTER, SOUTH 89 DEGREES 12 MINUTES 57 SECONDS EAST, A DISTANCE OF 67.00 FEET TO THE WEST RIGHT OF WAY LINE OF DUNKIRK STREET AND THE POINT OF BEGINNING;

THENCE ALONG SAID WEST RIGHT OF WAY LINE THE FOLLOWING THREE (3) COURSES:

1. SOUTH 00 DEGREES 20 MINUTES 55 SECONDS WEST, A DISTANCE OF 37.00 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 30.00 FEET, THE RADIUS POINT OF SAID CURVE BEARS SOUTH 00 DEGREES 46 MINUTES 50 SECONDS EAST;

2. SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90 DEGREES 37 MINUTES 38 SECONDS AN ARC LENGTH OF 47.45 FEET;

3. SOUTH 00 DEGREES 09 MINUTES 25 SECONDS EAST, A DISTANCE OF 806.04 FEET TO THE NORTHEAST CORNER OF FIRST CREEK FILING NO. 1, A SUBDIVISION PLAT RECORDED UNDER RECEPTION NO. 2002214133 ON NOVEMBER 12, 2002 IN THE CITY AND COUNTY OF DENVER RECORDS;

THENCE ALONG THE NORTH BOUNDARY OF SAID SUBDIVISION, SOUTH 89 DEGREES 26 MINUTES 45 SECONDS WEST, A DISTANCE OF 1737.96 FEET TO THE EAST RIGHT OF WAY LINE OF ARGONNE STREET;
THENCE ALONG SAID EAST RIGHT OF WAY LINE, NORTH 00 DEGREES 12 MINUTES 21 SECONDS WEST, A DISTANCE OF 866.38 FEET TO THE NORTH LINE OF SAID SOUTHWEST QUARTER;
THENCE ALONG SAID NORTH LINE, NORTH 89 DEGREES 12 MINUTES 57 SECONDS EAST, A DISTANCE OF 1708.76 FEET TO THE POINT OF BEGINNING.

LEGAL DESCRIPTION PREPARED BY
DEREK S. BROWN PLS NO 38064
FOR AND ON BEHALF OF
AZTEC CONSULTANTS, INC.
8000 S LINCOLN ST, #201
LITTLETON, CO 80122

**COMMITMENT for Insurance of Advances
(Sections 207, 220, 221, 241(a) and 231)**

**OFFICE OF HOUSING
Multifamily Production**

**U.S. Department of Housing
and Urban Development**

**EXHIBIT B: ADDITIONAL CONDITIONS
New Construction/Substantial Rehabilitation**

1. Radon Protection: - Property is in Radon Zone 1. Zone 1 counties have a predicted average indoor radon screening level greater than 4 pCi/L, which is above the allowable threshold of 4.0 pCi/L. Construction must conform to HUD radon requirements including Notice H 2013-03 and meet the requirements of the most recent edition of CC-1000. Post-construction radon testing is required prior to Final Endorsement. If results are above the 4.0 pCi/L threshold, conversion/retrofitting to an active radon system is required. Prior to Final Endorsement, the project architect must certify the "as built" construction meets Notice H 2013-03 requirements.
2. MIP - This is a Green MIP project; at Initial Closing, the Borrower will be signing the "RIDER TO REGULATORY AGREEMENT" stating the Borrower's Obligation to Maintain Project's Energy Performance as Consideration for MIP Reduction. A copy of the signed HUD-92013-D included in the application should also be provided prior to Initial Closing. Prior to Final Endorsement, certification from National Green Building Standard (NGBS) must be provided to HUD. The certification must be achieved not more than 3 months after the date of Substantial Completion.
3. SHPO - Should unidentified archaeological resources be discovered in the course of the project; work must be interrupted until the resources have been evaluated in terms of the National Register eligibility criteria (36 CFR 60.4) in consultation with our office pursuant to 36 CFR 800.13. Also, should the consulted-upon scope of the work change SHPO should be contacted for continued consultation under Section 106 of the NHPA. SHPO requests to being involved in the consultation process with the local government, which as stipulated in 36 CFR 800.3 is required to be notified of the undertaking and with other consulting parties. Additional information provided by the local government or consulting parties might cause SHPO to re-evaluate eligibility and potential effect findings.
4. Wetlands - The developer will ensure that the development plan maintains elimination of concerns from the existing wetlands and that the construction process is conducted to ensure no unnecessary impacts occur nor unnecessary risks are taken. AEI recommends that the development adhere to any applicable local and state development controls/requirements and that appropriate state, local and federal permits are obtained, as necessary. As required by the HUD MAP Guide, prior to initial closing, a covenant will be recorded on all areas of the project that will remain in the wetland. Please contact HUD OGC to determine an acceptable format for the covenant before recording.

