

WHEN RECORDED MAIL TO:
Robinson & Cole LLP
280 Trumbull Street
Hartford, Connecticut 06103
Attn: David M. Panico, Esq.



NOTICE OF GROUND LEASE

Pursuant to Section 47-19 of the Connecticut General Statutes, notice is hereby given of the following lease (the "Lease"):

NAME AND ADDRESS OF LESSOR: HOUSING AUTHORITY OF THE TOWN OF NEW CANAAN, a municipal housing authority duly organized and existing pursuant to the laws of the State of Connecticut, having an address at 57 Millport Avenue, New Canaan, Connecticut 06840.

NAME AND ADDRESS OF LESSEE: MILLPORT PHASE II LIMITED PARTNERSHIP, a Connecticut limited partnership having an address at c/o the Housing Authority of the Town of New Canaan, 57 Millport Avenue, New Canaan, Connecticut 06840.

DATE OF LEASE: May 26, 2017.

DEMISED PREMISES: the land and all improvements located at 57-61 Millport Avenue, New Canaan, Connecticut 06840 (the "Property"), which land is more particularly described on Schedule A attached hereto.

TERM: The initial term of the Lease is for ninety (90) years and commences on the Date of the Lease and expires on May 25, 2107.

OPTION TO EXTEND: None.

OPTION TO PURCHASE THE PROPERTY: None.

COPY OF THE LEASE: A complete copy of the Lease is on file at the office of the Lessor set forth above.

EFFECT OF THIS NOTICE OF LEASE: This Notice of Lease is entered into by the parties, and is to be recorded only to set forth the Lease as a matter of record. Nothing contained in this Notice of Lease shall be deemed to modify, amend, alter, limit or otherwise change any of the provisions of the Lease itself or the rights and obligations of the parties thereto as provided therein. All capitalized terms in this Notice of Lease shall have the meaning ascribed in the Lease. In the event of any conflict or ambiguity between the terms of this Notice of Lease and the terms of the Lease, the terms of the Lease shall prevail. Reference is hereby made to the Lease for all of the terms, covenants and conditions thereof.

IN WITNESS WHEREOF, Lessor and Lessee have duly executed this Notice of Lease as of the Date of the Lease.

Schedule A

All that certain piece, parcel or tract of land, being a portion of that new consolidated parcel, comprised of portions of former Assessor Lots 630, 644 and 644A, situated in the Town of New Canaan, County of Fairfield and State of Connecticut, being a portion of Parcel 630, 35 Millport Avenue and portion of Parcel 644 and 644A 57 Millport Avenue, shown as PHASE II (SHADED AREA) AREA=64,982+/- SQ. FT. OR 1.4918+/- AC. (LEASEHOLD PARCEL) and designated within shaded area on a map entitled "ALTA/NSPS LAND TITLE SURVEY (PROPERTY SURVEY) 33, 35, 41, 57 & 65 MILLPORT AVENUE DEPICTING LEASE PARCEL II PROPERTY OF HOUSING AUTHORITY OF THE TOWN OF NEW CANAAN NEW CANAAN, CONNECTICUT" Sheets 1 and 2 of 2, dated May 19, 2017, Scale 1"=30', made by William W. Seymour & Associates, P.C., which map is or will be filed in the Office of the Town Clerk of New Canaan, more particularly bounded and described as follows:

Beginning at a point on the division line between land now or formerly of Medical Properties (Tax Lot 622, 173 East Avenue) and land now or formerly of The Housing Authority of The Town of New Canaan, said point lying north 57° 04' 20" west a distance of 92.74 feet and north 50° 38' 00" west a distance of 5.19 feet and north 57° 58' 00" west a distance of 24.93 feet and south 62° 37' 30" west a distance of 5.07 feet and north 45° 58' 50" west a distance of 70.39 feet from the intersection of said division line with the northwesterly line of Millport Avenue and further being the intersection of the easterly line of the herein described parcel (Phase II) with the aforesaid division line;

Thence, running generally southwesterly and in a clockwise direction south 44° 01' 10" west a distance of 100.00 feet and south 45° 58' 50" east a distance of 7.29 feet and south 44° 32' 10" west a distance of 52.74 feet and south 58° 41' 20" west a distance of 115.23 feet to a point;

Thence, running generally northwesterly and continuing in a clockwise direction north 42° 37' 20" west a distance of 137.25 feet to a point on the division line between the herein described parcel (Phase II) and land now or formerly of Gray Stone Condominiums (Tax Lot 647, 52-70 Lakeview Avenue);

Thence, running generally northeasterly and northwesterly and continuing in a clockwise direction along said land now or formerly of Gray Stone Condominiums (Tax Lot 647, 52-70 Lakeview Avenue) north 46° 03' 30" east a distance of 114.08 feet and north 46° 33' 30" west a distance of 127.44 feet to a point and land now or formerly of Essex Ridge Condominium (Tax Lot 642, 164-176 Summer Street);

Thence, running generally northeasterly and continuing in a clockwise direction along said land now or formerly of Essex Ridge Condominium (Tax Lot 642, 164-176 Summer Street) and land now or formerly of Old Forge Green Condominium (Tax Lot 621, 141-161 East Avenue), each in part, north 44° 16' 00" east a distance of 66.35 feet and north 42° 59' 00" east a distance of 115.70 feet to a point, said point being the northwesterly corner of the herein described parcel (Phase II);

Thence, running generally southeasterly and continuing in a clockwise direction along said land now or formerly of Old Forge Green Condominium (Tax Lot 621, 141-161 East Avenue) south 47° 24' 00" east a distance of 86.85 feet and south 49° 20' 00" east a distance of 55.50 feet and south 56° 38' 00" east a distance of 13.25 feet to the aforesaid division line between land now or formerly Medical Properties (Tax Lot 622, 173 East Avenue) and the herein described parcel (Phase II);

Thence, running generally southwesterly and southeasterly and continuing in a clockwise direction along said division line between land now or formerly of Medical Properties (Tax Lot 622, 173 East Avenue) and the herein described parcel (Phase II) south $36^{\circ} 28' 00''$ west a distance of 46.84 feet and south $45^{\circ} 58' 50''$ east a distance of 123.15 feet to the point of beginning.

the "Leasehold Parcel",

Together with the rights, provisions, terms and conditions set forth in an Easement Agreement by and among the Housing Authority of the Town of New Canaan, NCHA Mill Apartments Limited Partnership, Millport Phase I Limited Partnership and Millport Phase II Limited Partnership, and consented to by the State of Connecticut Department of Housing, People's United Bank, National Association, and Bankwell Bank, dated as of May 26, 2017, and recorded in the New Canaan Land Records.

Such easements and rights of way are shown and depicted on a map entitled "COMPILATION PLAN 33, 35, 41, 57 & 65 MILLPORT AVENUE MAP DEPICTING LEASE PARCELS PROPERTY OF THE HOUSING AUTHORITY OF THE TOWN OF NEW CANAAN, NEW CANAAN, CONNECTICUT" dated December 18, 2015, Scale 1"=30 ft., by William F. Seymour & Associates, P.C., which map is filed in the Office of the Town Clerk of New Canaan as Map #7648, as:

"Easement Area Y", more particularly bounded and described as follows:

Beginning at a point on the former division line between properties known as 41 & 57 Millport Avenue, said point being further described as lying north $09^{\circ} 47' 00''$ west a distance of 126.20 feet from the intersection of said former division line between said properties known as 41 & 57 Millport Avenue with the northwesterly line of Millport Avenue;

Thence, running alternately southwesterly and northwesterly south $78^{\circ} 16' 50''$ west a distance of 44.25 feet and north $38^{\circ} 03' 00''$ west a distance of 83.95 feet and south $50^{\circ} 32' 40''$ west a distance of 14.66 feet and 8.41 feet along a tangent arc curving to the right having a radius of 5.00 feet and subtending a delta or central angle of $96^{\circ} 19' 30''$ and 51.51 feet along an arc (compound and tangent) curving to the right having a radius of 107.00 feet and subtending a delta or central angle of $27^{\circ} 34' 57''$ and south $84^{\circ} 15' 50''$ west a distance of 25.00 feet and north $43^{\circ} 56' 30''$ west a distance of 29.54 feet to a point on the division line between land of Housing Authority of the Town of New Canaan and land now or formerly of Gray Stone Condominiums;

Thence, running northerly along said division line between land of Housing Authority of the Town of New Canaan and known as 57 Millport Avenue and land now or formerly of Gray Stone Condominiums north $46^{\circ} 03' 30''$ east a distance of 27.34 feet to a point;

Thence, running southeasterly and northeasterly through said land of Housing Authority of the Town of New Canaan and known as 57 Millport Avenue south $42^{\circ} 37' 20''$ east a distance of 137.25 feet and north $58^{\circ} 41' 20''$ east a distance of 115.23 feet to a point on the former division line between properties known as 41 & 57 Millport Avenue;

Thence, running southwesterly along said former division line between properties known as 41 & 57 Millport Avenue south $44^{\circ} 32' 10''$ west a distance of 62.12 feet to a point;

Thence, running southeasterly and southwesterly through said land of Housing Authority of the Town of New Canaan and known as 41 Millport Avenue south 29°09'35" east a distance of 23.65 feet and south 60°50'25" west a distance of 8.32 feet to a point on the former division line between properties known as 41 & 57 Millport Avenue;

Thence, running southeasterly along said former division line between properties known as 41 & 57 Millport Avenue south 09°47'00" east a distance of 25.08 feet to the point of beginning.

And "Driveway Easement Parcel" shown and depicted as "Proposed Driveway Easement for Phase II" on a map entitled "COMPILATION PLAN 33, 35, 41, 57 & 65 MILLPORT AVENUE MAP DEPICTING DRIVEWAY EASEMENTS PROPERTY OF THE HOUSING AUTHORITY OF THE TOWN OF NEW CANAAN, NEW CANAAN, CONNECTICUT" dated December 18, 2015, Scale 1"=30 ft., Scale 1"=30 ft., by William F. Seymour & Associates, P.C., which map is filed in the Office of the Town Clerk of New Canaan as Map #7649, bounded and described as follows:

Beginning at a point on the northwesterly line of Millport Avenue, said point lying north 78°17'30" east 1.87 feet of the intersection of the former division line between properties known as 65 & 57 Millport Avenue with said northwesterly line of Millport Avenue;

Thence, running northerly and northwesterly a distance of 10.52 feet along an arc curving to the left having a radius of 30.00 feet and subtending a central or delta angle of 20°05'35" and having a chord bearing of north 01°39'42" west and north 11°42'30" west a distance of 69.75 feet and north 38°03'00" west a distance of 103.11 feet and 80.59 feet along an arc curving to the right having a radius of 131.00 feet and subtending a central or delta angle of 35°14'45" to a point;

Thence, running northeasterly along the northerly terminus of the herein described easement north 84°15'50" east a distance of 24.00 feet to a point;

Thence, running southeasterly and southerly a distance of 54.96 feet along an arc curving to the left having a radius of 107.00 feet and subtending a central or delta angle of 29°25'40" and south 38°03'00" east a distance of 120.81 feet and south 11°42'30" east a distance of 67.12 feet and 20.00 feet along an arc curving to the left having a radius of 30.00 feet and subtending a central or delta angle of 38°11'39" and having a chord bearing of south 30°48'19" east to the aforesaid northwesterly line of Millport Avenue;

Thence, running southwesterly along said northwesterly line of Millport Avenue south 78°17'30" west a distance of 32.25 feet to the point of beginning.

