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LEASEHOLD MORTGAGE

Dated as of March 25, 2015

*Handwritten initials/signature*

*Property Address: 200 Springs Rd., Bedford*

KNOW ALL MEN BY THESE PRESENTS that BEDFORD PLACE LLC, a Massachusetts limited liability company with an address at 536 Granite Street, Braintree, MA 02184 (the "Mortgagor"), for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby grants to Affordable Housing and Services Collaborative, Inc., a Massachusetts nonprofit corporation, having an address of 536 Granite Street, Braintree, Massachusetts 02184 (together with its successors and assigns the "Mortgagee") with MORTGAGE COVENANTS, to secure the payment to the Mortgagee of certain liabilities, as provided in the Mortgagor's Promissory Note (Met Life Foundation Funds) of even date in the original principal amount of TWENTY FIVE THOUSAND and 00/100 DOLLARS (\$25,000.00), in Mortgagor's Promissory Note (Citi Community Development Funds) of even date in the original principal amount of FORTY THOUSAND and 00/100 DOLLARS (\$40,000.00), in Mortgagor's Promissory Note (Home Depot Funds) of even date in the original principal amount of FIVE HUNDRED THOUSAND and 00/100 Dollars (\$500,000.00), and in Mortgagor's Promissory Note of even date in the original principal amount of FOUR MILLION THREE HUNDRED SIXTY ONE THOUSAND SEVEN HUNDRED FIFTY and 00/100 Dollars (\$4,361,750.00) (each a "Note" and collectively, the "Notes", as context requires), and all covenants and agreements herein and in the Notes (collectively "Loan Documents"), all of the Mortgagor's leasehold interest in the land and all improvements (the "Property") now or hereafter thereon as described in Exhibit "A" annexed hereto, which is incorporated herein by this reference, together with: (i) all rights now or hereafter existing, belonging or pertaining thereto; (ii) all goods, furniture, machinery, equipment, fixtures, accounts, contract rights, documents, instruments, proceeds of insurance, general intangibles and other items of personal property of the Mortgagor or in which it has an interest, whether now owned or hereafter acquired, that are located on or used in connection with the Property and any substitutions, replacements, accessions and proceeds of any of the foregoing; (iii) all judgments, awards of damages and settlements hereafter made as a result or in lieu of any taking; and (iv) all contracts respecting the use, operation or maintenance of the Property. The Property and the aforementioned tangible and intangible property are hereinafter collectively referred to as the "premises."

The Mortgagor hereby covenants and agrees to the following as conditions of this Mortgage:

1. In the event the legal or beneficial ownership of the premises, or any portion thereof, becomes vested in anyone other than the Mortgagor, the entire mortgage debt shall, at the option of the Mortgagee, become due and payable on demand, provided, however, that the Mortgagee may, without notice to the Mortgagor, deal with the Mortgagor's successor or successors in interest with reference to the Mortgage and the debt secured hereby in the same manner as with the Mortgagor without in any way vitiating or discharging the Mortgagor's liability or obligations with respect to this Mortgage or the debt secured hereby. No sale of the premises hereby mortgaged and no forbearance on the part of the Mortgagee or extension of the time for the payment of the debt secured hereby or any other indulgence given by the Mortgagee shall operate to release, discharge, modify, change or affect the original liability of the

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300 Boylston Street, Suite 2820  
Boston, MA 02199

Mortgagor, nor the priority of this Mortgage either in whole or in part, notice of such forbearance, extension or other indulgence being hereby expressly waived;

2. The Mortgagor shall not:

a. create or permit to be created any encumbrance to attach to the premises without the consent of the Mortgagee (except for easements and the payment of real estate taxes and betterment assessments prior to the commencement of interest and penalties thereon), and if such encumbrance is attached upon the premises without the consent of the Mortgagor, to discharge the same within sixty (60) days of the date of such attachment;

b. terminate or permit the termination of the Mortgagor limited liability company; or

c. file a petition or application under any state or federal bankruptcy, insolvency or debtor's relief law, nor consent to an assignment or composition for the benefit of the Mortgagor's creditors, nor consent to appointment of a receiver for any of the Mortgagor's property; if such petition, application or receivership proceedings are instituted against the Mortgagor by any third party or parties, the Mortgagor shall not permit the same to remain undischarged for more than sixty (60) days after the commencement thereof.