5. **Advisory - Closing Packages.** Consistent with its 2020 MAP Guide transmittal, Housing has designated Chapter 19 as an efficiency and processing improvement to the MAP Guide, and as such made it effective immediately upon publication. After consultation with the Office of General Counsel, Housing and OGC agreed to move the effective date for Chapter 19 to Firm Commitments issued on or after March 18, 2021, the general 2020 MAP Guide effective date. Housing's expectation is that closing packages for Firm Commitments issued on or after March 18, 2021, will be consistent with Chapter 19. This includes the Chapter 19 form documents and provisions.
6. **Property Address:** - Title insurance, survey and closing documents all need to have the same project address.

PWN

1949 S. Syracuse St., Suite 320
Denver, CO 80237
voice: 303.649.9880 fax: 303.649.9885
www.pwarchitects.com

01/08/2021

THE LANDINGS AT GATEWAY

[illegible]

PROJECT NUMBER	19018
PROJECT CODE	DW
DRAWN BY	JASON WEBER
CHECKED BY	PATRICK NOOK

SHEET INDEX

SHEET NUMBER

A0.01-H1

18905 E. 59th AVE., BLDGS 1, 2, 3, 8, 9, 10, 11, 12 & 13 AND 18910 E. 60th AVE., BLDGS 4, 5, 6, 7, 14, 15, 16, 17, 18, 19 & 20



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1,8

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3578

NE

5

05

	ISSUE DATE
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NO.	DESCRIPTION
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binson William

17th street, Suite
Denver CO 80202

BY	JASON
ED BY	PATRICK

SHEET INDEX

001-f

[illegible]

This schedule is to be attached to the Firm Commitment letter

The following amounts and assumptions are incorporated by reference into the terms of the Commitment Letter for the referenced project. Lender may complete the section below.

(Figures are e-Tool Data, per the RfR Deposit Test workbook)

Project Name	The Landings at Gateway
FHA #	101-35806
Project City	Denver
Project State	CO
SOA	221(d)(4)
Lender	Greystone Funding Company, LLC

Date of Commitment letter (HUD Input)

Initial Deposit at Endorsement

Initial deposit to the Reserve for Replacement escrow, (incl.any transferred reserves)

\$0

Annual Deposits to the Reserve for Replacements Escrow (ADRR)

1st Year ADRR/unit

\$250

Approved annual % rate(s) of change in ADRR:

Number of units

192

Initial Rate of Change:

0.00%

1st Year Deposit

\$48,000

Relative Year of Change:

1

New Rate of Change:

0.02%

Relative Year	<u>Initial ADRR per unit x</u> <u>the # of units is the</u> <u>base ADRR below:</u>	<u>Adjusted ADRR based on</u> <u>rate(s) of change:</u>	<u>Adjusted ADRR per</u> <u>month</u>
1	\$48,000	\$48,000	\$4,000.00
2	\$48,000	\$48,960	\$4,080.00
3	\$48,000	\$49,939	\$4,161.60
4	\$48,000	\$50,938	\$4,244.83
5	\$48,000	\$51,957	\$4,329.73
6	\$48,000	\$52,996	\$4,416.32
7	\$48,000	\$54,056	\$4,504.65
8	\$48,000	\$55,137	\$4,594.74
9	\$48,000	\$56,240	\$4,686.64
10	\$48,000	\$57,364	\$4,780.37
Total	<u>\$480,000</u>	<u>\$525,587</u>	

The ADRR may be amended in future years based on HUD review of actual repair and replacement needs and in any event ADRR will be adjusted based on a new capital needs assessment (CNA) which must be completed not later than 10 years after the date of Endorsement/Final Endorsement.