(hereinafter, the "Easement Parcels").

Together with the rights, provisions, terms and conditions set forth in a Ground Lease from the Housing Authority of the Town of New Canaan to Millport Phase II Limited Partnership, a Notice of which is dated as of May 26, 2017, and recorded, or to be recorded, in the New Canaan Land Records.

All of the above hereinafter referred to as the "Land".

2519933669092.v2

Received for record on 6-1-17 at 1:31 pm
and recorded by Claudia A. Weber
TOWN CLERK

**Rental Assistance Demonstration
 Use Agreement**
**U.S. Department of Housing
 and Urban Development
 Office of Housing
 Office of Public and Indian Housing**

OMB Approval No. 2577-0276 (Exp. 02/29/16)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Paperwork Reduction Project (2577-0276), Office of Information Technology, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This Rental Assistance Demonstration Use Agreement (hereinafter called the "Agreement") made the 18th day of MAY, 2017, by and between the **United States of America, Secretary of Housing and Urban Development** (hereinafter called "HUD"), and **Millport Phase II Limited Partnership**, (hereinafter called the "Owner"), and the **Housing Authority of the Town of New Canaan** (hereinafter called the "Ground Lessor") provides as follows:

Whereas, Rental Assistance Demonstration (hereinafter called "RAD") provides the opportunity to test the conversion of public housing and other HUD-assisted properties to long-term, project-based Section 8 rental assistance to achieve certain goals, including the preservation and improvement of these properties through access by Owners to private debt and equity to address immediate and long-term capital needs.

Whereas, Projects funded under the public housing programs may under RAD convert their assistance to long-term, project-based Section 8 rental assistance contracts. Under this component of RAD, Owners may choose between two forms of Section 8 Housing Assistance Payment (HAP) contracts: project-based vouchers (PBVs) or project-based rental assistance (PBRA). No incremental funds are authorized for this component. Owners will convert their assistance at current subsidy levels.

Whereas, Projects shall have a RAD Use Agreement that will be recorded superior to other liens on the property, run for the same term as the initial term of the HAP contract, automatically renew upon each extension or renewal of the HAP contract for a term that runs with each renewal term of the HAP contract, and remain in effect even in the case of abatement or termination of the HAP contract (for the term the HAP contract would have absent the abatement or termination).

Whereas, HUD has approved the conversion of the "Project" identified as **Millport Phase II CT26RD0004** and covering real property as described in Exhibit "A" attached hereto; and that this approval is evidenced by and through the terms of the RAD Conversion Commitment as described in Exhibit "B" attached hereto; and that was previously subject to a public housing Declaration of Trust dated June 17, 2002 and recorded in the Land Records of the Town of New Canaan in Volume 593 at Page 87; and such public housing Declaration of Trust was released on May 18, 2017 and recorded on June 1, 2017 in the Land Records of the Town of New Canaan in Volume 973 at Page 585.

Whereas, pursuant to the Consolidated and Further Continuing Appropriations Act of 2012 (Public Law 112-55, approved November 18, 2011) and the corresponding PIH Notice 2012-32 published on July 26, 2012 (hereinafter called the "RAD Notice"), which this Use Agreement incorporates, in exchange for HUD's agreement to permit this conversion to PBVs or PBRA, the Owner has agreed to continue to operate the assisted PBV or PBRA units only as rental housing for the initial term, and each renewal term of the HAP Contract, unless otherwise approved by HUD:

Now Therefore, in consideration of the mutual promises set forth herein and of other valuable consideration, the parties hereby agree as follows:

- Definitions.** All terms used in this Agreement have the same meaning as set forth in the definitions in RAD Notice.
- Term.** The initial term shall be 20 years. Unless otherwise approved by HUD, this Agreement shall remain in effect through the initial term, and for an additional period to coincide with any renewal term of the HAP Contract. This Agreement will survive HAP abatement or termination of the HAP Contract unless otherwise approved by HUD.
- Use Restriction and Tenant Incomes.** The HAP-assisted units within this Project shall be used solely as rental housing for tenants meeting the eligibility and income-targeting requirements under the HAP Contract. In the case that the HAP Contract is terminated (due to, e.g.: breach, or non-compliance), new tenants must have incomes at or below 80 percent of the average median income (AMI) at the time of admission for the remainder of the term of the Agreement, applicable to all units previously covered under the HAP contract. Additionally, rents must not exceed 30% of 80% of median income for an appropriate sized unit. Notwithstanding the foregoing, in the event the Owner is able to demonstrate to HUD's satisfaction that despite the Owner's good faith and diligent efforts to do so, the Owner is unable either (1) to rent a sufficient percentage of Units to Low Income Tenants or Very Low Income Tenants in order to satisfy the restrictions in this paragraph, or (2) to otherwise provide for the financial viability of the Project, HUD may, in its sole discretion, agree to reduce the percentage of units subject to the restriction under this paragraph or otherwise modify this restriction in a manner acceptable to the Owner and HUD. Any such modification of the restrictions listed in this paragraph shall be evidenced by a written amendment to this Agreement executed by each of the parties hereto.

4. **Subordination.** Any mortgage liens will be subject to this Agreement. This Agreement will survive foreclosure and bankruptcy.
- Fair Housing and Civil Rights Requirements.** Compliance with all applicable fair housing and civil rights requirements including the obligation to affirmatively further fair housing and the site selection and neighborhood standards requirements set forth in 24 CFR §§ 1.4(b)(3) and 941.202, as applicable, is required.
6. **Federal Accessibility Requirements.** Compliance with all applicable federal accessibility requirements under the Fair Housing Act and implementing regulations at 24 CFR Part 100, Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR Part 8, and Titles II and III of the Americans with Disabilities Act and implementing regulations at 28 CFR Parts 35 and 36, respectively, is required.
7. **Transfer of the Agreement.** HUD has been granted and is possessed of an interest in the above described Project such that the Owner and the Ground Lessor shall remain seized of the title to said Project and refrain from transferring, conveying, encumbering or permitting or suffering any transfer, conveyance, assignment, lease, mortgage, pledge or other encumbrance of said Project or any part thereof without the release of said covenants by HUD. The Owner and the Ground Lessor have constituted HUD as its attorney-in-fact to transfer PBV or PBRA assistance to another entity in the event of default under the HAP Contract. With HUD approval, after 10 years from the effective date of the initial term of the HAP Contract, if the Project is economically non-viable or physically obsolete, assistance may be transferred subject to this Agreement. Any such new Owner shall assume the obligations under this Agreement as a condition of any transfer. This Agreement shall be binding upon the Owners and all future successors and assigns until released by HUD.
8. **Release.** The endorsement by a duly authorized officer of HUD (1) upon any conveyance or transfer made by the Owner of any real or personal property which is determined to be excess to the needs of the Project, or (2) upon any instrument of conveyance or dedication of property, or any interest therein, for use as streets, alleys, or other public rights-of-way, or for the establishment, operation and maintenance of public utilities, or (3) upon any instrument transferring or conveying an interest therein, or (4) upon any instrument of release made by the Owner of the assisted PBV or PBRA units shall be effective to release such property from the restrictive covenants hereby created.
9. **Enforcement.** In the event of a breach or threatened breach of any of the provisions of this Agreement, any eligible tenant or applicant for occupancy within the Project, or the Secretary or his or her successors or delegates, may institute proper legal action to enforce performance of such provisions, to enjoin any acts in violation of such provisions, to recover whatever damages can be proven, and/or to obtain whatever other relief may be appropriate.
10. **Severability.** The invalidity, in whole or in part, of any of the provisions set forth in this Agreement shall not affect or invalidate any remaining provisions.
11. **Impairment of HAP Contract.** The terms and provisions of this Agreement shall continue in full force and effect except as expressly modified herein. Any conflicts between this Agreement and the HAP Contract shall be conclusively resolved by the Secretary.
12. **Execution of Other Agreements.** The Owner and the Ground Lessor agree that it has not and will not execute any other agreement with provisions contradictory of, or in opposition to, the provisions of this Agreement, and that in any event, the provisions of this Agreement are paramount and controlling as to the rights and obligations set forth and supersede any other conflicting requirements.
13. **Subsequent Statutory Amendments.** If revisions to the provisions of this Agreement are necessitated by subsequent statutory amendments, the Owner and the Ground Lessor agree to execute modifications to this Agreement that are needed to conform to the statutory amendments. In the alternative, at HUD's option, HUD may implement any such statutory amendment through rulemaking.
14. **No Negotiation.** This Agreement is not subject to negotiation by the Owner, the Ground Lessor, or any lender.

Witness Whereof, HUD and the Owner thereunto duly authorized has caused these presents to be signed in its name and its corporate seal to be hereunto affixed and attested this 18th day of MAY, 2017.

(Seal)

HUD Attest:

Thomas R. Davis

By:
Title:

Date: _____, 2017

District of Columbia)

Before me, Simon TAMALE YABA, a Notary Public in and for said District of Columbia, on this 18th day of MAY, 2017, personally appeared THOMAS R. DAVIS, who is personally well known to me to be the DIRECTOR OFFICE OF RECORD, of HUD, and the person who executed the foregoing instrument by virtue of the authority vested in him by, and I having first made known to him the contents thereof, he did acknowledge the signing thereof to be a free and voluntary act and done on behalf of the Secretary of Housing and Urban Development for the uses, purposes and considerations therein set forth.

Witness my hand and official seal this 18th day of MAY, 2017.

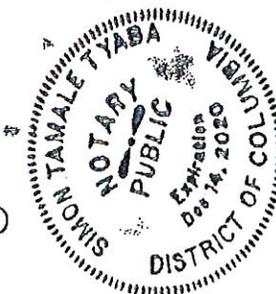
(Seal)

Simon Tamale Yaba

(Notary Public)

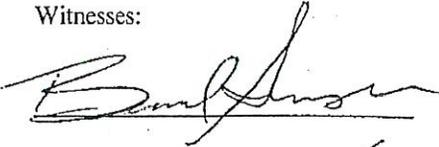
Print Name: Simon TAMALE YABA
My commission expires 12/14/2020, 20 20.

DISTRICT OF COLUMBIA: SS
SUBSCRIBED AND SWORN TO BEFORE ME
THIS 18th DAY OF MAY, 2017
Simon Tamale Yaba
NOTARY PUBLIC
My Commission Expires 12/14/2020

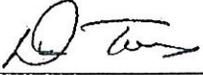


ner Attest:

Witnesses:



Print Name: BARNARD E. SIMPKIN



Print Name: Dimitri Touanas

MILLPORT PHASE II LIMITED PARTNERSHIP
a Connecticut limited partnership

By: Millport Phase II GP Corporation,
a Connecticut corporation
Its General Partner

By: 

Name: Scott Hobbs
Title: Chairman, Duly Authorized

Date: May, 2017

State of CONNECTICUT)

County of FAIRFIELD)

ss: Stamford

On this 25th day of May, 2017, before me, duly commissioned and sworn, personally appeared Scott Hobbs as Chairman of Millport Phase II GP Corporation as General Partner of **MILLPORT PHASE II LIMITED PARTNERSHIP**, and he did acknowledge the signing thereof to be a free and voluntary act and done on behalf of said Millport Phase II GP Corporation as General Partner of **MILLPORT PHASE II LIMITED PARTNERSHIP** for the uses, purposes and considerations therein set forth.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this Certificate first above written.