3. Any notice, demand or other communication from the Mortgagee to the Mortgagor shall be in writing and shall be effective when mailed postage prepaid by registered or certified mail, or sent by a nationally recognized overnight mail service, addressed to the Mortgagor at the Mortgagor's address above, or at such other address as the Mortgagor may from time to time designate by like notice.

4. Any breach in the covenants, conditions or agreements contained in this Mortgage or in any instrument given in connection with the Notes and debt secured hereby shall constitute a default hereunder, and if such default shall exist for more than thirty (30) days after Mortgagor has received written notice of such default from Mortgagee, the entire debt secured hereby shall become due and payable at the option of the Mortgagee, and the Mortgagee shall have the statutory Power of Sale as hereinafter provided.

5. In case any provision of the Notes, this Mortgage, or any instrument executed by any person or organization in connection therewith shall be found unenforceable or invalid for any reason, the enforcement of any other provision hereof shall not be impaired thereby, and such provision shall be deemed modified to the extent necessary to be enforceable, or if such modification is not practicable, shall be deleted from this Mortgage.

6. This Mortgage is upon the STATUTORY CONDITION and upon the further condition that all covenants and agreements of the Mortgagor in the Notes, this Mortgage, all other instruments executed in connection therewith and in all other mortgages, debts and obligations of or from the Mortgagor to the Mortgagee shall be kept and fully performed, and upon any breach of the same Mortgagee shall have the STATUTORY POWER OF SALE and any other powers given by statute.

7. The word "Mortgagor" or "Borrower" as used herein means the Mortgagor named herein, whether one or several, and also means any subsequent owner or owners of the equity of redemption of the premises, and all of the covenants and agreements of the Mortgagor herein contained shall be binding upon the Mortgagor, its heirs, executors, administrators, successors and assigns and shall be joint and several if more than one person constitute the Mortgagor. The word "Mortgagee" or "Lender" as used herein means the Mortgagee named herein and any subsequent holder or holders of this Mortgage.

8. The indebtedness secured hereby shall be a recourse obligation of Mortgagor and its managing member to the same extent as if Mortgagor were a limited partnership and Mortgagor's managing member were the general partner of such limited partnership.

9. Mortgagee acknowledges that the Property is intended to receive the benefits of Low Income Housing Tax Credits (the "Credits") pursuant to Section 42 of the Internal Revenue Code ("Section 42") and that it is a condition of the receipt of the Credits that the Mortgagor file a Tax Credit Regulatory Agreement and Declaration of Restrictive Covenants for Low-Income Housing Tax Credits (the "Tax Credit Regulatory Agreement") and Mortgagee hereby consents to the terms of the form of the Tax Credit Regulatory Agreement that the Mortgagee has been provided.

10. Simultaneously with the delivery to Mortgagor of a notice of any default or breach by Mortgagor under this Mortgage or the Note, Mortgagee shall deliver a copy of such notice to Mortgagor's investor member at the following address: NEF Assignment Corporation, c/o NEF Community Investments, Inc., 10 South Riverside Plaza, Suite 1700, Chicago, IL 60606, Attention: General Counsel. Following receipt of such notice, Mortgagor's investor member shall have such opportunity to cure such default or breach as is provided to Mortgagor under this Mortgage or the Note. Mortgagee agrees to accept any cure of such default or breach tendered by Mortgagor's investor member on the same basis as if such cure had been tendered by Mortgagor.

