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Development: Bedford Village
MassHousing No. 71-030
FHA No. 023-98379
Execution



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Page: 1 of 31 06/15/2018 03:46 PM

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REGULATORY AGREEMENT

Date: **As of June 15, 2018**

Borrower: **Bedford Village Preservation Associates
Limited Partnership**

Development: **Bedford Village**
Development Address: **12 Bedford Village
Bedford, Massachusetts 01730**

Replacement Reserve Requirement:

Initial Monthly Deposit: **\$4,583.33 per month (\$55,000 annually)**
(commencing 60 days following
Substantial Completion)

Supplemental Deposits: **\$986,021 (due 60 days following
Substantial Completion)**

**Not less than \$386,013 due upon discharge or release of
Operating Reserve - see Section 8(a) below**

Rent Transition Reserve Requirement:

\$56,000

Borrower's Equity: **\$7,849,912 *(subject to confirmation at Cost Certification; see
Section 7(d))**

This Regulatory Agreement (the "Agreement") is made by BEDFORD VILLAGE PRESERVATION ASSOCIATES LIMITED PARTNERHIP, a Massachusetts limited partnership (the "Borrower"), and MASSACHUSETTS HOUSING FINANCE AGENCY, (the "Agency"), a body politic and corporate organized and operated under the provisions of Chapter 708 of the Acts of 1966 of the Commonwealth of Massachusetts, as amended (the "Act").

IN CONSIDERATION of (i) the first mortgage loan in the original principal amount of **\$6,594,658** (the "First Mortgage Loan"), subject to insurance under the provisions of Section 542(c) of the Housing and Community Development Act of 1992 (12 U.S.C. 1707) and the regulations with respect thereto (the "HUD/HFA Risk-Sharing Program") and secured, inter alia, by the First Fee and Leasehold Mortgage, Security Agreement, Financing Statement (Fixture Filing) and Assignment of Leases and Rents of even date herewith, from Borrower, as mortgagor, to the Agency, as mortgagee (the "First Mortgage"), (ii) the second mortgage loan in the original principal amount of **\$7,100,000** (the "Bridge Mortgage Loan"), secured by the Bridge Fee and Leasehold Mortgage, Security Agreement, Financing Statement (Fixture Filing) and Assignment of Leases and Rents of even date herewith, from Borrower, as mortgagor, to the Agency, as mortgagee (the "Bridge Mortgage"), and (iii) the third mortgage loan in the original principal amount of **\$4,500,000** (the "13A Preservation Mortgage Loan"), secured by the 13 Preservation Fee and Leasehold Mortgage, Security Agreement, Financing Statement (Fixture Filing) and Assignment of Leases and Rents of even date herewith, from Borrower, as mortgagor, to the Agency, as mortgagee (the "13A Preservation Mortgage"), which First Mortgage Loan, Bridge Mortgage Loan, and 13A Preservation Mortgage Loan the Agency has agreed to advance to Borrower in connection with Borrower's acquisition of a **leasehold** interest in the land and fee simple interest in the improvements and rehabilitation and operation of the **96-unit** residential rental development identified above and located at the property as more fully described in Exhibit A (collectively, Borrower's leasehold interest in the land and fee simple interest in the improvements constitute the "Development"), Borrower covenants and agrees that, in connection with ownership and operation of the Development, it will comply with the following:

1. Definitions. Unless otherwise defined herein, all capitalized terms used herein shall have the meaning given such terms in the First Mortgage or in any applicable Subsidy Contracts as defined in the First Mortgage.

(a) As used in this Agreement, the term "Mortgage Loan" shall mean, collectively, the First Mortgage Loan, the Bridge Mortgage Loan, and the 13A Preservation Mortgage Loan; the term "Mortgages" shall mean, collectively, the First Mortgage, the Bridge Mortgage, and the 13A Preservation Mortgage, and the term "Notes" shall mean, collectively, (i) the First Mortgage Note of even date herewith from Borrower to the Agency evidencing the First Mortgage Loan (the "First Note"), (ii) the Bridge Mortgage Note of even date herewith from Borrower to the Agency evidencing the Second Bridge Mortgage Loan (the "Bridge Note"), and (iii) the 13A Mortgage Note of even date herewith from Borrower to the Agency evidencing the 13A Preservation Mortgage Loan (the "13A Preservation Note"). As used in this Agreement, the terms "Adjusted Rental," "Below-Market Rental," "Housing Subsidy Programs," "Market Rental" and "Rentals" shall have the same meaning as in Section 6 of the Act and the Rental Determination Regulations adopted by the Agency on May 12, 1998, as the same may be amended from time to time, and any policy determinations promulgated thereunder (such regulations and policy determinations, the "Rent Regulations"), and the term "annual income" shall have the same meaning as in Section 1(e) of the Act.

(b) References herein to the "Ground Lease" shall mean that certain Ground Lease dated as of the date hereof between **POAH LANDOWER, LLC**, a Massachusetts limited liability company (the "Owner"), as landlord, and Borrower, as tenant, a notice or memorandum of which

Ground Lease is recorded herewith, pursuant to which Borrower has acquired a leasehold interest in the Land.

(c) As used in this Agreement, the term "13A Legacy Tenants" shall mean persons or households (each, a "13A Legacy Tenant") which (i) since March 1, 2018 have continuously occupied a dwelling unit in the Development (all of which were previously assisted under Section 13A of the Act), and (ii) do not otherwise receive rental subsidy under the HAP Contract or MRVP Contract or through a federal or state tenant based rental voucher (each, a "13A Legacy Tenant").

2. Rentals and Rents. During the term hereof, Borrower shall rent not less than that number of units within the Development to low-income persons or families as set forth in the Residential Compliance Agreement dated as of the date hereof between the Borrower and the Agency (the "Compliance Agreement"), upon the terms and conditions as set forth therein and as otherwise as set forth herein, including any Rider attached hereto. For the purposes hereof, low-income persons and families subject to the foregoing restrictions are herein referred to as "Low-Income Persons or Families." In fulfilling the foregoing requirement, Borrower will accept referrals of tenants from the Public Housing Authority in the city or town in which the Development is located, and will not unreasonably refuse occupancy to any prospective tenants so referred.

(a) The foregoing provisions shall not relieve Borrower of any other obligations it may have under the provisions of other documents and instruments it has entered into with respect to any applicable Housing Subsidy Program.

(b) Rentals in the Development shall be established as shown on the Rental Schedule attached as Exhibit B hereto, subject to change from time to time in accordance with the terms and provisions hereof; the provisions contained in the Rent Regulations; the terms and provisions of the Compliance Agreement; and any applicable Housing Subsidy Program. The Rent Regulations are incorporated herein by reference with the same force and effect as if set out in the full text of this Agreement and Borrower hereby acknowledges receipt thereof.

(c) Borrower shall obtain income certifications satisfactory in form and manner to the Agency at least every two (2) years for all tenants who are Low-Income Persons or Families ("Low Income Tenants"), or more frequently if required by the Compliance Agreement or any applicable Housing Subsidy Program. Said income certifications shall be kept by the Management Agent and made available to the Agency upon request.

(d) **Nineteen (19) units** within the Development are covered by a project-based Massachusetts Rental Voucher Program ("MRVP") under a contract (the "MRVP Contract") between the Borrower and Bedford Housing Authority ("BHA"). Upon the expiration of the MRVP Contract, Borrower shall extend the MRVP Contract, if permitted by BHA, for the longest term and maximum number of units permissible, and Borrower shall continue to request and, if made available, accept extensions to or renewals of such MRVP Contract with respect to such units so long as such assistance is made available upon terms that are the same or more advantageous than the terms under which such assistance is provided the Development as of the date hereof.

(e) Notwithstanding anything to the contrary set forth herein, in order to continue the affordability of units formerly assisted under Section 13A of the Act, the rent charged for units leased to 13A Legacy Tenants may be increased annually by not more than two percent (2%), except until such time as for Low-Income Units as defined by and restricted under the that certain Tax Credit Regulatory Agreement between Borrower and the Massachusetts Department of Housing and Community Development (“DHCD”), the rent reaches the limit prescribed for such unit under said agreement (the “LIHTC Rent”).