Supplement to Project Analysis

U.S. Department of Housing
and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0029
(exp. 9/30/2016)

Section or Title Number 221(d)(4) New Construction

☐ Valuation Trial ☐ Pre-Application ☒ Firm

See last page for Public Reporting burden statement before completing this form.

Privacy Act Notice: The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in the form by virtue of Title 12, United States Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. While no assurance of confidentiality is pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information Act request.

Name of Mortgagor (Borrower) The Landings at Gateway, LLC	Project Number 101-35806
--	-----------------------------

Name of Project

The Landings at Gateway

Location of Project (street, city & state)

19007 E. 60th Avenue, Denver, CO 80249

Type of Borrower

☒ Private ☒ Profit ☐ Public ☐ Nonprofit ☐ State or Federal Instrumentality, etc.
☐ Management Coop. ☐ Sales Coop. ☐ Investor-Sponsor ☐ Builder-Seller ☐ Limited Distribution

Type of Project

☒ Rental Housing	☐ Mobile Home Court	☐ Board and Care	☒ New Construction	☒ Non-Elevator
☐ Cooperative	☐ Nursing Home	☐ Assisted Living	☐ Rehabilitation	☐ Elevator
☐ Condominium	☐ Intermediate Care Facility		☐ Redevelopment	☐ Existing
☐ Capital Advance 202/811	☐ Housing for the Elderly		☐ Supplemental Loan	☐

I. Determination of Maximum Insurable Mortgage

Criteria	column 1	column 2	column 3
1. Mortgage or Loan Amount Requested in Application			\$ 46,616,300
2. Reserved			
3. Amount Based on Replacement Cost			
a. Replacement Cost in Fee Simple	\$ 54,842,744	x 85.00%	\$46,616,332
b. (1) Value of Leased Fee			
(2) Grant/Loan funds attributable to R.C. items			
(3) Excess Unusual Land Improvement			
(4) Cost Containment Mortgage Deduction			
(5) Total lines (1) to (4)			
c. Unpaid Balance of Special Assessment			
d. Total line b plus line c			
e. Line a minus line d			\$ 46,616,300
4. Amount Based on Limitations Per Family Unit			
a. Number of no Bedroom Units			
Number of one Bedroom Units	72	x \$ 167,435	\$ 12,055,327
Number of two Bedroom Units	96	x \$ 202,389	\$ 19,429,373
Number of three Bedroom Units	24	x \$ 254,030	\$ 6,096,708
Number of four or more Bedroom Units			
b. Cost Not Attributable to Dwelling Use	85.0%	x \$ 7,739,662	\$ 6,578,712
c. Warranted Price of Land	100.0%	x \$ 3,245,000	\$ 3,245,000
d. Total lines a through c			\$ 47,405,120
e. Total number of Spaces			
f. Sum: Value of Leased Fee and Unpaid Balance of Special Assessment(s)			
g. Line d or line e, whichever is applicable, minus line f			\$ 47,405,100
5. Amount Based on Debt Service Ratio			
a. Mortgage Interest Rate		3.350%	
b. Mortgage Insurance Premium Rate		0.25%	
c. Initial Curtail Rate		1.191357%	
d. Sum of Above Rates			4.791357%
e. Net Income	\$ 2,728,932	x 85.00%	\$ 2,319,593
f. Annual Ground Rent			
g. Line e minus line f			\$ 2,319,593
h. Line g divided by line d			\$ 48,412,017
i. Interest Reduction Payment Amt		divided by	
i. Annual Tax Abatement Savings		divided by	
j. Line h plus line i			\$ 48,412,000