11. So long as Bedford Place Managing Member LLC ("Managing Member") or any affiliate of Managing Member or its members is the managing member of Mortgagor, Mortgagee will not during the Compliance Period (as defined in the Tax Credit Regulatory Agreement) (i) commence foreclosure proceedings with respect to the Premises under this Mortgage or exercise any other rights or remedies it may have under the Note or this Mortgage, including, but not limited to accelerating the Loan, collecting rents, appointing (or seeking the appointment of) a receiver or exercising any other rights or remedies thereunder or (ii) join with any other creditor in commencing any bankruptcy reorganization, arrangement, insolvency, or liquidation proceedings with respect to the Mortgagor.

12. As required by Section 20.G of the Lease entered into by and between Secretary of the Veterans Affairs, an officer of the United States on behalf of the Department of Veterans Affairs, as landlord, and the Borrower as tenant, dated as of December 27, 2011, as amended and restated in its entirety by that certain Amendment #1 to Enhanced Use Lease dated as of March 25, 2015, with respect to the Property, as to which a Memorandum of Lease is recorded with the Middlesex South Registry of Deeds simultaneously herewith (the "Ground Lease"), this Mortgage is subject to the provisions of Article 20 of the Ground Lease, a copy of

which is attached hereto as Exhibit B. Capitalized terms contained in the attached Exhibit B shall have the meanings given such terms in the Ground Lease.

[No Further Text; Signature Page Follows]

WITNESS the execution hereof under seal as of the date first above written.

BEDFORD PLACE LLC

By: BEDFORD PLACE MANAGING MEMBER  
LLC, its Managing Member

By: Windover Veterans Supportive Housing II, LLC,  
its Managing Member

By: [Signature]  
Name: Lee R. Dellicker  
Title: Manager  
Duly Authorized

COMMONWEALTH OF MASSACHUSETTS )  
)  
COUNTY OF ~~SUFFOLK~~ ESSEX )

On this 25th day of March, 2015, before me, the undersigned notary public, personally appeared Lee R. Dellicker, as Manager of Windover Veterans Supportive Housing II, LLC as the managing member of Bedford Place Managing Member LLC, the managing member of Bedford Place LLC, proved to me through satisfactory evidence of identification, which were Driver's License, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for his own purpose.

[Signature]  
(official signature and seal of notary)  
My commission expires: \_\_\_\_\_

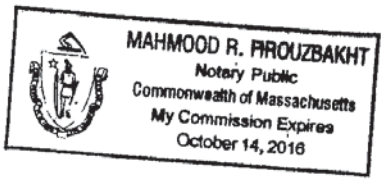


EXHIBIT A

[to be inserted]

**PARCEL I:**

A certain lease area on a parcel of land now or formerly of the United States of America (shown on a plan referenced herein below) situated in the Town of Bedford, Middlesex County, Commonwealth of Massachusetts, bounded and described as follows:

Beginning at a point, said point being a concrete bound with drill hole, located at the northerly corner of land now or formerly of the United States of America located at 200 Springs Street, Bedford, MA. Thence S 88°57'02" E, seven hundred ninety four and four hundredths (794.04') feet by land now or formerly of The Town of Bedford. Thence by a tie line S 01°02'58" W, two hundred eighty six and twenty hundredths (286.20') feet, to the True Point of Beginning; thence

S 78°53'52" E a distance of one hundred fifty-nine and no hundredths (159.00') feet, thence

S 00°58'18" E a distance of two hundred forty-seven and twenty-six hundredths (247.26') feet, thence;

S 29°14'27" E a distance of two hundred thirty-two and fifty-five hundredths (232.55') feet, thence;

S 18°22'21" E a distance of sixty and eighteen hundredths (60.18') feet, thence;

S 00°00'00" E a distance of thirty-nine and seventy-two hundredths (39.72') feet, thence;

S 33°18'53" W a distance of thirty-two and fifty-four hundredths (32.54') feet, thence;