Print Name: Dimitri Touanas
Notary Public - My commission expires , 20
(Seal)

Ground Lessor Attest:

Witnesses:

[Handwritten signature]

HOUSING AUTHORITY OF THE TOWN OF NEW CANAAN,
a public body corporate and politic organized and existing
under and by virtue of the laws of the State of Connecticut

BERNARD E. SIMPKIN

Print Name:

[Handwritten signature]

Print Name: Dimitri Toulmas

By: *[Handwritten signature]*

Name: Scott Hobbs

Title: Chairman, Duly Authorized

Date: May 26, 2017

State of CONNECTICUT)

County of FAIRFIELD)

ss: *[Handwritten signature]*

On this 25th day of May, 2017, before me, duly commissioned and sworn, personally appeared Scott Hobbs as Chairman of HOUSING AUTHORITY OF THE TOWN OF NEW CANAAN, and he did acknowledge the signing thereof to be a free and voluntary act and done on behalf of said HOUSING AUTHORITY OF THE TOWN OF NEW CANAAN for the uses, purposes and considerations therein set forth.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this Certificate first above written.
(Seal)

[Handwritten signature]

Print Name: Dimitri Toulmas

Notary Public - My commission expires , 20

(Seal)

EXHIBIT A – Property Subject to this RAD Use Agreement

That certain piece, parcel or tract of land, being a portion of that new consolidated parcel, comprised of portions of former Assessor Lots 630, 644 and 644A, situated in the Town of New Canaan, County of Fairfield and State of Connecticut, being a portion of Parcel 630, 35 Millport Avenue and portion of Parcel 644 and 644A 57 Millport Avenue, shown as **PHASE II (SHADED AREA) AREA=64,982+/- SQ. FT. OR 1.4918+/- AC. (LEASEHOLD PARCEL)** and designated within shaded area on a map entitled **“ALTA/NSPS LAND TITLE SURVEY (PROPERTY SURVEY) 33, 35, 41, 57 & 65 MILLPORT AVENUE DEPICTING LEASE PARCEL II PROPERTY OF HOUSING AUTHORITY OF THE TOWN OF NEW CANAAN NEW CANAAN, CONNECTICUT”** Sheets 1 and 2 of 2, dated May 19, 2017, Scale 1”=30’, made by William W. Seymour & Associates, P.C., which map is or will be filed in the Office of the Town Clerk of New Canaan, more particularly bounded and described as follows:

Beginning at a point on the division line between land now or formerly of Medical Properties (Tax Lot 622, 173 East Avenue) and land now or formerly of The Housing Authority of The Town of New Canaan, said point lying north 57° 04' 20" west a distance of 92.74 feet and north 50° 38' 00" west a distance of 5.19 feet and north 57° 58' 00" west a distance of 24.93 feet and south 62° 37' 30" west a distance of 5.07 feet and north 45° 58' 50" west a distance of 70.39 feet from the intersection of said division line with the northwesterly line of Millport Avenue and further being the intersection of the easterly line of the herein described parcel (Phase II) with the aforesaid division line;

Thence, running generally southwesterly and in a clockwise direction south 44° 01' 10" west a distance of 100.00 feet and south 45° 58' 50" east a distance of 7.29 feet and south 44° 32' 10" west a distance of 52.74 feet and south 58° 41' 20" west a distance of 115.23 feet to a point;

Thence, running generally northwesterly and continuing in a clockwise direction north 42° 37' 20" west a distance of 137.25 feet to a point on the division line between the herein described parcel (Phase II) and land now or formerly of Gray Stone Condominiums (Tax Lot 647, 52-70 Lakeview Avenue);

Thence, running generally northeasterly and northwesterly and continuing in a clockwise direction along said land now or formerly of Gray Stone Condominiums (Tax Lot 647, 52-70 Lakeview Avenue) north 46° 03' 30" east a distance of 114.08 feet and north 46° 33' 30" west a distance of 127.44 feet to a point and land now or formerly of Essex Ridge Condominium (Tax Lot 642, 164-176 Summer Street);

Thence, running generally northeasterly and continuing in a clockwise direction along said land now or formerly of Essex Ridge Condominium (Tax Lot 642, 164-176 Summer Street) and land now or formerly of Old Forge Green Condominium (Tax Lot 621, 141-161 East Avenue), each in part, north 44° 16' 00" east a distance of 66.35 feet and north 42° 59' 00" east a distance of 115.70 feet to a point, said point being the northwesterly corner of the herein described parcel (Phase II);

Thence, running generally southeasterly and continuing in a clockwise direction along said land now or formerly of Old Forge Green Condominium (Tax Lot 621, 141-161 East Avenue) south 47° 24' 00" east a distance of 86.85 feet and south 49° 20' 00" east a distance of 55.50 feet and south 56° 38' 00" east a distance of 13.25 feet to the aforesaid division line between land now or formerly Medical Properties (Tax Lot 622, 173 East Avenue) and the herein described parcel (Phase II);

Thence, running generally southwesterly and southeasterly and continuing in a clockwise direction along said division line between land now or formerly of Medical Properties (Tax Lot 622, 173 East Avenue) and the herein described parcel (Phase II) south 36° 28' 00" west a distance of 46.84 feet and south 45° 58' 50" east a distance of 123.15 feet to the point of beginning.

the **“Leasehold Parcel”**,

gether with the rights, provisions, terms and conditions set forth in an **Easement Agreement** by and among the Housing Authority of the Town of New Canaan, NCHA Mill Apartments Limited Partnership, Millport Phase I Limited Partnership and Millport Phase II Limited Partnership, and consented to by the State of Connecticut Department of Housing, People's United Bank, National Association, and Bankwell Bank, which is or will be recorded in the New Canaan Land Records.

Such easements and rights of way are shown and depicted on a map entitled "COMPLIATION PLAN 33, 35, 41, 57 & 65 MILLPORT AVENUE MAP DEPICTING LEASE PARCELS PROPERTY OF THE HOUSING AUTHORITY OF THE TOWN OF NEW CANAAN, NEW CANAAN, CONNECTICUT" dated December 18, 2015, Scale 1"=30 ft., by William F. Seymour & Associates, P.C., which map is filed in the Office of the Town Clerk of New Canaan as Map #7648, as:

"**Easement Area Y**", more particularly bounded and described as follows:

Beginning at a point on the former division line between properties known as 41 & 57 Millport Avenue, said point being further described as lying north $09^{\circ}47'00''$ west a distance of 126.20 feet from the intersection of said former division line between said properties known as 41 & 57 Millport Avenue with the northwesterly line of Millport Avenue;

Thence, running alternately southwesterly and northwesterly south $78^{\circ}16'50''$ west a distance of 44.25 feet and north $38^{\circ}03'00''$ west a distance of 83.95 feet and south $50^{\circ}32'40''$ west a distance of 14.66 feet and 8.41 feet along a tangent arc curving to the right having a radius of 5.00 feet and subtending a delta or central angle of $96^{\circ}19'30''$ and 51.51 feet along an arc (compound and tangent) curving to the right having a radius of 107.00 feet and subtending a delta or central angle of $27^{\circ}34'57''$ and south $84^{\circ}15'50''$ west a distance of 25.00 feet and north $43^{\circ}56'30''$ west a distance of 29.54 feet to a point on the division line between land of Housing Authority of the Town of New Canaan and land now or formerly of Gray Stone Condominiums;

Thence, running northerly along said division line between land of Housing Authority of the Town of New Canaan and known as 57 Millport Avenue and land now or formerly of Gray Stone Condominiums north $46^{\circ}03'30''$ east a distance of 27.34 feet to a point;

Thence, running southeasterly and northeasterly through said land of Housing Authority of the Town of New Canaan and known as 57 Millport Avenue south $42^{\circ}37'20''$ east a distance of 137.25 feet and north $58^{\circ}41'20''$ east a distance of 115.23 feet to a point on the former division line between properties known as 41 & 57 Millport Avenue;

Thence, running southwesterly along said former division line between properties known as 41 & 57 Millport Avenue south $44^{\circ}32'10''$ west a distance of 62.12 feet to a point;

Thence, running southeasterly and southwesterly through said land of Housing Authority of the Town of New Canaan and known as 41 Millport Avenue south $29^{\circ}09'35''$ east a distance of 23.65 feet and south $60^{\circ}50'25''$ west a distance of 8.32 feet to a point on the former division line between properties known as 41 & 57 Millport Avenue;

Thence, running southeasterly along said former division line between properties known as 41 & 57 Millport Avenue south $09^{\circ}47'00''$ east a distance of 25.08 feet to the point of beginning.

And "**Driveway Easement Parcel**" shown and depicted as "Proposed Driveway Easement for Phase II" on a map entitled

"COMPILATION PLAN 33, 35, 41, 57 & 65 MILLPORT AVENUE MAP DEPICTING DRIVEWAY EASEMENTS
 OPERTY OF THE HOUSING AUTHORITY OF THE TOWN OF NEW CANAAN, NEW CANAAN,
 CONNECTICUT" dated December 18, 2015, Scale 1"=30 ft., Scale 1"=30 ft., by William F. Seymour & Associates,
 P.C., which map is filed in the Office of the Town Clerk of New Canaan as Map #7649, bounded and described as
 follows:

Beginning at a point on the northwesterly line of Millport Avenue, said point lying north 78°17'30" east 1.87 feet
 of the intersection of the former division line between properties known as 65 & 57 Millport Avenue with said
 northwesterly line of Millport Avenue;

Thence, running northerly and northwesterly a distance of 10.52 feet along an arc curving to the left having a
 radius of 30.00 feet and subtending a central or delta angle of 20°05'35" and having a chord bearing of north
 01°39'42" west and north 11°42'30" west a distance of 69.75 feet and north 38°03'00" west a distance of 103.11
 feet and 80.59 feet along an arc curving to the right having a radius of 131.00 feet and subtending a central or
 delta angle of 35°14'45" to a point;

Thence, running northeasterly along the northerly terminus of the herein described easement north 84°15'50" east
 a distance of 24.00 feet to a point;

Thence, running southeasterly and southerly a distance of 54.96 feet along an arc curving to the left having a
 radius of 107.00 feet and subtending a central or delta angle of 29°25'40" and south 38°03'00" east a distance of
 120.81 feet and south 11°42'30" east a distance of 67.12 feet and 20.00 feet along an arc curving to the left having
 a radius of 30.00 feet and subtending a central or delta angle of 38°11'39" and having a chord bearing of south
 30°48'19" east to the aforesaid northwesterly line of Millport Avenue;

Thence, running southwesterly along said northwesterly line of Millport Avenue south 78°17'30" west a distance
 of 32.25 feet to the point of beginning.

(hereinafter, the "Easement Parcels").

Together with the rights, provisions, terms and conditions set forth in a Ground Lease from the Housing Authority of the
 Town of New Canaan to Millport Phase II Limited Partnership, a Notice of which is or will be recorded in the New
 Canaan Land Records.