I. Determination of Maximum Insurable Mortgage (cont.)

Criteria	column 1	column 2	column 3
6. Amount Based on Estimated Cost of Rehabilitation Plus (N/A)			
(i) "As Is" Value, or (ii) Acquisition Cost, or (iii) Existing Mortgage Indebtedness Against the Property Before Rehabilitation:			
a. Total Estimated Development Cost	_____		
b. Estimated Cost of Off-Site Construction	_____		
c. Sum of lines a & b	_____		
d. Grant/Loan funds attributable to R. C. items	_____		
e. Line c minus line d	_____		
f. "As Is" Value of Prop. Before Rehab. _____ X _____	_____		
g. Existing Mortgage Indebtedness (Property Owned) or Purchase Price of Property (to be Acquired)	_____		
h. Line e plus line f or line g, whichever is less	_____		
i. Line h X _____	_____		_____
7. Amount Based on Borrower's Total Cost of Acquisition (N/A)			
a. Purchase Price of Project	_____		
b. Repairs and Improvements, if any	_____		
c. Other fees	_____		
d. Loan Closing Charges *	_____		
e. Sum of lines a through d	_____		
f. Enter the Sum of Grant/Loan and any Reserves for Replacement and Major Movable Equipment to be purchased as an asset of the project	_____		
g. Line e minus line f	_____		
h. Line g X _____	_____		_____
8. Amount Based on Sum of Unit Mortgage Amounts (N/A)			
9 Amount Based on Estimated Cost to Borrower (N/A)			
a. Total Estimated Cost (Exclusive of Site and Required Construction Off the Site	_____		
b. Purchase Price of Site	_____		
c. Total Cost of Clearing Site, if any	_____		
d. Expense of Relocating Occupants, if any	_____		
e. Cost of Off-Site Construction, if any	_____		
f. Sum of line a through line e	_____		
g. Line f X _____	_____		_____
10. Amount Based on Existing Indebtedness (N/A)			
a. Total Existing Indebtedness	_____		
b. Required Repairs	_____		
c. Other fees	_____		
d. Loan Closing Charges *	_____		
e. Sum of line a through line d	_____		
f. Enter the Sum of any Grant/Loan and Reserves for Replacement and Major Movable Equipment on Deposit	_____		
g. Line e minus line f	_____		
h. 80% of Value _____ X 80.0%	_____		
i. Greater of line g or line h	_____		_____
11. Amount Based on Deduction of Grant(s), Loan(s), Tax Credit(s) and Gift(s) for Mortgageable Items			
a. 100% Replacement Cost	_____		
b. (1) Grants/Loans/Gifts	_____		
(2) Tax Credits	_____		
(3) Value of Leased Fee	_____		
(4) Excess Unusual Land Improvement Cost	_____		
(5) Cost Containment Mortgage Deduction	_____		
(6) Unpaid Balance of Special Assessment	_____		
(7) Sum of Lines (1) through (6)	_____		
c. Line a. minus line b.(7)	_____		_____

* Loan closing charges for the requested mortgage are detailed on page 3, Section IV. The total loan closing charges included in Criterion 10 reflect the charges that would be incurred if the maximum insurable mortgage was equal to the amount based on existing indebtedness.

Maximum Insurable Mortgage (Lowest of the Foregoing Criteria)	\$ 46,616,300
--	----------------------

