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Name: SETH II Apartments
MassHousing No: 01-405-R
FHA No.: 023-98065

**EXTENDED LOW-INCOME HOUSING AGREEMENT
AND
DECLARATION OF RESTRICTIVE COVENANTS**

THIS EXTENDED LOW-INCOME HOUSING AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS (this "AGREEMENT") is made and entered into as of the 20th day of June, 2003, by and between the Massachusetts Housing Finance Agency, (the "Agency"), a body politic and corporate organized pursuant to Massachusetts General Laws, Chapter 708 of the Laws of 1966, as amended (the "Act") and Tenants' Development II, Limited Partnership, a Massachusetts limited partnership, and its successors and assigns (the "Owner").

WITNESSETH:

WHEREAS, the Department of Housing and Community Development ("DHCD"), as successor to the Executive Office of Communities and Development ("EOCD"), is authorized by Executive Order 291 signed by the Governor of The Commonwealth of Massachusetts to administer the State Housing Credit Ceiling as defined in Section 42 of the United States Internal Revenue Code of 1986 as amended, (the "Code") in connection with the allocation and administration of low-income housing tax credits (the "Low-Income Tax Credits"); and

WHEREAS, DHCD has adopted a 2002 Low-Income Housing Tax Credit Allocation Plan (the "Allocation Plan") and certain Low-Income Housing Tax Credit Guidelines dated January, 2002 (the "Guidelines"), which govern the process and standards for allocation of the Low-Income Tax Credits; and

WHEREAS, pursuant to an Assignment of Authority, dated as of December 21, 1990, from EOCD to the Agency (the "Assignment of Authority"), the Agency carries out certain provisions of Section 42 of the Code on behalf of DHCD relative to those rental housing projects which are financed with the proceeds of tax-exempt bonds or notes issued by the Agency subject to Section 146 of the Code; and

WHEREAS, the Owner is the owner of a 185 unit rental housing development, commonly known as "SETH II Apartments" (the "Development") located on various parcels of land in the City of Boston, County of Suffolk, Massachusetts, and more particularly described in Exhibit A hereto and which Development shall contain twenty-five separate "projects" hereunder and under Section 42 of the Code as described in Exhibit B hereto (each such "project" is herein

referred to as a "Project" and collectively as the "Projects"; and Projects A through U and Projects W through Y are herein referred to as the "40/60 Projects"); and

WHEREAS, the Agency has approved the making of a first mortgage loan and a second mortgage loan (collectively, the "Mortgage Loan") to the Owner for the purposes of financing a portion of the costs of the Development, including the Projects, a portion of such Mortgage Loan to be funded with all or a portion of the proceeds of an issue of tax exempt bonds or notes of the Agency subject to the provisions of Section 146 of the Code, and in connection therewith has approved the use of the Low-Income Tax Credits by the Owner; and

WHEREAS, the Owner has represented to the Agency in its Application (the "Application") for the Mortgage Loan and use of the Low-Income Tax Credits filed with and approved by the Agency that a certain percentage of the units in each Project, which shall be not less than forty percent (40%) with respect to the 40/60 Projects and twenty percent (20%) with respect to Project V, shall be both Rent-Restricted (as hereinafter defined) and occupied by individuals or families whose income is a certain percentage (which shall be not greater than sixty percent (60%) with respect to the 40/60 Projects and fifty percent (50%) for Project V) or less of the area median gross income as determined in accordance with Section 42 of the Code, and that the Owner will maintain other restrictions on the use and occupancy of each Project, all as further set forth herein; and

WHEREAS, the Code requires as a condition precedent to the allowance of the Low-Income Tax Credits that the Owner execute, deliver and record in the official land deed records of the county in which each Project is located this Agreement in order to create certain covenants running with the land for the purpose of enforcing the requirements of Section 42 of the Code and other applicable requirements by regulating and restricting the use and occupancy and transfer of each Project as set forth herein; and

WHEREAS, the Owner, under this Agreement, intends, declares and covenants that the regulatory and restrictive covenants set forth herein governing the use, occupancy and transfer of each Project shall be and are covenants running with the Leasehold Estate and Fee Premises (as defined herein in Section 1) for the term stated herein and binding upon all subsequent owners of the Leasehold Estate for such term, and are not merely personal covenants of the Owner;

NOW, THEREFORE, in consideration of the promises and covenants hereinafter set forth, and of other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Agency and the Owner do hereby agree as follows:

SECTION 1 - DEFINITIONS

- (a) Unless otherwise expressly provided herein or unless the context clearly requires otherwise, the following terms shall have the respective meanings set forth below for all purposes of this Agreement:

“Agreement” means this Extended Low-Income Housing Agreement and Declaration of Restrictive Covenants, as it may from time to time be amended.

“Applicable Fraction” means, with respect to any Building included as part of a Project for which Low-Income Tax Credits are to be taken, the smaller of the “unit fraction” or the “floor space fraction,” as these terms are defined in section 42(c)(1) of the Code. For the purposes hereof, the “Applicable Fraction” for each Building included in each Project for which Low-Income Tax Credits are to be taken is as shown on Exhibit B hereto, subject to adjustment upon cost certification pursuant to Section 10(b) hereof.

“BRA” means the Boston Redevelopment Authority, its successors and assigns.

“Building” means any residential rental property which is either an apartment building, single family dwelling, townhouse, rowhouse, a duplex, or a condominium and constitutes a “qualified low-income building” within the meaning of Section 42(c)(2) of the Code.

“Code” means the Internal Revenue Code of 1986 as amended and all regulations applicable thereto.

“Compliance Period” shall have the meaning, with respect to each Building within a Project, given such term in Section 42 (i) (1) of the Code.

“Comprehensive Permit” shall mean any Comprehensive Permit issued with respect to the Development under the provisions of Chapter 40B of the Massachusetts General Laws, as amended.

“DHCD” means the Massachusetts Department of Housing and Community Development, its successors and assigns.

“Fee Premises” shall have the meaning given such term under the definition of Project herein.

“Funding Bonds” means the tax-exempt bonds or notes subject to Section 146 of the Code, all or a portion of the proceeds of which have funded a portion of the Mortgage Loan.

“Gross Rent” means the total amount received from a tenant as a rental payment, excluding any payment under Section 8 of the United States Housing Act of 1937 or any comparable rental assistance (with respect to such Unit or occupants thereof) and including any utility allowance under Section 8 of the aforementioned act.

“Income Certification” means a certification as to income executed by a tenant of a Project.

"Leasehold Estate" shall have the meaning given such term under the definition of Project herein.

"Loan Documents" mean the notes, mortgages, and all other agreements and instruments entered into between the Owner and the Agency in connection with the Mortgage Loan and/or providing the Agency with security for the Mortgage Loan.

"Low-Income Tenant" means the occupant(s) of a housing unit in a Project whose income on admission to such Project, as computed in accordance with the rules and regulations governing the Low-Income Tax Credits, does not exceed sixty percent (60%) of the area median gross income for the 40/60 Projects and fifty percent (50%) of the area median gross income for Project V, adjusted for family size.

"Low-Income Tenant Rental Period" means, with respect to each Project, the period beginning on the first day of the fifteen (15) year Compliance Period under Section 42 of the Code and extending through the date ending a period of an additional fifteen (15) years after the close of the Compliance Period (thirty (30) years total). If a Project consists of more than one Building, this shall be determined for each Building.

"Low-Income Units" means those Units in a Project set aside for occupancy by Low-Income Tenants within such Project as shown on Exhibit B hereto.

"Mortgage Loan" shall have the meaning given such term in the Preamble hereof.

"Owner" means Tenants' Development II, Limited Partnership, and its successors and assigns.

"Project" means, collectively or individually, as the context require, those projects identified on Exhibit B hereto which is located on a parcel or contiguous parcels of land described in Exhibit A to this Agreement (collectively, the "Project Land") and which is part of the multi-family rental housing development (containing 185 units in thirty-six Buildings) known as "SETH II Apartments" located in Boston, Massachusetts. The Owner holds a leasehold estate (the "Leasehold Estate") in and to the Project Land created under a Ground Lease Agreement, dated as of the date hereof (the "Ground Lease"), from Tenants Development Corporation, a Massachusetts nonprofit corporation ("Landowner"), as landlord, to the Owner, as tenant and a fee simple estate in the buildings and improvements located thereon (the "Fee Premises"). For Owner's title and a legal description of the Project Land and Leasehold Estate, see the Notice of Lease and Deed recorded herewith in the Suffolk County Registry of Deeds and the Suffolk County Registry District of Land Court (collectively, the "Suffolk Registries").

"Rent Restricted" means the Gross Rent to be charged for a Low-Income Unit which does not exceed thirty percent (30%) of the income limitation applicable to such unit,

adjusted for Unit size (assuming that a Unit which does not have a separate bedroom is occupied by one individual and that a Unit which has one or more separate bedrooms is occupied by 1.5 individuals for each separate bedroom) and as adjusted as otherwise permitted under Section 42(g)(2)(E) of the Code and the regulations promulgated thereunder.

“State” means The Commonwealth of Massachusetts.

“Unit” means a residential dwelling unit located in a Project.

- (b) Any term not defined in this Agreement shall have the same meaning as terms defined in Section 42 of the Code and the Treasury regulations promulgated thereunder.

SECTION 2- INTENT OF AGREEMENT

- (a) This Agreement shall constitute an “extended low income housing commitment” as defined in Section 42 (h) (6) (B) of the Code with respect to each Building included within a Project. The Agency has entered into this Agreement pursuant to the Assignment of Authority in order to carry out the provisions of Section 42 of the Code with respect to use of the Low-Income Tax Credits for each Project and each Building included therein. The Agency has funded a portion of the Mortgage Loan with all or a portion of the proceeds of the Funding Bonds. The Funding Bonds have received an allocation of volume capacity from The Commonwealth of Massachusetts pursuant to Section 146 of the Code.
- (b) To the extent that this Agreement shall provide that DHCD and the BRA shall have the right to enforce any terms of this Agreement or shall have the right to consent or approve of any actions taken or to be taken by the Owner and governed by the Agreement, DHCD and the BRA shall be deemed a direct beneficiary of the terms and provisions hereof and shall have the rights granted hereby. Any agreements made hereunder on behalf of DHCD and the BRA by the Agency shall have been made pursuant to the Assignment of Authority. With regard to Section 5(f), Boston Private Bank & Trust Company and the Federal Home Loan Bank of Boston shall have the right to enforce any terms of said provision and shall have the right to consent or approve of any actions taken or to be taken by the Owner and governed by said provision.
- (c) No term or provision contained herein is intended to modify, amend or otherwise impair any right or security granted to the Agency in connection with the Mortgage Loan or under any of the Loan Documents.

SECTION 3 - RECORDING AND FILING; COVENANTS TO RUN WITH THE LAND

- (a) Upon execution, the Owner shall cause this Agreement and all amendments hereto to be recorded and filed in the Suffolk Registries and shall pay all fees and charges incurred in

connection therewith. Upon recording, the Owner shall immediately transmit to the Agency evidence of the recording including the date and instrument number or deed book and page numbers. The Owner agrees that the Agency will not issue any Internal Revenue Service Form 8609 constituting final allocation of the Low-Income Tax Credit for any Building within a Project unless and until the Agency has received a certified copy of the recorded Agreement.

- (b) The Owner intends, declares and covenants, on behalf of itself and all future owners and operators of the Leasehold Estate and Fee Premises during the term of this Agreement, that this Agreement and the covenants and restrictions set forth in this Agreement regulating and restricting the use, occupancy and transfer of the Leasehold Estate and Fee Premises and each Project (i) shall be and are covenants running with the Leasehold Estate, encumbering the Leasehold Estate and Fee Premises for the term of this Agreement, binding upon the Owner's successors in title and all subsequent owners and operators of the Leasehold Estate and Fee Premises, (ii) are not merely personal covenants of the Owner, and (iii) shall bind the Owner (and the benefits shall inure to the Agency and any past, present or prospective tenant of each Project) and its respective successors and assigns during the term of this Agreement. The restrictions contained herein are intended to be construed as an affordable housing restriction as that term is defined in Section 31 of Chapter 184 of the Massachusetts General Laws, and which has the benefit of Section 32 of said Chapter 184, such that the restrictions contained herein shall not be limited in duration by any rule or operation of law but rather shall run for the full term hereof. The Owner hereby agrees that any and all requirements of the laws of the State to be satisfied in order for the provisions of this Agreement to constitute deed restrictions and covenants running with the land shall be deemed to be satisfied in full, and that any requirements of privity of estate are intended to be satisfied, or in the alternate, that an equitable servitude has been created to insure that these restrictions run with the Leasehold Estate and Fee Premises. For the longer of the period the Low-Income Tax Credits are claimed or the term of this Agreement, each and every contract, deed or other instrument hereafter executed conveying the Leasehold Estate and the Fee Premises or any Project or portion thereof shall expressly provide that such conveyance is subject to this Agreement, provided, however, that the covenants contained herein shall survive and be effective regardless of whether such contract, deed or other instrument hereafter executed conveying the Leasehold Estate and Fee Premises or any Project or portion thereof provides that such conveyance is subject to this Agreement.
- (c) The Owner covenants to obtain the consent of any prior recorded lienholder on the Leasehold Estate and Fee Premises or on any Project to record this Agreement, and such consent shall be a condition precedent to the issuance of Internal Revenue Service Form 8609 constituting final allocation of the Low-Income Tax Credit; provided that, apart from the execution and delivery of this Agreement, no such consent of the Agency shall be required.

SECTION 4 - REPRESENTATIONS, COVENANTS AND WARRANTIES OF THE OWNER

The Owner hereby represents, covenants and warrants as follows:

- (a) The Owner (i) is a Massachusetts limited partnership, and is qualified to transact business under the laws of this State, (ii) has the power and authority to own its properties and assets and to carry on its business as now being conducted, and (iii) has the full legal right, power and authority to execute and deliver this Agreement.
- (b) The execution and performance of this Agreement by the Owner (i) will not violate or, as applicable, have not violated any provision of law, rule or regulation, or any order of any court or other agency or governmental body, and (ii) will not violate or, as applicable, have not violated any provision of any indenture, agreement, mortgage, mortgage note, or other instrument to which the Owner is a party or by which it or any Project is bound, and (iii) will not result in the creation or imposition of any prohibited encumbrance of any nature.
- (c) The Owner will, at the time of execution and delivery of this Agreement, have good and marketable title to the Leasehold Estate and Fee Premises constituting the Projects free and clear of any lien or encumbrance (subject to encumbrances created pursuant to this Agreement, any loan documents relating to the Projects the general terms of which are approved by the Agency, or other encumbrances listed on the mortgagee's title insurance policy delivered to and accepted by the Agency at the Mortgage Loan closing).
- (d) There is no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency now pending, or, to the knowledge of the Owner, threatened against or affecting it, or any of its properties or rights, which, if adversely determined, would materially impair its right to carry on business substantially as now conducted (and as now contemplated by this Agreement) or would materially adversely affect its financial condition.
- (e) Each Project constitutes or will constitute a qualified low-income building or qualified project, as applicable, as defined in Section 42 of the Code and applicable regulations.
- (f) Each Unit in a Project contains complete facilities for living, sleeping, eating, cooking and sanitation (unless such Project qualifies as a single-room occupancy project or transitional housing for the homeless) which are to be used on other than a transient basis.
- (g) During the term of this Agreement, all Units subject to the Low-Income Tax Credits shall be leased and rented or made available to members of the general public who qualify as Low-Income Tenants (or otherwise qualify for occupancy of the Low-Income Units as set forth in Section 5(e) hereof) under the applicable election specified in Section 42(g) of the Code and as set forth in Section 5(a) of this Agreement.
- (h) The Owner shall ensure that all Units within a Project occupied by Low-Income Tenants shall be of comparable quality to other Units in such Project or if not comparable, the

excess cost of the other Units shall not exceed the percentage set forth in Section 42(d)(3) of the Code and the Owner will file the election provided for therein. The Low-Income Units within a Project shall be, to the extent possible, dispersed evenly throughout such Project.

- (i) During the term of this Agreement, the Owner covenants, agrees and warrants that each Low-Income Unit is and will remain suitable for occupancy and in compliance with all applicable health, safety and building codes.
- (j) The Owner shall not discriminate on the basis of race, creed, color, sex, age, handicap, marital status, national origin or any other basis prohibited by law in the lease, use and occupancy of any Project or in connection with the employment or application for employment of persons for the operation and management of any Project. Without limiting the foregoing, the Owner is expressly prohibited from refusing to lease to a holder of a voucher or certificate of eligibility under Section 8 of the United States Housing Act of 1937 because of the status of the prospective tenant as such a holder.
- (k) Prior to initial occupancy of any Unit in a Project, or, if Units are occupied on the date hereof, contemporaneously with the Mortgage Loan closing, the Owner shall adopt and implement (i) an affirmative fair marketing plan for all Units and (ii) a tenant selection plan for the Low-Income Units, in both cases consistent with any standards and guidelines adopted by the Agency as then in effect and all applicable laws. Both the affirmative fair marketing and tenant selection plans shall be subject to review by the Agency or DHCD at the Agency's or DHCD's request from time to time during the term of this Agreement.
- (l) The Owner shall enter into a lease with each tenant of a Low-Income Unit (other than Units which qualify as single-room occupancy Units or transitional housing for the homeless) which shall be for a minimum period of one (1) year and which shall provide that no tenant of a Low-Income Unit shall be evicted during the Low-Income Tenant Rental Period for any reason other than a substantial breach of a material provision of such lease. Without limiting the foregoing, the lease shall comply in all respects with applicable state, local, and federal law and the terms and conditions of this Agreement.
- (m) During the Low-Income Tenant Rental Period, the annual rental for a Unit leased to a Low-Income Tenant (unless such Low-Income Tenant fails to continue to qualify as such pursuant to Section 42 of the Code) including the provision for heat, electricity and hot water shall not exceed that permitted for a Low-Income Unit. Such rental, other than at turnover, shall not be increased more often than once a year and no change in rent to be charged for Low-Income Units shall become effective prior to providing the affected tenants with a thirty (30) day opportunity to comment on the increase.
- (n) The Owner shall provide, on a form and in a manner acceptable to DHCD, an annual notification to each Low-Income Tenant indicating the manner in which the Gross Rents for such Units are determined.