2A. Rent Transition Reserve. In furtherance of the Borrower’s obligations under Section 2(e) to limit rent increases applicable to the 13A Legacy Tenants, the Borrower shall establish at closing an escrow account, to be held and maintained by the Agency and designated as the “Rent Transition Reserve,” which shall be funded with a deposit of **\$56,000** upon closing. The Agency shall disburse funds from the Rent Transition Reserve to Borrower upon requisition for deposit to the Development’s Operating Account. Disbursement of funds from the Rent Transition Reserve shall be made quarterly, in advance subject to such documentation, as may be required by the Agency, in its reasonable discretion, to demonstrate the anticipated shortfall in rental amounts being covered by the Reserve (calculated as the difference between rent paid by 13A Legacy Tenants and the LIHTC Rent), taking into account any amounts disbursed from the Reserve in the prior quarter in excess of the actual shortfall. Any funds remaining in the Rent Transition Reserve as of the later of (i) the date of that the rent of all units occupied by 13A Legacy Tenants has reached the amount prescribed for such unit under the Low-Income Housing Tax Credit (LIHTC) program or (ii) July 1, 2033, shall be deposited into the Development’s Replacement Reserve. At Borrower’s request, no more than once every five (5) years, the Agency shall reevaluate the balance remaining in the Rent Transition Reserve and, with Borrower’s consent, shall transfer any funds deemed to be surplus into the Replacement Reserve.

3. Tenant Selection and Occupancy. Borrower shall use its best efforts during the term of this Agreement to maintain the Development at full occupancy, provided that Borrower shall comply with applicable Housing Subsidy Programs and other legal restrictions affecting the Development. Borrower shall comply with Borrower’s Affirmative Fair Housing Plan and Tenant Selection Plan, each as approved by the Agency, both of which are incorporated herein by reference with the same force and effect as if fully set forth in this Agreement.

4. Occupancy Agreements. All occupancy agreements shall be expressly subordinated to the Mortgages.

(a) With respect to units not required hereunder or under the Compliance Agreement to be rented at Adjusted Rentals, Borrower may use a residency agreement or lease form published by the Greater Boston Real Estate Board or other reasonably equivalent form approved by the Agency.

(b) Occupancy agreements for units required hereunder or under the Compliance Agreement to be rented at Adjusted Rentals (such units, collectively, the “Restricted Units”) shall be in a form approved by the Agency, subject to any requirements of any applicable Housing Subsidy Program, and, unless otherwise approved by the Agency, shall contain clauses, among others, wherein each resident of such units:

- (i) certifies the accuracy of the statements made in the application and income survey;
- (ii) agrees that the family income, family composition and other eligibility requirements, shall be deemed substantial and material obligations of the resident's occupancy; that the resident will comply promptly with all requests for information with respect thereto from Borrower or the Agency; and that the resident's failure or refusal to comply with a request for information with respect thereto shall be deemed a violation of a substantial obligation of the resident's occupancy; and
- (iii) agrees that at such time as Borrower or the Agency may direct, the resident will furnish to Borrower certification of then current family income, with such documentation as the Agency shall require; and agrees to such charges as the Agency has previously approved for any facilities and/or services which may be furnished by Borrower or others to such resident upon such resident's request, in addition to the facilities and services, if any, included in the Rentals, as amended from time to time pursuant to Section 2 above.

5. Loan Prepayment; Tenant Protections. If Borrower elects to prepay the Notes (or, if applicable, or the last of the Notes that then remains outstanding), in full prior to the maturity thereof (subject always to all conditions of prepayment set forth therein), Borrower shall deliver a written notice to all Low Income Tenants of such election (the "Prepayment Notice") at the same time that it shall provide such notice to the Agency as required by the Notes or Note, as applicable (as used in this Section 5, the "Note"). The Prepayment Notice shall inform all Low Income Tenants of the tenant protections described in this Section 5.

(a) For a period of one year after the date of prepayment (such year, "Year 1," and the date of prepayment, the "Prepayment Date"), as permitted by the terms of the Note, Borrower may not increase the Rentals payable by any tenant who is a Low-Income Person or Family on the Prepayment Date (each, a "Protected Low-Income Tenant"), except for Rental increases which would have been permitted by the terms and provisions of the applicable Housing Subsidy Program or the Agency's Rent Regulations if such prepayment had not occurred.

(b) For a period of two years after the end of Year 1 (the "CPI Index Period"), the Rentals for units occupied by Protected Low-Income Tenants may not be increased more than once annually by the greater of: (i) the percentage increase in the consumer price index (applicable to the area in which the Development is located) during the preceding year times the Adjusted Rental in effect as of the Prepayment Date; or (ii) such higher amount as the Agency shall approve. In no event may Borrower increase Rentals for such units in excess of any limitations contained in a Housing Subsidy Program which remains in effect after the Prepayment Date.

(c) For a period of three years after the end of the CPI Index Period (the "Transition Period"), Borrower shall provide Relocation Assistance, as defined herein, for any Protected Low-

Income Tenant who voluntarily terminates his or her lease during the Transition Period as a result of Rental increases. For the purposes hereof, the term “Relocation Assistance” shall mean reasonable assistance in locating a comparable affordable unit, including the payment of any broker’s fees and the payment of reasonable moving expenses within a thirty (30) mile radius of the Development.

(d) Upon prepayment, Borrower agrees to continue to use the form of occupancy agreement for all Protected Low-Income Tenants until the expiration of the periods described in subsections (b) and (c), above. Thereafter, Borrower may require that all Protected Low-Income Tenants enter into the lease form used for tenants in the market-rental units or a lease substantially in the form published by the Greater Boston Real Estate Board, provided that any new occupancy agreement shall provide the Protected Low-Income Tenants with the benefits of subsection (c), above.

(e) The provisions of this Section 5 shall survive the termination of any other provisions of this Agreement as a result of prepayment of the Note prior to the scheduled maturity thereof until the expiration of the periods described in subsections (a), (b) and (c), above.

(f) Protected Low-Income Tenants shall have a right to enforce the protections provided them in this Section 5.

(g) Notwithstanding the foregoing, if, on or before prepayment of the Note, the Borrower demonstrates in writing to the reasonable satisfaction of the Agency that the Protected Low Income Tenants are protected by the requirements of M.G.L. c. 40T, or another applicable statute or regulation, then the Borrower shall no longer be required to comply with the provisions of this Section 5(a) – 5(f), and neither the Agency nor any Protected Low Income Tenant shall have any claim against the Borrower for failing to comply with Sections 5(a) – 5(f) of this Agreement.

6. Use of Development Revenues.

(a) All Rentals, income, and other receipts derived from the Development (herein, “Development Revenues”) shall, if not held by the Agency in one of its accounts, be deposited in the name of Borrower or a nominee for Borrower in a bank or banks, whose deposits are insured by the Federal Deposit Insurance Corporation or otherwise deposited in funds and accounts established hereunder. The Agency shall at all times be advised of the names of the accounts and the names of the banks. Development Revenues shall be used only in accordance with the provisions of this Agreement. Any person receiving funds of the Development other than as permitted by the Contract Documents shall immediately deposit such funds in a Development bank account, or if failing to do so in violation of this Agreement, shall hold such funds in trust for the Development.

(b) Except as provided in Section 7(f) below, the Agency agrees that during the term of the Mortgages and until all Obligations have been repaid in full, all development reserves, escrows and accounts will be Borrower’s sole property, but shall be subject to the Contract Documents, Agency rules, regulations, controls and escrow arrangements. In an Event of Default under the Mortgages, or either of them, the Agency may, pursuant to the terms and provisions thereof, apply or authorize the application of any and all Development Revenues, including any balances, funds or

accounts hereunder, for the purposes provided in Sections 22 (with the heading "Events of Default") and 23 (with the heading "Additional Rights of Lender") of the Mortgages.