EXHIBIT B - RAD Conversion Commitment

25199\3\3662951.v4

OMB Approval 2577-0276 (Expires [xx/xx/xx])

**Rental Assistance Demonstration (RAD)
Conversion Commitment (Public
Housing; First Component)**

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

Complete each box, even if information is duplicative			
Proposed Name and Address of Covered Project: Millport Apartments 57 Millport Avenue New Canaan, CT 06840	Proposed Project Owner: Millport Phase II, Limited Partnership 917-542-3684 dmccarthy@rosecompanies.com Project Owner is controlled by: <input type="checkbox"/> Public body <input type="checkbox"/> Non-profit <input checked="" type="checkbox"/> For-profit (in LIHTC entity)	Proposed Project Owner Notice Address: 57 Millport Ave New Canaan, CT 06840	
Existing Name and Address of Converting Project: MILLPORT APARTMENTS 57 Millport Avenue New Canaan, CT 06840	PHA: New Canaan Housing Authority Contact phone/email: 917-542-3684/dmccarthy@rosecompany.com PHA is an MTW agency: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	PHA Notice Address: 57 Millport Ave New Canaan, CT 06840	
Dwelling Units in Covered Project (specify total # of dwelling units, and # of RAD, non-RAD income restricted, market, and manager units): Total Units: 40 RAD Units: 18 LIHTC Units: 22 Market Units: 0 Other Afd Units: 0			
PIH Information Center (PIC) removal application number (a/k/a Demolition-Disposition Application Number (DDA#)): DDA0007157			
Converting Project PIC Number(s) (for all items to the right in this row, list data by each AMP # in the cells below):	# of units converting to RAD to be removed from each AMP:	# of non-converting units to be removed from each AMP (e.g., due to a de minimis reduction):	Total # of units to be removed from each AMP (sum of two middle columns):
CT054000001	18	0	18
<input checked="" type="checkbox"/> Project-Based Rental Assistance (PBRA) <input type="checkbox"/> Project-Based Vouchers (PBV). If PBV, list HAP Contract Administrator (PHA or another housing authority): _____		Number of HAP Contracts and Term length of each HAP Contract: 20 years	
Reserve Fund for Replacements Amount of Total Monthly Deposit to Replacement Reserve upon the completion of the Work for all units, including RAD and non-RAD units: <u>\$1,686.67</u>			

Key features of Covered Project:

General:

- Ground lease
- Transfer of Assistance
- Scattered-site project
- Major non-dwelling assets (e.g., free-standing buildings, community or commercial facilities or significant unimproved acreage) (explain below).
 - Existing included in the PIC removal application listed on page 1
 - To be added to the Covered Project
- PHA's sole project or, together with substantially concurrent conversions, the PHA's last public housing project to convert

Construction:

- Demolition of current public housing units
- New Construction. If new construction, is HAP contract to be entered into:
 - at Closing, or
 - upon construction completion

Relocation:

- Tenants will be Relocated for >12 months
- Tenants will be Relocated for ≤12 months
- No relocation anticipated

Financing:

- FHA-Insured Financing anticipated
if so, date of Firm Commitment: _____
- Low-Income Housing Tax Credits anticipated
Date of any allocating agency closing deadline: 04/15/2017
- Conventional financing anticipated
- No new FHA-Insured, LIHTC or conventional financing
- Existing debt, such as EPC, CFFP, OFFP or existing mixed-finance debt (list below the type of debt, whether it will remain outstanding post-conversion and, if not, whether it will be paid off prior to or at closing)
- Public housing funds in Sources and Uses

Inter-Related Projects:

- Multi-phase conversion
- Converting Project is adjacent to public housing units within the same AMP that are not converting (not a full conversion of a contiguous project)
- Rent Bundling
 - This is a donor property
 - This is a recipient property
(Identify below the associated properties in the rent bundling arrangement and when the other projects have/are expected to close)
- Conversion is part of a series of interrelated transactions other than multi-phase, partial conversion or rent-bundled transactions (explain below).

Unit Configuration:

- Reduction in units. If checked, 0 (#) units reduced based on the following authority:
 - De minimis associated with this transaction (# of 0 units)
 - De minimis associated with another transaction (# of 0 units) (explain below)
 - Other (explain below)
- Change in unit configuration (explain below)

If additional information is necessary to clarify the features above and/or if there are other important features of the Transaction not described above, such additional information may be listed here:

The PHA requested HUD approval of a shift in unit mix to "right-size units" for the tenants. This unit mix/configuration will meet the need of the family compositions located at Mill Port Apartments.

UNIT/BEDROOM DISTRIBUTION 0-BR 1-BR 2-BR 3-BR 4-BR 4+BR
 Total Current: 18 10 8
 Total RAD Conversion: 18 4 10 4

RAD Rehab Assistance Payments:

Per Unit Monthly RAD Rehab Assistance Payment: \$ 219
 Maximum # of units eligible for RAD Rehab Assistance Payments: 18 Units
 Last date in which RAD Rehab Assistance Payment can be made (completion of Work): 02/28/2018

Choice Mobility:

- Project Owner will comply with RAD Choice Mobility practices.
- Project Owner is exempt from implementing the RAD Choice Mobility practices with respect to the RAD units in the Covered Project.

This commitment ('Commitment') to participate in the Rental Assistance Demonstration ('RAD') and convert the assistance of the Converting Project named in the above table is entered into by and among New Canaan Housing Authority, a public housing authority organized and existing under the laws of Connecticut ('PHA'); Millport Phase II, Limited Partnership, a Millport Phase II, Limited Partnership organized and existing under the laws of Connecticut ('Project Owner'); and the United States Department of Housing and Urban Development, acting by and through the Secretary, his or her successors, assigns or designates ('HUD'), as of the date executed by HUD below. If the PHA is to be the owner of the Covered Project, the PHA shall also be identified as the Project Owner.

TERMS AND CONDITIONS:

1. **Applicable HUD Regulations and Requirements.** By converting assistance and entering into the Closing Documents contemplated in this Commitment, the PHA and Project Owner agree, each as and to the extent applicable, to operate the Covered Project in accordance with all applicable law, including without limitation the Consolidated and Further Continuing Appropriations Act of 2012 (Pub. L. 112-55, signed November 18, 2011, as amended) ("RAD Statute"); all applicable program requirements and guidance, including without limitation Notice PIH-2012-32, as amended and revised from time to time (the "RAD Notice") or any successor or additional statutes, regulations or guidance; and the terms and conditions set forth below (collectively, the "Program Requirements"). Any conflicts between this Commitment and any other HUD requirements shall be conclusively resolved by HUD. Any capitalized terms used herein but not defined have the meanings given them in the RAD Notice.
2. **Acceptance of Commitment/Expiration.**
 - a. This Commitment shall terminate thirty (30) days from the date executed by HUD unless the PHA and Project Owner execute and return an unaltered copy of this Commitment to HUD, at the address that appears on the last page of this Commitment.
 - b. This Commitment shall not be effective or enforceable against HUD until all conditions stated herein have been satisfied in HUD's determination.
 - c. Unless all conditions stated herein have been satisfied as determined by HUD and the transactions contemplated by this Commitment (collectively, the "Transaction") are closed within 90 days from the date executed by HUD, this Commitment shall, unless extended by HUD in writing, expire and be of no further force or effect. Upon expiration, all rights and obligations of the respective parties shall cease.
3. **Closing Requirements and HUD Approvals.** As used in this Commitment, "Closing" means execution of all binding legal instruments connected to the transaction contemplated by this Commitment and, if applicable, recordation of such instruments. All requirements set forth in this Commitment must be completed to HUD's satisfaction before the Closing can occur. A Closing checklist ("Closing Checklist") is attached hereto as Exhibit E and incorporated herein. The Closing Checklist lists those items HUD has determined necessary to be submitted to and approved by HUD in order for the Closing of this Transaction to occur. Should HUD determine that any other documents or items (in addition to those listed on the Closing Checklist) are necessary to meet the terms of this Commitment or Program Requirements, the PHA and Project Owner agree to provide such documents or other items in such form and substance as acceptable to HUD or to terminate this Commitment and not proceed to Closing. Unless otherwise agreed by HUD, in the case where the Project Owner differs from the PHA, all post-closing requirements and obligations contained herein will apply to the Project Owner after the Closing. Any determination, approval or decision of HUD pursuant to this Commitment shall be in HUD's sole and absolute discretion. Unless otherwise set forth in writing by HUD prior to Closing, HUD's execution and release of the Closing Documents shall constitute any approvals or decisions required herein and not previously given in writing.
4. **Public Housing Requirements.** The PHA and Project Owner acknowledge that the Converting Project remains subject to the United States Housing Act of 1937, its Consolidated Annual

Contributions Contract and any amendments thereto, and all other pertinent Federal statutory, executive orders, regulations and other guidance, as those requirements may be amended from time to time (collectively the "Applicable HUD Requirements"), and shall not be subject to the HAP Contract, until the effective date of the HAP Contract. Unless HUD gives written instructions otherwise, for so long as the Converting Project remains public housing, the PHA and Project Owner shall take all steps necessary to ensure that:

- a. Fire and other property insurance as required under Applicable HUD Requirements are and shall be maintained in full force and effect;
- b. All ordinary and necessary operating expenses pursuant to Applicable HUD Requirements of the Converting Project are and shall be paid; and
- c. The Converting Project remains in compliance with Applicable HUD Requirements, including without limitation all requirements related to the physical condition of the Converting Project and any remedial agreements between HUD and the PHA and remedial judicial or administrative orders, except as expressly modified by this Commitment and/or the Closing Documents.

Upon the Closing, the PHA shall certify in writing that the foregoing requirements have been met through the date of the Closing.

5. **HUD Review of Project Ownership.** The PHA and Project Owner agree that HUD approval of the ownership and control of the Covered Project is a condition of closing. The PHA shall not transfer any ownership interest in the Converting Project prior to the Closing.
6. **Closing Documents.** The PHA and Project Owner shall execute or cause to be produced, as appropriate, such agreements, instruments, certificates and other documents as HUD may require to complete the Transaction (collectively, the "Closing Documents"), using forms prescribed by or acceptable to HUD and completed, executed, recorded and/or filed in the number of copies and in such manner as directed by HUD. Without limiting the foregoing, the Closing Documents may include:
 - a. If applicable, one or more releases or partial releases of the applicable Declaration(s) of Trust or comparable document;
 - b. a RAD Use Agreement (document HUD-52625);
 - c. a Housing Assistance Payments Contract (for PBRA, documents HUD-52620 and HUD-52618; for PBV, HUD-52530A Parts I and II and HUD-52621), including any required exhibits;
 - d. Certifications and assurances; and
 - e. Any additional documents required by HUD in order to determine whether criteria for Closing have been met.
7. **Use Agreement Priority.** A title report must be provided for the Converting Project and Covered Project. In addition, an owner's pro forma title policy may be requested for the Covered Project involving the addition of financing to be secured by the Covered Project. Unless otherwise approved by HUD, the RAD Use Agreement shall be superior to any and all liens and/or encumbrances against the Covered Project, including, without limitation, the lien evidenced by any and all mortgages, deeds of trust and other financing documents and regulatory documents related to the Covered Project (including any LIHTC use agreement). The Project Owner shall obtain consents or subordination agreements, and have such documents executed, as HUD may determine necessary to establish such priority.
8. **Expenses and Transaction Costs.** Except as otherwise set forth in this Commitment, regardless of whether the Transaction is consummated, HUD shall not be responsible for any expenses or transaction costs incurred by or at the direction of the PHA or Project Owner in connection with the Transaction (including without limitation, fees for consultants, attorneys, environmental contractors, tax advisors and accountants; city, county and/or state taxes and/or fees; recording fees, prepayment penalties and/or premiums; costs for title insurance and title examination; surveys and appraisals).
9. **Tax, Financial, and Legal Consequences.** HUD has not provided, nor shall it provide, any opinions, representations, warranties, or covenants to any party regarding any federal, state and/or local tax consequences, financial consequences, or legal consequences relative to the

Transaction. The PHA and Project Owner acknowledge that funding of the contemplated Housing Assistance Payment Contract (HAP Contract) is subject to appropriations.