S 52°06'42" W a distance of seventy-four and twenty-three hundredths (74.23') feet, thence;

S 75°43'48" W a distance of fifty two and no hundredths (52.00') feet, thence;

N 88°2'6'38" W a distance of two hundred thirteen and no hundredths (213.00') feet, thence;

N 77°46'08" W a distance of one hundred eleven and no hundredths (111.00') feet, thence;

N 68°32'19" W a distance of sixty six and no hundredths (66.00') feet, thence;

N 12°33 '13" E a distance of four hundred twenty-eight and fifty hundredths (428.50') feet, thence;

N 25°44'55" E a distance of one hundred seventy and fifty hundredths (170.50') feet, thence;

N 52°39'53" E a distance of sixty-two and fifty hundredths (62.50') feet to the True Point of Beginning. The following thirteen courses being on land now or formerly of the United States of America. Said parcel is shown on a plan entitled "Plan of Land in Bedford, MA for: U.S. Veterans Administration," dated January 28, 1976 and prepared by Joseph W. Moore Co. (A Division of Boston Survey Consultants, Inc.).

The above Lease contains an area of 5.20 Acres (226,700 square feet, more or less), and is more

particularly shown as "EUL Lease Area" on a plan entitled "Enhanced Use Lease, Bedford VAMC – 200 Springs Road, Bedford, MA" dated March 19, 2015, prepared by Horsley Witten Group, recorded with the Middlesex South Registry of Deeds as Plan No. 225 of 2015.

**PARCEL II:**

Together with the right to use Springs Road, Avenue C, Avenue E, Avenue T and Parking Lots 1 and 2, beyond the development site, all as shown on the plan titled "Access Plan, Bedford Green, 200 Springs Road, Bedford, MA," dated December 30, 2014 by Horsley Witten Group, for general vehicular ingress and egress, and the sidewalks across the VAMC for pedestrian ingress and egress to and from the Property, as recited in Amendment #1 to the Enhanced-Use Lease by and between Bedford Place LLC, as Lessee, and the United States of America, acting by and through the Secretary of Veterans Affairs, as Lessor, a Memorandum of which is dated March 16, 2015, recorded herewith.



Exhibit BArticle 20 of the Ground Lease**ARTICLE 20 - ENCUMBRANCE OF THE PROPERTY****A. Prohibition Against Encumbrance of the Property:**

1. Nothing contained in this Lease authorizes Lessee to encumber in any manner, during the Lease term, the United States' (i.e., the Department's) fee interest in the Property. Such fee interest in the Property may not be subordinated or otherwise made subject to any deed of trust, mortgage, or other lien, or other encumbrance granted, suffered, or permitted by Lessee.

2. Lessee covenants that it shall not create or cause to be created a mortgage, lien, or other encumbrance to be placed upon the Property, other than such mortgage, lien, or encumbrance to be placed on Lessee's leasehold interest therein pursuant to Section B of this Article. Subject to Lessee's rights in Article 20.A.3 below, the creation of any mortgage, lien, or encumbrance, other than permitted by Paragraph B of this Article, shall be deemed a Lessee Event of Default on the date of its execution or filing of record in accordance with the provisions of Articles 22 and 23 of this Lease.

3. Lessee may in good faith and at Lessee's own expense contest the validity of any asserted lien, claim, or demand not permitted under this Article; provided Lessee has furnished a bond or cash deposit freeing the Property from the effect of such a lien claim, and provided the Department with written evidence thereof. If such lien is not promptly discharged by Lessee: (1) within thirty (30) days after a judgment is rendered following any unsuccessful challenge of Lessee as to the validity of the asserted lien or (2) if no such challenge is made, within such thirty (30) days after Lessee receives a written request from VA to discharge or free the Property from the effect of such a lien, the Department may, but shall not be obligated to, discharge such lien. Any amount so paid by the Department for any such purpose, with interest thereon at the prevailing rate of interest for "90-day U.S. Treasury Bills" or its successor from the date of any such payment, shall be repaid by Lessee to the Department not later than thirty (30) days following Lessee's receipt of written notice from the Department. Such written notice from the Department shall include supportive documentation showing all costs incurred by the Department.