(c) Borrower shall apply Development Revenues in the following order of priority: (i) payment of or adequate reserve for all sums due or currently required to be paid under the terms of the Notes and the Contract Documents (collectively, "Mortgage Debt"); (ii) payment of or adequate reserve for all reasonable and necessary expenses of the Development as identified in Subsection (d), below; (iii) deposit of all amounts required to be deposited in the Replacement Reserve (as hereinafter defined); (iv) deposit of the NOI Construction Payments, as described in Section 2.2(b) of the Construction Loan Agreement, until Completion of the Development (as defined in the Construction Loan Agreement) and (v) payments of operating expense loans made by the partners, managers or members of Borrower for Development expenses, provided that Borrower shall have obtained prior written Agency approval for such loans and shall have supplied the Agency with such evidence as the Agency may reasonably request as to the application of the proceeds of such operating expense loans to Development expenses. Any amounts remaining after application of Development Revenue as provided above shall be applied as provided in Section 7 below.

(d) With respect to the application of Development Revenues as described above, Borrower agrees as follows:

- (i) Payment for services, supplies, or materials shall not exceed the amount ordinarily and reasonably paid for such services, supplies, or materials in the area where the services are rendered or the supplies or materials furnished;
- (ii) Payment for any capital items shall be made or reimbursed only from the Replacement Reserve (as hereinafter defined), unless otherwise approved by the Agency;
- (iii) Reasonable and necessary expenses which may be payable pursuant to subsection 6(c)(ii), above, shall be directly related to the operation, maintenance or management of the Development; and
- (iv) Without the Agency's prior written consent, Borrower may not, while this Agreement remains in effect, assign, transfer, create a security interest in, dispose of, or encumber any Development Revenues except as expressly permitted herein and any such assignment, transfer, security interest, disposition, or encumbrance made in violation of this provision shall be void.

(e) In developing and operating the Development, Borrower shall not incur any liability, either direct or contingent, out of the ordinary course of business.

(f) All amounts payable from Development Revenues to any partner (general or limited), manager, managing member or other member (as applicable) of Borrower, or to any affiliate of any of the foregoing, under the Borrower's partnership or operating agreement (as applicable), or under any partnership or operating agreement of any partner, manager, managing member or other member

(as applicable) of Borrower, shall be payable solely from amounts available as distributions under Section 7 hereof; provided, however, that the foregoing provision shall not apply to any management fees payable under a management contract approved by the Agency under Section 9 hereof, or repayment of any loan(s) pursuant to Section 6(c)(iv), as duly approved by the Agency.

(g) Any (i) fees or other amounts payable under the Development Agreement (as defined in the Development Fund Agreement of contemporaneous date herewith between Borrower and the Agency) to the extent not payable from other sources approved by the Agency as set forth in the Development Fund Agreement; and (ii) rents or other amounts payable under the Ground Lease shall be deemed a distribution under and shall be payable solely from amounts available for distributions pursuant to Section 7 hereof. In the event that distributions are not permitted pursuant to Section 7(b), no payments shall be made on such fees or for Basic Rent due under the Ground Lease.

(h) Any amounts payable from Development Revenues on the CIPF Loan, as such term is defined in the Agreement as to Subordinated Loans by and among the Agency; Borrower; Massachusetts Housing Partnership Fund Board, as agent for The Commonwealth of Massachusetts, acting by and through the Department of Housing and Community Development under the Capital Improvement and Preservation Trust Fund Statute, M.G.L. c. 121G, for itself and as agent for the Town of Bedford; and Preservation of Affordable Housing LLC (the "Sponsor"), dated as of the date hereof and recorded contemporaneously herewith, shall be payable solely from amounts available for distributions pursuant to Section 7 hereof; such payments are not subject to the limitation described in Section 7(c), provided that in the event distributions are not permitted pursuant to Section 7(b), no payments shall be made on the CIPF Loan.

7. Distributions.

(a) Distributions may be made: (i) only at the end of the Development's fiscal year; and (ii) only once all currently payable amounts as identified in Section 6(c) above are paid as evidenced by a certificate provided by an independent accountant indicating that no such obligations are more than thirty (30) days past due. Except with the prior written authorization of the Agency, distributions cannot be derived or made from borrowed funds or from the sale of capital assets.

(b) No distributions may be made when: (i) a default has occurred and is continuing under any Contract Document or some event has occurred that, with the passage of time, would become a default under any Contract Document; (ii) there has been failure to comply with the Agency's notice of any reasonable requirement for proper maintenance of the Development; or (iii) there is outstanding against all or any part of the Mortgaged Property any lien or security interest on the Development assets other than a lien securing the Mortgage Debt under the Contract Documents or a lien expressly permitted under the Contract Documents. In an Event of Default under the Mortgages, or either of them, the Agency may apply any amounts available for distribution to the payment of any Obligations as defined in the Mortgages.

(c) Subject to the provisions set forth above, distributions may be made to Borrower, provided that no distribution for any fiscal year may exceed that percentage of the Borrower's Equity (as hereinafter defined) in the Development, which from time to time is permitted under the Act, and

which, at the time of execution hereof, is ten percent (10%). The ten percent (10%) standard shall apply throughout the term hereof, except that if the Agency establishes a higher rate at a later date as permitted by the Act, Borrower may increase its equity distribution to the then permitted rate of distribution, subject to conditions established by the Agency in accordance with its Equity Policy or other policies or regulations with respect thereto (the "Agency's Equity Policies").

(d) For the purposes hereof and in accordance with Section 5(d) of the Act, the amount of "Borrower's Equity" shall be as set forth on the first page of this Agreement. Such Borrower's Equity shall be adjusted upon completion of the cost certification relating to the construction and/or repairs being financed (or partially financed) by the Mortgage Loan. Thereafter, Borrower shall be allowed to adjust the amount of the Borrower's Equity, subject to the Act and such terms and conditions as set forth in the Agency's Equity Policies.

(e) In the event that amounts available for distribution in a fiscal year exceed the distributions permitted for such fiscal year pursuant to Section 7(c) above, the amount of any such excess may be applied to pay, without interest, the amount by which distributions made in any of the three preceding fiscal years were less than the amount permitted to be paid under Section 7(c) hereof for such fiscal years, subject to the provisions of subsections (a) through (c) above.

(f) Any amounts available for distribution which may not be distributed in any year pursuant to the provisions of Section 7(c) above ("Excess Equity"), shall be deposited in an interest bearing account established by the Agency hereunder pursuant to Section 6(c) of the Act (the "Excess Equity Account") and maintained by the Agency in trust for the benefit of the Development during the term hereof. No distributions may be made to Borrower from the Excess Equity Account, except those permitted pursuant to Section 7(e) hereof. Upon the occurrence of an Event of Default under the Mortgage, the Agency may apply any amounts in the Excess Equity Account to the payment of any Obligations as defined in the Mortgage. Upon Borrower's request, amounts may also be withdrawn from the Excess Equity Account by the Agency during the term hereof and applied to any purpose described in Section 6(c)(i)-(iv) hereof or for any purposes for which amounts in the Replacement Reserve (as hereinafter defined) may be applied, subject to a determination by the Agency that the expenditure is necessary to address the Development's physical or financial needs and that no other funds are available to address such needs. Upon the maturity or authorized prepayment of the last of the Notes to remain outstanding, the Agency, upon the request of the Borrower, may in its sole discretion make amounts available from the Excess Equity Account to: extend the affordability of units available to Low-Income Persons and Families; to reduce Rentals to Low-Income Persons and Families; or to provide relocation and transitional assistance to Low-Income Persons and Families. Upon the expiration of the term hereof, any balance remaining in the Excess Equity Account shall become the Agency's funds free from any restrictions contained herein and may be used by the Agency for any of its purposes under the Act.

(g) Borrower shall comply with the provisions of any applicable Housing Subsidy Program with respect to the application of Rentals, including the creation and maintenance of "excess rental" or similar accounts. The provisions of this Section 7 shall be subject to the requirements of any such Housing Subsidy Program and the provisions of any applicable regulations of the Agency with respect thereto.