- (o) The Owner may not sell, transfer or exchange less than all of any Project during the term of this Agreement. Subject to the requirements of Section 42 of the Code and this Agreement, the Owner may sell, transfer or exchange an entire Project at any time, but the Owner shall (i) notify DHCD and the BRA in writing of any sale, transfer or exchange of such Project; and (ii) notify in writing and obtain the agreement of any buyer or successor or other person acquiring such Project that such acquisition is subject to the requirements of this Agreement and to the requirements of Section 42 of the Code and applicable regulations. This provision shall not act to waive any other restriction on sale, transfer or exchange of such Project. The Owner agrees that DHCD may void any sale, transfer or exchange of a Project if the buyer or successor or other person fails to assume in writing the requirements of this Agreement and the requirements of Section 42 of the Code.
- (p) The Owner shall not demolish any part of a Project or substantially subtract from any real or personal property of a Project or permit the use of any Unit for any purpose other than rental housing during the term of this Agreement unless required by law.
- (q) The Owner represents, warrants and agrees that if a Project, or any part thereof, shall be damaged or destroyed or shall be condemned or acquired for public use, the Owner (subject to the approval of the Agency under the Loan Documents or any other lender(s) which has provided financing for the Project or equity investor(s) in the Owner and subject to the availability of adequate casualty or condemnation proceeds) will use its reasonable efforts to repair and restore such Project to substantially the same condition as existed prior to the event causing such damage or destruction, or to relieve the condemnation, and thereafter to operate such Project in accordance with the terms of this Agreement.
- (r) The Owner warrants that it has not and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that in any event, the requirements of this Agreement are paramount and controlling as to the rights and obligations herein set forth and supersede any other requirements in conflict herewith.
- (s) The Owner represents, warrants and agrees, with respect to each Building included in a Project for which Low-Income Tax Credits are to be taken, that the applicable fraction (as defined in section 42(c)(1) of the Code), for each taxable year during the term of this Agreement, will not be less than the Applicable Fraction for such Building as specified in Exhibit B to this Agreement as the same may be amended in accordance with Section 10(b) hereof.
- (t) Pursuant to Massachusetts General Laws Chapter 62C, Section 49A, the Owner certifies that it has complied with all laws of the State related to taxes, reporting of employees and contractors, and withholding and remitting child support.

SECTION 5 - OCCUPANCY RESTRICTIONS.

- (a) The Owner represents, warrants and covenants throughout the term of this Agreement and in order to satisfy the requirements of Section 42 of the Code, other applicable requirements and the representations made in the Application that, with respect to each Project, no less than forty percent (40%) of the Units in the 40/60 Projects and twenty percent (20%) of the Units in Project V shall be both Rent-Restricted and occupied by individuals or families whose income is sixty percent (60%), with respect to the 40/60 Projects, or fifty percent (50%), with respect to Project V, or less of the area median gross income (Low-Income Tenants). In addition to the foregoing representation, warranty, and covenant that no less than forty percent (40%) of the Units in the 40/60 Projects and twenty percent (20%) of the Units in Project V shall be both Rent-Restricted and occupied by Low-Income Tenants, the Owner further represents, warrants and covenants throughout the term of this Agreement that, with respect to all the Projects, no less than 157 Units in the aggregate shall be Low-Income Units and shall be Rent Restricted. Initially, with respect to all Projects in the aggregate, Low-Income Tenants shall occupy 157 Units (Low-Income Units which shall be Rent Restricted); 4 of which shall be five-bedroom units, 10 of which shall be four-bedroom Units; 6 of which shall be three-bedroom Units; 67 of which shall be two-bedroom Units, 57 of which shall be one-bedroom Units and 13 of which shall be zero-bedroom Units. Nothing in this Section 5(a) shall be in derogation to the covenant of the Owner contained in Section 4(s) hereof.
- (b) If applicable, the residential units in a Project are considered exclusive of any Unit(s) occupied by a full-time resident manager(s) (0 Unit(s)). The Agency and the Owner acknowledge that any such Unit(s) has not been included in determining the Applicable Fraction for any Building included within a Project.
- (c) As a condition to occupancy, each person who is intended to be a Low-Income Tenant shall be required to sign and deliver to the Owner an Income Certification using a form, acceptable to DHCD, adopted for such use by the Owner which meets the requirements of the Code and the Treasury regulations promulgated thereunder.
- (d) The determination of whether a tenant meets the Low-Income requirement shall be made by the Owner at least annually on the basis of the current income of such Low-Income Tenant.
- (e) Any Unit within a Building occupied by an individual or family who is a Low-Income Tenant at the commencement of occupancy shall continue to be treated as if occupied by a Low-Income Tenant provided that (i) such Unit continues to be Rent-Restricted and (ii) should such Low-Income Tenant's income subsequently exceed 140% of the applicable income limit set forth in Section 5 (a) above, such tenant shall no longer be a Low-Income Tenant if any Unit of comparable or smaller size within such Building is rented to a tenant who is not a Low-Income Tenant.
- (f) The Owner represents, warrants and covenants that until February 28, 2015, all of the Units in Projects A, B, E, K, R, S, V and Y shall be occupied by individuals or families whose income is fifty percent (50%) or less of the area median gross income. The provisions of

this section cannot be amended without the prior written consent of the Federal Home Loan Bank of Boston and the mortgagee under that certain Junior Mortgage and Security Agreement from Owner to Tenants Development Corporation ("TDC"), as affected by a Collateral Assignment of Mortgage from TDC to Boston Private Bank & Trust Company, acting under the Affordable Housing Program of the Federal Home Loan Bank of Boston.

SECTION 6 - CONVERSION RESTRICTIONS

The following conversion restrictions are applicable to each Project:

- (a) No tenant in a Project shall be evicted due to conversion to condominium or cooperative form of ownership unless and until said tenant has received the rights and benefits as set forth in Chapter 527 of the Acts of the Commonwealth of Massachusetts of 1983, as amended, or any successor act, as then currently in effect (the "Conversion Act") (notwithstanding any exemption provided in the third paragraph of Section 2 of the Conversion Act to the city or town in which the Project is located) and any applicable local laws and ordinances;
- (b) No tenant of a Low-Income Unit shall be evicted due to conversion to condominium or cooperative form of ownership nor shall a Low-Income Unit be converted to conventional rental housing (which shall mean housing having an annual rental greater than that permitted for Low-Income Units under the Low-Income Tax Credits' rules and regulations) unless and until the following restrictions have been met and completed with respect to such Unit:
 - (i) the tenant of a Low-Income Unit so affected shall be given prior written notice of intent to convert to condominium or cooperative form of ownership or to convert to conventional rental housing (the "Notice Period") of at least four (4) years, such Notice Period beginning on a date no sooner than four years prior to the expiration of the Low-Income Tenant Rental Period. Once such notice of intent to convert is provided to a tenant, in the event such tenant later vacates the Unit, the new tenant is entitled to receive notice under this subsection for a period equal to the remaining time pursuant to the original notice of intent to convert. The notice of intent shall include notice of the tenant's rights and notice of the right of first refusal provided in paragraph (iv) of this Section 6(b); the notice of intent shall also inform tenants that DHCD, the BRA and the Agency should be notified if the Owner is not fulfilling its obligations under this Agreement; only tenants occupying Low-Income Units within a Project shall be entitled to receive the additional rights enumerated in this paragraph; DHCD, the BRA and the Agency shall be provided with a copy of the notice for review and approval before such notice is sent to the Low-Income Tenant;
 - (ii) the Owner shall give DHCD, the BRA and the Agency six months notice of its intent to convert a Project to condominiums or cooperatives or to convert a Low-Income Unit to conventional rental housing; at the end of the conversion of any

units in a development to condominiums or cooperatives or the conversion of a Low-Income Unit to conventional rental housing, the Owner shall certify to DHCD, the BRA and the Agency its compliance with the conversion terms of this Agreement;

- (iii) every Low-Income Tenant given, or entitled to be given the notice of intent shall receive an extension of their lease or rental agreement, with substantially the same terms, subject to permissible rental increases, during the Notice Period;
- (iv) subject to such restrictions as are imposed on the Owner by the terms of applicable law, including any Comprehensive Permit, in the event the Owner intends to convert the Project to a condominium or cooperative form of ownership, not later than two (2) years prior to the expiration of the Notice Period, an affected Low-Income Tenant shall receive a right of first refusal for purchase of the Unit which right shall last for a period of not less than six (6) months; such right of first refusal shall be accompanied by a copy of the purchase and sale agreement for the Unit; during this period, the Unit shall be offered to the tenant at a discount of at least ten percent (10%) from the offering price for the Unit; if the tenant of an affected Unit chooses not to purchase the Unit, the Unit shall be offered for purchase to DHCD or its designee for an additional period of at least ninety (90) days at the same price the Unit was offered to the tenant;
- (v) all tenants given, or entitled to be given the notice of intent who are unable or choose not to exercise their right to purchase or to remain and to pay the conventional rental shall be entitled to relocation benefits in accordance with the Conversion Act.

SECTION 7 - TERM OF AGREEMENT

- (a) This Agreement and the restrictions set forth herein shall, with respect to each Building in a Project, commence with the first day of the Compliance Period with respect to such Building under Section 42 of the Code and shall extend through the date ending a period of an additional fifteen (15) years after the close of the Compliance Period (the Low-Income Tenant Rental Period of thirty (30) years total). This term will be determined in accordance with the Code for each Building in a Project. Except as hereinafter provided, this Agreement and the restrictions set forth herein shall not terminate or expire with respect to any Building within a Project any earlier than the end of the Low-Income Tenant Rental Period for such Building. No later than one year prior to expiration of the applicable Low-Income Tenant Rental Period, the Owner shall provide DHCD with a written request to procure a qualified contract, as such term is defined in the Code, in order to continue operation of the Low-Income Units within such Building as affordable following the expiration of this Agreement and the restrictions set forth herein. DHCD will have a one

year period commencing with the close of the twenty-ninth (29th) year of the Low-Income Tenant Rental Period to procure such a qualified contract.

- (b) Notwithstanding subsection (a) above, but subject to Section 7 (c) below, this Agreement and the restrictions set forth herein shall terminate with respect to a particular Building on the date such Building is acquired by foreclosure or instrument in lieu of foreclosure unless the Secretary of the United States Treasury or his or her designee determines that such acquisition is part of an arrangement with the Owner, a purpose of which is to terminate this Agreement and the restrictions set forth herein.

The Agency hereby agrees to execute any and all documents necessary to evidence the foregoing termination.

- (c) For a period of three (3) years following termination pursuant to subsection (a) or (b) above, the Owner shall not evict or terminate the tenancy of an existing tenant of any Low-Income Unit other than for good cause and shall not increase the Gross Rent above the maximum allowed under the Code with respect to such Low-Income Unit.
- (d) Notwithstanding subsections (a) and (b) above, this Agreement shall not terminate and shall remain in full force and effect to enable the Agency, DHCD and any other person with the right to enforce this Agreement pursuant to Section 9 (f) of this Agreement, to enforce and/or monitor under Section 9 of this Agreement any remaining obligations under subsection (c) above, and the Conversion Restrictions set forth in Section 6 above; provided, however, in the event this Agreement has terminated pursuant to subsection (b) above, it shall be assumed for purpose of giving notice pursuant to Section 6 that the Low-Income Rental Period has ended.

SECTION 8 - CERTIFICATIONS

Contemporaneously with the execution and delivery of this Agreement (or at such later date as is specifically set forth below), the Owner shall deliver to the Agency the following certifications or documents:

- (a) Evidence of transfer of ownership of the Projects to the Owner (for projects receiving an acquisition credit);
- (b) For projects requiring a waiver of the ten-year holding requirement in order to obtain a credit for the acquisition of an existing building, a copy of the waiver obtained from the Internal Revenue Service (not applicable for this Project);
- (c) Opinion of Owner's counsel as to Owner's organization, execution, delivery and enforceability of Agreement; and organizational documents for the Owner and Owner's

general partner, if any, as follows (may be satisfied by delivery of an appropriate opinion of Owner's counsel in connection with the Mortgage Loan closing):

- (i) if a limited partnership, a copy of the partnership agreement; and two separate long form certificates of legal existence (identifying general partners and any amendments) from the Massachusetts Secretary of State;
 - (ii) if a corporation, a clerk's certificate with vote, certified articles of incorporation and by-laws; and certificate of legal existence from the state of incorporation;
 - (iii) if a trust, a copy of the Declaration of Trust, a Trustee's Certificate and Direction of Beneficiaries;
 - (iv) if a limited liability company, a copy of the operating agreement; and a certificate of good standing from the Massachusetts Secretary of State; and
 - (v) any additional organizational documents as the Agency deems appropriate.
- (d) If a Project involves the conversion, alteration or demolition of single-room occupancy dwelling units, certification from the Owner that the Project is in compliance with Chapter 671 of the Acts of 1989 or any succeeding similar legislation (not applicable to this Project);
- (e) Original Release and Indemnification Agreement agreeing to release and indemnify DHCD and the Agency from any claim, loss, demand or judgment as a result of the allocation of Low-Income Tax Credits to the Projects or the recapture of Low-Income Tax Credits by the Internal Revenue Service;
- (f) Any and all other documents required by Section 42 of the Code or the applicable Treasury Regulations and any documents that the Agency may reasonably require.
- (g) On or prior to the issuance by the Agency of any Internal Revenue Service Forms 8609 and as a condition of its issuance, the following certifications or documents:
- (i) audited certification of costs, an audited schedule of sources (including rental and/or operating subsidies) and uses (including reserves), and an audited schedule of low income housing tax credit eligible basis as well as any supplementary schedules required by the Agency in the format provided by the Agency;
 - (ii) original certification from the Owner as to the actual date each Building within a Project is "placed in service" as that term is defined in the regulations or notices promulgated under Section 42 of the Code;
 - (iii) certificate(s) of occupancy from the municipality or other governmental authority having jurisdiction to the extent required thereby;

- (iv) original certification from the Owner of the full extent of all federal, State and local subsidies which apply (or which the Owner expects to apply) with respect to a Project;
- (v) original certification from the Projects' architect that each Project is in compliance with all applicable federal and state statutes and regulations in regard to the operation of adaptable and accessible housing for the handicapped;
- (vi) certificate from the Owner with respect to lead paint compliance, including, if applicable, letter(s) of compliance from a certified inspector that all lead-based paint hazards have been removed from all Units in each Project such that, upon occupancy, the Project will be in compliance with all applicable federal, state and local laws, codes and regulations including the Massachusetts Lead Poisoning Prevention and Control Laws, M.G.L. Chapter 111, Sections 190-199A and the regulations thereunder at 105 CMR 460.000 et seq.; and
- (viii) original certification from the Owner pursuant to Massachusetts General Laws Chapter 62C Section 49A that the Owner has complied with all laws of the State related to taxes, reporting of employees and contractors, and withholding and remitting child support;

SECTION 9 - MONITORING AND ENFORCEMENT

- (a) The Owner agrees to comply with any monitoring plan, guidelines, procedures, or requirements as may be adopted or amended from time to time by DHCD in accordance with requirements of the Code or regulations promulgated thereunder by the U.S. Department of the Treasury, Internal Revenue Service ("applicable regulations") or in order to monitor compliance with the provisions of this Agreement.
- (b) The Owner covenants that it will not knowingly take or permit any action that would result in a violation of the requirements of Section 42 of the Code and applicable regulations or this Agreement. Moreover, Owner covenants to take any lawful action (including amendment of this Agreement) as may be necessary, in the opinion of the Agency or DHCD to comply fully with the Code and with all applicable regulations, rules, rulings, policies, procedures, or other official statements promulgated or proposed by the United States Department of the Treasury, Internal Revenue Service, from time to time pertaining to Owner's obligations under Section 42 of the Code and affecting the Projects.
- (c) The Owner will permit, during normal business hours and upon reasonable notice, any duly authorized representative of the Agency or the BRA or DHCD (or their respective authorized delegates) to inspect any books and records of the Owner regarding the Projects which pertain to compliance with the Code, applicable regulations, and this Agreement. The Owner further agrees to cooperate with any on-site inspection of the Projects by the

Agency or the BRA or DHCD (or their respective authorized delegates) during normal business hours and upon reasonable notice.

- (d) The Owner will take any and all actions reasonably necessary and required by DHCD to substantiate the Owner's compliance under the Code, applicable regulations, and this Agreement. Without limiting the generality of the foregoing sentence, the Owner shall at least annually (or more frequently as required by DHCD) submit to DHCD a certification concerning program compliance in such form, including such documentation, and within such timeframe, as may be required by DHCD pursuant to any monitoring plan, guidelines, or procedure adopted or amended by DHCD. The Owner shall provide the BRA with copies of any such certifications and other documentation provided to DHCD. At DHCD's or the BRA's request, the Owner will submit any other information, documents, forms or certifications which DHCD or the BRA deems reasonably necessary to substantiate the Owner's continuing compliance with the Code, applicable regulations, and this Agreement.
- (e) The Owner covenants and agrees to inform DHCD and the BRA by written notice of any violation of the Owner's obligations hereunder within seven (7) business days of first discovering such violation. In accordance with the provisions of any monitoring plan, guidelines, or procedures as then may be in effect, the Agency agrees on behalf of DHCD that DHCD will inform the Owner by written notice of any violation of the Owner's obligations hereunder and to provide the Owner a period of time in which to correct such violation. If any violation is not corrected to the satisfaction of DHCD within the period of time specified by DHCD in a notice, or within such further time as DHCD determines is necessary to correct the violation, but not to exceed any time limitation set by applicable regulations, then without further notice, DHCD may declare a default under this Agreement effective on the date of such declaration of default, and DHCD may apply to any court, state or federal, for specific performance of this Agreement, or any other remedies at law or in equity, or take any other action as may be necessary or desirable to correct noncompliance with this Agreement. The foregoing is not intended to limit in any way DHCD's obligation to notify the Internal Revenue Service, pursuant to applicable regulations, of a noncompliance on the part of the Owner.
- (f) The Owner acknowledges that the primary purpose for requiring compliance by the Owner with the restrictions provided in this Agreement is to ensure compliance of the Projects and the Owner with Section 42 of the Code and the applicable regulations, and by reason thereof, the Owner in consideration for receiving the Agency's approval to use the Low-Income Tax Credits for these Projects hereby agrees and consents that DHCD, the BRA and any individual who meets the income limitation applicable under Section 42 of the Code (whether a prospective, present or former occupant) shall be entitled, for any breach of the provisions hereof, and in addition to all other remedies provided by this Agreement or by law or in equity, to enforce specific performance by the Owner of its obligations under this Agreement in a court of competent jurisdiction. The Owner hereby further specifically acknowledges that the beneficiaries of the Owner's obligations hereunder cannot be adequately compensated by monetary damages in the event of any default hereunder. In the

event of a breach of this Agreement, the Owner shall reimburse DHCD and the BRA for all costs and attorneys' fees and expenses incurred associated with such breach.