**B. Encumbering Lessee's Leasehold Interest:**

1. Lessee may grant leasehold mortgages, assignment of leases and rents, or other security instruments, or otherwise encumber its leasehold interest to the extent necessary to provide financing for the costs of development, construction, renovation, operation, and maintenance of the Property as specified in this Lease, or any refinancing thereof. However, any loan involving a security interest in the leasehold (including any subsequent amendments or modifications thereto) may not be closed until the Department has consented to the financing, which consent shall not be unreasonably withheld, delayed or conditioned. Such consent shall not be considered to be unreasonably withheld if the loan seeks to subordinate the Government's

underlying fee title interest in the Property, or the Department's rights, interests, or remedies under the Lease.

a. The Lessee or its permitted successors or assigns may enter into one or more Affordable Housing Restrictions or Land Use Restrictions (hereinafter "Restrictions") for the benefit of non-federal governmental (e.g., Commonwealth of Massachusetts) entities providing financing to the Lessee; provided that, notwithstanding anything to contrary, any such Restrictions: (a) shall encumber only the Lessee's leasehold interest in the Property, and not VA's underlying fee title interest, (b) shall in no event survive the expiration or earlier termination of this Lease, and (c) shall not subordinate VA's rights and interests available under the Lease, or at law or equity. And any such Restrictions shall be expressly subject to the terms and conditions of this Lease, and VA's rights and remedies contained herein.

b. Subject to and consistent with the foregoing provisions of Article 20.B.1.a, during the Lease term the parties shall coordinate and ensure that no such Restrictions shall violate the restrictions in Article 20.B.1.a. Lessee shall provide drafts of any Restrictions to VA for not less than thirty (30) days prior review and approval, which approval shall not be unreasonably withheld, delayed or conditioned, except that VA's agreement herein to review such Restrictions shall not constitute a waiver of the restrictions contained in Article 20.B.1.a.

c. If pursuant to the terms of this Article 20, this Lease is assigned to a Successor, or if VA enters into a Replacement Lease with a Successor, subject to and in accordance with this Article 20, the Restrictions shall remain in full force and effect with respect to the leasehold interest, as if the Successor were the original named grantor in the Restrictions, for the remainder of the term of such Restrictions.

2. Promptly after assigning this Lease or encumbering the Property as provided herein (i.e., Article 20.A.1 and 20.A.2 above), Lessee shall furnish the Department a true and verified copy of any leasehold mortgage ("Leasehold Mortgage") and other documents creating or securing the indebtedness thereby secured, and written notice setting forth the name and business address of the Leasehold Mortgagee ("Leasehold Mortgagee"). During the Lease term, Lessee also shall provide the Department with a copy of any amendments or modifications to the Leasehold Mortgage (and any other documents creating or securing the indebtedness), and written notice of any changes to the name and/or business address of the Leasehold Mortgagee.

3. During the Lease term, the making of any Leasehold Mortgage shall not be deemed to constitute an assignment, nor shall any Leasehold Mortgagee not in possession of Lessee's leasehold estate be deemed an assignee of the leasehold estate so as to require such Leasehold Mortgagee to assume the obligations of Lessee hereunder; however, as further provided in this Article 20.B.3, any Leasehold Mortgagee in possession, purchaser at a foreclosure sale of the leasehold estate, or assignee pursuant to an assignment in lieu of foreclosure shall be deemed to be an assignee of Lessee and shall be deemed the successor to (but only for the period of its leasehold ownership) the obligations of Lessee hereunder from and after the date of such purchase or assignment ("Successor"). Such Successor shall be fully bound by the provisions of this Lease, except to the extent that any unperformed obligations of Lessee at the time of, as applicable, such possession, foreclosure, or assignment in lieu of foreclosure, are personal in

nature and incapable of being performed by the Successor.