8. Replacement Reserve.

(a) Borrower has established and will continue to maintain a reserve fund for replacements (the "Replacement Reserve") in an escrow account controlled by the Agency, with (i) initial funding in an amount per month as set forth on the first page of this Agreement as the "Initial Monthly Deposit," commencing the first day of the second full month following Substantial Completion (as defined in the Loan Agreement), or such later date as approved by the Agency; and (ii) an additional deposit, funded on or before the first day of the second month following Substantial Completion, of not less than the amount set forth on the first page of this Agreement as the "Supplemental Deposit." Borrower hereby agrees that the replacement reserve amount specified above shall be increased each year by three percent (3%) per annum. The monthly replacement reserve deposit may be further adjusted by the Agency from time to time based on a capital needs assessment, which shall be commissioned by the Agency at its discretion at intervals of not greater than ten (10) years and completed at Borrower's expense from funds available in the Replacement Reserve. Any adjustments to the replacement reserve deposit shall also be subject to the 3% annual increase described above. The interest earned on the account shall remain in the Replacement Reserve for the benefit of the Development. **Upon discharge or release of the Operating Reserve, as defined and required under the Partnership Agreement, the balance of any funds thereunder, whether held by the Agency in the Operating Escrow (as defined in the Development Fund Agreement) or otherwise, but not less than \$386,013, shall be deposited into the Replacement Reserve.**

(b) Disbursements from the Replacement Reserve may be made only after receiving prior consent in writing from the Agency, which consent will not be unreasonably withheld.

9. Management of the Development.

(a) Borrower shall maintain the Development in good physical and financial condition in accordance with the Agency's requirements and standards and the requirements and standards of any applicable Housing Subsidy Program. Borrower shall provide for the management of the Development in a manner reasonably satisfactory to the Agency and consistent with accepted practices and industry standards for the management of multi-family market rate rental housing. Further, Borrower shall at all times use its best efforts to ensure that all management services are performed as efficiently and effectively as possible in a manner that, consistent with the requirements of any applicable Housing Subsidy Program, maximizes the Development's "Net Operating Income," as such term is defined by the Agency, provided that nothing herein shall require Borrower to fail to provide necessary resident services or to compromise the physical integrity and long term viability of the Development.

(b) Borrower must execute a management contract substantially in the form prescribed by the Agency and subject to the Agency's prior written approval. Borrower shall not enter into any management contract other than as approved by the Agency. Any management contract entered into

by Borrower shall contain a provision that the Agency may terminate the management contract, by written notice to the Borrower and the management agent, (a) upon the occurrence of an Event of Default under the Contract Documents, such termination to be effective ten (10) days from the management agent's receipt of such termination notice; or (b) for good cause. The Borrower shall immediately make arrangements reasonably satisfactory to the Agency for continuing proper management of the Development after any such termination of the management contract.

(c) Failure by Borrower to terminate the management contract pursuant to this section shall be an Event of Default under the Contract Documents. In the event that, subsequent to thirty (30) days after the termination of the management contract by Borrower (whether or not such termination is pursuant to the provisions of this section), Borrower has not made arrangements reasonably satisfactory to the Agency for continuing proper management of the Development, the Agency shall have the right to designate a new management agent for the Development.

10. Limited Liability. This Agreement incorporates by reference the limited recourse provisions contained in the Mortgages.

11. Change in Composition of Owner Entity. All capitalized terms in this Section, unless otherwise defined herein, shall have the meaning given such terms in Exhibit C hereto.

(a) The following actions shall be subject to the Agency's prior written approval given in accordance with the Transfer of Ownership Policy adopted by its Board of Directors at its August 14, 2007 meeting (the "Transfer Policy"):

(i) Level One Transfer: A Property Transfer or a Transfer resulting in a Change in Control of either the Borrower or a Controlling Entity.

(ii) Level Two Transfer: Either:

(A) a Transfer (or series of Transfers occurring within any period of thirty-six (36) consecutive months, beginning on or after the date of the initial financing or later refinancing of the Mortgaged Property by the Agency) of Ownership Interests, which (1) results in an aggregate change (directly or through one or more Intermediaries) of more than forty-nine percent (49%) of the Ownership Interests in the Borrower (excluding from such calculation any Transfer to a Qualified Principal), and (2) does not constitute an Exempt Transfer or result in a Change in Control of the Borrower; or

(B) a Transfer (or series of Transfers) of Ownership Interests in a Controlling Entity which (1) results in an aggregate change (directly or through one or more Intermediaries) of more than forty-nine percent (49%) of the Ownership Interests in the Controlling Entity (excluding from such calculation any Transfer to a Qualified Principal) and (2) does not constitute an Exempt Transfer or a Change in Control of the Controlling Entity.

(b) Any Transfer that is an Exempt Transfer or an Unregulated Transfer in accordance with the Transfer Policy shall not require the written approval of the Agency.

(c) In connection with any Transfer of a limited partnership or member interest in the Borrower that is either a Level One Transfer or a Level Two Transfer, as approved by the Agency, such transfer may provide for the transfer of or designation of a special limited partner or member within the Borrower.

(d) Borrower agrees that in the event of retirement, death or mental incapacity of a general partner, manager or member, the business of Borrower will be continued by the remaining general partners, managers, or members, or with such additional general partners, managers or members as approved by the Agency.

(e) All consents and approvals for any Transfer (including any Exempt Transfer or Unregulated Transfer) that may be required from HUD (including, without limitation, any 2530 clearance required by HUD) and/or under any subsidy contract then in effect with the federal government, The Commonwealth of Massachusetts or any other entity for the benefit of the Development or the tenants in the Development must be obtained, and copies thereof delivered to the Agency, prior to (and as a condition of) such Transfer.

(f) Notwithstanding any provision to the contrary contained herein, until the earlier of (i) the date on which the Bridge Loan has been fully repaid and all other obligations under the Bridge Note and Bridge Loan Mortgage and all other documents evidencing or securing the Bridge Loan have been satisfied, or (ii) all Capital Contributions payable by the Equity Investor, as such terms are defined in, and in accordance with the terms of, the Development Fund Agreement of contemporaneous date herewith between Borrower and the Agency, have been paid, any proposed Transfer affecting the Equity Investor shall require the written approval of the Agency, Borrower acknowledging the Agency's requirement that the Equity Investor, or its controlling parent, member or other affiliate controlling or controlled by the Equity Investor, must meet or exceed minimum investment grade ratings of "Baa" (Moody's) and/or "BBB" (Standard & Poor's) and/or submit to the Agency evidence of investment funds held in escrow in favor of the Agency on terms and in amounts acceptable to the Agency.

12. Books and Records. All records, accounts, books, tenant lists, applications, waiting lists, documents, and contracts relating to the Development shall at all times be kept separate and identifiable from any other business of Borrower which is unrelated to the Development, and shall be maintained, as required by regulations or guidelines issued by the Agency from time to time, in a reasonable condition for proper audit and subject to examination during business hours by representatives of the Agency. Failure to keep such books and accounts and/or make them available to the Agency will be an Event of Default pursuant to Section 22 of the Mortgages (with the heading "Events of Default").

13. Annual Financial Report; Required Data Collection Information.

(a) Within ninety (90) days following the end of each fiscal year of the Development,

Borrower shall furnish the Agency with a complete annual financial report for the Development based upon an examination of the books and records of Borrower containing a detailed, itemized statement of all income and expenditures, prepared and certified by a certified public accountant in accordance with the reasonable requirements of the Agency which include: (i) financial statements submitted in Agency format; (ii) the financial report on an accrual basis and in conformity with generally accepted accounting principles applied on a consistent basis; and (iii) amounts available for distribution under Section 7 above. A duly authorized agent of Borrower must approve such submission in writing.

(b) In compliance with regulations promulgated by the Department of Housing and Community Development (“DHCD”) pursuant to Chapter 334 of the Acts of 2006, as the same may be amended from time to time (familarly known as the “Assisted Housing Data Collection Act”), and all applicable DHCD guidelines and directives with respect thereto, as the same may be amended from time to time, Borrower shall submit to DHCD annually, in the format and by the applicable deadline reflected therein, all data relating to the Development required to be reported to DHCD thereunder.