10. **Certifications, Representations and Warranties by the PHA and Project Owner.** Any statement, certification, representation or warranty made by the PHA or Project Owner in or pursuant to this Commitment is true and correct when given, and shall remain true and correct at all times through and including the Closing. In the event any such statement, certification, representation or warranty is no longer complete or correct, and without limiting HUD's rights and remedies, the PHA or Project Owner, respectively, shall notify HUD in writing immediately. Without limiting the foregoing, the PHA and Project Owner, respectively, hereby represent and certify to HUD and warrant to maintain the veracity through Closing of the following statements:
- a. All notices required by Program Requirements relating to the transaction have been timely provided to such persons and in a manner complying with applicable Program Requirements.
 - b. The PHA and the Converting Project continue to meet all program eligibility requirements as stipulated in the RAD Notice.
 - c. With the exception of any transfers under the PHA's Admissions and Continued Occupancy Policy or as otherwise approved by HUD, the PHA has not relocated any residents of the Converting Project in connection with the Transaction prior to the date hereof.
 - d. Except as specifically disclosed to and accepted by HUD in writing, neither the PHA nor the Project Owner (including, but not limited to Board Members, principals and executives of the PHA or Project Owner) is the current subject of, nor has received any pending notice of, any debarment, suspension or other administrative proceeding, audit or investigation by HUD, including without limitation by the Inspector General, the Departmental Enforcement Center, or the Office of Fair Housing and Equal Opportunity, or any other Federal or state government agency, whether or not sanctions have been imposed against such party.
 - e. No disclosed debarment, suspension or other administrative proceeding, audit or investigation would impact the PHA's or the Project Owner's ability to carry out its obligations as contemplated under this Commitment.

Upon the request of HUD, the PHA shall provide HUD with evidence satisfactory to HUD relating to each of the foregoing certifications. Execution of the Closing Documents by the PHA and the Project Owner, respectively, constitute re-certification to HUD of the foregoing statements.

11. **Successors and Assigns.** This Commitment and its attachments are binding upon the PHA, the Project Owner and the successors and assigns of each. Unless otherwise provided herein, this Commitment may not be assigned, in whole or in part, except upon the prior written consent of HUD.
12. **Corrections.** Notwithstanding anything to the contrary contained in this Commitment, the PHA and Project Owner agree to execute, before or after the Closing, such documents, amendments or modifications as HUD deems necessary or appropriate to effectuate the intent of this Commitment or to complete or consummate the Transaction, including but not limited to instruments necessary to correct this Commitment or any of the Closing Documents.
13. **Changes to This Commitment.** HUD has approved a Financing Plan for this transaction. The PHA and Project Owner shall notify HUD of any changes to the terms set forth in the Financing Plan, or any other business terms submitted to HUD. If HUD determines such changes to be material, HUD may require an amendment to this Commitment or other reviews or approvals as HUD determines necessary to account for the changed terms. The final business terms shall be determined as of the Closing and inserted into the applicable Closing Documents. The PHA's and Project Owner's execution of the Closing Documents shall constitute acceptance of the final business terms reflected therein.

14. Sources of Funds.

- a. HUD must review and approve all debt (secured and unsecured) against the Covered Project prior to Closing.
- b. Development Budget. HUD approval of this Transaction is based on the estimated Sources and Uses attached as Exhibit B. Any changes to this Sources and Uses shall be disclosed to HUD and if HUD determines that such changes are material, HUD may require additional review and approvals and/or amendment to this Commitment. PHA and/or Project Owner shall provide HUD with the final certified Sources and Uses upon Closing.
- c. PHA Funds for Development Budget. Where the Transaction includes public housing funds to be contributed by the PHA for uses other than funding the HAP Contract, these funds must be shown on the Sources and Uses. The PHA certifies that all such funds are available and reserved for the Transaction, are irrevocable, and that the PHA has obtained all consents necessary in order for the PHA to commit such funds to the Transaction.
 - i. Prior to Closing, public housing Capital Funds shown in the Sources and Uses must be moved within the HUD Line of Credit Control System (LOCCS) to the "RAD Investment" Budget Line Item (BLI 1504). These funds must be drawn down out of LOCCS at closing and subject to a General Depository Agreement (GDA, form HUD-51999) until they are disbursed for a use shown in the Sources and Uses.
 - ii. Public housing Operating Reserves shown in the Sources and Uses must be held in an account or sub-account subject to a GDA until such funds are disbursed for a use shown in the Sources and Uses.
 - iii. To the extent such funds must be subject to a GDA as described above, the PHA may use a pre-existing GDA if the PHA is making use of separate or segregated accounting. (For example, a PHA may have a pre-existing account for Operating Fund Reserves subject to a GDA and if the converted funds to be used as shown in the Sources and Uses may be adequately separated or segregated for accounting purposes in a sub-account or otherwise remaining subject to the pre-existing GDA, the requirements of this section are fulfilled.)
 - iv. If shown in the Sources and Uses, such funds may be used to satisfy obligations of the Covered Project, including without limitation, funding reserves (for example, to make an initial deposit for a replacement reserve (IDRR)) or payment of construction or other project costs in accordance with this RCC and other project documents. Methods by which the PHA may choose to disburse such funds in accordance with this section include:
 - In a lump sum as a loan to the Project Owner, subject to a loan agreement or other documentation;
 - Incrementally over time as a loan to the Project Owner, subject to a loan agreement or other documentation;
 - In a lump sum to the Project Owner as a grant or otherwise without the expectation of repayment; and/or
 - Incrementally over time to the Project Owner as a grant or otherwise without the expectation of repayment.
- d. No Additional PHA funds. Except for the amounts identified in the Sources and Uses and amounts identified in the HAP Contract to fund the Covered Project in the calendar year of conversion, no public housing funds may be used as an additional source of funds for the Covered Project. By way of illustration and not limitation, after Closing, no public housing funding (including any funds deemed "project funds" or "program income" under public housing regulations) may be used to pay for any costs for any work (Work or other work) done in connection with the Covered Project.

- e. Upon the conversion of assistance, the Converting Project, including any real or personal property thereof, shall no longer be used for public housing purposes, as originally authorized by the U.S. Housing Act of 1937. This Commitment provides instruction for such conversion and the treatment of the Converting Project. Any proceeds of disposition of the Converting Project (or of any real property or improvements that as of the date of this Commitment are considered public housing) in connection with the conversion of assistance contemplated by this Commitment shall be used for affordable housing purposes as defined in the RAD Notice. Any proceeds of any loans of converted public housing funds made in connection with the conversion of assistance contemplated by this Commitment shall be used for affordable housing purposes. Any uses of converted public housing funds listed in the Sources and Uses attached hereto as Exhibit B shall be considered end uses for purposes of 2 CFR Part 200.
15. **Moving to Work Considerations.** Participation in RAD by a Moving To Work (MTW) agency does not reflect a determination that the agency will remain an MTW agency, only a determination that the Covered Project will continue to be a RAD project under the terms of the RAD program.
16. **RAD HAP Contract Funding in Initial Year.** From the effective date of the HAP Contract through the remainder of the calendar year, the Covered Project will be funded only from available public housing amounts obligated prior to the effective date of the HAP Contract and from any additional public housing amounts that HUD obligates in full or in part, subject to the availability of sufficient appropriations, for the remainder of the calendar year in which the HAP Contract becomes effective. Project Owner acknowledges that this amount for the first year may be less than the contract rent for subsequent years. During such time, the PHA will draw down funds from LOCCS as instructed by HUD and transfer amounts to the Project Owner as payments pursuant to the HAP Contract in its capacity as or on behalf of the Contract Administrator, as applicable.
17. **RAD Rehab Assistance Payments.** It is anticipated that the Covered Project will be eligible for RAD Rehab Assistance Payments pursuant to its HAP Contract to the extent set forth on the second page of this Commitment.
18. **Section 8 Contract Rents.** Exhibit C sets out the monthly Section 8 contract rents that will be specified in the HAP Contract.
19. **Planned Construction and Rehabilitation.** Exhibit D sets forth the planned construction, repairs and/or rehabilitation for the Covered Project, including any repairs that need to be completed before closing, to be funded in accordance with the Sources and Uses (the "Work").

The Project Owner hereby represents, warrants and certifies to HUD and will update such representation, warranty and certification at Closing, in a form and substance acceptable to HUD, that the sources of funds are sufficient to pay for the Work and that all Work will be completed timely and in accordance with applicable RAD Program Requirements, including without limitation:

- a. The Work will be completed in accordance with:
- i. The more stringent of: (1) any applicable national building code, such as Uniform Building Code, Council of American Building Officials Code, or Building Officials Conference of America Code; or (2) applicable state and local laws, codes, ordinances, and regulations;
 - ii. Other applicable Federal requirements including any Federal fire-safety requirements and HUD minimum property standards (e.g., 24 CFR part 200, subpart S for FHA-insured properties);
 - iii. The relevant requirements of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, as applicable;

- iv. Notice PIH 2014-17 / H 2014-09, issued July 14, 2014 (and any amendments, revisions or successor documents), "Relocation Requirements under the Rental Assistance Demonstration (RAD) Program, Public Housing in the First Component," which relocation requirements include, as applicable, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and its implementing regulations at 49 CFR Part 24 with regard to any relocation of residents;
 - v. Section 504 of the Rehabilitation Act of 1973 and its implementing regulations at 24 CFR part 8, including but not limited to accessibility standards, with regard to any "substantial alterations" or other "alterations," each as defined in such regulations, as applicable;
 - vi. The design and construction requirements of the Fair Housing Amendments Act of 1988 and its implementing regulations at 24 CFR Part 100.25, as applicable;
 - vii. Section 3 of the Housing Act of 1968 and its implementing regulations at 24 CFR Part 135 and all of the related regulations, rules and requirements as applicable; and
 - viii. Davis-Bacon prevailing wage requirements, section 12 of the United States Housing Act of 1937, and Contract Work Hours and Safety Standards Act, and all of the related regulations, rules and requirements for any repairs that qualify as "construction" or "rehabilitation" as defined in such regulations, rules and requirements.
- b. Any Work not completed by the final completion date listed on Exhibit D and set forth in the HAP Contract, including any reduction in the scope of Work listed on Exhibit D, unless an extension of such date or such reduction in scope is approved in writing by HUD, constitutes a default of this Commitment and of any HAP Contract entered into with respect to the Covered Project. Upon such default, HUD may terminate this Commitment and/or HUD may take action to terminate the HAP Contract relating to the Covered Project, as provided in the HAP Contract.
- c. The Project Owner shall not be entitled to earn or receive any cash flow distributions from the Covered Project until after completion of the Work, certification of the actual cost of the Work, and written HUD acceptance of the completed Work.
- d. To the extent the Work includes new construction or substantial rehabilitation, the PHA and/or Project Owner shall engage a qualified general contractor who shall obtain either (i) a payment and performance bond from a properly licensed surety, which bond and surety shall be acceptable to HUD, or (ii) a letter of credit, acceptable to HUD.
20. **Reserve for Replacements.** The Project Owner shall establish upon Closing a Reserve for Replacements, with an IDRR as set forth in Exhibit B, the Sources and Uses. Monthly deposits into the Reserve for Replacements will be made in the amount set forth on the first page of this Commitment as set forth in the HAP Contract and adjusted annually in accordance with the HAP Contract and Program Requirements.
21. **Counsel.** Closing is conditioned upon review and approval of the Transaction by HUD, including without limitation a legal review and approval of diligence and closing documents. The PHA and Project Owner, if different than the PHA, agree to select competent, independent counsel in connection with this Transaction. Counsel to the PHA and/or Project Owner, as appropriate, must provide a legal opinion with respect to the following matters and any other matters reasonably requested by HUD:
- a. The PHA and Project Owner are each duly organized, validly existing and in good standing under the laws of the applicable jurisdiction(s);
 - b. The PHA and Project Owner each have the requisite power and authority, and have secured all consents required, to consummate the Transaction;
 - c. Each of the Closing Documents executed by or on behalf of the PHA and/or Project Owner in connection with the Transaction is a legally binding obligation of such party, duly executed and delivered on behalf of such party and enforceable in accordance with its terms;
 - d. There is no litigation or other claim pending or threatened against the PHA, Project Owner or the Covered Project other than as disclosed to and consented to by HUD;