II. Total Requirements for Settlement

Part A		Part B	
1. Fees Not to be Paid in Cash		1. a. Development Cost	\$ 51,597,744
a. BSPRA/SPRA	\$ 4,690,704	b. Adjustment for Contracted Amounts in Excess of form HUD-92264 Estimates	
b. Builder's Profit		(1) Construction Contract	
c. Other		(2) Architect's Contract	
Total (enter in part B on line 5)	\$ 4,690,704	(3) Other:	
2. Commitment, Mktg., Fees and Discounts and Escrows		c. Total of lines a & b	\$ 51,597,744
a. Fees	GNMA	2. Land Indebtedness	\$ -
	Other	3. Subtotal (lines 1c + 2)	\$ 51,597,744
b. Discounts	Permanent Loan	4. a. Mortgage Amount	\$ 46,616,300
	Construction Loan	b. Grant/Loan	\$ -
c. Escrows	Debt Service Reserve (Board & Care)	5. Fees Not to be Paid in Cash	\$ 4,690,704
Total (enter in part B on line 9)		6. Subtotal (lines 4a + 4b + 5)	\$ 51,307,004
3. Working Capital		7. Cash Investment Required (line 3 minus line 6)	\$ 290,740
a. Working Capital	\$ 1,864,652	8. Initial Operating Deficit*	\$ 2,233,553
b. Min. Capital Investment (Sec. 202 & Sec. 811)		9. Commitment, Marketing Fees, Discounts and Escrows	
c. Non-Realty Items Not Included in Mortgage		10. Working Capital	\$ 1,864,652
Total (enter in part B on line 10)	\$ 1,864,652	11. Offsite Construction and Demolition Costs (\$ 353,017 +)	\$ 353,017
		12. Total Estimated Cash Requirement (sum of lines 7 + 8 + 9 + 10 + 11)	\$ 4,741,962
		Front Money Escrow, if Any (subtract line 6 from line 1)	\$ 290,740

* **Note:** for Section 223(f) cases, attach the format for computing the operating deficit.

III. Source of Funds to Meet Cash Requirements

Source	Funds Available
Borrower Funds	\$ 4,741,962
Total Available Cash for Project	\$ 4,741,962

IV. Recommendations, Requirements and Remarks

- ☒ Recommend Approval; Subject to Conditions Stated Below, if Any
- ☐ Recommend Rejection for Reasons Stated Below (if more space is needed, continue on page 4).

Note: Actual fees (a % of the requested loan) will not match those in I.10.c., which are calculated as if the loan were controlled by Crit 10.

FHA Mtg. Ins. Premium	0.50%	\$233,082
HUD Exam Fee	0.30%	\$139,849
HUD Inspection Fee	0.50%	\$233,082
Financing Fee	1.00000%	\$466,163
Placement Fee (FNMA/GNMA)	0.07508%	\$35,000

Total Financing Fees \$1,107,176

Underwriter & Trainee U/W, Greystone Funding Company LLC Date

Signature of the Mortgage Credit Examiner

Sean Patterson *11/25/21*

Heather Shea

Sean Patterson, Senior Underwriter & Noam Tobin-Hess, J

Date **8/19/2021**

Previous editions are obsolete

[illegible]

CNA of \$7,739,662 is equal to Total Estimated Development Cost (\$51,597,744) times Percentage Not Attributable of 15.00%, being the lesser of 15% or CNA cost (\$10,047,654) divided by Total Land Improvements and Total Structures (\$36,002,152).

Public Reporting Burden for this project analysis is estimated to average 16 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

This information is being collected under Public Law 101-625 which requires the Department of to implement a system for mortgage insurance for mortgages insured under Sections 207,221,223,232, or 241 of the National Housing Act. The information will be used by HUD to approve rents, property appraisals, and mortgage amounts, and to execute a firm commitment. Confidentiality to respondents is ensured if it would result in competitive harm in accord with the Freedom of Information Act (FOIA) provisions or if it could impact on the ability of the Department's mission to provide housing units under the various Sections of the Housing legislation.

Previous editions are obsolete Page 4 of 4 form **HUD-92264-A** (03/2010)
ref Handbooks 4480.1 & 4470.1

Multifamily Summary Appraisal Report

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commission

OMB Approval No. 2502-0029
(exp. 9/30/2016)

This form is in compliance with the requirements of the Uniform Standards of Professional Appraisal Practice for written reports, except where the Jurisdictional Exception is invoked to allow for minor deviations, as noted throughout.
Additional technical direction is contained in the HUD Handbooks referenced in the lower right corner.