- (g) The Owner hereby agrees that the representations and covenants set forth herein may be relied upon by the Agency, DHCD, the BRA and all persons interested in Project compliance under Section 42 and the applicable regulations.
- (h) Notwithstanding anything in this Agreement to the contrary, in the event that the Owner fails to comply fully with the covenants and agreements contained herein or with the Code, all applicable regulations, rules, rulings, policies, procedures, or other official statements promulgated by the Department of the Treasury, the Internal Revenue Service or DHCD from time to time pertaining to the obligations of the Owner as set forth therein or herein, DHCD may, in addition to all of the remedies provided by law or in equity, report such noncompliance to the Internal Revenue Service which could result in penalties and/or recapture of tax credits.
- (i) The Owner agrees to pay an annual monitoring fee in such amount and by such method as may be selected by DHCD pursuant to the applicable provisions set forth in the Allocation Plan, as such provisions may be amended or superseded in a subsequent year's Allocation Plan. DHCD reserves the right to charge a reasonable monitoring fee to perform compliance monitoring functions after the completion of the tax credit Compliance Period with respect to each Project (as defined in Section 42 of the Code) for the remainder of the term of this Agreement.
- (j) The Agency expressly reserves on behalf of DHCD its right to continue monitoring, during the term of this Agreement, for compliance with the provisions of this Agreement beyond any time frame provided for monitoring in the Code or applicable regulations. In addition, the BRA shall have the right to continue monitoring, during the term of this Agreement, for compliance with the provisions of this Agreement beyond any time frame provided for monitoring in the Code or applicable regulations.
- (k) During the tax credit Compliance Period (as defined in Section 42 of the Code) with respect to each Project, the Owner will retain records in accordance with the requirements of the applicable regulations, DHCD monitoring plan and/or guidelines. After the end of such Compliance Period, the Owner will retain records adequate to demonstrate compliance with the terms and conditions of this Agreement, including, but not necessarily limited to, income and rent records pertaining to tenants.

SECTION 10 – USE OF TAX CREDIT

- (a) The Agency has determined that as of the date of this Agreement written above, the Projects will support the use of Low-Income Tax Credits in the amount of [not applicable to this Project].

- (b) The Agency and the Owner agree that if the amount of the Low-Income Tax Credits is not specified in Section 10 (a) above, the Owner shall deliver to the Agency, with respect to each Project and each Building therein, audited certification of costs, an audited schedule of sources (including rental and/or operating subsidies) and uses (including reserves), and an audited schedule of low income housing tax credit eligible basis as well as any supplementary schedules required by the Agency in the format provided by the Agency as required by Section 8(g)(i) of this Agreement no later than some future date mutually agreeable to the parties. The Agency will thereafter notify the Owner of the Agency's final determination of the Low-Income Tax Credits which may be used by the Owner for each Building within a Project. Such final determination will be specified in a written Addendum to this Agreement, to be executed by both parties and recorded in the Suffolk Registries by the Owner. In connection therewith, the Owner and the Agency may amend Exhibit B to this Agreement to provide for the Applicable Fractions for each Building within a Project.

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SECTION 11 - MISCELLANEOUS

- (a) Severability. The invalidity of any clause, part or provision of this Agreement shall not affect the validity of the remaining portions thereof.
- (b) Notices. All notices to be given pursuant to this Agreement shall be in writing and shall be deemed given when delivered by hand or when mailed by certified or registered mail, postage prepaid, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing.

Agency: Massachusetts Housing Finance Agency
One Beacon Street
Boston, MA 02108
Attention: General Counsel
Fax: (617) 854-1029

DHCD: Department of Housing and Community Development
One Congress Street, 10th Floor
Boston, MA 02114
Attention: Tax Credit Program Director

With a Copy to: Department of Housing and Community Development
One Congress Street, 10th Floor
Boston, MA 02114
Attention: Chief Counsel

To the Owner: Tenants' Development II, Limited Partnership
c/o Tenants Development Corporation
400 Massachusetts Avenue
Boston, MA 02115
Attention: Girma Belay
Fax: (617) 247-3979

with a copy to: Goulston & Storrs LLP
400 Atlantic Avenue
Boston, MA 02110-3333
Attention: Karen J. Kepler, Esq.
Fax: (617) 574-3568

And to the BRA: Boston Redevelopment Authority
Boston City Hall, 9th Floor
One City Hall Square

Boston, MA 02201-1001
Attention: General Counsel
Fax: (617) 742-4464

The Agency, DHCD, the BRA and the Owner, may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

- (c) Amendment. This Agreement may not be amended without the express written consent of the Agency and the Owner and, other than the Addendum contemplated by Section 10(b) hereof, without the express written consent of DHCD and the BRA, to the extent that such amendment is entered into after the issuance by the Agency of IRS Forms 8609. The Owner agrees that it will take all actions necessary to effect amendment of this Agreement as may be necessary to comply with the Code and all applicable rules, regulations, policies, procedures, rulings or other official statements pertaining to the Low-Income Tax Credit.
- (d) Governing Law. This Agreement shall be governed by the laws of The Commonwealth of Massachusetts and, where applicable, the laws of the United States of America.
- (e) Survival of Obligations. The obligations of the Owner as set forth herein shall survive the approval of the use of the Low-Income Tax Credit and shall not be deemed to terminate or merge with such approval.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their duly authorized representatives as a sealed instrument, as of the day and year first written above.


TENANTS' DEVELOPMENT II, LIMITED PARTNERSHIP,
a Massachusetts limited partnership

By: Tenants' Development II Corporation,
a Massachusetts corporation, its general partner

By: Mary Clinkscaler, President
Mary Clinkscaler, President

By: Mary Longley, Treasurer
Mary Longley, Treasurer

**MASSACHUSETTS HOUSING FINANCE
AGENCY**

By: Laurie R. Wallach, General Counsel 
Laurie R. Wallach, General Counsel

Attachments: Exhibit A--Description of Property
Exhibit B--Projects

COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

June 20, 2003

Then personally appeared before me, Mary Clinkscales, President and Mary Longley, Treasurer, both of Tenants' Development II Corporation, a Massachusetts corporation and the general partner of Tenants Development II, Limited Partnership, a Massachusetts limited partnership, and acknowledged the foregoing instrument to be their free act and deed, the free act and deed of said corporation and the free act and deed of said Partnership, respectively.

Before me:

By: William H. Grogan
Notary Public *William H. Grogan*
My Commission Expires: *1/12/2007*

COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

June ²⁴24, 2003

Then personally appeared before me the above-named Laurie R. Wallach as General Counsel of the Massachusetts Housing Finance Agency and acknowledged the foregoing instrument to be her free act and deed and the free act and deed of the Massachusetts Housing Finance Agency.

By: Carol Gilchrist
Notary Public: *Carol Gilchrist*
My Commission Expires: *12/9/05*

Exhibit A

Legal Description of Real Estate

Parcel RD-38 545 Massachusetts Avenue

Lot numbered 56 on a plan entitled "A Plan of City Land to be sold October 30, 1850" recorded with Suffolk Deeds at the end of Book 615, bounded:

NORTHEASTERLY by Massachusetts Avenue (formerly that part of Chester Street which bounded on Chester Square), 25 ft.;
NORTHEASTERLY by Lot No. 58 on said plan, 100 ft.;
SOUTHWESTERLY by Northampton Street, 25 ft.; and
SOUTHEASTERLY by Lot No. 54 on said plan, 100 ft.;

Containing 2500 square feet of land.

Parcel RD-38 547 Massachusetts Avenue

Lot numbered 54 on a plan recorded with said Suffolk Deeds at the end of Book 615, bounded:

NORTHWESTERLY by Lot No. 56 on said plan, 100 ft.;
NORTHEASTERLY by Massachusetts Avenue, formerly Chester Square, 25 ft.;
SOUTHEASTERLY by Lot No. 52 on said plan, 100 ft.;
SOUTHWESTERLY by Northampton Street, 25 ft.;

Containing 2500 square feet of land.

Parcel RD-41 23 Wellington Street

A certain parcel of land with the buildings thereon now known as and numbered 23 Wellington Street, situated in Boston, Suffolk County, being all of Lots 7 and 6 and the larger part of Lot 5 on a plan by Alexander Wadsworth dated December 8, 1879, and recorded with Suffolk Deeds Book 1578, Page 275 and more fully bounded and described as follows:

BEGINNING at a point in the Northeasterly side of Wellington Street, 316 ft. Northwest from Columbus Avenue;
thence running Northwest by Wellington, 58 ft. to land now or formerly of Henrietta K. White and now or formerly of Francis L. Willard;
thence turning and running Northeasterly by said land now or formerly of White and Willard, 104 ft. to the center of a passageway 10 ft. wide;

thence turning and running Southeasterly by the center line of said passageway 58 ft. to land now or formerly of A.A. Marcus and now or formerly of the Museum of Fine Arts;
thence turning and running Southwesterly by said land now or formerly of Marcus and the Museum of Fine Arts, 104 ft. to the POINT OF BEGINNING.

Containing 5,742 sq. ft., more or less.

Parcel RD-42 115 West Newton Street

Parcel of land in Boston bounded:

BEGINNING at south corner of mortgaged premises at point in northeast line of West Newton Street 90 ft. northwest from north corner of Tremont Street and West Newton Street;
thence running northwest on said West Newton Street 22 ft.;
thence northeast by line parallel with Tremont Street, 72 ft.;
thence southeast by passageway 10 ft. wide, 22 ft.;
thence southwest by line parallel with Tremont Street and bounded by passageway 10 ft. wide, 72 ft. to POINT OF BEGINNING; containing 1584 sq. ft.

Parcel RD-44 96 West Springfield Street

All that lot of land with building thereon, numbered 96 West Springfield Street and shown as Lot 6 on plan dated January 12, 1858 in Book 732 Page 51 bounded:

Northeast by West Springfield Street 18 ft. 11 in.;
Northwest by Lot 5 on plan, being land now or late of Watson, 64 ft.;
Southwest by passageway to Shawmut Avenue 18 ft. 11 in.;
Southeast by Lot 7 on plan, being land now or late of Pierce, 64 ft.;
Northwest and Southeast lines run through middle of brick partition walls.

Parcel RD-47 5 Braddock Park

A certain parcel of land with the buildings thereon now known as and numbered 5 Braddock Park, situated in Boston, Suffolk County, Massachusetts, being the greater part of Lot 3 on a plan by Fuller & Whitney, Surveyors, dated October 4, 1875, recorded with Suffolk Deeds, Book 1290, Page 248, bounded as follows:

SOUTHWESTERLY by Braddock Park, formerly Berwick Park, 33 ft.;
NORTHWESTERLY by a passageway 10 feet wide, now Public Alley #542, 44.75 ft.;
NORTHEASTERLY by land of owners unknown, 33 ft.;
SOUTHEASTERLY by Lots 1 and 2 on said plan, 44.75 ft.;

Containing 1444 square feet of land.

Parcel RD-48 506 Columbus Avenue

Certain parcel of land with buildings thereon on southeast side of Columbus Avenue bounded:

BEGINNING at a point on Columbus Avenue 111 ft. southwest from southwest corner of Columbus Avenue and Rutland Square;
thence running southwest by said Columbus Avenue 24 ft. 7 ½ in.;
thence turning and running southeast by land now or late of Ordway through center of brick partition wall 80 ft. 11 in.;
thence turning and running northeast 24 ft. 7 ½ in.;
thence turning and running northwest by land now or formerly of Rand through center of brick partition wall 80 ft. 11 in. to POINT OF BEGINNING on Columbus Avenue.

Parcel RD-49 24 East Springfield Street

A certain lot of land with the buildings thereon situated on East Springfield Street in said Boston, bounded and described as follows:

BEGINNING at the most westerly corner of said premises, being a point in the Northeasterly line of Springfield Street 400.45 ft. from the corner of Springfield Street and Harrison Avenue;

Thence Northwesterly at right angles with Springfield Street by a line running through the center of the brick partition wall 70 ft.;

NORTHEASTERLY bounded by a passageway 10 feet wide parallel with Springfield Street, 21 ft.;

SOUTHWESTERLY at right angles with said passageway by a line running through the center of the brick partition wall 70 ft.;

SOUTHEASTERLY by Springfield Street 21 ft. to the POINT OF BEGINNING.

Containing 1470 square feet more or less and being Lot 4 on a plan recorded with plans of City lands sold Liber 2, Folio 94, in the office of the Superintendent of Public Lands in said Boston.

Parcel RD-50 403 Massachusetts Avenue

A certain parcel of land with the buildings thereon now known as and numbered 403 Massachusetts Avenue (formerly West Chester Park) in Boston, being Lot 1 on the Plan of Lots on West Chester Park by T. William Harris dated October 2, 1884, described as follows: running

SOUTHWESTERLY through the middle of said partition wall and by said land now or formerly of Yeaton, 95 ft. to a passageway 10 feet wide; thence turning and running
NORTHWESTERLY by said passageway, 18.78 ft. to Lot 2 on said plan; thence turning and running
NORTHEASTERLY by Lot 2, 95 ft. to Massachusetts Avenue; thence turning and running
SOUTHEASTERLY by Massachusetts Avenue, 19 ft. to the point of beginning.

Containing 1794.55 square feet.

Parcel RD-51 407 Massachusetts Avenue

Land in Boston, dwelling house and land bounded:

Northeast by Massachusetts Avenue (formerly West Chester Park) extended 20 ft.;
Southeast by house and land formerly mortgaged by John W. Shapleigh, John Goldsburn, executor, and trustee by deed of mortgage recorded in Book 970 Page 124, by line through center of brick partition wall 95 ft.;
Southwest by passageway 10 ft. wide extending to Columbus Avenue, 20 ft.;
Northwest by land formerly mortgaged by said Shapleigh, J. Mason Everett by deed of mortgage in Book 970 Page 48 by line through center of brick partition wall 95 ft.

Parcel RD-52 419 Massachusetts Avenue

Parcel of land with buildings thereon in Boston bounded:

Northeast by Massachusetts Avenue (formerly West Chester Park) 22 ft.;
Southeast by land now or formerly of Calvin Swallow by line through middle of partition wall, 22 feet northwest from land conveyed to Hiram P. Bean, by deed in Book 933 Page 54, 95 ft.;
Southwest by 10 foot passageway 22 ft.;
Northwest by land now or late of E.S. Johnson by line through middle of partition wall 95 ft.;
Said premises are numbered 419 Massachusetts Avenue.

Parcel RD-53 423 Massachusetts Avenue

The land in Boston known as 423 Massachusetts Avenue, situated on the Southwesterly side of Massachusetts Avenue, formerly called West Chester Park, a short distance northwesterly from Columbus Avenue in said Boston, being known as an unnumbered lot on a certain plan

recorded with Suffolk Deeds, Book 933 Page 55, and said parcel is bounded and described as follows:

NORTHEASTERLY by Massachusetts Avenue, 22 ft.;

SOUTHEASTERLY by another unnumbered lot shown on said plan by a line supposed to run through the middle of the brick petition wall, 105 ft.;

SOUTHWESTERLY by land marked Nathan Matthews on said plan, 4.44 ft.;

NORTHWESTERLY by the same, 5 ft.;

SOUTHWESTERLY by the same, 17.56 ft.; and

NORTHWESTERLY by land marked Calvin Swallow on said plan, by a line supposed to run through the middle of the brick partition wall, 100 ft.

Containing 2722 1/5 square feet of land, more or less.

Parcel RD-54 569 Massachusetts Avenue

Land with buildings thereon in Boston, numbered 569 Massachusetts Avenue, bounded:

on northwest by Lot 34 on plan entitled "Plan of City Lands to be sold on October 30, 1850," there measuring 94 ft.;
on southeast by Lot 30 on plan 94 ft.;
Northeast by Massachusetts Avenue 25 ft.;
Southwest by passageway 6 feet wide there measuring 25 ft.

Parcel RD-54 571 Massachusetts Avenue

Lot 30 Massachusetts Avenue on plan at end of Book 615, bounded:

northwest by Lot 32 on plan by line running through center of partition wall 94 ft.;
northeast by Massachusetts Avenue, formerly Chester Square, 25 ft.;
southeast by Lot 28 on plan by line running through center of partition wall 94 ft.;
southwest by 6 ft. passageway 25 ft.;

containing 2350 sq. ft.

Parcel RD-54 573 Massachusetts Avenue

Certain parcel of land with buildings thereon in Boston, County of Suffolk, Commonwealth of Massachusetts, being Lot 28 on plan at end of Book 615, bounded:

on northwest by Lot 50 on said plan 94 ft.;
on northeast by Massachusetts Avenue 25 ft.;
on southeast by Lot 26 on plan 94 ft.;
on southwest by 6 foot passageway 25 ft.

Parcel RD-55 553 Massachusetts Avenue

Certain parcel of land with building thereon being Lot 48 on "A Plan of City Land to be sold October 30, 1850" bounded:

on northwest by Lot 50, 100 ft. by line running through center of brick partition wall;
on northeast by Massachusetts Avenue (formerly that part of Chester Street that bounds Chester Square) 25 ft.;
on southeast by Lot 46 on plan 100 ft. by line running through center of brick partition;
southwest by Northampton Street 25 ft.;

containing 2500 sq. ft.

Parcel RD-56 560 Massachusetts Avenue

Lot 37 on plan at end of Book 615 bounded:

West by Massachusetts Avenue on curved line 30 ft. 2 ½ in.;
Northwest by Lot 39 on plan by line supposed to be in part through middle of brick partition wall, 113 ft. 9 3/8 in.;
Northeast by West Springfield Street 25 ft.;
Southeast by Lot 99 and Lot 35 on plan by line supposed to be in part through middle of brick partition wall 130 ft. 7 in.;

Containing 3036 sq. ft.

Parcel RD-58 663 Massachusetts Avenue

A certain parcel of land situate in said Boston, bounded and described as follows:

Northeasterly by the southwesterly line of Massachusetts Avenue, 21.84 ft.;
Southeasterly 6 ft.;
Northeasterly 0.39 ft., and
Southeasterly 36.10 ft., all by land now or formerly of James J. Crosby et al;
Southwesterly by land now or formerly of said Crosby et al and by Lot 2 as shown on plan hereinafter mentioned, 23.34 ft.; and
Northwesterly 36.10 ft.;
Northeasterly 0.68 ft.; and
Northwesterly 6 ft., all by Lot 2 as shown on said plan.

Said land is shown as Lot One (1) on a subdivision plan drawn by Edmund C. Corsano, A.J. Ialuna, Surveyors, dated May 5, 1962, as approved by the Court, filed in the Land Registration Office as plan No. 4868-B, a copy of a portion of which is filed with certificate of title No. 69646.

Parcel RD-59 29 Rutland Street

Certain parcel of land on northeast side of Rutland Street, Boston, bounded:

Southwest by Rutland Street 16 ½ ft.;
Northwest by land now or formerly of Tousaro by line running through center of brick partition wall 45 ft.;

Northeast by land of Talbot and land now or late of Root 16 ½ ft.; and
Southeast by land now or late of Hunt by line running through center of brick partition
wall 45 ft. to POINT OF BEGINNING.