- e. Based upon a pro forma title policy acceptable to HUD and assuming the recordation of documents in the order contemplated by such pro forma title policy, provided counsel has no reason to believe the documents will be recorded in an order other than as listed in such pro forma title policy, the RAD Use Agreement is superior to the lien and/or encumbrance evidenced by any and all mortgages, deeds of trust and other financing documents and regulatory documents of record relating to the Covered Project; and
- f. All Closing Documents conform with the legal requirements set forth in this RCC and any and all changes to HUD forms or sample language have been disclosed to HUD.
22. **Last public housing unit.** If, upon completion of this RAD conversion and other RAD conversions for which this PHA has an RCC and/or CHAP, the PHA will no longer have residential units in its public housing portfolio, the PHA agrees to comply with additional instructions provided by HUD regarding the close-out of its residential public housing portfolio prior to or after Closing. The PHA acknowledges that failure to comply with HUD instructions may result in withholding Section 8 or other cash payments after Closing pending cure of such violation to HUD's satisfaction.
23. **Non-dwelling assets.** Any non-dwelling assets proposed for removal from PIC in connection with the Transaction must be listed in the PIC removal application (a/k/a Demolition-Disposition Application) identified on the first page of this Commitment and must be approved by HUD.
24. **Special Conditions.** This Commitment is subject to the Special Conditions set forth on Exhibit A.
25. **Exhibits.** The following exhibits are a part of this Commitment and incorporated herein by this reference:
- a. Special Conditions
 - b. Sources and Uses of Funds
 - c. Monthly HAP Contract Rents
 - d. Scope of Work
 - e. Closing Checklist
26. **Entire Agreement; Survival.** The information listed on the chart on the first pages of this Commitment is a part of this Commitment. All prior and contemporaneous oral and written communications are merged herein and superseded hereby, and this Commitment and all exhibits attached constitute the entire agreement between the PHA, Project Owner and HUD with respect to the Transaction. This Commitment, and the responsibilities relating to each respective party, shall survive Closing of the Transaction.
27. **Post-Closing Responsibilities.** The PHA and Project Owner agree to follow the directions of the HUD Closing Coordinator with respect to post-Closing obligations. Without limiting the foregoing, the PHA and Project Owner, as appropriate, will provide evidence of recording of the applicable Closing Documents and copies of any applicable executed HAP contract, recorded Use Agreement, and DOT Release within three (3) business days thereof and will provide copies of the remaining Closing Documents as directed within sixty (60) days of Closing. In addition, the PHA must follow instructions provided by HUD to remove the Converting Project, or portions thereof, from PIC to effect conversion.
28. **Severability.** Should any provision of this Commitment be held by a court of law to be unenforceable, such determination shall in no way compromise the enforceability of the other provisions.
29. **Counterparts.** This Commitment may be executed in counterparts. Electronic copies of signatures (such as those in portable document format (pdf)) shall be evidence of and treated as original signatures.
30. **Consistency with Federal Law.** Nothing contained in this Commitment shall impose on HUD any duty, obligation, or requirement, the performance of which would be inconsistent with federal statutes, rules, or regulations in effect at the time of such performance.

(signature page follows)

Signature Page to RAD Conversion Commitment

Department of Housing and Urban Development

By:

[Signature]

Name: Thomas R. Davis

Title: Director, Office of Recapitalization

Date:

MAR 17 2017

PHA: New Canaan Housing Authority

[Signature]

Scott Hobbs, Chairman

3/20/17

Project Owner: Millport Phase II, Limited Partnership

[Signature]

March 20, 2017

Scott Hobbs

Date: _____

Return the signed RAD Conversion Commitment to:
RAD Closing Manager and Division Director
Office of Recapitalization - Closing Division
U.S. Department of Housing and Urban Development
451 7th Street SW, Room 6222
Washington, DC 20410

EXHIBIT A
Special Conditions

N/A

Necessary HUD Approvals

- 2530s/APPS must be approved by HUD prior to closing.
- The PHA's significant amendment to its Annual or Five Year Plan must be approved by HUD prior to closing.
- The PHA is required to submit their Affirmative Fair Housing Marketing Plan to HUD, prior to closing
-
-
-

Additional Provisions to the RCC

N/A

EXHIBIT B
Sources and Uses

Sources	Amount	Notes (List name of capital source and, for all debt, the amortization period, term and interest rate)
New First Mortgage Loan	\$3,050,000.00	
Public Housing Operating Reserves	\$225,000.00	
Prior Year Public Housing Capital Funds	\$0.00	
Replacement Housing Factor	\$0.00	
Low Income Housing Tax Credit Equity - 4%	\$3,698,465.00	
Low Income Housing Tax Credit Equity - 9%	\$0.00	
HOME	\$0.00	
HOPE 6	\$0.00	
CDBG	\$0.00	
Other Federal Funds	\$0.00	
Other State/Local Funds	\$0.00	
Other Private Funds	\$0.00	
Take Back Financing	\$0.00	
Other: DOH CHAMP 9	\$5,094,478.00	
Other: Town of New Canaan	\$600,000.00	
Other: Deferred Developer Fee	\$350,000.00	
Other: Eversource Rebate	\$66,750.00	
Other:	\$0.00	
Other:	\$0.00	
Total Sources	\$13,084,693.00	

EXHIBIT B
Sources and Uses, Cont'd

Uses	Amount
Acquisition Costs	\$0.00
Building and Land Acquisition	\$0.00
Other Costs	\$0.00
Payoff Existing Loans	\$0.00
Construction Costs	\$10,247,677.00
Relocation Costs	\$230,000.00
Professional Fees	\$0.00
Architecture	\$153,947.00
Engineering	\$126,266.00
Physical Condition Assessment	\$0.00
Borrower's Legal Counsel	\$102,157.00
Lender's Legal Counsel	\$146,043.00
Feasibility Studies	\$25,000.00
Environmental Reports	\$8,250.00
Appraisal / Market Study	\$14,000.00
Accounting	\$20,000.00
Survey	\$15,000.00
Other Costs	\$126,627.00
Loan Fees and Costs	\$0.00
FHA MIP	\$0.00
FHA Application Fee	\$0.00
FHA Inspection Fee	\$0.00
Financing Fee	\$57,375.00
Organizational Costs	\$0.00
Title Insurance/Exam Fee	\$30,600.00
Recordation Fee	\$0.00
Closing Escrow Agent Fee	\$0.00
Prepayment Penalty/Premium	\$0.00
Payables	\$0.00
Construction Interest	\$250,000.00
Construction Loan Fees	\$0.00
Cost of Bond Issuance	\$0.00
Other Costs	\$58,226.00
Reserves	\$0.00
Initial Deposit to Replacement Reserve	\$35,000.00
Initial Operating Deficit Escrow	\$140,000.00
Operating Reserve	\$373,525.00
Tax and Insurance Escrow	\$50,000.00
Other	\$25,000.00
Developer Fees	\$850,000.00
Total Uses	\$13,084,693.00

EXHIBIT C
Monthly HAP Contract Rents

<u>Number of Contract Units</u>	<u>Number of Bedrooms</u>	<u>Contract Rent</u>	<u>Utility Allowance</u>	<u>Gross Rent</u>
0	0	\$0.00	\$0.00	\$0.00
4	1	\$503.00	\$111.00	\$614.00
10	2	\$625.00	\$160.00	\$785.00
4	3	\$779.00	\$180.00	\$959.00
0	4	\$0.00	\$0.00	\$0.00
0	5	\$0.00	\$0.00	\$0.00
0	6	\$0.00	\$0.00	\$0.00

EXHIBIT D
Scope of Work*(List all work to be done in connection with the Transaction that needs to be completed before Closing)*

Not Applicable

(List all work to be done in connection with the Transaction following Closing)

Work Item	Description of Improvement Work	Budget
3.2.4	Parking and Driveways	\$94,355.00
3.2.9.01	Site Other #1 Concrete	\$492,835.00
3.2.9.02	Site Other #2 Dumpster pad	\$150.00
3.2.9.04	Site Other #4 Aluminum railings	\$826,404.00
3.3.2.2	Exterior Walls	\$65,407.00
3.3.2.3	Insulation	\$260,214.00
3.3.2.4.02	Windows	\$85,400.00
3.3.2.5.01	Exterior Doors	\$139,100.00
3.3.2.9.01	Bldg Envelope Other #1 Vinyl Siding	\$274,190.00
3.3.2.9.02	Bldg Envelope Other #2 Soffit	\$269,826.00
3.4.1.2.01	DHW #1 (Common Area) Electric	\$400.00
3.4.1.2.02	DHW #2 (Dwelling Unit) Electric	\$731,589.00
3.4.2.1.02	HVAC In-Unit Heating	\$319,500.00
3.4.3.1.02	HVAC Common Area Cooling	\$301,500.00
3.4.9.02	M&E Other #1 Clubhouse/Apartments	\$18,000.00
3.5	Elevators	\$158,800.00
3.5.01	Elevators Other #1	\$10,000.00
3.6.03	Life Safety Other #1 Fire Suppression	\$159,780.00
3.7.1.01	Common Area Floor Coverings	\$2,000.00
3.7.1.9.02	Common Area Other #2 Mailboxes	\$8,650.00
3.7.2.1.03	Kitchen Floor Coverings	\$90,594.00
3.7.2.11.01	Dishwashers	\$26,305.00
3.7.2.11.03	Ranges	\$26,305.00
3.7.2.11.04	Refrigerators 1	\$25,805.00
3.7.2.19	Other Appliances- Microwave	\$26,305.00
3.7.2.19.04	Kitchen Other #3 Clubhouse Kitchen	\$500.00
3.7.2.2.01	Bath Counter Tops, Sinks	\$8,000.00
3.7.2.2.02	Bath Floor Covering	\$77,258.00
3.7.2.2.03	Bath Vanities	\$18,000.00
3.7.2.29.01	Bathroom Cabinets	\$3,684.00
3.7.2.3.01	Interior Carpet	\$82,748.00
3.7.2.3.03	Interior Painting	\$117,733.00
3.7.2.39.01	Interior Other #1 Washer/Dryer	\$80,000.00
3.7.2.39.02	Interior Other #2 Apartment Stairway	\$3,000.00
3.7.2.39.03	Fireplace, Signage, Wardrobe	\$37,869.00
3.7.2.4.03	In-Unit Lighting Fixtures	\$882,480.00
3.8.01	General Conditions	\$558,728.00
3.8.02	Landscaping	\$80,000.00
3.8.03	Carpentry and Millwork	\$2,052,541.00
3.8.04	Masonry and Steel	\$60,274.00
3.8.05	Drywall	\$583,465.00
3.8.06	Furnishings	\$118,279.00
3.8.07	GMP Contingency	\$120,000.00
3.8.08	CM P&P Bond	\$89,435.00
3.8.09	CM Fee	\$330,038.00
3.8.10	CM Insurance	\$83,257.00
3.8.11	Hard Cost Contingency	\$487,985.00
		Total \$10,247,678.00

Estimated completed date for all Work: 02/28/2018

Final completion deadline for all Work (after which Project Owner is in default): 02/28/2018

**Rider to Use Agreement Relating to Foreclosure
(for PBV and PBRA RAD conversions from Public Housing)**

This rider (Rider), made as of May 26, 2017, is attached to and amends the Rental Assistance Demonstration Use Agreement by and between the United States of America, acting through the Department of Housing and Urban Development (HUD), Millport Phase II Limited Partnership (Owner), and the Housing Authority of the Town of New Canaan (the "Ground Lessor"), dated and/or executed as of substantially even date herewith, as such document may be amended from time to time (Use Agreement).