4. Lessee agrees to make all payments and perform all obligations required or secured by any Leasehold Mortgage as and when the same are required to be made or performed thereunder.

5. In no event shall Lessee commence any development, construction, or renovation activities regarding the Facility, or any other Improvements on the Property after the Effective Date that are made available for occupancy, until Lessee provides VA with documentary evidence that Lessee has adequate financial resources to undertake and complete that respective aspect of the Project.

**C. Notices to Leasehold Mortgagees:**

1. If a true and verified copy of a Leasehold Mortgage shall have been delivered to the Department together with a written notice of the name and address of the Leasehold Mortgagee then, notwithstanding anything to the contrary set forth in this Lease:

2. The Department shall mail to each such Leasehold Mortgagee a duplicate copy of any and all notices that the Department may be required from time to time to serve upon Lessee pursuant to the provisions of this Lease; and no notice by the Department to Lessee hereunder shall be deemed to have been given unless and until a copy thereof has been mailed to each Leasehold Mortgagee.

3. The Department shall provide each Leasehold Mortgagee that is properly identified to VA pursuant to 20.B above with a duplicate copy of any notice sent to the Lessee (or any of its successors or assigns) advising of any change in the proper representative and/or office to be notified when sending notices or correspondence to the Department.

**D. Lease Termination Protection:**

1. Subject to Lessee's covenant to advise VA of each and every Leasehold Mortgagee pursuant to Article 20.B, the Department shall not agree to any mutual termination nor accept any surrender of this Lease (except upon the expiration of the Term) nor shall the Department consent to any material amendment or modification of this Lease which affects the Lease terms and/or the Leasehold Mortgagee's rights, without the prior review and written consent of the Leasehold Mortgagee.

2. Notwithstanding any default by Lessee in the performance or observance of any covenant, condition or agreement of this Lease on the part of Lessee to be performed or observed, all rights of the Department to terminate this Lease for such Lessee default, including, without limitation, any default under Article 14.C of this Lease, shall be subject to and conditioned upon (a) the Department having first given each Leasehold Mortgagee written notice of, and an opportunity to cure such default per Section E below, and (b) the Lessee's and Leasehold Mortgagee's having failed to remedy such default as set forth in, and within the applicable time period specified by Section E of this Article.

3. Each Leasehold Mortgagee who is properly identified to VA pursuant to Article 20.B above shall have the right, but not the obligation (except as otherwise may be provided herein as to a Leasehold Mortgagee in possession of the Property), at any time prior to termination of this Lease and without payment of any penalty, to pay all of the rents due hereunder, to provide any insurance, to pay any taxes and make any other payments, to make any repairs and improvements and do any other act or thing required of Lessee hereunder, and to do any act or thing which may be necessary and proper in the performance and observance of the covenants, conditions and agreements hereof to prevent the termination of this Lease. All payments so made and all things so done and performed by the Leasehold Mortgagee shall be as effective to prevent a termination of this Lease as the same would have been if made, done and performed by Lessee instead of by the Leasehold Mortgagee.

E. **Leasehold Mortgagee Cure Rights:**

1. A Leasehold Mortgagee who undertakes to remedy an uncured event of default by Lessee shall, except as provided in Paragraph 2 below, have ninety (90) days after receipt of notice from the Department setting forth the nature of such default within which to remedy the default, or such longer period as may be given to the Lessee pursuant to Article 22 of this Lease.