14. Financial Statements and Occupancy Reports. At the request of the Agency, Borrower shall furnish quarterly financial statements and occupancy reports and shall give specific answers to questions upon which information is reasonably desired from time to time relative to the ownership and operation of the Development.

15. Sole-Purpose, Single-Asset Entity. Borrower hereby represents and warrants that it is, and while the Mortgage Loan remains outstanding shall remain, a sole-purpose, single-asset mortgagor.

16. No Change of Development’s Use. Borrower shall not, without prior written approval of the Agency, change the type or number of residential units, permit the use of the dwelling accommodations of the Development for any purpose except residences or permit commercial use greater than that originally approved by the Agency, if any.

17. No Discrimination.

(a) There shall be no discrimination upon the basis of race, color, religion, sex, national origin, genetic information, ancestry, sexual orientation, gender identity, age, familial status, children, marital status, veteran status or membership in the armed services, the receiving of public assistance, or physical or mental disability in the lease, use, or occupancy of the Development (provided that if the Development qualifies as elderly housing under applicable state and federal law, occupancy may be restricted to the elderly in accordance with said laws) or in connection with the employment or application for employment of persons for the operation and management of the Development. Borrower or its management company shall, with respect to the Development, take affirmative measures to advertise for employment or contracts for goods and services, and hire and promote employees, and enter into contracts for goods and services in order to ensure compliance with Borrower’s obligations under the Equal Opportunity Contract for Occupancy and Minority Business Development, executed by Borrower and the Agency in connection with the Mortgage Loan.

(b) There shall be full compliance with the provisions of all state or local laws prohibiting discrimination in housing on the basis of race, color, religion, sex, national origin, genetic information, ancestry, sexual orientation, age, familial status, children, marital status, veteran status or membership in the armed services, the receiving of public assistance, or physical or mental disability, and providing for nondiscrimination and equal opportunity in housing. Failure or refusal to comply with any such provisions shall be a proper basis for the Agency to take any corrective action it may deem necessary.

(c) Borrower shall take reasonable steps to ensure that persons with Limited English Proficiency (as defined by HUD in the guidelines referenced below) have meaningful access to the Development's programs and services (including application for occupancy). In furtherance of this requirement, Borrower shall develop and maintain a Language Access Plan in accordance with HUD guidelines ("Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficiency Persons," published at 72 FR 2732 (January 22, 2007), as the same may be supplemented, amended or otherwise modified from time to time).

18. Payments Under Mortgages. Borrower agrees to make all payments due under the Mortgages and with respect to the Mortgage Debt in accordance with the terms and provisions of the Contract Documents.

19. Term. This Agreement shall automatically terminate and become a nullity upon the date on which the Mortgage Debt and all Obligations under the Mortgage have been fully paid and discharged; provided, that if the provisions of Section 5 ("Loan Prepayment, Tenant Protections") apply, such Section 5 shall survive and remain in effect until the earlier of (i) the end of the Transition Period, or (ii) if the Borrower has complied with the terms of Section 5(g), a Certificate of Compliance issued pursuant to the terms of M.G.L. c. 40T and/or its regulations has been duly recorded with (as applicable) the Registry of Deeds and/or Registry District of the Land Court for the county or district in which the Development is located.

20. Notices. Any notice or other communication in connection with this Agreement shall be in writing and (i) deposited in the United States mail, postage prepaid, by registered or certified mail; (ii) hand delivered by any commercially recognized courier service or overnight delivery service, such as Federal Express, addressed as follows:

If to Borrower: Bedford Village Preservation Associates Limited Partnership
c/o Preservation of Affordable Housing, Inc.
40 Court Street, Suite 700
Boston, MA 02108
Attention: General Counsel

with a copy to: Klein Hornig LLP
101 Arch Street, Suite 1101
Boston, Massachusetts 02110

Attention: Daniel M. Rosen

and with a copy to the Equity Investor:

Massachusetts Housing Equity Fund XXIV LLC
c/o Massachusetts Housing Equity Fund, Inc.
21 Custom House Street, 8th Floor
Boston, MA 02110
Attention: Director of Asset Management

Middlesex Savings Bank
c/o Massachusetts Housing Investment Corporation
21 Custom House Street, 8th Floor
Boston, MA 02110
Attention: Director of Asset Management

with a copy to: Nolan Sheehan Patten LLP
101 Federal Street, 18th Floor
Boston, MA 02110
Attention: Brian C. Patten, Esquire

If to the Agency: Massachusetts Housing Finance Agency
One Beacon Street
Boston, MA 02108
Attention: General Counsel

Any such addressee may change its address for such notices to any other address in the United States as such addressee shall have specified by written notice given as set forth above.

A notice shall be deemed to have been given, delivered and received upon the earliest of: (i) if sent by certified or registered mail, on the date of actual receipt (or tender of delivery and refusal thereof) as evidenced by the return receipt; or (ii) if hand delivered by such courier or overnight delivery service, when so delivered or tendered for delivery during customary business hours on a business day at the specified address. Notice shall not be deemed to be defective with respect to the recipient thereof for failure of receipt by any other party.

21. Additional Contract Provisions.

(a) This Agreement may not be modified or amended except with the written consent of the Agency or its successors and assigns and Borrower or its successors and assigns.

(b) This Agreement shall bind, and the benefits hereof shall inure to, respectively, Borrower and its successors and assigns, and the Agency and its successors and assigns, so long as the Mortgages, or either of them, continues in effect, whether or not the Agency shall continue to be the Mortgagee under the Mortgage(s), but shall automatically terminate as set forth in Section 19

above.

(c) Borrower 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 set forth and supersede any other requirements in conflict therewith.

(d) The invalidity of any clause, part or provision of this Agreement shall not affect the validity of the remaining portions thereof.

(e) Any titles or captions contained in this Agreement are for reference only and shall not be deemed a part of this Agreement or play any role in the construction or interpretation hereof.

(f) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include corporations and associations, including public bodies, as well as natural persons.

22. Risk-Sharing. Attached hereto is Rider A, which shall constitute a part of this Agreement from and after the endorsement of the First Note by HUD under the HUD/HFA Risk-Sharing Program, and the agreements contained therein shall be in addition to and not in derogation of any other terms and conditions contained herein and shall continue in full force and effect for the duration of the First Mortgage Loan and the First Mortgage and while any Mortgage Debt associated therewith remains outstanding and unpaid. References in Rider A to the "Mortgage" and the "Mortgage Debt" shall be deemed to refer, respectively, to the First Mortgage and the indebtedness secured by the First Mortgage, as described therein.

23. Comprehensive Permit. Attached hereto is Rider B, which constitutes a part of this Agreement, and the agreements contained therein shall be in addition to and not in derogation of any other terms and conditions contained herein and shall continue in full force and effect for the duration of the Mortgage Loan and the Mortgage and while any Mortgage Debt remains outstanding and unpaid.

[The remainder of this page is intentionally blank. Signature pages follow.]

[Bedford Village: Regulatory Agreement - Borrower Signature Page & Notary]

IN WITNESS WHEREOF, the Agency and the Borrower have caused this Regulatory Agreement to be executed by their respective duly authorized representative(s) as an instrument under seal as of the date set forth above.

BORROWER:
BEDFORD VILLAGE PRESERVATION
ASSOCIATES LIMITED PARTNERSHIP, a
Massachusetts limited partnership

By: POAH Bedford Village, LLC, its general partner

By: Preservation of Affordable Housing, Inc., its sole member

By: [Signature]
Name: Aaron Gornstein
Title: President and Chief Executive Officer

COMMONWEALTH OF MASSACHUSETTS

County of Suffolk, ss.

On this 24th day of May, 2018, before me, the undersigned notary public Aaron Gornstein personally appeared, proved to me through satisfactory evidence of identification, which was: [] at least one current document issued by a federal or state government agency bearing the photographic image of the signatory's face and signature, [] the oath or affirmation of a credible witness unaffected by the document or transaction who is personally known to me and who personally knows the signatory, or identification of the signatory based on my personal knowledge of the identity of the signatory, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose, as President for Preservation of Affordable Housing, Inc., an Illinois non-profit corporation, as manager for POAH Bedford Village, LLC, a limited liability company, as general partner for Bedford Village Preservation Associates Limited Partnership, a limited partnership, as the voluntary act of the partnership.