To the extent any provisions of this Rider conflict with any other provisions in the Use Agreement, the provisions of this Rider shall prevail. Any other terms in the Use Agreement not in conflict with the provisions of this Rider remain in full force and effect.

Notwithstanding any provisions contained in the Use Agreement:

1. Nothing in the Use Agreement prohibits any holder of a mortgage or other lien against the real property described on Exhibit A (Property) from foreclosing its lien or accepting a deed in lieu of foreclosure. Any lien holder shall give HUD, as a courtesy, written notice prior to declaring an event of default and shall provide HUD concurrent notice with any written filing of foreclosure filed in accordance with state law provided that the foreclosure sale shall not occur sooner than sixty days (60) days after such notice to HUD.
2. Notwithstanding any lien holder's foreclosure rights, the Use Agreement survives foreclosure and any new owners of the Property or the Project take ownership subject to the Use Agreement.
3. Transfer of title of the Property or the Project may be grounds for termination of assistance under the HAP contract. However, HUD may permit, with HUD written consent, the new owner of the Property or the Project to assume the HAP contract, subject to the terms included therein, or enter into a new HAP contract. Any HUD consent to continued HAP assistance is subject to PL 112-55 and other RAD program requirements.
4. Each entity interested in purchasing the property in a foreclosure sale administered under state foreclosure law may submit a written request to HUD to continue HAP contract assistance in the event of such entity's successful acquisition at the foreclosure sale. Such request shall be submitted by the latter of ten business days after first publication of the foreclosure sale or 60 days prior to such foreclosure sale.

Signature page follows

Witnesses:

Lisa Wimbush
Print Name: Lisa Wimbush

Beverly Rud
Print Name: Beverly Rudman

Date: May 18, 2017

U.S. Department of Housing and Urban Development

By: Thomas R. Davis
Print Name: THOMAS R. DAVIS
Title: DIRECTOR, OFFICE OF RECAPITALIZATION

Witnesses:

Bernard E. Simpkin
Print Name: BERNARD E. SIMPKIN

Dimitri Tenenai
Print Name: Dimitri Tenenai

Date: May 26, 2017

Owner
MILLPORT PHASE II LIMITED PARTNERSHIP
a Connecticut limited partnership

By: Millport Phase II GP Corporation, a
Connecticut corporation
Its: General Partner

By: Scott Hobbs
Scott Hobbs
Title: Chairman, duly authorized

Witnesses:

Bernard E. Simpkin
Print Name: BERNARD E. SIMPKIN

Dimitri Tenenai
Print Name: Dimitri Tenenai

Date: May 26, 2017

Ground Lessor:
HOUSING AUTHORITY OF THE TOWN OF
NEW CANAAN

By: Scott Hobbs
Scott Hobbs
Title: Chairman, duly authorized

Received for record on 6-1-17 at 1:33 pm
and recorded by Claudia A. Weber
TOWN CLERK

2519933662997.v2

VOL 973 PG 0680

After recording, please return to: CHFA, 999 West St., Rocky Hill, CT 06067; Attn: Legal

EXTENDED LOW-INCOME HOUSING COMMITMENT

This EXTENDED LOW-INCOME HOUSING COMMITMENT (the "Agreement") is made this 26th day of May, 2017, by and between **MILLPORT PHASE II LIMITED PARTNERSHIP**, a Connecticut limited partnership with an office and principal place of business at 57 Millport Avenue, New Canaan, Connecticut 06840 (the "Owner") and the **CONNECTICUT HOUSING FINANCE AUTHORITY**, a body politic and corporate constituting a public instrumentality and political subdivision of the State of Connecticut, with an office and principal place of business at 999 West Street, Rocky Hill, Connecticut 06067 (the "Authority").

WITNESSETH:

WHEREAS, the Authority is designated as the allocating housing credit agency responsible for the administration and allocation of low-income housing tax credits for the State of Connecticut;

WHEREAS, the Owner is the owner of certain real property known as Millport Phase II, and located at 57 - 61 Millport Avenue, New Canaan, Connecticut (the "Property"), which Property is more particularly described on Exhibit A, attached hereto and made a part hereof;

WHEREAS, the Property has qualified for low-income housing tax credits in the annual amount of \$500,000 for buildings financed by tax-exempt bonds pursuant to Section 42(h)(4) of the Internal Revenue Code of 1986, as amended (collectively, the "Code");

WHEREAS, Section 42(h)(6)(A) of the Code mandates that no low-income housing tax credit shall be allowed with respect to any building for the taxable year unless an extended low-income housing commitment is in effect as of the end of such taxable year.

NOW, THEREFORE, in consideration of the foregoing and for the good and valuable consideration acknowledged hereby, the Authority and the Owner hereby covenant and agree as follows:

I. DEFINITIONS.

As used in this Agreement, the terms below shall have the definitions set forth for each one, as follows:

- (a) "Compliance Period" means, with respect to any building, the period of fifteen (15) taxable years beginning with the first (1st) taxable year of the Credit Period with respect thereto.
- (b) "Credit Period" means, with respect to any building, the period of ten (10) taxable years beginning with:

VOL 973 PG 0681

- (i) the taxable year in which the building is placed in service, or
- (ii) at the irrevocable election of the taxpayer, the succeeding year,

but only if the building is a "qualified low-income building" (as such term is defined in the Code) as of the close of the first (1st) year of such period.

- (c) "Development" means all real and personal property, and all assets of whatever nature or wherever situate, used in (or owned by) the business conducted on the Property, which business is to provide rental accommodations for persons of low and moderate income and other activities incidental thereto, and which shall also include, without limitation, a building or structure, or several proximate and interrelated buildings or structures and facilities functionally related and subordinated thereto, financed under a common plan, all located on a single tract of land [except as provided for in Section 42(g)(7) of the Code (relating to scattered site projects) and Section 42(h)(6)(K) of the Code (relating to projects which consist of more than one (1) building)], which buildings shall be owned by the same person for tax purposes and shall each contain one (1) or more similarly constructed units, having separate and complete facilities for living, sleeping, eating, cooking and sanitation for an individual or a family, and facilities which are functionally related and subordinate to such units, and all of such units shall be rented or available for rental on a non-transient basis to members of the general public, *provided, however, special provisions shall apply for eligible single room occupancy housing and transitional housing for the homeless;*
- (d) "Extended Use Period" means the period of time:
 - (i) beginning on the first (1st) day in the Compliance Period on which such building is part of a qualified low-income housing project; and
 - (ii) ending on the later of:
 - (A) the date specified in Section II(d) of this Agreement, or
 - (B) the date which is fifteen (15) years after the close of the Compliance Period.
- (e) "HUD" means the United States Department of Housing and Urban Development, or its successor;
- (f) "Qualified Person(s)" means individuals and families who, at the time each such individual or family first occupies a Unit in the Development, are of low income, having annual income not exceeding sixty percent (60%) of area median gross income, adjusted for family size, within the meaning of the Code and the Treasury Regulations promulgated thereunder, *provided, however,* in case of individuals and families

-- 2 --

VOL 973 PG 0682

occupying at least: (i) eleven (11) Units, individuals and families having an annual income not exceeding fifty percent (50%) of area median gross income at such time, and (ii) seven (7) additional Units, individuals and families having an annual income not exceeding twenty-five percent (25%) of area median gross income at such time.]

As of the date hereof, the Development has (or is expected to have) the benefit of a contract for project based vouchers under Section 8 of the United States Housing Act of 1937, as amended (the "HAP Contract") and if during the Extended Use Period, the HAP Contract is not renewed at the end of its term, or is terminated or otherwise is no longer in full force and effect, the Authority will consider a request by the Owner to revert Qualified Units to being occupied by individuals and families having an annual income not exceeding sixty percent (60%) of area median income at such time, provided, however, a decision by the Authority on such a request shall be made in the sole discretion of the Authority.

- (g) "Qualified Rent" means gross rent (as defined in Section 42(g)(2)(B) of the Code) not greater than thirty percent (30%) of the imputed income limitation applicable to a particular Unit, within the meaning of Section 42(g)(2)(C) of the Code, as adjusted annually;
- (h) "Qualified Unit" means those Units occupied by Qualified Persons at a Qualified Rent; and
- (i) "Unit" means an individual dwelling referenced in Section I(c) of this Agreement.

II. THE COMMITMENT.

(a) Failure to comply with the provisions of this Agreement is an event of default hereunder and the Authority or its successors and/or assigns may exercise any of the remedies available hereunder. Furthermore, the Authority may seek specific performance of this Agreement by the Owner, or any successor in interest thereto, without declaring an event of default and without waiving any remedies hereunder, by filing an action in any court of competent jurisdiction in the State of Connecticut. In accordance with Section 42(g)(1) of the Code, Owner hereby irrevocably elects that:

twenty percent (20%) or more of the residential units in the Development shall be both rent-restricted and occupied by individuals whose income is fifty percent (50%) or less of area median gross income; or

forty percent (40%) or more of the residential units in the Development shall be both rent-restricted and occupied by individuals whose income is sixty percent (60%) or less of area median gross income.

(b) For each taxable year in the Extended Use Period, the applicable fraction (as defined in Section 42(c)(1)(B) of the Code as the smaller of the "unit fraction" [low income Units/residential rental

-- 3 --

VOL 973 PG 0683

Units] or the "floor space fraction" [total floor space of low-income Units/total floor space of residential rental Units]), shall not be less than:

- 40/40 (unit fraction)
- One Hundred Percent (100%) (floor space fraction)

(c) Individuals who meet the income limitation applicable to the Development under Section 42(g)(1) of the Code (whether prospective, present, or former occupants who qualify, qualified, or would qualify) hereby have the right to enforce, in any State court, the requirements set forth in Sections II(a) and II(b) of this Agreement, and the prohibitions set forth in Section II(e)(iii), II(e)(iv), and II(f) of this Agreement, and said individuals may apply to any court of competent jurisdiction in the State of Connecticut for specific performance of the provisions of this Agreement, notwithstanding any action which may or may not be taken by the Authority.