2. If the Lessee default is such that possession of the Property is reasonably necessary to remedy the default, or if a Leasehold Mortgagee reasonably needs additional time to identify potential successors, locate funding sources, coordinate with a lender, or structure a workout to remedy a default, the Leasehold Mortgagee shall have a reasonable time, not to exceed one-hundred eighty (180) days (unless VA, by prior written consent in its sole discretion, approves a longer period), after the expiration of such initial ninety (90) day cure period within which to remedy such default; provided that: (a) if necessary, the Leasehold Mortgagee shall have acquired Lessee's leasehold estate created hereby or commenced foreclosure proceedings, shall have moved for the appointment of a receiver, or otherwise shall have instituted appropriate proceedings in the nature thereof within such ninety (90) day period or prior thereto, and shall be diligently and continuously prosecuting any such proceedings to completion, or shall demonstrate the commencement and diligent pursuit of reasonable efforts to take other actions to remedy the default; (b) notwithstanding anything in this Lease to the contrary, the Leasehold Mortgagee shall have fully cured any uncured default in the payment of any monetary obligations of Lessee under this Lease within such ninety (90) day period and thereafter shall continue to faithfully perform all such monetary obligations that do not require possession of the Property; and (c) after gaining possession of the Property, the Leasehold Mortgagee or the receiver, as the case may be, shall perform all of the covenants of Lessee reasonably capable of performance by the Leasehold Mortgagee or the receiver during the period of foreclosure or receivership, as the case may be, as and when the same are due, and shall immediately proceed with all due diligence either to assign the Property or enter into a Replacement Lease with VA for the Property, as described in Article 20.F.2 below.

3. If the Leasehold Mortgagee establishes to VA's satisfaction that a Lessee default is personal in nature or otherwise is not susceptible of cure by the Leasehold Mortgagee, then, provided the Leasehold Mortgagee fully complies with and meets all requirements of clauses (a) through (c) of Section E.2 above, the default shall be deemed remedied as between VA and the Leasehold Mortgagee.

Notwithstanding anything in this Lease to the contrary except for the provisions of Article 20.F.2 below and Lessee's obligation to inform VA of each Leasehold Mortgagee pursuant to Article 20.B.2 above, should the Leasehold Mortgagee(s) fail to remedy an uncured Lessee default pursuant to and within the applicable time period specified in this Section E, the Department shall immediately thereafter be permitted to terminate the Lease by issuing written notice thereof to the Lessee and each Leasehold Mortgagee identified per Article 20.B.2 of this Lease.

No provision of this Article 20 shall be construed to require a Leasehold Mortgagee to commence foreclosure proceedings, continue possession of the Property, or cure any default of this Lease by the Lessee.

Subject to any required notice to VA under this Article 20 (provided that failure to provide any such notice to VA shall not confer any defense or rights upon the Lessee), no provision of this Article 20 shall limit the right of any Leasehold Mortgagee and the holder of any Restriction to exercise lawful and equitable remedies against the Lessee with respect to leasehold financing for the Project and this Lease, such as injunctive relief, specific performance, monetary damages, or the right to enter upon and take possession of the Property without foreclosure thereof.

**F. Foreclosure of Leasehold Mortgage:**

1. Subject to Article 20.B.2, and pursuant to and in conjunction with an assignment or foreclosure under this Article, the Leasehold Mortgagee and its successors and assigns may assign or sell the leasehold estate subject to and consistent with Subparagraphs (i) through (iv) below, provided that the Leasehold Mortgagee or assignee provides the Department with not less than thirty (30) days advance notice or the maximum period of advance notice allowed under applicable law of any such assignment or sale, and based upon its review determines that the Successor to the Property is a "responsible" party. Factors to be considered by the Leasehold Mortgagee or assignee in making this responsibility determination shall include, but are not limited to:

(i) the Leasehold Mortgagee's receipt of a written certification ("Certification") from the Successor (which the Leasehold Mortgagee shall copy and forward to the Department not less than five (5) days before such assignment or sale) confirming that the Successor: (1) expressly agrees to at all times use the Property in accordance with the terms and conditions of the Lease; (2) expressly agrees to observe and perform all of the Lessee covenants and comply with the terms and conditions contained in the Lease, (3) expressly agrees and understands that the proposed assignment or sale is subject to the rights, title and interests of the United States and VA under the Lease; (4) is not, and to the best of its knowledge any of its principals are not, presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency and have not, within a three (3) year period preceding the date of certification, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a Federal, state or local government contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false

statements, tax evasion, or receiving stolen property; and are not presently indicted for, or otherwise criminally or civilly charged by a Government entity with commission of any of these offenses; and (5) does not pose a safety or security risk as determined by the Secretary of State, including but not limited to any person who either represents a country that, or is a member of or provides political, financial, or military support to a group that is listed in the most current "Patterns of Global Terrorism" report, issued by the Secretary of State in compliance with 22 U.S.C. 2656f(a), available from the Superintendent of Documents, U.S. Government Printing Office, Washington D.C. 20402 and also available at <http://www.state.gov/j/ct/rls/crt/>;

(ii) the Leasehold Mortgagee's determination that the Successor has at least three (3) years of prior relevant experience successfully operating and maintaining projects similar to that of the Project;

(iii) the Leasehold Mortgagee's determination that the Successor has an adequate financial history and profile (net worth, cash flow, and credit support) to successfully meet the financial commitments of the Project and the Lease's terms and conditions; and

(iv) the Leasehold Mortgagee's providing of a written certification to VA within five (5) days before such assignment or sale confirming that the Successor is not on any of the procurement, non-procurement, or reciprocal lists provided at the "System for Award Management" website located at <https://www.sam.gov/portal/public/SAM/>.

2. Within thirty (30) days after any foreclosure or assignment in lieu of foreclosure of this Lease by reason of any uncured event of default by the Lessee hereunder (including, if permissible given applicable Federal, State, and local laws, regulations, and proceedings, any termination of this Lease in connection with any bankruptcy or similar proceeding), VA agrees to amend this Lease or execute a Replacement Lease upon the same terms and conditions hereof ("Replacement Lease") with a Successor who requests such Replacement Lease and complies with the provisions of this Paragraph 2, including subparagraphs "a" through "b" immediately below. Should two or more Leasehold Mortgagees request to enter into a Replacement Lease pursuant to this Paragraph, the most senior Leasehold Mortgagee in possession will have the first right to enter into the Replacement Lease with the Department.

a. The Replacement Lease shall be for the remaining Lease term effective as of the effective date of the termination of this Lease, but with the same right of extension as provided in the Lease, and at the same rent, and additional rent or consideration, if any, and upon the same terms, covenants and conditions (including all options to renew but excluding such terms, covenants and conditions that shall have already been fulfilled) of this Lease.

b. In the event that the Successor enters into the Replacement Lease, the Successor shall pay or cause to be paid to the Department any and all sums which at the time of execution and delivery thereof are due it under this Lease and in addition, all reasonable expenses, including reasonable attorneys' fees which the Department shall have incurred by reason of the actual or deemed termination of this Lease and the preparation, execution and delivery of the Replacement Lease.

G. Any loan document and security instrument used to establish a security interest in the leasehold that does not include (or incorporate without modification) the foregoing provisions recited in this Article shall constitute an event of default by Lessee.

H. The Tax Credit Investor shall have the same rights as any Leasehold Mortgagee authorized under Articles 20.D.1, 20.D.2, 20.D.3, and 20.C above, and any reference to a Lender in such provisions shall be deemed to include Tax Credit Investor. In addition, any reference in Articles 20.E.2, 20.F.1, and 20.F.2 to foreclosure or other proceedings by any Leasehold Mortgagee to acquire Lessee's leasehold estate hereunder shall also be deemed to refer to removal and replacement of Lessee's managing member by the Tax Credit Investor under Lessee's operating agreement. Any replacement managing member of Lessee pursuant to such removal and replacement by the Tax Credit Investor shall be subject to the requirements for a Successor set forth in paragraph 20.F.1 above.