STEPHANIE KAY WOOD
Notary Public
Commonwealth of Massachusetts
My Commission Expires
June 19, 2020

[Signature]
Notary Public
My Commission Expires: 6/19/2020

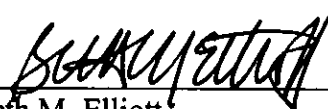
Attachments:

- Rider A – Risk-Sharing Rider (24 CFR § 266.505(b))
- Rider B – Comprehensive Permit Requirements (760 CMR 56.00)
- Exhibit A – Legal Description of Property
- Exhibit B – Rent Schedule
- Exhibit C – Defined Terms

[Bedford Village: Regulatory Agreement – Agency Signature Page & Notary]

AGENCY:

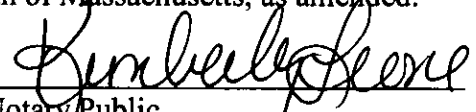
MASSACHUSETTS HOUSING FINANCE
AGENCY


By:  TWP
Beth M. Elliott
General Counsel

COMMONWEALTH OF MASSACHUSETTS

County of Suffolk, ss.

On this 13 day of June, 2018, before me, the undersigned notary public, Beth M. Elliott personally appeared, proved to me through satisfactory evidence of identification, which was: [] at least one current document issued by a federal or state government agency bearing the photographic image of the signatory's face and signature, [] the oath or affirmation of a credible witness unaffected by the document or transaction who is personally known to me and who personally knows the signatory, or identification of the signatory based on my personal knowledge of the identity of the signatory, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that she signed it voluntarily for its stated purpose, as General Counsel of the Massachusetts Housing Finance Agency, a body politic and corporate organized and operated under the provisions of Chapter 708 of the Acts of 1966 of the Commonwealth of Massachusetts, as amended.


Notary Public
My Commission Expires: 7/10/2020

 **KIMBERLY LEONE**
Notary Public
Commonwealth of Massachusetts
My Commission Expires
July 10, 2020

RIDER A
to
Regulatory Agreement

Re: Provisions of 24 CFR § 266.505(b)

The undersigned, the Borrower named in the Regulatory Agreement to which this Rider is attached (herein, together with this Rider and all other riders, schedules and exhibits, the "Regulatory Agreement"), hereby agrees with the Massachusetts Housing Finance Agency (the "Agency") as follows:

1. Unless otherwise defined herein, all capitalized terms used herein shall have the meaning given such terms in the Regulatory Agreement.

2. The agreements contained in this Rider shall be in addition to and not in derogation of any other terms and conditions contained in the Regulatory Agreement and shall continue in full force and effect for the duration of the Mortgage Debt and the Mortgage. Attached to the Regulatory Agreement as Exhibit A is a description of the property subject to the Mortgage.

3. The Regulatory Agreement shall be binding upon the Borrower and upon any of its successors and assigns and upon the Agency and any of its successors for so long as the Mortgage shall remain insured by the Secretary of the United States Department of Housing and Urban Development ("HUD") under the provisions of Section 542(c) of the Housing and Community Development Act of 1992 and 24 CFR Part 266 (the "Risk Sharing Program") or HUD holds a debenture from the Agency issued in connection with a claim arising from the insured Mortgage. So long as the First Mortgage shall remain insured under the Risk Sharing Program, the Agency may not assign the Regulatory Agreement.

4. The Agency is obligated under the provisions of 24 CFR §266.505(a)(3) to enforce the provisions of the Regulatory Agreement and take actions against the Borrower for violation of the provisions of the Regulatory Agreement. Such actions, subject to the giving of any applicable notice and the expiration of any applicable grace period, may include the declaration of a default under the Regulatory Agreement and application to any court for specific performance of the terms of the Regulatory Agreement.

5. The Borrower shall make all payments due under the First Mortgage and with respect to the Mortgage Debt in accordance with the terms and provisions of the Contract Documents.

6. The Borrower has established and will continue to maintain the Replacement Reserve under the Regulatory Agreement for future capital needs of the Development.

7. The Borrower shall maintain the Development as affordable housing, as defined in 24 CFR § 266.5 as follows:

- [] Not less than twenty percent (20%) of the units shall be rented during the term hereof to low-income persons or families whose annual income is less than or equal to 50% of the area

median income as determined by HUD and who shall pay as their share of Adjusted Rental not more than thirty percent (30%) of fifty percent (50%) of such area median income; or

[X] Not less than forty percent (40%) of the units shall be rented during the term hereof to low-income persons or families whose annual income is less than or equal to 60% of the area median income as determined by HUD and who shall pay as their share of Adjusted Rental not more than thirty percent (30%) of sixty percent (60%) of such area median income.

8. The Borrower shall continue to use the dwelling units within the Development for their original purpose as set forth in the Regulatory Agreement.

9. The Borrower shall comply with such other requirements as established by the Agency and set forth in the Regulatory Agreement.

10. The Borrower shall maintain the Development in good physical and financial condition in accordance with the Agency's requirements and standards and the requirements and standards of any applicable Housing Subsidy Program.

11. The Borrower shall maintain complete books and records established solely for the Development in accordance with the requirements of the Regulatory Agreement and shall provide the Agency at the times and in the manner provided in the Regulatory Agreement with an annual audited financial statement based on these books and records and performed in accordance with standards for financial audits of the U.S. General Accounting Office's government auditing standards issued by the Comptroller of the United States.

12. The Borrower shall comply with the Affirmative Fair Housing Marketing Plan in effect with respect to the Development and all other fair housing and equal opportunity requirements.

13. The Borrower shall operate as a single asset mortgagor.

14. The Borrower shall make all Development books and financial records including those required to be maintained by the terms of the Regulatory Agreement available to HUD's Inspection General and/or the General Accounting Office for review with appropriate notification.

15. The Borrower shall permit HUD officials or employees to inspect the Development upon the request of the Federal Housing Commissioner.

16. The Borrower shall otherwise comply with all regulations and requirements under the Risk Sharing Program, as found at 24 C.F.R. Part 266, for as long as the Mortgage is insured by HUD.

[The remainder of this page is intentionally blank. Signature pages follow.]

[Bedford Village: Rider A to Regulatory Agreement - Borrower Signature Page & Notary]

IN WITNESS WHEREOF, the Agency and the Borrower have caused this Regulatory Agreement Rider A to be executed by their respective duly authorized representative(s) as an instrument under seal as of the date set forth above.

BORROWER:
BEDFORD VILLAGE PRESERVATION
ASSOCIATES LIMITED PARTNERSHIP, a
Massachusetts limited partnership

By: POAH Bedford Village, LLC, its general partner

By: Preservation of Affordable Housing, Inc., its sole member

By: *Aaron Gornstein*
Name: Aaron Gornstein
Title: President
and Chief Executive Officer

COMMONWEALTH OF MASSACHUSETTS

County of Suffolk, ss.

On this 24th day of June, 2018, before me, the undersigned notary public Aaron Gornstein personally appeared, proved to me through satisfactory evidence of identification, which was: [] at least one current document issued by a federal or state government agency bearing the photographic image of the signatory's face and signature, [] the oath or affirmation of a credible witness unaffected by the document or transaction who is personally known to me and who personally knows the signatory, or identification of the signatory based on my personal knowledge of the identity of the signatory, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose, as President for Preservation of Affordable Housing, Inc., an Illinois non-profit corporation, as manager for POAH Bedford Village, LLC, a limited liability company, as general partner for Bedford Village Preservation Associates Limited Partnership, a limited partnership, as the voluntary act of the partnership.




STEPHANIE KAY WOOD
Notary Public
Commonwealth of Massachusetts
My Commission Expires
June 19, 2020

Stephanie Kay Wood
Notary Public
My Commission Expires: 6/19/2020

[Bedford Village: Rider A to Regulatory Agreement - Agency Signature Page & Notary]

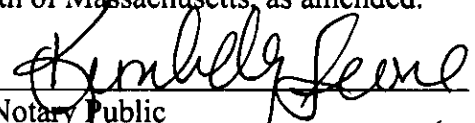
AGENCY:
MASSACHUSETTS HOUSING FINANCE
AGENCY


By:  TWP
Beth M. Elliott
General Counsel

COMMONWEALTH OF MASSACHUSETTS

County of Suffolk, ss.