Parcel RD-69 57 Worcester Street

Certain parcel of land with buildings thereon, numbered 57 Worcester Street bounded:

BEGINNING at point on northeast side of Worcester Street 165 ft. 8 in. northwest from
20 foot street or way called Newland Street;
and from such point running northwest, bounded southwest by said Worcester Street 20
ft. 4 in.;
thence turning and running northeast parallel with Newland Street by line running
through center of brick partition wall 91 ft. to 10 foot passageway;
thence turning and running southeast on said 10 foot passageway 20 ft. 4 in.;
thence running southwest by line through center of brick partition wall 91 ft. to POINT
OF BEGINNING.

Being Lot 9 on plan in Book 711 Page 201.

Parcel RD-72 405 Massachusetts Avenue

Land in Boston with the buildings thereon, bounded and described as follows:

Northeasterly by Massachusetts Avenue, 20 ft.;
Southeasterly by land now or late of Shapleigh, by a line through the middle of a brick
partition wall, 95 ft.;
Southwesterly by a 10 foot passageway to Columbus Avenue, 20 ft.;
Northwesterly by land now or late of Swallow by a line through the middle of a brick
partition wall, 95 ft.

Parcel RD-73 421 Massachusetts Avenue

Certain lot of land with buildings thereon in Boston, bounded:

Northeast by Massachusetts Avenue (formerly West Chester Park) 22 ft.;
Southeast by land conveyed by Calvin Swallow to Hiram P. Bean in Book 933 Page 54
by line running through middle of brick partition wall, 95 ft.;
Southwest by passageway 10 ft. wide extending to Columbus Avenue, 22 ft.;
Northwest by land now or late of J.F. Cane by line passing through middle of brick
partition wall 95 ft.;

Conveyed with full and encumbered right of way and drainage in passageway.

Parcel RD-74 425 Massachusetts Avenue

Certain parcel containing 2310 sq. ft. with buildings thereon on southwest side of Massachusetts Avenue, a short distance northwest from Columbus Avenue, in Boston, bounded:

Northeast by Massachusetts Avenue 22 ft.;
Southeast by land now or late of Ahl, by line in part through middle of brick party wall 105 ft.;
Southwest by land formerly of Nathan Matthews 22 ft.;
Northwest by land now or late of Perkins by line in part through middle of brick party wall 105 ft.;

Together with rights of way and drainage in and over 10 foot passageway running northwest from Columbus Avenue, across rear of above described parcel.

Parcel RD-75 401 Massachusetts Avenue

Being Lot 2 on Plan of Lots of West Chester Park by T. William Harris dated October 2, 1884.

Bounded:

BEGINNING on Massachusetts Avenue at Lot 1 on said plan;
thence running southwest on said Lot 1, 95 ft. to passageway 10 feet wide;
thence northwest on said passageway 19 ft. to Lot 3 on plan;
thence northeast on Lot 3, 95 ft. to Massachusetts Avenue;
thence southeast on Massachusetts Avenue to POINT OF BEGINNING;
containing 1805 sq. ft. Southeast and northwest boundaries are through brick partition walls.

Together with usual rights in passageway in rear.

Parcel RR-69 30 Greenwich Park

Land situated on Greenwich park bounded:

BEGINNING at point on southwest side of Greenwich Park 322 ft. northwest from Columbus Avenue;
and running northwest on Greenwich Street 21 ft.;

thence southwest by line through middle of brick partition wall 105 ft;
thence southeast 21 ft.;
thence northeast by line through middle of brick partition wall 105 ft. to the POINT OF BEGINNING.

Parcel RR-83 612 Massachusetts Avenue

All that parcel of land with buildings thereon in Boston, being Lot 11 on plan of City lands at end of Book 615, bounded:

southwest on Massachusetts Avenue, formerly Chester Square, 26 ft.;
northwest on Lot 13 on said plan 116 ft.;
northeast on land now or formerly of A.J. Allen 26 ft.;
southwest by Lot 9 on said plan 116 ft.

Parcel RR-84 623 Massachusetts Avenue

Lot 4 on plan at end of Book 615, bounded:

northwest by Lot 6 on plan 70 ft.;
northeast by Massachusetts Avenue (formerly called Chester Square) 24 ft.;
southeast by Lot 2 on plan 70 ft.;
southwest by passageway 20 feet wide, 24 ft.;

containing 1680 sq. ft.

Parcel RR-85 627 Massachusetts Avenue

Certain parcel containing 1680 sq. ft. with buildings thereon on southwest side of Massachusetts Avenue a short distance northwest of Washington Street, Boston, being Lot 2 on plan at end of Book 615, bounded:

northeast by Massachusetts Avenue 24 ft.;
southeast by Lots 113, 114, 115, 70 ft.;
southwest by Lot 115 on plan 20 ft. and by way called Chester Place 4 ft.;
northwest by Lot 4 on plan 70 ft. with all rights, easements, privileges and appurtenances to premises belonging; together with right in passageway.

Parcel RR-86 127 West Concord Street

Land in Boston bounded:

Southwest by said Concord Street 20 ft.;
Northwest by straight line passing through middle of partition wall 90 ft. 6 in.;
Northeast by passageway (known as Newland Place) 21 ft. 1 ¼ in.;
Southeast by land now or formerly of Eliza A. Coburn 34 ft. 6 in.;
Southwest by same 6 in.;
and Southeast again by same 56 ft.;

being part of same premises conveyed to Caroline A. Benton by Mortimer C. & Mary E. Ferris in Book 853 Page 89.

Parcel RR-88 213 West Newton Street

Land with buildings thereon situated in Boston, on northeast side of West Newton Street, numbered 213 on said street, bounded:

BEGINNING at point on northeast side of West Newton Street, 331 ft. northwest from Columbus Avenue;
thence running northwest on West Newton Street 20 ft.;
thence running northeast by land now or late of Sarah R. Bartlett through middle of brick partition wall separating house mortgaged from house adjoining, 110 ft.;
thence running southeast 20 ft.;
thence running southwest by land now or late of Mary W. Bridge through middle of brick partition wall separating house mortgaged from house adjoining 110 ft. to West Newton Street;

Containing 2200 sq. ft.

Parcel RR-90 32 Greenwich Park

Land in that part of Boston called Back Bay bounded:

BEGINNING at point in south line of Greenwich Park, formerly Concord Street 343 ft. northwest from Columbus Avenue;
and running northwest on said Greenwich Park 20 ft.;
thence southwest 100 ft.;
thence southeast 20 ft.;
thence northeast 100 ft. to POINT OF BEGINNING.

Parcel RR-91 139 Pembroke Street

A certain parcel of land situated in Boston in the County of Suffolk and Commonwealth of Massachusetts, bounded and described as follows:

Southwesterly by Pembroke Street, 20.98 ft.;

Northwesterly by land now or formerly of Minnie A. Burlingame, the line running in part through the middle of an eight (8) inch brick wall, 80 ft.;

Northeasterly by the middle line of a Way as shown on the plan hereinafter mentioned 21.15 ft.; and

Southeasterly by land now or formerly of Delia Lydon, the line running in part through the middle of an eight (8) inch brick wall (which has been widened to 12 inches), 80 ft.

All of said boundaries are determined by the Court to be located as shown on a plan drawn by J.A. Sharkey, Surveyors, dated February 5, 1944, as modified and approved by the Court, filed in the Land Registration Office as plan No. 19080-A, a copy of a portion of which is filed with Certificate of Title No. 49250.

Parcel RR-98 692 Massachusetts Avenue

Land with buildings thereon in Boston bounded:

BEGINNING at the most west corner thereof, being a point in the northeast line of Massachusetts Avenue 546 ft. southeast from east corner of Massachusetts Avenue and Washington Street;

thence running northeast by Lot 26 on plan hereinafter mentioned 84.88 ft.;

thence southeast by passageway 10 feet wide 22.75 ft.;

thence southwest by Lot 28, 84.88 ft. to Massachusetts Avenue;

thence northwest by Massachusetts Avenue 22.75 ft. to POINT OF BEGINNING;

containing 1931 sq. ft. being Lot 27, Plan Book 2 Page 107.

Parcel RR-99 696 Massachusetts Avenue

Certain parcel of land with buildings thereon in Boston, on that part of Massachusetts Avenue formerly known as Chester Square, 696 Massachusetts Avenue being Lot 29, plan book 2, page 107,

Bounded:

BEGINNING at point in northeast line of Massachusetts Avenue 591.05 ft. southeast from east corner of Massachusetts Avenue and Washington Street;

thence running northeast by Lot 28, 84.88 ft.;
thence southeast by passageway 10 ft. wide parallel with Massachusetts Avenue, 22 ft. 9
in.;

thence running southwest by Lot 30, 84.88 ft.;

thence running northwest by Massachusetts Avenue 22 ft. 9 in. to POINT OF
BEGINNING.

Containing 1931.02 sq. ft.

Parcel PB-13b 32 Worcester Street

Bounded:

Northeast by Worcester Street, 20 ft.;

Southeast by Shawmut Avenue, 45 ft.;

Southwest by land now or formerly of the City of Boston, 20 ft.;

Northwest by land formerly of Inglis by line through middle of brick partition wall 45 ft.

Containing 900 sq. ft.

Parcel SE-8 84 Worcester Street

A certain parcel of land situated in Boston, in the County of Suffolk and Commonwealth
of Massachusetts, bounded and described as follows:

Northeasterly by the southwesterly line of Worcester Street, 22 ft.;

Southeasterly by land now or formerly of Lillian E. Brooks, the line running in part
through the middle of an 8 in. brick wall, 100 ft.;

Southwesterly by a Passageway 10 ft. wide as shown on said plan, 22 ft.; and

Northwesterly by land now or formerly of Margaret G. Glover, the line running in part
through the middle of an 8 in. brick wall, 100 ft.

All of said boundaries are determined by the Court to be located as shown upon plan
numbered 19478-A, Sheet 2, filed with certificate of title No. 46458, the same being compiled
from plan drawn by David S. Wexler, Civil Engineer, dated June 16, 1945, and additional data
on file in the Land Registration Office all as modified and approved by the Court, and said land
is shown as parcel 2 on said plan.

Exhibit B

Projects

Projects

Applicable Fractions¹

Project A:

401 Massachusetts Avenue
403 Massachusetts Avenue
405 Massachusetts Avenue
407 Massachusetts Avenue

Project B:

419 Massachusetts Avenue
421 Massachusetts Avenue
423 Massachusetts Avenue
425 Massachusetts Avenue

Project C:

545 Massachusetts Avenue
547 Massachusetts Avenue

Project D:

553 Massachusetts Avenue

Project E:

560 Massachusetts Avenue

Project F:

569 Massachusetts Avenue
571 Massachusetts Avenue
573 Massachusetts Avenue

Project G:

612 Massachusetts Avenue

Project H:

623 Massachusetts Avenue
627 Massachusetts Avenue

¹ Subject to amendment as contemplated by Section 10(b) of this Agreement.

Applicable Fractions²

Project I:
663 Massachusetts Avenue

Project J:
692 Massachusetts Avenue

Project K:
696 Massachusetts Avenue

Project L:
127 West Concord Street

Project M:
24 East Springfield Street

Project N:
115 West Newton Street

Project O:
213 West Newton Street

Project P:
30 Greenwich Park
32 Greenwich Park

Project Q:
32 Worcester Street

Project R:
57 Worcester Street

Project S:
84 Worcester Street

Project T:
29 Rutland Street

Project U:
96 West Springfield Street

² Subject to amendment as contemplated by Section 10(b) of this Agreement.

Project V:
5 Braddock Park

Applicable Fractions³

Project W:
506 Columbus Avenue

Project X:
139 Pembroke Street

Project Y:
23 Wellington Street

³ Subject to amendment as contemplated by Section 10(b) of this Agreement.

GROUND LEASE
TENANTS DEVELOPMENT CORPORATION
TO
TENANTS' DEVELOPMENT II, LIMITED PARTNERSHIP

Dated: June 20, 2003

GROUND LEASE

THIS INDENTURE OF GROUND LEASE is made and entered into as of this 20 day of June, 2003 (the "Ground Lease" or this "Lease"), by and between TENANTS DEVELOPMENT CORPORATION ("TDC" or "Lessor"), a Massachusetts not-for-profit corporation with a principal office at 400 Massachusetts Avenue, Boston, Massachusetts 02115, as Lessor, and TENANTS' DEVELOPMENT II, LIMITED PARTNERSHIP ("TDLP" or "Lessee"), a Massachusetts limited partnership with an address at 400 Massachusetts Avenue, Boston, Massachusetts 02115.

WHEREAS, TDC is organized exclusively for charitable purposes, including acquiring, improving and making available affordable housing for low- and moderate- income people in the South End area of Boston and the promotion of neighborhood improvement in the South End area of Boston; and

WHEREAS, the goal of TDC is to provide decent, affordable housing among low- and moderate- income people by providing access to housing for such persons at affordable rental prices; and

WHEREAS, TDC has acquired from Seth II Limited Partnership the Leased Premises (as defined below) on which is located that certain 185 unit project known as "South End Tenant's Housing II" in Boston, Massachusetts (the "Project"); and

WHEREAS, the Project consists of 185 residential units in 36 buildings and those certain surface walkways, driveways, surface parking spaces, walls and fences and foundations, improvements, additions, alterations, fillings, fixtures, appliances and utility lines, and equipment located on or under the Leased Premises (the "Fee Improvements"); and

WHEREAS, the Leased Premises as defined herein have been acquired and are being leased by TDC to TDLP in furtherance of these charitable purposes and of TDC's rights and responsibilities as a corporation acting pursuant to Chapter 180 of the Massachusetts General Laws; and

WHEREAS, simultaneously herewith TDC is conveying to TDLP the Fee Improvements and assigning to TDLP all of the Project's other assets and liabilities, including, without limitation, space leases, permits, subsidy contracts, contracts, reserve accounts, and accounts payable and receivable and Lessee is accepting and assuming such conveyance and assignment; and

WHEREAS, the Lessee shares the purposes and goals of TDC and has agreed to enter into this Lease not only to obtain those certain benefits provided hereunder, but also to further the charitable purposes of the Lessor; and

WHEREAS, Lessor and Lessee recognize the special nature of the terms and conditions of this Lease, and each of the parties hereto, with the independent and informed advice of legal counsel freely accepts said terms and conditions, including, without limitation, such terms and conditions as might affect the marketability or resale price of any residential structures or other improvements on the Leased Premises and the units therein; and

WHEREAS, it is mutually understood and accepted by Lessor and Lessee that the terms and conditions of this Lease further the parties' shared goal of providing decent, affordable housing for low- and moderate- income people in the South End area of Boston over an extended period of time.

NOW, THEREFORE, in consideration of the foregoing recitals, of mutual promises of the parties hereto, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

DEMISE OF LEASED PREMISES

In consideration of the rents reserved and the terms, conditions, covenants and agreements herein, Lessor does hereby demise and lease unto Lessee, and Lessee does hereby take and hire from Lessor, those thirty six parcels of land in the South End section of Boston (referred to in this Lease as the "Leased Premises") as described in Exhibit A - PREMISES attached hereto. Lessee accepts title to the Leased Premises in their condition "as is" as of the execution hereof.

ARTICLE II

DURATION OF LEASE

2.1 Term. The term of this Lease shall be 50 years, commencing on the 20 day of June, 2003, and terminating on the 20 day of June, 2053, unless terminated sooner as provided herein.

2.2 Change of Lessor: Lessee's Right to Purchase. If the ownership of or title to the land on which the Leased Premises are located (the "Land") is conveyed by Lessor to any other person or entity (a "New Lessor"), this Lease shall not cease, but shall remain in full force and effect. The New Lessor shall be subject to the terms and conditions of this Lease and any

mortgage of a Permitted Mortgagee (as defined in Section 7.1 of this Lease) that is still in effect. Prior to the conveyance to a New Lessor, the Lessor shall obtain the written consent from the Permitted Mortgagees, if necessary under the loan documents of such Permitted Mortgagee. However, if Lessor desires to sell or convey the Land or otherwise transfers or attempts to transfer the Land or its rights hereunder, whether voluntarily or involuntarily, to any person or entity other than to a non-profit corporation, charitable trust, governmental agency or other similar entity sharing the goals and objectives set forth in the Recitals above (or as security for a mortgage loan), Lessee shall have a right of first refusal to purchase the Land, subject to any consent rights of any Permitted Mortgagees (as defined in Section 7.1 of this Lease). This right shall be as specified in Exhibit B - FIRST REFUSAL annexed hereto and incorporated herein. Any sale or transfer by Lessor which does not comply with this Section shall be null and void.

ARTICLE III

USE OF LEASED PREMISES

3.1 Primarily Residential Use. Lessee shall use, and shall cause all occupants thereof to use, the Leased Premises and any buildings, structures or other improvements now or in the future thereon (the "Improvements") only for residential purposes and incidental activities related to residential use (to the extent such activities are from time to time permitted by then applicable zoning law) ("Permitted Uses"). In addition, transfers of Lessee's interest in the Leased Premises shall be subject to the restrictions hereof, including Article IX. Lessee agrees and acknowledges that the foregoing limitations, all other conditions and restrictions contained herein, and any conditions and restrictions set forth in Exhibit C - RESTRICTIONS (which Exhibit is annexed hereto and incorporated herein by reference), are essential to the fulfillment of the charitable purposes of Lessor and are conditions and restrictions on the use of the Leased Premises intended to run the full term of this Lease. Notwithstanding the foregoing, so long as (i) any Permitted Mortgagee Loan Documents (as defined in Section 7.1 of this Lease) are in effect, the Leased Premises may only be used in accordance with such Permitted Mortgagee Loan Documents (ii) the Leased Premises are subject to the requirements of Section 42 of the Internal Revenue Code of 1986, as amended ("Section 42"), the Leased Premises shall be used and operated in accordance with terms and provisions of the Extended Low Income Housing Agreement and Declaration of Restrictive Covenants executed by Lessee in connection with the Project and Section 42 and the regulations promulgated thereunder and (iii) the 6A Contract (as hereinafter defined). The term "Restrictions" shall include those conditions and restrictions set forth on Exhibit C - RESTRICTIONS, as well as items (i), (ii) and (iii) above.

3.2 Responsible Use. Lessee shall cause the Leased Premises and the Improvements to be used in a manner so as not to cause actual harm to others nor create any nuisances, public or private; and shall dispose of any and all waste in a safe and sanitary manner.

3.3 Occupancy. Lessee shall cause the Leased Premises to be occupied by tenants whose incomes are at or below 80% of the area median income (as determined by the U.S. Department of Housing and Urban Development ("HUD")) in the Boston Metropolitan

Statistical Area; provided, however, that the Leased Premises shall at all times meet any income and occupancy requirements set forth in the Restrictions.

3.4 Inspection. Lessor may inspect any portion of the Leased Premises at any reasonable time and in any reasonable manner, upon at least twenty-four (24) hours oral notice to Lessee. No notice shall be required in an emergency.

3.5 Lessee's Right to Peaceful Enjoyment. Lessee has the right to undisturbed enjoyment of the Leased Premises, and Lessor has no desire or intention to interfere with the personal lives, associations, expressions, or actions of Lessee subject to the terms, covenants, conditions, provisions, restrictions, or reservations of this Lease.