Application Processing Stage	☐ SAMA	☐ Feasibility (Rehab)	☒ Firm
Property Rights Appraised	☒ Fee Simple	☐ Leasehold	

Project Name	Project Number
The Landings at Gateway	101-35806

Purpose. This appraisal evaluates the subject property as security for a long-term insured mortgage. Included in the appraisal (consultation for Section 221) are the analyses of market need, location, earning capacity, expenses, taxes, and warranted cost of the property.

Scope. The Appraiser has developed, and hereunder reports, conclusions with respect to: feasibility; suitability of improvements; extent, quality, and duration of earning capacity; the value of real estate proposed or existing as security for a long-term mortgage; and several other factors which have a bearing on the economic soundness of the subject property.

A. Location and Description of Property

1. Street Nos.	2. Street	3. Municipality		
19007	E. 60th Avenue	Denver		
4a. Census Tract No.	4b. Placement Code	4c. Legal Description (Optional)	5. County	6. State and Zip Code
83.53		See addendum of appraisal	Denver	CO 80249

7. Type of Project	☐ High-rise	☐ 2-5 Story Elevator	8. No. Stories	9a. Foundation	9b. Basement Floor
☐ Elevator(s)	☒ Walk-up	☐ Row House	3	☒ Slab on Grade	☐ Structural Slab
☐ Detached	☐ Semi-detached	☐ Town House		☐ Partial Basement	☐ Slab on Grade

10.	11. Number of Units	12. No. of Bldgs.	13a. List Accessory Bldgs. and Area	Area (s.f.):
☒ Proposed	Revenue	Non-Rev.	See narrative of appraisal	0
☐ Existing	192	0		

13b. List Recreational Facilities and Area

clubhouse, fitness center, pools (2), playgrounds (2), multipurpose field, dog washing station, outdoor fire pit and bbq grill, detached
garages, licensed day care, gym, yoga room and café sitting area

Area (s.f.):

13c. Neighborhood Description	
Location	☐ Urban ☒ Suburban ☐ Rural
Built Up	☐ Fully Developed ☒ Over 75% ☐ 25% to 75% ☐ Under 25%
Growth Rate	☐ Rapid ☒ Steady ☐ Slow
Property Values	☐ Increasing ☒ Stable ☐ Declining
Demand/Supply	☐ Shortage ☒ In Balance ☐ Oversupply
Rent Controls	☐ Yes ☒ No ☐ Likely
Present Land Use	35 % 1 Family 0 % 2 to 4 Family 10 % Multifamily 0 % Condo/Coop 20 % Commer. 5 % Industrial 30 % Vacant
Change in Use	☒ Not Likely ☐ Likely ☐ Taking Place From _____ to _____
Predominant Occupancy	☒ Owner ☐ Tenant _____ % Vacant

Description of Neighborhood. (Note: Race and racial composition of the neighborhood are not appraisal factors.) Describe the boundaries of the neighborhood and those factors, favorable or unfavorable, that affect marketability, including neighborhood stability, appeal, property conditions, vacancies, rent control, etc.

See Appraisal Narrative

Site Information

14. Dimensions	15a. Zoning (if recently changed, submit evidence)
ft. by ft. or 583,503 sq. ft.	C-MU-30
15b. Zoning Compliance	☒ Legal ☐ Illegal ☐ Legal nonconforming (Grandfathered use) ☐ No zoning
15c. Highest and Best Use as Improved	☐ Present Use ☒ Proposed Use ☐ Other use (explain)
15d. Intended M/F Use (summarize: e.g., Market Rent: Hi - Med. - Lo-End; Rent Subsidized; Rent Restricted with or without Subsidy; Applicable Percentages)	
Market-rate units	

Building Information

16a. Yr. Built	16b. ☐ Manufactured Housing ☒ Conventionally Built	17a. Structural System	17b. Floor System	17c. Exterior Finish	18. Heating-A/C System
N/A	☐ Modules ☐ Components	Reinforced Concrete	Wood Frame	Stone/Stucco/Fiber Cement	I E C / I E C