On this 13 day of June, 2018, before me, the undersigned notary public, Beth M. Elliott personally appeared, proved to me through satisfactory evidence of identification, which was: [] at least one current document issued by a federal or state government agency bearing the photographic image of the signatory's face and signature, [] the oath or affirmation of a credible witness unaffected by the document or transaction who is personally known to me and who personally knows the signatory, or identification of the signatory based on my personal knowledge of the identity of the signatory, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that she signed it voluntarily for its stated purpose, as General Counsel of the Massachusetts Housing Finance Agency, a body politic and corporate organized and operated under the provisions of Chapter 708 of the Acts of 1966 of the Commonwealth of Massachusetts, as amended.


Notary Public
My Commission Expires: 7/10/2020

 **KIMBERLY LEONE**
Notary Public
Commonwealth of Massachusetts
My Commission Expires
July 10, 2020

RIDER B
to
Regulatory Agreement

Re: Comprehensive Permit Requirements (760 CMR 56.00)

The undersigned, the Borrower named in the Regulatory Agreement to which this Rider is attached (together with Rider A and this Rider B, the "Regulatory Agreement"), hereby agrees with the Massachusetts Housing Finance Agency (the "Agency") as follows:

1. Unless otherwise defined herein, all capitalized terms used herein shall have the meaning given such terms in the Regulatory Agreement.

2. The agreements contained in this Rider shall be in addition to and not in derogation of any other terms and conditions contained in the Regulatory Agreement, and shall continue in full force and effect while the Mortgage Loan and the Mortgage and any Mortgage Debt remain outstanding and unpaid.

3. The Department of Housing and Community Development ("DHCD") has promulgated Regulations at 760 CMR 56.00 (as may be amended from time to time, the "Regulations") relating to the issuance of comprehensive permits under Chapter 40B, Sections 20-23, of the Massachusetts General Laws (as may be amended from time to time, the "Chapter 40B Statute") and pursuant thereto has issued its Comprehensive Permit Guidelines (as may be amended from time to time, the "Guidelines") and, collectively with the Regulations and the Chapter 40B Statute, the "Comprehensive Permit Rules");

4. In accordance with the comprehensive permit (the "Comprehensive Permit") issued constructively by Decision of Housing Appeals Committee dated August 27, 1973, in the matter of Bedford Town, Inc. v. Bedford Zoning Board of Appeals the following conditions shall apply:

(a) Not less than twenty five percent (25%) of the ninety six (96) rental units of the Development, or a total of twenty four (24) units (the "Affordable Units" or "Restricted Units"), will be rented to households earning no more than 80% of area median household income (the subject households collectively referred to herein as "Low-Income Persons" or "Low-Income Persons or Families"), as determined by the U.S. Department of Housing and Urban Development (HUD) for the Boston-Cambridge-Quincy Metropolitan Statistical Area, such that said 96 units will count toward the Town's affordable housing stock on the Subsidized Housing Inventory (SHI) maintained by the Department of Housing and Community Development (DHCD).

(b) Borrower shall obtain income certifications satisfactory in form and manner to the Agency at least every twelve (12) months for all tenants who are Low-Income Persons or Families.

(c) Borrower shall at all times comply with the Affirmative Fair Housing Marketing Plan (“AFHM Plan”) in effect with respect to the Development, which shall comply with Comprehensive Permit Rules and all other fair housing and equal opportunity requirements. At a minimum the AFHM Plan shall meet the requirements of the Guidelines, as the same may be amended from time to time. The AFHM Plan, as approved by the Agency, shall become a part of this Regulatory Agreement and shall have the same force and effect as if set out in full in this Regulatory Agreement. The AFHM Plan shall designate entities to implement the plan that are qualified to perform their duties. The Agency may require that another entity be found if the Agency finds that the entity designated by the Borrower is not qualified. Moreover, the Agency may require the removal of an entity responsible for a duty under the AFHM Plan if that entity does not meet its obligations under the AFHM Plan.

(d) Except to the extent permitted by the Comprehensive Permit, as it may be amended pursuant to the Comprehensive Permit Rules, the Borrower shall not change the type or number of Affordable Units without prior written approval of the Agency and an amendment to this Regulatory Agreement. Except to the extent permitted by applicable zoning requirements then in effect, the Borrower shall not permit the use of the dwelling accommodations of the Development for any purpose except residences and any other use permitted by the Comprehensive Permit.

(e) The Borrower shall otherwise comply with all of the Comprehensive Permit Rules.

5. Upon repayment of the Note and termination of this Agreement, the Borrower and MassHousing shall cooperate in good faith to draft and record a replacement Regulatory Agreement that satisfies the Comprehensive Permit Rules, provided that MassHousing may elect not to serve as Subsidizing Agency for the Development.

6. In the event of any conflict or inconsistency (including without limitation more restrictive terms) between the terms of the Comprehensive Permit, any other document relating to the Development and the terms of this Regulatory Agreement, the terms of this Regulatory Agreement shall control.

[Bedford Village: Rider B to Regulatory Agreement - Borrower Signature Page & Notary]

IN WITNESS WHEREOF, the Agency and the Borrower have caused this Regulatory Agreement Rider A to be executed by their respective duly authorized representative(s) as an instrument under seal as of the date set forth above.

BORROWER:

Bedford Village Preservation Associates Limited Partnership, a Massachusetts limited partnership

By: POAH Bedford Village, LLC, its general partner

By: Preservation of Affordable Housing, Inc., its sole member

By: W. Bart Lloyd

Name: **W. Bart Lloyd**
Title: **Managing Director, Acquisitions and General Counsel**

COMMONWEALTH OF MASSACHUSETTS

County of Suffolk, ss.

On this 14th day of June, 2018, before me, the undersigned notary public W. Bart Lloyd personally appeared, proved to me through satisfactory evidence of identification, which was: [] at least one current document issued by a federal or state government agency bearing the photographic image of the signatory's face and signature, [] the oath or affirmation of a credible witness unaffected by the document or transaction who is personally known to me and who personally knows the signatory, or identification of the signatory based on my personal knowledge of the identity of the signatory, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose, as Managing Director for Preservation of Affordable Housing, Inc., an Illinois non-profit corporation, as manager for POAH Bedford Village, LLC, a limited liability company, as general partner for Bedford Village Preservation Associates Limited Partnership, a limited partnership, as the voluntary act of the partnership.

Stephanie Kay Wood
Notary Public


My Commission Expires: 6/19/2020



STEPHANIE KAY WOOD
Notary Public
Commonwealth of Massachusetts
My Commission Expires
June 19, 2020

[Bedford Village: Rider B to Regulatory Agreement - Agency Signature Page & Notary]

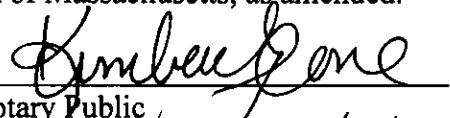
AGENCY:
MASSACHUSETTS HOUSING FINANCE
AGENCY

By: 
Beth M. Elliott
General Counsel

COMMONWEALTH OF MASSACHUSETTS

County of Suffolk, ss.

On this 13 day of June, 2018, before me, the undersigned notary public, Beth M. Elliott personally appeared, proved to me through satisfactory evidence of identification, which was: [] at least one current document issued by a federal or state government agency bearing the photographic image of the signatory's face and signature, [] the oath or affirmation of a credible witness unaffected by the document or transaction who is personally known to me and who personally knows the signatory, or identification of the signatory based on my personal knowledge of the identity of the signatory, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that she signed it voluntarily for its stated purpose, as General Counsel of the Massachusetts Housing Finance Agency, a body politic and corporate organized and operated under the provisions of Chapter 708 of the Acts of 1966 of the Commonwealth of Massachusetts, as amended.