3.6 Condition of Leased Premises; Compliance with Law. Lessee agrees that Lessee shall maintain the Leased Premises and Improvements in good, safe, and habitable condition in all respects, in full compliance with all applicable laws, ordinances, rules and regulations of any governmental authority with jurisdiction over matters concerning the condition of the Leased Premises or Improvements, and in full compliance with all the terms and conditions of this Lease and its related documents.

ARTICLE IV

GROUND RENT

4.1 Ground Rent. (a) Commencing on the Commencement Date and continuing thereafter throughout the Term, Lessee shall pay to Lessor an annual ground rent (the "Ground Rent") equal to Five Hundred Sixty Two Thousand Five Hundred and 00/100 Dollars (\$562,500), increased annually by three percent (3%), for each Fiscal Year (as defined below); provided, however, that if in any Fiscal Year the amount of Cash Flow (as defined in the First Amended and Restated Agreement of Limited Partnership of Lessee) is less than the Ground Rent, or if Lessee is otherwise prohibited from making such payment of Ground Rent under the terms of any of the Permitted Mortgagee Loan Documents, then (x) the amount of such deficiency shall bear interest at the rate of eight percent (8%) per annum from the date on which Ground Rent for such year is due until the date on which such deficiency is paid, and (y) the amount of such deficiency shall be deferred and not be payable until the next Rent Payment Date and then only to the extent available from Cash Flow.

(b) Ground Rent shall be payable annually, in arrears, on a date which is not more than one hundred twenty (120) days after the close of the Fiscal Year (each, a "Rent Payment Date"), based upon a statement provided by Lessee to Lessor under Section 4.2 hereof.

4.2 Calculation of Ground Rent. Promptly after the receipt by Lessor of bills for the upcoming year for such taxes, special assessments, insurance, and other items which constitute portions of the Ground Rent, but in any event not later than one hundred twenty (120) days after the end of the Fiscal Year of the Project (the "Fiscal Year" shall be the calendar year), Lessor

shall give Lessee a statement confirming all items necessary to calculate Ground Rent due from Lessee to Lessor and setting forth the calculations of the total amount of Ground Rent to be paid for such Fiscal Year in accordance with this Lease (the "Rent Calculation").

4.3 Payment of Ground Rent. The payment of Ground Rent shall accompany the Rent Calculation and be payable annually at Lessor's principal address specified herein on the Rent Payment Date. If this Lease commences between any of the aforesaid payment dates, a pro-rata portion of the Ground Rent shall be paid for the balance of such month at the time of the execution hereof.

4.4 Subordination of Certain Rent. For purposes of this Lease, "Subordinated Rent" shall mean Ground Rent due and payable, or thereafter to be due and payable, for any current or future fiscal period, together with all unpaid but deferred Ground Rent and interest thereon described in clauses (x) and (y) of Section 4.1(a). Lessor and Lessee hereby agree that, if there shall occur either (i) a foreclosure by MassHousing of its Permitted Mortgage or an assignment of the leasehold estate by MassHousing after a default in any payment due under the Permitted Mortgage Loan Documents, or (ii) any bifurcation or other restructuring of MassHousing's Permitted Mortgage pursuant to a partial claim process under the Risk-Sharing Program (as defined in Section 7.9 hereof), then from and after such event occurs, MassHousing and its successors or assigns shall have no obligation whatsoever to pay Subordinated Rent accrued as of such date or accruing thereafter, and any failure then existing to pay Subordinated Rent shall no longer constitute grounds for Lessor to terminate this Lease.

ARTICLE V

TAXES AND ASSESSMENTS

5.1 Lessee's Responsibility for Taxes and Assessments Related to Improvements. Lessee shall be solely liable and responsible for payment of all taxes and assessments, no matter how designated, that relate to the Improvements and/or the Leased Premises (any and all of the foregoing, "Taxes"), including, without limitation, payment of (i) the payments (the "6A Payments") due from Lessee to the City of Boston pursuant to a so-called 6A agreement entitled "Contract Between Tenants' Development II, Limited Partnership and The City Of Boston Pursuant to Section 6A of Chapter 121A of the Massachusetts General Laws, dated as of June ____, 2003" (the "6A Contract"), governing the payment of excise taxes by Lessee pursuant to Section 10 of Chapter 121A of the Massachusetts General Laws, (ii) any other municipal charges whatsoever (such as water and sewer charges), applicable to the ownership or use of the Land, Leased Premises or Improvements, and (iii) special assessments, taxes, or tax adjustments against the Land, Leased Premises or Improvements prorated over the period for which said assessments or adjustments apply.

Lessee shall be permitted to pay directly to the taxing or assessing authority the Taxes; provided, however, that the portion thereof consisting of 6A Payments shall only be paid directly with the written consent of the Assessor's Office of the City of Boston (or its successor).

Lessee shall pay promptly when due such Taxes directly to the taxing or assessing authority. Lessee shall also pay directly, when due, all service bills, utilities charges, or other governmental assessments charged against the Leased Premises or, the Improvements, unless otherwise directed by Lessor after Lessee shall be in default hereunder with respect to any monetary obligation.

5.2 Lessee's Right to Contest. Subject to the last sentence of this Section 5.2, Lessee shall have the right to contest the amount or validity of any Taxes. Lessor shall, upon written request by Lessee, join in any such proceedings if Lessee shall reasonably determine that it shall be necessary or convenient for Lessor to so join in order for Lessee to prosecute such proceedings. Lessor shall pay the costs of its own counsel if Lessor chooses to retain an attorney; all other costs and expenses of such proceedings shall be paid by Lessee. Notwithstanding the foregoing, Taxes or assessments against or including the Land (including 6A Payments) shall be contested only with the concurrence of Lessor in its sole discretion.

5.3 Payments in Event of Delinquency. If Lessee fails to pay the Taxes or other charges specified in Section 5.1 above which are not otherwise part of the Ground Rent, Lessor may (i) make such payments directly and then charge Lessee such amounts paid as additional rent, or (ii) increase Ground Rent payments in amounts such that the total sum collected will offset the cost of any such delinquent and current Taxes and other such charges, and thereafter make such payments in a timely manner.

5.4 Proof of Compliance. Concurrently with the payment thereof, each party shall furnish evidence satisfactory to the other documenting the payment of all taxes, assessments, and charges paid by such party as required or permitted by the provisions of this Lease. A photocopy of a paid receipt for such charges showing payment prior to the due date thereof shall be the usual method of furnishing such evidence.

ARTICLE VI

IMPROVEMENTS

6.1 Ownership. It is expressly understood and agreed that any and all Improvements and fixtures purchased by Lessee or constructed, placed, or maintained by Lessee upon any part of the Leased Premises at any time during the term of this Lease shall be and remain the property of Lessee. Fee simple determinable title to such Improvements and fixtures shall be and remain vested in the Lessee during the term hereof. Lessee's exercise of the rights of ownership is subject and subordinate, however, to the provisions hereof, in particular Section 6.6 below regarding the disposition of Improvements by Lessee and Lessor's option to purchase the Improvements. Lessee's exercise of the rights of ownership is also subject to (i) the Restrictions, (ii) the Permitted Mortgagee Loan Documents and (iii) the Affordable Housing Covenant, by and among Lessor and the City of Boston and recorded in Suffolk Registry of Deeds at Book 25170, Page 53. In addition, Lessee shall not sever or move the Improvements from the Land.

6.2 Purchase of Improvements by Lessee. Lessee is simultaneously acquiring the Improvements now located on the Leased Premises and described in a Bill of Sale of even date herewith, from Lessor to Lessee.

6.3 Construction and Alteration. Any construction in connection with the Improvements is subject to the following conditions: (a) all costs shall be borne and paid for by Lessee; (b) all construction shall be performed in a good and workmanlike manner and shall comply with all applicable laws, ordinances and regulations, including the requirements of local and state public health authorities; (c) all construction must be consistent with the permitted uses set forth in Article III, and (d) the exterior (including height) of such Improvements shall not be increased or expanded without the prior written consent of Lessor.

6.4 Prohibition of Liens. No lien for services, labor or materials resulting from Lessee's work to the Improvements shall attach to the Land or Lessor's interest in this Lease or the Leased Premises or to any other property owned by the Lessor. Lessee shall not suffer or permit any vendor's, mechanic's, laborer's, or materialman's statutory or similar lien to be filed against the Leased Premises, the Improvements, or any interest of Lessor or Lessee. If any such lien shall at any time be filed against the Leased Premises Lessee shall within sixty (60) days after notice of the filing thereof cause the same to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or as otherwise permitted by law. If Lessee shall fail to cause such lien to be discharged within the period aforesaid, then, in addition to any other right or remedy of Lessor, Lessor may, but shall not be obligated to, discharge the same by paying the amount in question. Lessee in good faith and at Lessee's expense may contest the validity of any such asserted lien, provided Lessee has furnished a bond in an amount set by statute or otherwise sufficient to release the Leased Premises from such lien. Any amounts paid by Lessor hereunder in respect of such liens shall be deemed to be an additional Ground Rent payable by Lessee upon demand.

6.5 Maintenance. Lessee shall, at Lessee's sole expense, maintain the Leased Premises and all Improvements in accordance with all applicable laws, rules, ordinances, orders and regulations of all governmental agencies and entities with jurisdiction and all insurance companies insuring all or any part of the Leased Premises or Improvements. Lessor shall not be required to furnish any services or facilities, including but not limited to heat, electricity, air conditioning or water, or to make any repairs to the Leased Premises or Improvements, and Lessee hereby assumes the full and sole responsibility for furnishing all services or facilities.

6.6 Disposition of Improvements Upon Expiration of Lease Term. Upon the expiration of the term hereof, as such term may be extended or sooner terminated in accordance with this Lease, Lessee shall yield up and surrender the Improvements together with the Leased Premises to Lessor. The Improvements shall thereupon revert in title to Lessor.

ARTICLE VII

FINANCING

7.1 Permitted Mortgage(s) Only. Lessee may mortgage pledge, or encumber the Leased Premises or any portion thereof or interest therein only pursuant to a Permitted Mortgage. A "Permitted Mortgage", which term shall apply to one or more Permitted Mortgage shall be a mortgage which shall:

(a) run in favor of either (i) a so-called "institutional lender" such as, but not limited to, a federal, state, or local housing finance agency, a bank (including a savings and loan association), an insurance company, a pension and/or profit-sharing fund or trust, a federal, state or municipal entity or agency or any combination of the foregoing, the policies and procedures of which institutional lender are subject to direct governmental supervision, (ii) a "community loan fund" or similar non-profit lender to housing projects for low- and moderate- income persons (as defined by reference to the membership criteria for the National Association of Community Development Loan Funds, a non-profit corporation, with its principal office in Philadelphia) or (iii) TDC, and which is a first, second or third lien on the Leased Premises, Lessee's leasehold interest hereunder, or the Improvements (all of such interests subject to such lien being collectively the "Security") (collectively, (i), (ii) and (iii) are "Permitted Mortgagees" and each a "Permitted Mortgage"). The documents evidencing the loan by any Permitted Mortgagee are referred to herein as the "Permitted Mortgage Loan Documents";

(b) provide that in the event of a default (beyond any applicable notice and cure period) in any of the mortgagor's obligations thereunder, a Permitted Mortgagee shall notify Lessor of such fact and Lessor shall have the right (but shall not have the obligation), within 90 days after its receipt of such notice, to cure such default in the mortgagor's name and on mortgagor's behalf provided that then current payments due the holder during (but not prior to) such 90 day period (or such lesser time period as may have been required to cure such default) are made to the holder, and shall further provide that said holder shall not have the right during such 90 day time period to accelerate the note secured by such Permitted Mortgage or otherwise to commence to foreclose under the Permitted Mortgage on account of such default;

(c) provide that if after such cure period the holder intends to accelerate the note secured by such Permitted Mortgage or initiate foreclosure proceedings under the Permitted Mortgage, all in accordance with this Section 7.1, the holder shall first notify Lessor of its intention to do so and Lessor shall have the right, but not the obligation, upon notifying the holder within thirty (30) days of receipt of said notice from said holder, to pay off the indebtedness secured by the Permitted Mortgage and to acquire the Security.

7.2 Lessor's Consent to Permitted Mortgage. Not less than thirty (30) days prior to the date on which Lessee shall request Lessor's consent to a mortgage to be effective, Lessee shall furnish to Lessor true and correct copies of each and every document and instrument to be executed in connection with the transaction represented by such mortgage. Notwithstanding anything to the contrary contained herein, Lessor shall consent to such mortgage so long as:

- (a) the mortgage shall be a Permitted Mortgage;
- (b) at the time of such submission and at the time proposed by Lessee for the execution of such documents, no default under this Lease shall then be outstanding;
- (c) such Permitted Mortgage and related documentation shall not contain provisions which shall or could be construed as rendering Lessor or any subsequent holder of the Lessor's interest in and to this Lease, or its respective successors or assigns, personally liable for the payment of the debt evidenced by such note and Permitted Mortgage or any part thereof;
- (d) such Permitted Mortgage and related documentation shall contain provisions to the effect that the Permitted Mortgagee shall not look to Lessor nor Lessor's interest in this Lease or the Leased Premises, but will look solely to Lessee, the Lessee's leasehold estate created hereby, the Improvements, or such other buildings and improvements which may from time to time exist on the Leased Premises, for the payment of the debt secured thereby or any part thereof. It is the intention of the parties hereto that Lessor shall consent to such Permitted Mortgage for the sole and exclusive purpose of allowing Lessee to obtain financing for the acquisition, construction, or rehabilitation of the Security without any liability on the part of Lessor for any deficiency judgment;
- (e) in the event any part of the Security is taken in condemnation or by right of eminent domain, the proceeds of the award shall be paid over by the Permitted Mortgagee in accordance with the provisions of ARTICLE VIII hereof;
- (f) nothing contained in a Permitted Mortgage or such related documentation shall obligate Lessor to execute an assignment of the rent payable by Lessee to it under the terms of this Lease.

7.3 Rights of Permitted Mortgagee. Any Permitted Mortgagee shall have the right, but not the obligation, without the requirement of consent by the Lessor to:

- (a) cure any default under this Lease, and to perform any obligation required hereunder, and any such cure or performance by a Permitted Mortgagee shall be effective as if the same had been undertaken and performed by Lessee;
- (b) acquire and convey, assign, transfer and exercise any right, remedy or privilege granted to Lessee by this Lease or otherwise by law, subject to the provisions, if any in said Permitted Mortgage, limiting any exercise of any such right, remedy or privilege; and
- (c) rely upon and enforce any provisions of this Lease to the extent that such provisions are for the benefit of a Permitted Mortgagee.

A Permitted Mortgagee shall not, as a condition to the exercise of its rights hereunder, be required to assume personal liability for the payment and performance of the obligations of

Lessee hereunder. Any such payment or performance or other act by a Permitted Mortgagee hereunder shall not be construed as an agreement by the Permitted Mortgagee to assume such personal liability. In the event that any Permitted Mortgagee shall acquire title to or otherwise take possession of the Project, such Permitted Mortgagee shall have no obligation, nor incur any liability, beyond such Permitted Mortgagee's then interest, if any, in the Project and Lessor shall look exclusively to such interest of such Permitted Mortgagee, if any, in the Leased Premises for the payment and discharge of any obligations imposed upon such Permitted Mortgagee hereunder or under the Lease, and such Permitted Mortgagee is hereby released or relieved of any other obligations hereunder and under the Lease. Lessor agrees that with respect to any money judgment which may be obtained or secured by Lessor against any Permitted Mortgagee, Lessor shall look solely to the estate or interest owned by the Permitted Mortgagee in the Project or any portion thereof, or interest therein and Lessor will not collect or attempt to collect any such judgment out of any other assets of such Permitted Mortgagee.

The making of a Permitted Mortgage shall not be deemed to constitute an assignment or transfer of this Lease or Lessee's interest created hereby, nor shall any Permitted Mortgagee, as such, be deemed to be an assignee or transferee of this Lease or of Lessee's interests under this Lease so as to require such Permitted Mortgagee, as such, to assume the performance of any of the terms, covenants or conditions on the part of Lessee to be performed hereunder, but a Permitted Mortgagee may become the holder of Lessee's leasehold estate and succeed to Lessee's interest in this Lease by foreclosure of its Permitted Mortgage or as a result of the assignment of this Lease in lieu of foreclosure, and any purchaser at any sale of Lessee's interest under this Lease in any proceeding for the foreclosure of any mortgage or the assignee or transferee of Lessee's interest in this Lease under any instrument of assignment or transfer in lieu of the foreclosure of any mortgage shall be deemed to be an assignee or transferee approved by Lessor and shall be deemed to have agreed to perform all of the terms, covenants and conditions on the part of Lessee to be performed hereunder, but only for so long as such purchaser or assignee is the owner of Lessee's interest in this Lease.

Notwithstanding any provisions of this Lease to the contrary, upon foreclosure by a Permitted Mortgagee (including, without limitation, MassHousing) of its Permitted Mortgage and/or the assignment of this Lease in lieu of foreclosure, or upon exercise of its other rights and remedies under such Permitted Mortgage involving the assertion of any possessory right in and to, or control over, the Leasehold Premises, such Permitted Mortgagee (including, without limitation, MassHousing) and their respective transferees, successors and assigns, shall:

- (i) be entitled to the benefit of the provisions of Section 4.4 hereof;
- (ii) be entitled to a new lease in accordance with Section 7.5;
- (iii) be entitled to the benefit of the provisions of the last grammatical sentence of Section 10.6; and
- (iv) be deemed to be a Permitted Mortgagee for purposes of Section 7.3(c) and entitled to the benefit of the provisions thereof.

If the titles to the estates of both Lessor and Lessee shall be acquired at any time by the same person or persons, no merger of said estates shall occur without the prior written declaration of Permitted Mortgagee, so long as the Permitted Mortgagee owns any interest in the Security or in said Permitted Mortgage. If the estate of Lessor is owned at any time by Lessee (regardless of a merger), or by any person in which Lessee has a direct or indirect interest, the Permitted Mortgagee shall not be obligated to cure any default of the Lessee hereunder as a condition to the forbearance by Lessor in the exercise of Lessor's remedies as herein provided.

7.4. Approval of Amendments. Any amendments to this Lease shall be subject to the written approval of the Permitted Mortgagees.

7.5. New Lease to Permitted Mortgagee. If this Lease shall be terminated for any reason, or in the event of the rejection or disaffirmance of the Lease pursuant to bankruptcy law or other law affecting creditors' rights, Lessor will enter into a new lease of the Leased Premises with the Permitted Mortgagee (or with any party designated by the Permitted Mortgagee, subject to Lessor's approval (which approval shall not be unreasonably withheld, conditioned or delayed)), not more than thirty (30) days after the request of the Permitted Mortgagee. Such new lease shall be for the remainder of the term of this Lease, effective as of the date of such termination, rejection or disaffirmance, and shall be upon all the terms and provisions contained in this Lease. The Permitted Mortgagee shall make a written request to Lessor for such new lease within sixty (60) days after the effective date of such termination, rejection or disaffirmance, as the case may be. Such written request shall be accompanied by a copy of such new lease, duly executed and acknowledged by the Permitted Mortgagee or the party designated by the Permitted Mortgagee to be the Lessee thereunder, and the Permitted Mortgagee shall have cured all defaults under this Lease which can be cured by the payment of money, as well as any and all costs and expenses, including reasonable counsel fees and disbursements made by Lessor in connection with any such default and termination as well as in connection with the execution and delivery of the new lease, less the net income collected by Lessor from the Project subsequent to the date of termination of this Lease and prior to the execution and delivery of the new lease, any excess of such net income over the aforesaid sums and expenses to be applied in payment of the Ground Rent (taking into consideration the provisions of Section 4.4 hereof relating to the subordination of Ground Rent) thereafter becoming due under the new lease. Any new lease made pursuant to this Section shall have the same priority with respect to other interests in the Leased Premises as this Lease. Upon the execution and delivery of the new Lease, all space leases, permits and other related documents which previously may have been assigned to Lessor shall thereupon be assigned and transferred without recourse by Lessor to Permitted Mortgagee, as the new Lessee. The provisions of this Section shall survive the termination, rejection or disaffirmance of this Lease and shall continue in full effect thereafter to the same extent as if this Section were independent and an independent contract made by Lessor, Lessee and the Permitted Mortgagee.

7.6. No Termination During Foreclosure. Lessor shall have no right to terminate this Lease if the Permitted Mortgagee has commenced foreclosure in accordance with the provisions hereof and is diligently pursuing the same.

7.7 Notice. Whenever in this Lease notice is to be given to a Permitted Mortgagee, such notice shall be given in the manner set forth in Article XII hereof to the Permitted Mortgagee at the address given by the Permitted Mortgagee to Lessor by written notice to Lessor sent in the manner set forth in said Article XII (and in the case of MassHousing to the address specified in Section 12.2 hereof).

7.8 Subordination of Fee Interest. Lessor hereby agrees that Lessor's fee simple interest in and to the Land, and all of its right, title and interest as landlord under this Lease, are and shall be subject and subordinate to the lien of the Permitted Mortgages held by MassHousing. To confirm such subordination, Lessor agrees to join in the Permitted Mortgages held by MassHousing and to execute any other documents and instruments reasonably requested by MassHousing

7.9 MassHousing. Lessor hereby acknowledges that MassHousing is a first priority Permitted Mortgagee on both the fee simple and leasehold interest in the Leased Premises and that Mass Housing is not subject to the provisions of Section 7.1 and 7.2 hereof (although the term "Permitted Mortgagee" includes MassHousing and the term "Permitted Mortgagee Loan Documents" includes MassHousing's loan documents related to the Project). Lessor further acknowledges the Permitted Mortgage in favor of MassHousing is insured by HUD under its Housing Finance Agency Risk-Sharing Program for Insured Affordable/Multifamily Project Loans (see 24 C.F.R. Part 266) (the "Risk-Sharing Program"). Accordingly, upon any amendment, modification, supplement, renewal bifurcation, splitting or other restructuring of such Permitted Mortgage, whether in connection with any partial payment claim process under the Risk-Sharing Program or otherwise, Lessor shall continue to recognize MassHousing as a Permitted Mortgagee and to accord to MassHousing all of the rights of a Permitted Mortgagee under this Lease.

ARTICLE VIII

LIABILITY INSURANCE, DAMAGE AND DESTRUCTION, EMINENT DOMAIN

8.1 Lessee's Liability. From and after the date hereof, Lessee assumes sole responsibility and liability to any and all persons and authorities for any and all loss, cost, damage or liability related to possession, occupancy and use of the Leased Premises and/or the Improvements.

8.2 Indemnification of Lessor. Lessee shall defend, indemnify and hold Lessor harmless against all liability and claims of liability for damage or injury to person or property from any cause on or about the Leased Premises. Lessee waives all claims against Lessor for damage or injury to person or property on or about the Leased Premises arising, or asserted to have arisen, on or about the Leased Premises from any cause whatsoever. Notwithstanding the foregoing two sentences, Lessor shall remain liable (and Lessee shall not indemnify and defend

Lessor against nor waive such claims of liability) for damage or injury due to the negligent or intentional wrongful acts or omissions of Lessor or Lessor's agents or employees for whose acts Lessor is legally liable.

8.3 Payment by Lessor. If Lessor shall be required to pay any sum whatsoever which sum is Lessee's responsibility or liability, Lessee shall reimburse the Lessor therefor and for reasonable expenses caused thereby.

8.4 Insurance. Lessee shall, at Lessee's expense:

(a) Insurance Coverage of Improvements: Keep all Improvements continuously insured against loss or damage by fire and the extended coverage hazards for the full replacement value of such Improvements.

(b) Bodily Injury Liability Insurance: Maintain continuously in effect bodily injury liability insurance covering the Leased Premises and its appurtenances in the amounts required by the Permitted Mortgage or, if greater, of not less than \$1,000,000 for injury to or death of any one person; and \$1,000,000 for injury to or death of any number of persons in one occurrence; and Fifty Thousand and 00/100 dollars (\$50,000) for property damage.

The dollar amount of each such coverage shall be adjusted as required by any Permitted Mortgage or at least every 2 years from the date hereof or upon Lessor's demand given not more often than annually, upon 30 days' notice to Lessee. This adjustment shall be equal to the percentage of change (positive or negative) over the period since the last adjustment in the Consumer Price Index for urban areas the size of the City of Boston. Such index is maintained by the Office of Prices and Living Conditions of the Bureau of Labor Statistics, of the U. S. Department of Labor.

Such insurance shall specifically insure Lessee against all liability assumed hereunder, as well as all liability imposed by law, and shall also insure Lessor as an additional insured so as to create the same liability on the part of insurer as though separate policies had been written for Lessor and Lessee.

(c) Lessee shall provide Lessor with copies of all policies and renewals thereof. All policies shall also contain endorsements providing that they shall not be canceled, reduced in amount or coverage or otherwise modified by the insurance carrier involved without not less than thirty (30) days' prior written notice being given to Lessor. Lessor shall be entitled to participate in the settlement or adjustment of any losses covered by such policies of insurance.

8.5 Damage or Destruction. If the Improvements, or any part thereof, are damaged or destroyed by fire or other hazard, Lessee shall forthwith commence, and thereafter diligently and continuously prosecute to completion, the repair of such damage and the restoration of such Improvements to their condition immediately prior to such damage. All such repairs and restoration shall be completed as promptly as possible. Lessee shall also promptly take all steps necessary to assure that the Leased Premises shall be and remain safe and the damaged

Improvements not constitute a hazard or danger to persons or property from the time of the fire or other casualty.

In no event shall the Ground Rent be suspended or abated unless Lessor, in its sole discretion, decides to do so in consideration of the personal hardship or incapacity of Lessee.

If not later than sixty (60) days after the occurrence of a fire or other casualty which causes substantial damage to the Improvements, Lessee, using reasonable judgment and in reliance upon professional estimates and advice, subject to the consent of the Permitted Mortgagees, determines that such full repair and/or restoration is either (a) physically impossible, or (b) provided that Lessee has fulfilled all of the hazard insurance requirements set forth in Section 8.4 hereof, the available insurance proceeds are less than eighty percent (80%) of the cost of such repair and/or restoration, then Lessee may terminate this Lease by written notice to Lessor given within such sixty (60) day time period. Such termination notice shall not, however, be effective until sixty (60) days after the date upon which it is received by Lessor, during which time Lessor shall have the opportunity to seek an adjustment from the insurer so as to increase the amount of available insurance proceeds, arrange for such repair and/or restoration at a cost sufficiently low so as to avoid condition (b) of the preceding sentence, or design a partial restoration of the Improvements which would be sufficient to provide Lessee with Improvements of reasonably equivalent quality and floor area to not less than eighty percent (80%) of the Improvements as they existed immediately prior to such fire or other casualty; and in any of the foregoing cases by written notice of such action to Lessee within such additional sixty (60) day period the Lessor may render Lessee's termination notice null and void. If Lessor shall fail to so nullify the termination notice, then this Lease shall terminate at the expiration of such sixty (60) day period after Lessor's receipt of Lessee's termination notice, and any proceeds of insurance payable to Lessee on account of such fire or other hazard shall be paid as provided in the following paragraph. In the event that this Lease is terminated pursuant to this paragraph, the insurance proceeds received as the result of such casualty shall be distributed to MassHousing and applied as provided in MassHousing's Permitted Mortgage. If MassHousing no longer holds a Permitted Mortgage, then such insurance proceeds shall be distributed (a) first, to the holders of any Permitted Mortgages in their order of priority to the extent of any indebtedness then owed to such Permitted Mortgagees, (b) second, the balance, if any, of such insurance proceeds shall be paid to Lessor to the extent of any accrued but unpaid Ground Rent then owed to Lessor, and (c) third, to Lessee.

Subject to the rights of the Permitted Mortgagees, such insurance proceeds shall be allocated between Lessee and Lessor in the same proportion as that of the relative fair market values of: (i) the Improvements prior to such casualty, as encumbered by this Lease, to (ii) the Land, Improvements and other property located on the Leased Premises (also measured prior to such casualty and as encumbered by this Lease), less the value of the Land, Improvements and other property located on the Leased Premises measured after such casualty as of the time of termination and as encumbered by this Lease. For example, if the value of the Improvements as permitted by this Lease prior to such casualty would have been \$100,000, the value of said Land, Improvements and other property prior to such casualty would have been \$180,000, and the value of the Land, Improvements and other property as of the date of termination would have

been \$120,000, then the proceeds would be split in the proportion of \$100,000 to \$60,000 (\$180,000 minus \$120,000 = \$60,000), or 62.5% to Lessee, and 37.5% to Lessor.

Notwithstanding the generality of the foregoing, Lessee shall not in any event receive an amount of such proceeds in excess of the value of the Improvements permitted hereunder such that if, in the preceding example, the available amount of insurance proceeds had been \$170,000 (and 62.5% of \$170,000 is \$106,250), the Lessee would still only receive \$100,000 (the value of the Improvements as permitted by this Lease prior to the casualty) and the Lessor would receive the \$70,000 balance thereof.

8.6 Permitted Mortgage Insurance Requirements. Lessor agrees that its rights to insurance proceeds shall at all times be subject and subordinate to the rights of MassHousing and any Permitted Mortgagee subsequently holding a first mortgage lien on the Leased Premises. If required by the terms of the Permitted Mortgagee Loan Documents of MassHousing or any such subsequent Permitted Mortgagee, Lessee shall, in the manner and to the extent required under the applicable Permitted Mortgagee Loan Documents, provide MassHousing and any such subsequent Permitted Mortgagee with the insurance coverages required in such documents ("Required Insurance Coverages"). In the event of any conflict between the Required Insurance Coverages and the insurance coverages required under the terms of this Lease, the terms of the Permitted Mortgagee Loan Documents shall govern. In addition, Lessee and Lessor hereby agree that any failure of Lessee to provide any insurance coverages, whether as specified above in this Section 8 or as otherwise required under the applicable Permitted Mortgagee Loan Documents, shall not be a default or Event of Default hereunder, notwithstanding that any such failure may constitute a default or event of default (beyond any applicable notice and cure period) under the applicable Permitted Mortgagee Loan Documents. If Lessee obtains additional insurance with respect to its obligations hereunder, such insurance shall name MassHousing as an additional insured, shall be non-contributing with respect to the required insurance coverages of MassHousing and will contain a provision that MassHousing will be entitled to recover under the policy for any loss, damages or injury to MassHousing even though MassHousing shall be named as an additional insured.

8.7 Eminent Domain and Public Dedication. If the entire Leased Premises are taken by reason of eminent domain or other action of public authority prior to the expiration of the term of this Lease, this Lease shall terminate as of the date Lessee is thereby required to give up possession of the Leased Premises, and the entire amount of any award(s) paid shall be allocated as provided in the following paragraph.

Said award(s) shall be allocated between Lessee and Lessor, subject to the rights of any Permitted Mortgagees, in the same proportion as that of the relative fair market values of: (i) the Improvements prior to such taking, as encumbered by this Lease, to (ii) the Land, Improvements and other property located on the Leased Premises (also measured prior to such taking and as encumbered by this Ground Lease), less the value of the Land, Improvements and other property located on the Leased Premises measured after such taking as of the time of termination and as encumbered by this Lease. Notwithstanding the generality of the foregoing, Lessee shall not in any event receive an amount of such award in excess of the value of the Improvements permitted hereunder.

If less than the entire Leased Premises are so taken, then the proceeds paid or payable by reason of such taking shall be allocated as follows, subject to the rights of any Permitted Mortgagees:

a. If the Improvements may reasonably be restored to a residential use consistent with this Lease, Lessor may in its discretion allocate some or all of the proceeds to enable Lessee to repair and restore that which may remain thereof.

b. Any remainder after the use of such proceeds as set forth in subsection a. above shall be paid over in accordance with an allocation made as provided above in the first paragraph of this Section.

Any and all proceedings brought by Lessee in connection with the claim or claims for damages as a result of any taking referred to in this Section shall be conducted by and at the sole expense of the Lessee. If any provision of law now or hereafter in effect shall require that said proceedings be brought by or in the name of any owner of the premises, Lessor shall join in such proceedings or permit the same to be brought in its name. Lessor covenants and agrees to do any and all acts and to execute any and all documents which may be reasonably required to enable Lessee to maintain such proceedings. If Lessor shall incur any cost or expense in connection with such proceedings, Lessor shall be entitled to reimbursement for the reasonable amount thereof and same shall likewise constitute a first charge against any award.

If any Permitted Mortgage exists, the Permitted Mortgagee(s), to the extent permitted by law, shall be made a party to any such proceedings.

ARTICLE IX

ASSIGNMENT AND SUBLEASE

Except as provided in Article VII regarding Permitted Mortgages, Lessee shall not assign, sublease, sell or otherwise transfer or convey any of Lessee's rights under this Lease without the prior written consent of Lessor. Lessee agrees that Lessor shall have broad and full discretion to withhold such consent in order to further the mutual purposes and goals set forth herein. If permission is granted, any assignment, sublease or other transfer shall be subject to the following conditions:

a) any such assignment or sublease shall be subject to all of the terms and provisions of this Lease;

b) in the case of a sublease, the rental or occupancy fee charged the sublessee shall not be more than that charged the Lessee by the Lessor; and

c) any such assignment or sublease shall be approved by each Permitted Mortgagee.

ARTICLE X

DEFAULT

10.1 Events of Default. It shall be an Event of Default if:

(a) Lessee shall fail to pay the Ground Rent (or so much thereof as can be paid from Cash Flow of the Project or under the terms of any Permitted Mortgage Loan Documents, as set forth in Section 4.1) or other charges for which provision is made herein within thirty (30) days after Lessor has sent to Lessee notice of such default. However, if Lessee shall make a good faith partial payment of at least two-thirds (2/3) of the Ground Rent during such initial 30 day grace period, then such period shall be extended one additional 30 day period; or

(b) Lessee shall fail to perform or observe any other material term or condition in this Lease, and such failure is not cured within sixty (60) days after notice thereof from Lessor to Lessee. However, in the case where the Lessee has commenced to cure such default within such sixty (60) day period and is continuing such cure expeditiously and with all reasonable due diligence but cannot by the exercise of due diligence cure such default within such period, such period shall be extended for such additional period as may be reasonable under the circumstances; or

(c) if the estate hereby created shall be taken on execution or by other process of law, or if Lessee shall be judicially declared bankrupt or insolvent according to law, or if any assignment shall be made of the property of Lessee for the benefit of creditors, or if a receiver, guardian, conservator, trustee in involuntary bankruptcy or other similar officer shall be appointed to take charge of all or any substantial part of Lessee's property by a court of competent jurisdiction, or if a petition shall be filed for the reorganization of Lessee under any provisions of the Bankruptcy Act now or hereafter enacted, or if Lessee shall file a petition for such reorganization, or for arrangements under any provision of the Bankruptcy Act now or hereafter enacted and providing a plan for a debtor to settle, satisfy or extend the time for payment of debts.

In any of said cases, notice shall also be sent to the Permitted Mortgagee. From and after the date that such notice has been given to a Permitted Mortgagee, such Permitted Mortgagee shall have the same period, after the giving of such notice upon it, for remedying any default or causing the same to be remedied, as is given Lessee after the giving of such notice to Lessee, plus, in each instance, any additional period of time specified in Section 10.6 below, to act, remedy, commence remedying or cause to be remedied the defaults specified in any such notice. Lessor shall accept such payment or performance by or at the instigation of such Permitted Mortgagee as if the same had been done by Lessee. Lessee authorizes any and each Permitted Mortgagee to take any such action at such Permitted Mortgagee's option as is reasonably necessary to cure such Event of Default and does hereby authorize entry upon the Project by the

Permitted Mortgagee for such purpose. In any of said cases Lessor may, immediately or at any time thereafter, subject in all respects to the rights of any Permitted Mortgagees, terminate this Lease and initiate summary proceedings against Lessee. Pursuant to such proceedings, without demand or notice, Lessor may enter into and upon the Leased Premises or any part thereof in the name of the whole and repossess the same. Upon entry as aforesaid, Lessor shall have the right, by suitable notice to Lessee, forthwith to terminate this Lease. If this Lease is terminated by Lessor, or if Lessor re-enters the Leased Premises pursuant to an Event of Default, Lessee agrees to pay and be liable for any unpaid Ground Rent, damages which may be due or sustained prior to or in connection with such termination or re-entry, and all reasonable costs, fees and expenses (including, without limitation, reasonable attorneys' fees) incurred by Lessor in pursuit of its remedies under this Lease.

If Lessor shall elect to terminate this Lease pursuant to any provision thereof, then the Permitted Mortgagee shall have the right to postpone and extend the specified date for the termination of this Lease for a period sufficient to enable the Permitted Mortgagee or its designee to acquire Lessee's interest in the Lease by foreclosure of its mortgage or otherwise. If the estate conveyed in this Lease reverts to the Lessor while any Permitted Mortgage is still outstanding, the Lessor's interest shall be subject to, and limited by, and shall not defeat, render invalid or limit in any way the lien of any Permitted Mortgage then outstanding.

10.2 Lessor's Default. Lessor shall in no event be in default in the performance of any of Lessor's obligations hereunder unless and until Lessor shall have failed to perform such obligations within sixty (60) days, or such additional time as is reasonable required to correct any default, after notice by Lessee to Lessor properly specifying wherein Lessor has failed to perform any such obligation.