Notary Public
My Commission Expires: 7/10/2020


 **KIMBERLY LEONE**
Notary Public
Commonwealth of Massachusetts
My Commission Expires
July 10, 2020

EXHIBIT A

LEGAL DESCRIPTION

The land with the buildings and improvements situated thereon, on Dunster Road in Bedford, Massachusetts shown on A Compiled Plan of Land in Bedford, Mass. dated Jan. 24, 1974 by Albert A. Miller and Wilbur C. Nylander, Civil Eng'rs & Surveyors recorded with said Registry as Plan No. 892 at the end of Record Book 12680, containing, according to said plan, 10.38 acres more or less, and being bounded and described as follows:

Northeasterly and Northerly by Dunster Road, by two courses measuring 269.11 feet and 480.89 feet;

Easterly by land now or formerly of Donovan 147.00 feet more or less;

Southerly by land now or formerly of McKenna 102.33 feet; Easterly by land now or formerly of McKenna, Tortino and Kaiser 345.00 feet;

Southeasterly and Southerly by seven courses measuring from east to west 225.00 feet more or less, 291.00 feet more or less, 169.00 feet more or less, 257.00 feet more or less, 11.00 feet more or less, 340.23 feet more or less, and 59.40 feet;

Westerly by land of the Town of Bedford by two courses measuring 146.22 feet and 97.09 feet; and

Northerly again by land now or formerly of McGann and of Maynide, Inc. by three courses measuring 17.00 feet, 501.00 feet more or less and 214.00 feet more or less.

EXHIBIT B**RENT SCHEDULE*****Bedford Village Unit Mix***

		Low-Income Housing Tax Credit (LIHTC) Eligible (<60% AMI)*							
Unit Size	Total Units	MRVPs		Tax Credit at 60%		Restricted at 80%		Restricted at 100%	
		#	Rent	#	Rent	#	Rent	#	Rent
1-BR	36	4	\$1,164	19	\$900	2	\$1,271	11	\$1,271
2-BR	50	16	\$1,396	16	\$1,082	4	\$1,578	14	\$1,578
3-BR	10	3	\$1,630	4	\$1,200	1	\$2,073	2	\$2,073

EXHIBIT C
DEFINED TERMS

Borrower: An Entity which is the recipient of a mortgage loan from MassHousing.

Change in Control: Any Transfer that results in (i) a change in any individual or Entity having a Controlling Interest in the Borrower or in any Controlling Entity *and* (ii) the addition or substitution of an Ultimate Controlling Party.

Constituent Entity: A Controlling Entity or an Entity possessing (directly or through one or more Intermediaries) a greater than 49% Ownership Interest in the Borrower.

Controlling Entity: An Entity which has a Controlling Interest in a Borrower, either directly or through one or more Intermediaries. Without limitation of the foregoing, (i) a general partner of a Borrower which is a partnership and a manager of a Borrower which is a limited liability company shall each constitute a Controlling Entity of such a Borrower; (ii) a management agent acting under a management contract with a Borrower shall not be deemed, solely by virtue of its activities thereunder, a Controlling Entity with respect to such Borrower; (iii) an Entity which has contractual rights to direct or control business solely upon the happening of certain events shall not be deemed a Controlling Entity until such time as it elects to exercise such contingent management rights and (iv) an Entity, such as a limited partner or non-managing member, which merely has consent or approval rights with respect to certain actions undertaken or to be undertaken by a Controlling Entity shall not itself be deemed to be a Controlling Entity as a result of the possession or exercise of such rights. A limited partner of a limited partnership or non-managing member of a limited liability company will not be deemed a Controlling Entity of such limited partnership or limited liability company unless, in addition to the exercise of its consent or approval rights, it "participates in the control of the business" of such limited partnership or limited liability company as such phrase is construed for purposes of Section 19 of the Uniform Limited Partnership Act (M.G.L. Chapter 109).

Controlling Interest: An Ownership Interest, contractual right or other interest with respect to an Entity which confers upon its holder the authority or right, directly or indirectly, to manage or otherwise direct any material part of or all of the business or financial affairs and policies of the Entity and/or any material part of or all of the day-to-day or long-term operation of the Mortgaged Property.

Entity: Any general partnership, limited partnership, limited liability company or partnership, corporation, joint venture, trust, business trust, cooperative or association.

Exempt Transfer: Any of the following Transfers shall be deemed Exempt Transfers: (i) a Transfer of Ownership Interests in an Intermediary which is implemented to accommodate the investment of any institutional fund or funds in connection with the syndication or resyndication of a Mortgaged Property where (a) such syndication or re-syndication was contemplated as part of the initial financing transaction with MassHousing, provided for in the organizational documents of the

Borrower submitted to MassHousing or otherwise disclosed to MassHousing in advance of the Transfer *and* (b) there is no Change in Control of such Intermediary; (ii) a Transfer from an individual or Entity to another individual or Entity where the Ultimate Controlling Party(ies) of the transferee is or are the same as the Ultimate Controlling Party(ies) of the transferor; (iii) a Transfer to a Qualified Principal or (iv) a Transfer or election by a special limited partner, special member or other participant in the Borrower as a result of which such person or Entity shall become a Controlling Entity *but only* if (x) such Transfer or election was provided for in the organizational documents of the Borrower or permitted by the MassHousing mortgage loan documents executed and delivered in connection with the Mortgaged Property and (y) the Ultimate Controlling Party of such Controlling Entity is the same as it was on the date of the initial financing or refinancing of the Mortgaged Property by MassHousing as disclosed to MassHousing at such time, or the same as it was on the date a transferee or substitute limited partner was admitted into the Borrower with MassHousing's consent.

Intermediary: An Entity which has, directly or indirectly, an Ownership Interest and/or Controlling Interest in a Borrower.

Mortgaged Property: A real estate project owned by a Borrower, including any and all Real Estate, Fixtures, Additional Appurtenances, Awards, Leases, Subsidy Contracts and Personal Property, as such terms are defined in the standard MassHousing form of Mortgage and Security Agreement.

Ownership Interest: Any right or indicia of ownership, possession or title of any kind or nature, including without limitation member interests in a limited liability company, stock in a corporation, limited and/or general partnership interests in a partnership, and/or beneficial interests in a trust.

Property Transfer: Any Transfer resulting in a change in the person or Entity holding any fee, leasehold or other direct ownership of a Mortgaged Property or any portion thereof, excepting only the following: (a) leases of portions of the Mortgaged Property to tenants in accordance with the provisions of applicable MassHousing loan documentation, (b) Transfers made in connection with a bona fide condemnation or eminent domain action, (c) the disposal in the ordinary course of business of personal property constituting a part of the Mortgaged Property that is obsolete or no longer useful, so long as the same is replaced with similar items of comparable value and utility and in which MassHousing has a first lien and mortgage and (d) the granting of easements, licenses, rights of way and other similar encumbrances which are approved in writing by MassHousing.

Qualified Principal: A natural person who, at the time of the initial financing transaction between the Borrower and MassHousing involving the Mortgaged Property, either (i) owned, directly or indirectly, at least 30% of the Ownership Interests in the Borrower or (ii) executed a written guaranty in favor of MassHousing guaranteeing the Borrower's obligations in connection with such financing.

Transfer: Any sale, lease, ground lease, conveyance, mortgage, grant, grant of security interest or other financing, bargain, encumbrance, pledge, hypothecation, assignment or transfer of any kind or nature, including without limitation any of the foregoing accomplished in installments or in more than a single transaction and including any transfers that are triggered by operation of law or by the death or incapacity of an individual. A transaction pursuant to which an individual or Entity is

admitted directly to a Borrower or Intermediary without the assignment to such individual or Entity of the interests of another individual or Entity shall be nevertheless construed as a Transfer.

Ultimate Controlling Party: Any individual or Entity which, either directly, or indirectly through one or more Intermediaries, has the *ultimate* authority or right to manage or otherwise direct the major part or all of the business or financial affairs and policies of the Borrower.

Unregulated Transfer: Any Transfer which does not constitute a Level One Transfer, Level Two Transfer or Exempt Transfer.

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