10.3 Notice to Permitted Mortgagees. Anything contained in this Lease to the contrary notwithstanding, if any Event of Default shall occur which would entitle Lessor to terminate this Lease, Lessor shall have no right to terminate this Lease unless, following the occurrence of such Event of Default, Lessor shall notify MassHousing and every other Permitted Mortgagee, the name and address of which it has been duly apprised by Lessee, of Lessor's intent to so terminate at least ninety (90) days in advance of the proposed effective date of such termination (if such default is capable of being cured by the payment of money), and at least one hundred twenty (120) days in advance of the proposed effective date of such termination (if such default is not capable of being cured by the payment of money).

10.4 Notice to MassHousing. The provisions of Section 10.5 shall apply if, during such thirty (30) or sixty (60) -day notice period referenced in Section 10.1, as the case may be, either:

- (a) MassHousing notifies Lessor of MassHousing's desire to negotiate with HUD, Lessor and Lessee a so-called partial payment claim under the Risk-Sharing Program, which would require a restructuring of MassHousing's Permitted Mortgage and the subordination of Ground Rent as provided in Section 4.4 above;

- (b) MassHousing elects not to pursue a partial payment claim under the Risk-Sharing Program, or any other Permitted Mortgagee, (i) notifies Lessor of such Permitted Mortgagee's desire to nullify such notice; (ii) pays or causes to be paid all Ground Rent and other payments then due and in arrears (provided, however, in no event shall MassHousing have any obligation to pay Ground Rent or any unpaid amounts due from Lessee as a condition to the exercise by MassHousing of its rights under Section 10.5), as such arrearages are specified in the notice given to such Permitted Mortgagees and such Ground Rent and other payments which may become due during such thirty (30) or sixty (60) –day period, and (iii) complies with, or in good faith and with reasonable efforts, commences to comply with, all nonmonetary requirements of this Lease then in default and, except as provided in the following sentence, reasonably susceptible of being complied with by such Permitted Mortgagee.

No Permitted Mortgagee shall be required during such thirty (30) or sixty (60) –day period, as the case may be, to cure or commence to cure any default consisting of Lessee's failure to satisfy and discharge any lien, charge or encumbrance against Lessee's interest in this Lease or any part thereof which is junior in priority to the lien of the mortgage held by such Permitted Mortgagee.

10.5 Procedure on Default.

- (a) If Lessor shall elect to terminate this Lease by reason of any default of Lessee, and if MassHousing shall have proceeded in the manner provided for by Section 10.4(a), MassHousing shall have an additional period of six months to cure such Event of Default, provided that MassHousing shall, during such six-month period use good-faith efforts to (i) perform or cause Lessee to perform all of Lessee's non-monetary obligations under this Lease and (ii) negotiate a partial payment claim under the Risk-Sharing Program; or
- (b) If Lessor shall elect to terminate this Lease by reason of any default of Lessee and if a Permitted Mortgagee shall have proceeded in the manner provided for in Section 10.4(b), MassHousing shall have an additional period of six months to cure such Event of Default, provided that such Permitted Mortgagee shall, during such six-month period, pay or cause to be paid, the Ground Rent and any other monetary obligations of Lessee under this Lease, as the same become due, and continue its good faith efforts to perform all of Lessee's other obligations under this Lease excepting (i) obligations of Lessee to satisfy or otherwise discharge any lien, charge or encumbrance against Lessee's interest in this Lease or any part thereof which is junior in priority to the lien of the mortgage held by such Permitted Mortgagee, and (ii) past nonmonetary obligations then in default and not reasonably susceptible of being cured by such Permitted Mortgagee. In addition any such Permitted Mortgagee proceeding under this Section 10.5(b) shall, except to the extent enjoined or stayed, take steps to acquire or sell Lessee's interest in this Lease by foreclosure of such Permitted Mortgagee's mortgage or

other appropriate means and prosecute the same to completion with reasonable efforts. The Permitted Mortgagee shall not be required to continue such possession or continue such foreclosure proceedings if the default which was the subject of the notice shall have been cured.

10.6 Extension of Cure Period. If at the end of the six-month period specified in Section 10.5, such Permitted Mortgagee is complying with Section 10.5(a), or Section 10.5(b), as the case may be, this Lease shall not then terminate, and the time for completion by such Permitted Mortgagee of its proceedings (whether pursuant to a partial payment of claim proceeding under the Risk-Sharing Program or foreclosure) shall continue so long as such Permitted Mortgagee (i) continues to comply with Section 10.5(a) or Section 10.6(a), as the case may be and (ii) is enjoined or stayed and thereafter for so long as such Permitted Mortgagee proceeds to complete steps to acquire or sell Lessee's interest in this Lease by foreclosure of its Permitted Mortgage or by other appropriate means with reasonable efforts. Nothing in this Section 10.6, however, shall be construed to extend this Lease beyond the scheduled expiration date of the Term. If a Permitted Mortgagee is complying with Section 10.5, upon the acquisition of lessee's interest in this Lease by such Permitted Mortgagee or its designee, or any other purchaser at a foreclosure sale or otherwise and the discharge, by operation of law or otherwise, of any lien, charge or encumbrance against Lessee's interest in this Lease or any part thereof which is junior in priority to the lien of the mortgage held by such Permitted Mortgagee and which Lessee is obligated to satisfy and discharge by the terms of this Lease, this Lease shall continue in full force and effect as if Lessee had not defaulted under this Lease.

10.7. Noncurable Defaults. Nothing in this Section 10 shall require any Permitted Mortgagee or its designee as a condition to the exercise of rights provided under this Section 10 to cure any default of Lessee not reasonably susceptible of being cured by such Permitted Mortgagee or its designee. The foregoing shall not be deemed to excuse a Permitted Mortgagee from performing covenants relating to the operation of the Project or other similar matters requiring access to and/or control of the Project from and after such time as such Permitted mortgagee acquired Lessee's interest in this Lease by foreclosure or otherwise.

10.8. Distribution of Foreclosure Proceeds. In the event of a foreclosure by MassHousing of its Permitted Mortgage, and/or an assignment of this Lease or a deed of the Lessor's fee interest in lieu of foreclosure, that results in the extinguishment of Lessor's fee interest in the Lease Premises, the foreclosure proceeds shall be applied and paid in the following order of priority: (a) first, to MassHousing to pay for its costs of such foreclosure or assignment/deed in lieu of foreclosure; (b) second, to MassHousing to pay off in full and discharge the debt secured by MassHousing's Permitted Mortgage; (c) third, to Lessor the amount of \$22,500,000 (which amount Lessor and Lessee acknowledge is the fair market value of Lessor's fee simple title interest in and to the Leased Premises as of the date of this Lease); (d) fourth, to Lessor, the proportion of the balance of the foreclosure proceeds remaining after payment of items (a) through (c) above which (x) the present value of the projected residual value which the Leased Premises and Fee Improvements would have had at the expiration of the lease term free and clear of this Lease and free and clear of all mortgages, bears to (y) the fair market value of the Leased Premises and Fee Improvements as though the foreclosure had not occurred and without regard to this Lease; and (e) fifth, the balance to Lessee.

ARTICLE XI

ARBITRATION

Should any dispute arise between Lessor and Lessee concerning the terms of this Lease which cannot be resolved by negotiation, the following arbitration procedure shall be used:

Lessor or Lessee shall notify the other by written notice of its selection of a disinterested arbitrator. Within fifteen (15) days of receipt of this written notice the other party may by written notice to the initiator of the arbitration process appoint a disinterested arbitrator of its own choice. These two arbitrators shall select a third arbitrator. If the other party fails to timely name an arbitrator in response to the receiving of the written notice from the initiator, the arbitrator selected by the initiator shall be the sole arbitrator.

The arbitrator or arbitrators shall hold a hearing within thirty (30) days after the initial written notice by the initiator of the arbitration process. At the hearing, Lessor and Lessee shall have an opportunity to present evidence and question witnesses in the presence of each other.

As soon as reasonably possible, and in no event later than fifteen (15) days after the hearing, the arbitration panel shall make a written report to Lessor and Lessee of its findings and decisions, including a personal statement by each arbitrator of his/her decision and the reason for it. The arbitrators shall decide the dispute or claim in accordance with the substantive law of the jurisdiction and what is just and equitable under the circumstances. The decisions and awards of the majority of the arbitration panel shall be binding and final between Lessor and Lessee.

ARTICLE XII

GENERAL PROVISIONS

12.1 Notices. Whenever this Lease requires either party to give notice to the other, the notice shall be given in writing and delivered in person or mailed, by certified or registered mail, return receipt requested, to the party at the address set forth below or such other address designated by like written notice.

If to Lessor:

Tenants Development Corporation
400 Massachusetts Avenue
Boston, MA 02115
Attention: Executive Director

with a copy to: Goulston & Storrs, P.C.
400 Atlantic Avenue
Boston, MA 02110-333
Attention: Karen J. Kepler, Esq.

If to Lessee: Tenants' Development II Limited Partnership
400 Massachusetts Avenue
Boston, MA 02115

with a copy to: Goulston & Storrs, P.C.
400 Atlantic Avenue
Boston, MA 02110-333
Attention: Karen J. Kepler, Esq.

Paramount Financial Group, Inc.
4009 Columbus Road, S.W.
Granville, OH 43023
Attention:

If to MassHousing: MassHousing
One Beacon Street
Boston, MA 02108
Attention: General Counsel

All notices, demands and requests shall be effective upon being deposited in the United States Mail or, in the case of personal delivery, upon actual receipt.

12.3 No Brokerage. Lessee warrants and represents that it has not dealt with any broker in connection with the consummation of this Lease. If any claim is made against Lessor relative to dealings with brokers, Lessee shall defend the claim against Lessor with counsel of Lessor's selection and save harmless and indemnify Lessor on account of loss, cost or damage which may arise by reason of any such claim.

12.4 Severability and Duration of This Lease. If any Article, Section, paragraph, subparagraph or clause of this Lease shall be determined to be unenforceable or invalid, such material shall be read out of this Lease and shall not affect the validity of any other Article, Section, paragraph, subparagraph or clause, or give rise to any cause of action of either party to this Lease against the other, and the remainder of this Lease shall be valid and enforceable to the fullest extent permitted by law.

12.5 Waiver. The waiver by Lessor of or the failure of Lessor to take action with respect to any breach of any term, covenant, condition, provision, restriction, or reservation herein contained, shall not be deemed to be a waiver of such term, covenant, condition, provision, restriction, or reservation or subsequent breach of same, or of any other term, covenant, condition, provision, restriction, or reservation herein contained. Lessor may grant specific

waivers of the terms of this Lease, but such waivers must be in writing, must describe with specificity the waiver granted thereby and must be signed by the Lessor before being effective.

The acceptance of Ground Rent payments hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant, condition, provision, restriction, or reservation of this Lease, other than the failure of Lessee to pay the particular Ground Rent so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such Ground Rent payment.

12.6 Lessor's Right to Prosecute or Defend. Lessor shall have the right, but shall be under no duty or obligation, to prosecute or defend, in its own or the Lessee's name, any actions or proceedings appropriate or necessary to the protection of its title to, and Lessee's occupancy, use, and possession of or interest in the Leased Premises. Whenever requested by Lessor, Lessee shall give Lessor all reasonable aid in any such action or proceeding, in effecting settlement, securing evidence, obtaining witnesses, or prosecuting or defending such action or proceeding.

12.7 Construction. Whenever in this Lease a pronoun is used it shall be construed to represent either the singular or the plural, masculine or feminine, as the case shall demand.

12.8 Captions and Table of Contents. The captions and table of contents appearing in this Lease are for convenience only, and are not a part of this Lease and do not in any way limit or amplify the terms, covenants, conditions, provisions, restrictions, or reservations of this Lease.

12.9 Parties Bound. This Lease sets forth the entire agreement between the parties hereto with respect to the leasing of the Land; it is binding upon and inures to the benefit of Lessor, Lessee and any Permitted Mortgagee and, in accordance with the provisions hereof, their respective successors in interest, assigns and personal representatives. This Lease may be altered or amended only by a writing which has been signed by or on behalf of the parties hereto or their legal representatives or, in accordance with the provisions hereof, their successors in interest.

12.10 Governing Law. This Lease shall be interpreted in accordance with and governed by the laws of the Commonwealth of Massachusetts. The language in all parts of this Lease shall be, in all cases, construed according to its fair meaning and not strictly for or against Lessor or Lessee.

12.11 Recording. The parties agree, as an alternative to recordation of this Lease, to execute a so-called Notice of Lease in form recordable and complying with applicable law and reasonably satisfactory to Lessor's and Lessee's attorneys. Any such document shall expressly state that it is executed pursuant to the provisions contained in this Lease, and is not intended to vary the terms and conditions of this Lease.

IN WITNESS WHEREOF, the parties have executed this Lease, as an instrument under seal, on the day and year first above written.

Witness

TENANTS DEVELOPMENT CORPORATION

Nathaniel M. Lee, Clerk
Name:

By: Mary Clinkscates
Name: MARY CLINKSCATES
Title: President-CEO
Its
Hereunto Duly Authorized

Witness

TENANTS' DEVELOPMENT II,
LIMITED PARTNERSHIP

By: Tenants' Development II Corporation,
its general partner

Nathaniel M. Lee, Clerk
Name:

By: Mary Clinkscates
Name: MARY CLINKSCATES
Title: President-CEO
Its
Hereunto Duly Authorized

EXHIBIT A - PREMISES

Legal Descriptions of Parcels

Parcel RD-38 545 Massachusetts Avenue

Lot numbered 56 on a plan entitled "A Plan of City Land to be sold October 30, 1850" recorded with Suffolk Deeds at the end of Book 615, bounded:

NORTHEASTERLY	by Massachusetts Avenue (formerly that part of Chester Street which bounded on Chester Square), 25 ft.;
NORTHEASTERLY	by Lot No. 58 on said plan, 100 ft.;
SOUTHWESTERLY	by Northampton Street, 25 ft.; and
SOUTHEASTERLY	by Lot No. 54 on said plan, 100 ft.;

Containing 2500 square feet of land.

Parcel RD-38 547 Massachusetts Avenue

Lot numbered 54 on a plan recorded with said Suffolk Deeds at the end of Book 615, bounded:

NORTHWESTERLY	by Lot No. 56 on said plan, 100 ft.;
NORTHEASTERLY	by Massachusetts Avenue, formerly Chester Square, 25 ft.;
SOUTHEASTERLY	by Lot No. 52 on said plan, 100 ft.;
SOUTHWESTERLY	by Northampton Street, 25 ft.;

Containing 2500 square feet of land.

Parcel RD-41 23 Wellington Street

A certain parcel of land with the buildings thereon now known as and numbered 23 Wellington Street, situated in Boston, Suffolk County, being all of Lots 7 and 6 and the larger part of Lot 5 on a plan by Alexander Wadsworth dated December 8, 1879, and recorded with Suffolk Deeds Book 1578, Page 275 and more fully bounded and described as follows:

BEGINNING at a point in the Northeasterly side of Wellington Street, 316 ft. Northwest from Columbus Avenue;
thence running Northwest by Wellington, 58 ft. to land now or formerly of Henrietta K. White and now or formerly of Francis L. Willard;
thence turning and running Northeasterly by said land now or formerly of White and Willard, 104 ft. to the center of a passageway 10 ft. wide;
thence turning and running Southeasterly by the center line of said passageway 58 ft. to land now or formerly of A.A. Marcus and now or formerly of the Museum of Fine Arts;
thence turning and running Southwesterly by said land now or formerly of Marcus and the Museum of Fine Arts, 104 ft. to the POINT OF BEGINNING.

Containing 5,742 sq. ft., more or less.

Parcel RD-42 115 West Newton Street

Parcel of land in Boston bounded:

BEGINNING at south corner of mortgaged premises at point in northeast line of West Newton Street 90 ft. northwest from north corner of Tremont Street and West Newton Street; thence running northwest on said West Newton Street 22 ft.; thence northeast by line parallel with Tremont Street, 72 ft.; thence southeast by passageway 10 ft. wide, 22 ft.; thence southwest by line parallel with Tremont Street and bounded by passageway 10 ft. wide, 72 ft. to POINT OF BEGINNING;

containing 1584 sq. ft.

Parcel RD-44 96 West Springfield Street

All that lot of land with building thereon, numbered 96 West Springfield Street and shown as Lot 6 on plan dated January 12, 1858 in Book 732 Page 51 bounded:

Northeast by West Springfield Street 18 ft. 11 in.;
Northwest by Lot 5 on plan, being land now or late of Watson, 64 ft.;
Southwest by passageway to Shawmut Avenue 18 ft. 11 in.;
Southeast by Lot 7 on plan, being land now or late of Pierce, 64 ft.;
Northwest and Southeast lines run through middle of brick partition walls.

Parcel RD-47 5 Braddock Park

A certain parcel of land with the buildings thereon now known as and numbered 5 Braddock Park, situated in Boston, Suffolk County, Massachusetts, being the greater part of Lot 3 on a plan by Fuller & Whitney, Surveyors, dated October 4, 1875, recorded with Suffolk Deeds, Book 1290, Page 248, bounded as follows:

SOUTHWESTERLY	by Braddock Park, formerly Berwick Park, 33 ft.;
NORTHWESTERLY	by a passageway 10 feet wide, now Public Alley #542, 44.75 ft.;
NORTHEASTERLY	by land of owners unknown, 33 ft.;
SOUTHEASTERLY	by Lots 1 and 2 on said plan, 44.75 ft.;

Containing 1444 square feet of land.

Parcel RD-48 506 Columbus Avenue

Certain parcel of land with buildings thereon on southeast side of Columbus Avenue bounded:

BEGINNING at a point on Columbus Avenue 111 ft. southwest from southwest corner of Columbus Avenue and Rutland Square;

thence running southwest by said Columbus Avenue 24 ft. 7 ½ in.;
thence turning and running southeast by land now or late of Ordway through center of
brick partition wall 80 ft. 11 in.;
thence turning and running northeast 24 ft. 7 ½ in.;
thence turning and running northwest by land now or formerly of Rand through center of
brick partition wall 80 ft. 11 in. to POINT OF BEGINNING on Columbus Avenue.

Parcel RD-49 24 East Springfield Street

A certain lot of land with the buildings thereon situated on East Springfield Street in said
Boston, bounded and described as follows:

BEGINNING at the most westerly corner of said premises, being a point in the
Northeasterly line of Springfield Street 400.45 ft. from the corner of Springfield Street and
Harrison Avenue;

Thence Northwesterly at right angles with Springfield Street by a line running through
the center of the brick partition wall 70 ft.;

NORTHEASTERLY bounded by a passageway 10 feet wide parallel with Springfield
Street, 21 ft.;

SOUTHWESTERLY at right angles with said passageway by a line running through the
center of the brick partition wall 70 ft.;

SOUTHEASTERLY by Springfield Street 21 ft. to the POINT OF BEGINNING.

Containing 1470 square feet more or less and being Lot 4 on a plan recorded with plans
of City lands sold Liber 2, Folio 94, in the office of the Superintendent of Public Lands in said
Boston.

Parcel RD-50 403 Massachusetts Avenue

A certain parcel of land with the buildings thereon now known as and numbered 403
Massachusetts Avenue (formerly West Chester Park) in Boston, being Lot 1 on the Plan of Lots
on West Chester Park by T. William Harris dated October 2, 1884, described as follows: running

SOUTHWESTERLY	through the middle of said partition wall and by said land now or formerly of Yeaton, 95 ft. to a passageway 10 feet wide; thence turning and running
NORTHWESTERLY	by said passageway, 18.78 ft. to Lot 2 on said plan; thence turning and running
NORTHEASTERLY	by Lot 2, 95 ft. to Massachusetts Avenue; thence turning and running
SOUTHEASTERLY	by Massachusetts Avenue, 19 ft. to the point of beginning.

Containing 1794.55 square feet.

Parcel RD-51 407 Massachusetts Avenue

Land in Boston, dwelling house and land bounded:

Northeast by Massachusetts Avenue (formerly West Chester Park) extended 20 ft.;

Southeast by house and land formerly mortgaged by John W. Shapleigh, John Goldsburn, executor, and trustee by deed of mortgage recorded in Book 970 Page 124, by line through center of brick partition wall 95 ft.;

Southwest by passageway 10 ft. wide extending to Columbus Avenue, 20 ft.;

Northwest by land formerly mortgaged by said Shapleigh, J. Mason Everett by deed of mortgage in Book 970 Page 48 by line through center of brick partition wall 95 ft.

Parcel RD-52 419 Massachusetts Avenue

Parcel of land with buildings thereon in Boston bounded:

Northeast by Massachusetts Avenue (formerly West Chester Park) 22 ft.;

Southeast by land now or formerly of Calvin Swallow by line through middle of partition wall, 22 feet northwest from land conveyed to Hiram P. Bean, by deed in Book 933 Page 54, 95 ft.;

Southwest by 10 foot passageway 22 ft.;

Northwest by land now or late of E.S. Johnson by line through middle of partition wall 95 ft.;

Said premises are numbered 419 Massachusetts Avenue.

Parcel RD-53 423 Massachusetts Avenue

The land in Boston known as 423 Massachusetts Avenue, situated on the Southwesterly side of Massachusetts Avenue, formerly called West Chester Park, a short distance northwesterly from Columbus Avenue in said Boston, being known as an unnumbered lot on a certain plan recorded with Suffolk Deeds, Book 933 Page 55, and said parcel is bounded and described as follows:

NORTHEASTERLY
SOUTHEASTERLY

by Massachusetts Avenue, 22 ft.;
by another unnumbered lot shown on said plan by a line supposed to run through the middle of the brick petition wall, 105 ft.;

SOUTHWESTERLY
NORTHWESTERLY
SOUTHWESTERLY
NORTHWESTERLY

by land marked Nathan Matthews on said plan, 4.44 ft.;
by the same, 5 ft.;
by the same, 17.56 ft.; and
by land marked Calvin Swallow on said plan, by a line supposed to run through the middle of the brick partition wall, 100 ft.

Containing 2722 1/5 square feet of land, more or less.

Parcel RD-54 569 Massachusetts Avenue

Land with buildings thereon in Boston, numbered 569 Massachusetts Avenue, bounded:

on northwest by Lot 34 on plan entitled "Plan of City Lands to be sold on October 30, 1850," there measuring 94 ft.;
on southeast by Lot 30 on plan 94 ft.;
Northeast by Massachusetts Avenue 25 ft.;
Southwest by passageway 6 feet wide there measuring 25 ft.

Parcel RD-54 571 Massachusetts Avenue

Lot 30 Massachusetts Avenue on plan at end of Book 615, bounded:

northwest by Lot 32 on plan by line running through center of partition wall 94 ft.;
northeast by Massachusetts Avenue, formerly Chester Square, 25 ft.;
southeast by Lot 28 on plan by line running through center of partition wall 94 ft.;
southwest by 6 ft. passageway 25 ft.;

containing 2350 sq. ft.

Parcel RD-54 573 Massachusetts Avenue

Certain parcel of land with buildings thereon in Boston, County of Suffolk, Commonwealth of Massachusetts, being Lot 28 on plan at end of Book 615, bounded:

on northwest by Lot 50 on said plan 94 ft.;
on northeast by Massachusetts Avenue 25 ft.;
on southeast by Lot 26 on plan 94 ft.;
on southwest by 6 foot passageway 25 ft.

Parcel RD-55 553 Massachusetts Avenue

Certain parcel of land with building thereon being Lot 48 on "A Plan of City Land to be sold October 30, 1850" bounded:

on northwest by Lot 50, 100 ft. by line running through center of brick partition wall;
on northeast by Massachusetts Avenue (formerly that part of Chester Street that bounds Chester Square) 25 ft.;
on southeast by Lot 46 on plan 100 ft. by line running through center of brick partition;
southwest by Northampton Street 25 ft.;

containing 2500 sq. ft.

Parcel RD-56 560 Massachusetts Avenue

Lot 37 on plan at end of Book 615 bounded:

West by Massachusetts Avenue on curved line 30 ft. 2 ½ in.;
Northwest by Lot 39 on plan by line supposed to be in part through middle of brick partition wall, 113 ft. 9 3/8 in.;
Northeast by West Springfield Street 25 ft.;;
Southeast by Lot 99 and Lot 35 on plan by line supposed to be in part through middle of brick partition wall 130 ft. 7 in.;

Containing 3036 sq. ft.

Parcel RD-58 663 Massachusetts Avenue

A certain parcel of land situate in said Boston, bounded and described as follows:

Northeasterly	by the southwesterly line of Massachusetts Avenue, 21.84 ft.;
Southeasterly	6 ft.;
Northeasterly	0.39 ft., and
Southeasterly	36.10 ft., all by land now or formerly of James J. Crosby et al;
Southwesterly	by land now or formerly of said Crosby et al and by Lot 2 as shown on plan hereinafter mentioned, 23.34 ft.; and
Northwesterly	36.10 ft.;
Northeasterly	0.68 ft.; and
Northwesterly	6 ft., all by Lot 2 as shown on said plan.

Said land is shown as Lot One (1) on a subdivision plan drawn by Edmund C. Corsano, A.J. Ialuna, Surveyors, dated May 5, 1962, as approved by the Court, filed in the Land Registration Office as plan No. 4868-B, a copy of a portion of which is filed with certificate of title No. 69646.

Parcel RD-59 29 Rutland Street

Certain parcel of land on northeast side of Rutland Street, Boston, bounded:

Southwest by Rutland Street 16 ½ ft.;;
Northwest by land now or formerly of Tousaro by line running through center of brick partition wall 45 ft.;;
Northeast by land of Talbot and land now or late of Root 16 ½ ft.;; and
Southeast by land now or late of Hunt by line running through center of brick partition wall 45 ft. to POINT OF BEGINNING.

Parcel RD-69 57 Worcester Street

Certain parcel of land with buildings thereon, numbered 57 Worcester Street bounded:

BEGINNING at point on northeast side of Worcester Street 165 ft. 8 in. northwest from 20 foot street or way called Newland Street;
and from such point running northwest, bounded southwest by said Worcester Street 20 ft. 4 in.;

thence turning and running northeast parallel with Newland Street by line running through center of brick partition wall 91 ft. to 10 foot passageway; .
thence turning and running southeast on said 10 foot passageway 20 ft. 4 in.;
thence running southwest by line through center of brick partition wall 91 ft. to POINT OF BEGINNING.

Being Lot 9 on plan in Book 711 Page 201.

Parcel RD-72 405 Massachusetts Avenue

Land in Boston with the buildings thereon, bounded and described as follows:

Northeasterly by Massachusetts Avenue, 20 ft.;
Southeasterly by land now or late of Shapleigh, by a line through the middle of a brick partition wall, 95 ft.;
Southwesterly by a 10 foot passageway to Columbus Avenue, 20 ft.;
Northwesterly by land now or late of Swallow by a line through the middle of a brick partition wall, 95 ft.

Parcel RD-73 421 Massachusetts Avenue

Certain lot of land with buildings thereon in Boston, bounded:

Northeast by Massachusetts Avenue (formerly West Chester Park) 22 ft.;
Southeast by land conveyed by Calvin Swallow to Hiram P. Bean in Book 933 Page 54 by line running through middle of brick partition wall, 95 ft.;
Southwest by passageway 10 ft. wide extending to Columbus Avenue, 22 ft.;
Northwest by land now or late of J.F. Cane by line passing through middle of brick partition wall 95 ft.;

Conveyed with full and encumbered right of way and drainage in passageway.

Parcel RD-74 425 Massachusetts Avenue

Certain parcel containing 2310 sq. ft. with buildings thereon on southwest side of Massachusetts Avenue, a short distance northwest from Columbus Avenue, in Boston, bounded:

Northeast by Massachusetts Avenue 22 ft.;
Southeast by land now or late of Ahl, by line in part through middle of brick party wall 105 ft.;
Southwest by land formerly of Nathan Matthews 22 ft.;
Northwest by land now or late of Perkins by line in part through middle of brick party wall 105 ft.;

Together with rights of way and drainage in and over 10 foot passageway running northwest from Columbus Avenue, across rear of above described parcel.

Parcel RD-75 401 Massachusetts Avenue

Being Lot 2 on Plan of Lots of West Chester Park by T. William Harris dated October 2, 1884.

Bounded:

BEGINNING on Massachusetts Avenue at Lot 1 on said plan;
thence running southwest on said Lot 1, 95 ft. to passageway 10 feet wide;
thence northwest on said passageway 19 ft. to Lot 3 on plan;
thence northeast on Lot 3, 95 ft. to Massachusetts Avenue;
thence southeast on Massachusetts Avenue to POINT OF BEGINNING;
containing 1805 sq. ft. Southeast and northwest boundaries are through brick partition walls.

Together with usual rights in passageway in rear.

Parcel RR-69 30 Greenwich Park

Land situated on Greenwich park bounded:

BEGINNING at point on southwest side of Greenwich Park 322 ft. northwest from Columbus Avenue;
and running northwest on Greenwich Street 21 ft.;
thence southwest by line through middle of brick partition wall 105 ft;
thence southeast 21 ft.;
thence northeast by line through middle of brick partition wall 105 ft. to the POINT OF BEGINNING.

Parcel RR-83 612 Massachusetts Avenue

All that parcel of land with buildings thereon in Boston, being Lot 11 on plan of City lands at end of Book 615, bounded:

southwest on Massachusetts Avenue, formerly Chester Square, 26 ft.;
northwest on Lot 13 on said plan 116 ft.;
northeast on land now or formerly of A.J. Allen 26 ft.;
southwest by Lot 9 on said plan 116 ft.

Parcel RR-84 623 Massachusetts Avenue

Lot 4 on plan at end of Book 615, bounded:

northwest by Lot 6 on plan 70 ft.;
northeast by Massachusetts Avenue (formerly called Chester Square) 24 ft.;
southeast by Lot 2 on plan 70 ft.;
southwest by passageway 20 feet wide, 24 ft.;

containing 1680 sq. ft.

Parcel RR-85 627 Massachusetts Avenue

Certain parcel containing 1680 sq. ft. with buildings thereon on southwest side of Massachusetts Avenue a short distance northwest of Washington Street, Boston, being Lot 2 on plan at end of Book 615, bounded:

northeast by Massachusetts Avenue 24 ft.;
southeast by Lots 113, 114, 115, 70 ft.;
southwest by Lot 115 on plan 20 ft. and by way called Chester Place 4 ft.;
northwest by Lot 4 on plan 70 ft. with all rights, easements, privileges and appurtenances to premises belonging; together with right in passageway.

Parcel RR-86 127 West Concord Street

Land in Boston bounded:

Southwest by said Concord Street 20 ft.;
Northwest by straight line passing through middle of partition wall 90 ft. 6 in.;
Northeast by passageway (known as Newland Place) 21 ft. 1 3/4 in.;
Southeast by land now or formerly of Eliza A. Coburn 34 ft. 6 in.;
Southwest by same 6 in.;
and Southeast again by same 56 ft.;

being part of same premises conveyed to Caroline A. Benton by Mortimer C. & Mary E. Ferris in Book 853 Page 89.

Parcel RR-88 213 West Newton Street

Land with buildings thereon situated in Boston, on northeast side of West Newton Street, numbered 213 on said street, bounded:

BEGINNING at point on northeast side of West Newton Street, 331 ft. northwest from Columbus Avenue;
thence running northwest on West Newton Street 20 ft.;
thence running northeast by land now or late of Sarah R. Bartlett through middle of brick partition wall separating house mortgaged from house adjoining, 110 ft.;
thence running southeast 20 ft.;
thence running southwest by land now or late of Mary W. Bridge through middle of brick partition wall separating house mortgaged from house adjoining 110 ft. to West Newton Street;

Containing 2200 sq. ft.

Parcel RR-90 32 Greenwich Park

Land in that part of Boston called Back Bay bounded:

BEGINNING at point in south line of Greenwich Park, formerly Concord Street 343 ft. northwest from Columbus Avenue;
and running northwest on said Greenwich Park 20 ft.;
thence southwest 100 ft.;
thence southeast 20 ft.;
thence northeast 100 ft. to POINT OF BEGINNING.

Parcel RR-91 139 Pembroke Street

A certain parcel of land situated in Boston in the County of Suffolk and Commonwealth of Massachusetts, bounded and described as follows:

Southwesterly by Pembroke Street, 20.98 ft.;
Northwesterly by land now or formerly of Minnie A. Burlingame, the line running in part through the middle of an eight (8) inch brick wall, 80 ft.;
Northeasterly by the middle line of a Way as shown on the plan hereinafter mentioned 21.15 ft.; and
Southeasterly by land now or formerly of Delia Lydon, the line running in part through the middle of an eight (8) inch brick wall (which has been widened to 12 inches), 80 ft.

All of said boundaries are determined by the Court to be located as shown on a plan drawn by J.A. Sharkey, Surveyors, dated February 5, 1944, as modified and approved by the Court, filed in the Land Registration Office as plan No. 19080-A, a copy of a portion of which is filed with Certificate of Title No. 49250.

Parcel RR-98 692 Massachusetts Avenue

Land with buildings thereon in Boston bounded:

BEGINNING at the most west corner thereof, being a point in the northeast line of Massachusetts Avenue 546 ft. southeast from east corner of Massachusetts Avenue and Washington Street;
thence running northeast by Lot 26 on plan hereinafter mentioned 84.88 ft.;
thence southeast by passageway 10 feet wide 22.75 ft.;
thence southwest by Lot 28, 84.88 ft. to Massachusetts Avenue;
thence northwest by Massachusetts Avenue 22.75 ft. to POINT OF BEGINNING;

containing 1931 sq. ft. being Lot 27, Plan Book 2 Page 107.

Parcel RR-99 696 Massachusetts Avenue

Certain parcel of land with buildings thereon in Boston, on that part of Massachusetts Avenue formerly known as Chester Square, 696 Massachusetts Avenue being Lot 29, plan book 2, page 107,
Bounded:

BEGINNING at point in northeast line of Massachusetts Avenue 591.05 ft. southeast from east corner of Massachusetts Avenue and Washington Street; thence running northeast by Lot 28, 84.88 ft.; thence southeast by passageway 10 ft. wide parallel with Massachusetts Avenue, 22 ft. 9 in.; thence running southwest by Lot 30, 84.88 ft.; thence running northwest by Massachusetts Avenue 22 ft. 9 in. to POINT OF BEGINNING.

Containing 1931.02 sq. ft.

Parcel PB-13b 32 Worcester Street

Bounded:

Northeast by Worcester Street, 20 ft.;
Southeast by Shawmut Avenue, 45 ft.;
Southwest by land now or formerly of the City of Boston, 20 ft.;
Northwest by land formerly of Inglis by line through middle of brick partition wall 45 ft.

Containing 900 sq. ft.

Parcel SE-8 84 Worcester Street

A certain parcel of land situated in Boston, in the County of Suffolk and Commonwealth of Massachusetts, bounded and described as follows:

Northeasterly by the southwesterly line of Worcester Street, 22 ft.;
Southeasterly by land now or formerly of Lillian E. Brooks, the line running in part through the middle of an 8 in. brick wall, 100 ft.;
Southwesterly by a Passageway 10 ft. wide as shown on said plan, 22 ft.; and
Northwesterly by land now or formerly of Margaret G. Glover, the line running in part through the middle of an 8 in. brick wall, 100 ft.

All of said boundaries are determined by the Court to be located as shown upon plan numbered 19478-A, Sheet 2, filed with certificate of title No. 46458, the same being compiled from plan drawn by David S. Wexler, Civil Engineer, dated June 16, 1945, and additional data on file in the Land Registration Office all as modified and approved by the Court, and said land is shown as parcel 2 on said plan.

EXHIBIT B – FIRST REFUSAL

Whenever any party under the Lease shall have a right of first refusal as to certain property, the following procedures shall apply if the owner of the property offering it for sale or lease or otherwise disposing of it (“Offering Party”) shall within the term of the Lease receive a bona fide third party offer to purchase or lease the property which such Offering Party is willing or bound by operation of law or judicial action to accept, the holder of the right of first refusal (the “Holder”) shall have the following rights:

- (a) Offering Party shall give written notice (the “Notice”) of such offer to Holder setting forth (i) the name and address of the prospective purchaser thereof, (ii) the purchase price offered by the prospective purchaser, and (iii) all other terms and conditions of the sale. Holder shall have forty-five (45) days after the receipt of the Notice containing the offer (the “Election Period”) within which to elect to purchase the property on the same terms and conditions, including the purchase price set forth in the Notice. Such election shall be made by a written notice given to the Offering Party Within the Election Period.
- (b) If Holder makes the election to purchase the property, such purchase shall be made within sixty (60) days after such election shall have been made by Holder by performance of the terms and conditions of the Notice, including payment of the purchase price provided therein.
- (c) Should Holder fail to make any election within the Election Period, then the Offering Party shall have the right (subject to any other applicable restrictions in the Lease) to go forward with the sale which the Offering Party desires to accept, and to sell the property within one (1) year following the expiration of the Election Period on terms and conditions which are not materially more favorable to the purchaser than those set forth in the Notice. If the sale is not consummated within such one (1) year period, the Offering Party’s right so to sell shall end, and all of the foregoing provisions of this section shall be applied again to any future offer, all as aforesaid. If a sale is consummated within such one (1) year period, the purchaser shall purchase subject to a renewed right of first refusal in said property.

EXHIBIT C - RESTRICTIONS

Those matters appearing on Schedule B to that certain policy of title insurance # _____ issued by Fidelity National Title Insurance Company of New York to Lessee in connection herewith.