(d) The Extended Use Period shall be for an additional twenty-five (25) years after the close of the Compliance Period, unless terminated earlier ("Early Termination") on: (i) the date of the Development's foreclosure or deed-in-lieu of foreclosure (unless the Secretary of the Treasury determines that such foreclosure or deed-in-lieu of foreclosure is part of an arrangement with a purpose of terminating the Extended Use Period); or (ii) the last day of the one (1) year period beginning on the date which a request is made by the Owner (which request is made not earlier than the end of the fourteenth (14th) year of the Compliance Period) for the Authority to present a "qualified contract" (as defined in Section 42(h)(6)(F) of the Code and Section 1.42-18 of the Treasury Regulations) for the acquisition of the low-income portion of the Development, as defined in Section 42(h)(6)(H) of the Code, all in accordance with Section 42(h)(6) of the Code, provided that the Authority has not presented such a contract. *Notwithstanding the foregoing, in the event the Extended Use Period as agreed upon herein is longer than the date which is fifteen (15) years after the close of the Compliance Period, the Owner hereby acknowledges and agrees that such additional period constitutes a more stringent requirement as provided by Section 42(h)(6)(E) of the Code and that Section II(d)(ii) of this Agreement therefore shall not apply and shall have no force or effect.*

(e) During the Extended Use Period:

- (i) not less than forty (40) Units (one hundred percent (100%) of the Units) in the Development shall be occupied (or will be available for occupancy) by Qualified Persons (*Note: at the discretion of the Secretary of the Treasury, the maximum income levels may deviate from the area median income data to reflect current HUD policy or future Treasury policy on income limits with respect to areas with unusually low family income or high housing costs relative to family income consistent with HUD determinations under Section 8 of the United States Housing Act of 1937*);
- (ii) the rents for each Qualified Unit shall not exceed the Qualified Rent, which will be uniform for each particular housing unit size (i.e., efficiencies, one-bedroom units, two-bedroom units), regardless of the number of persons residing in the household and in accordance with Section 42(g) of the Code;

-- 4 --

YOL 9 7 3 PG 0 6 8 4

- (iii) no tenant who was occupying a Qualified Unit at any time during (or at the end of) the Extended Use Period may be removed whether by eviction, expiration of lease or for any termination of the tenancy (other than for good cause);
- (iv) no rent may be increased for any Qualified Unit beyond the Qualified Rent:
 - (A) at any time during the Extended Use Period; or
 - (B) as long as it is occupied by the tenant who was occupying the unit at the expiration of the Extended Use Period.

(f) The tenant protections set forth in Section 42(h)(6)(E)(II) of the Code shall survive for a period of three (3) years following an Early Termination and for such three (3) year period such tenant protections shall be binding upon the Property and upon any holder of a mortgage on the Property or any successor or assign of such holder who succeeds to all or any part of the Owner's interest in, or otherwise acquires title to, the Property. Such protection provides, without limitation, that for a period of three (3) years following an Early Termination of the Extended Use Period: (i) no tenant who was occupying a Qualified Unit at the end of the Extended Use Period may be removed whether by eviction, expiration of lease or any termination of the tenancy (other than for good cause); and (ii) no rent may be increased for any Qualified Unit beyond the Qualified Rent as long as it is occupied by the tenant who was occupying the unit at the Early Termination of the Extended Use Period.

III. REPRESENTATIONS, WARRANTIES & COVENANTS.

- (a) The Owner hereby represents, covenants, warrants and agrees, as follows:
 - (i) the Development is to be developed, owned, managed and operated for the Extended Use Period as "residential rental property" (as such phrase is used in Section 42(d) of the Code), on a continuous basis during the Extended Use Period and that the Development constitutes, or will constitute, a qualified low-income building or qualified project, as applicable (as defined in Section 42 of the Code);
 - (ii) Owner is a legally organized entity, qualified to transact business under the laws of the State of Connecticut, has the power and authority to own its properties and assets and to carry on its business as now being conducted, and has the full legal right, power and authority to execute and deliver this Agreement;
 - (iii) Owner shall, at the time of execution and delivery of this Agreement, have good and marketable title to the Development, free and clear of any lien or encumbrance (subject to encumbrances approved by the Authority);

-- 5 --

VOL 973 PG 0685

(iv) Owner shall make no change in the nature, size (including number of Units) or location of the Development from that which was described in the Owner's Application to the Authority dated October 1, 2016, without the prior written consent of the Authority;

(v) Owner shall obtain the agreement of any buyer, or successor, or other person acquiring the Property or the Development, or any interest therein, that such acquisition is subject to the requirements of this Agreement, and the Owner shall promptly notify the Authority of any such transfer. *Notwithstanding the foregoing, this provision shall not act to waive any other restriction on such sale, transfer or exchange of the Development;*

(vi) Once available for occupancy, each Qualified Unit in the Development shall be rented or available for rental on a continuous basis to members of the general public on a non-transient basis throughout the Extended Use Period (except for transitional housing for the homeless or single-room occupancy units provided under Section 42(i)(3)(B)(iii) and (iv) of the Code);

(vii) Owner shall not discriminate on the basis of race, creed, color, sex, sexual preference, age, handicap, marital status, national origin, familial status, source of income or disability in the lease, use or occupancy of the Development, or in the employment of persons for the operation and management of the Development;

(viii) Owner has not executed and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions of this Agreement and that, in any event, the requirements of this Agreement are paramount and controlling as to the rights and obligations herein set forth and supersede any other requirements in conflict herein;

(ix) Owner shall obtain the consent of all holders of prior recorded mortgages or liens on the Property to this Agreement and such consent shall be a condition precedent to the issuance of the Internal Revenue Service Form 8609 constituting the final allocation of the low-income housing tax credits for the Development;

(x) Owner shall record this Agreement promptly on the land records of the municipality in which the Property is located, upon recording of this Agreement, the Owner shall immediately transmit to the Authority evidence of said recording including the date and volume and page numbers, and the Owner agrees that the Authority will not issue the Internal Revenue Service Form 8609, constituting final allocation of low-income housing tax credits for the Development, until the Authority has received a certified copy of the recorded Agreement;

(xi) Owner shall comply with any monitoring plan, guidelines, procedures, or requirements as may be adopted or amended from time to time by the Authority in accordance with the requirements of the Code, or regulations promulgated thereunder by the United States Department of the Treasury, Internal Revenue Service, or otherwise in order to monitor compliance with the provisions of this Agreement;

-- 6 --

VOL 973 PG 0686

(xii) Notwithstanding anything in this Agreement to the contrary, in the event that the Owner fails to comply fully with the covenants and agreements contained herein or within the Code, all applicable regulations, rules, rulings, policies, procedures, or other official statements promulgated by the Department of Treasury, the Internal Revenue Service or the Authority, from time to time, pertaining to the obligations of the Owner as set forth therein or herein, the Authority may, in addition to all of the remedies provided by law or in equity, report such noncompliance to the Internal Revenue Service which could result in penalties and/or re-capture of low-income housing tax credits;

(xiii) Owner hereby agrees that this Agreement prohibits: (A) the disposition to any person of any portion of the building to which this Agreement applies unless all of the building to which such Agreement applies is disposed of to such person; and (B) the refusal to lease to a holder of a voucher or certificate of eligibility under Section 8 of the U.S. Housing Act of 1937 because of the status of the prospective tenant as such a holder; and

(xiv) In the event any foreclosure proceedings are initiated affecting the Property, Owner shall provide the Authority with notice of the same immediately upon receipt of service of process of said foreclosure action.

IV. MISCELLANEOUS.

(a) This Agreement shall be governed by, and construed in accordance with, the laws of the State of Connecticut and federal law, where applicable.

(b) The invalidity of any provisions of this Agreement shall not be deemed to impair or affect in any manner the validity, enforceability, or effect of the remainder of the provisions of this Agreement, which shall continue in full force and effect as if such invalid provision had never been included herein.

(c) False statements made herein are punishable under the penalty for false statement set out in Connecticut General Statutes § 53a-157b.

(d) This Agreement shall be binding on all successors and/or assigns of the Owner and this Agreement shall be recorded and encumber the Property as a restrictive covenant in accordance with the laws of the State of Connecticut.

(e) Neither this Agreement nor any term hereof may be altered, amended, modified, discharged or terminated orally, or by any action or inaction, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought.

-- 7 --

VOL 973 PG 0687

(f) 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, or (ii) hand delivered by any commercially recognized courier service or overnight delivery service, such as FedEx, addressed to the addressees, as set forth on the first page hereof. 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: (A) 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 (B) 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. Failure or delay in delivering copies of any notice, demand, request, consent, acceptance, declaration or other communication within any corporation or firm to the persons designated to receive copies shall in no way adversely affect the effectiveness of such notice, demand, request, consent, acceptance, declaration or other communication.

[Remainder of Page Intentionally Left Blank – Signature Pages Follow]

-- 8 --

VOL 973 PG 0690

Exhibit A**PROPERTY DESCRIPTION
Millport Leasehold Parcel II**

All that certain piece, parcel or tract of land, being a portion of that new consolidated parcel, comprised of portions of former Assessor Lots 630, 644 and 644A, situated in the Town of New Canaan, County of Fairfield and State of Connecticut, being a portion of Parcel 630, 35 Millport Avenue and portion of Parcel 644 and 644A 57 Millport Avenue, shown as **PHASE II (SHADED AREA) AREA=64,982+/- SQ. FT. OR 1.4918+/- AC. (LEASEHOLD PARCEL)** and designated within shaded area on a map entitled "**ALTA/NSPS LAND TITLE SURVEY (PROPERTY SURVEY) 33, 35, 41, 57 & 65 MILLPORT AVENUE DEPICTING LEASE PARCEL II PROPERTY OF HOUSING AUTHORITY OF THE TOWN OF NEW CANAAN NEW CANAAN, CONNECTICUT**" Sheets 1 and 2 of 2, dated May 19, 2017, Scale 1"=30', made by William W. Seymour & Associates, P.C., which map is or will be filed in the Office of the Town Clerk of New Canaan, more particularly bounded and described as follows:

Beginning at a point on the division line between land now or formerly of Medical Properties (Tax Lot 622, 173 East Avenue) and land now or formerly of The Housing Authority of The Town of New Canaan, said point lying north 57° 04' 20" west a distance of 92.74 feet and north 50° 38' 00" west a distance of 5.19 feet and north 57° 58' 00" west a distance of 24.93 feet and south 62° 37' 30" west a distance of 5.07 feet and north 45° 58' 50" west a distance of 70.39 feet from the intersection of said division line with the northwesterly line of Millport Avenue and further being the intersection of the easterly line of the herein described parcel (Phase II) with the aforesaid division line;

Thence, running generally southwesterly and in a clockwise direction south 44° 01' 10" west a distance of 100.00 feet and south 45° 58' 50" east a distance of 7.29 feet and south 44° 32' 10" west a distance of 52.74 feet and south 58° 41' 20" west a distance of 115.23 feet to a point;

Thence, running generally northwesterly and continuing in a clockwise direction north 42° 37' 20" west a distance of 137.25 feet to a point on the division line between the herein described parcel (Phase II) and land now or formerly of Gray Stone Condominiums (Tax Lot 647, 52-70 Lakeview Avenue);

Thence, running generally northeasterly and northwesterly and continuing in a clockwise direction along said land now or formerly of Gray Stone Condominiums (Tax Lot 647, 52-70 Lakeview Avenue) north 46° 03' 30" east a distance of 114.08 feet and north 46° 33' 30" west a distance of 127.44 feet to a point and land now or formerly of Essex Ridge Condominium (Tax Lot 642, 164-176 Summer Street);

Thence, running generally northeasterly and continuing in a clockwise direction along said land now or formerly of Essex Ridge Condominium (Tax Lot 642, 164-176 Summer Street) and land now or formerly of Old Forge Green Condominium (Tax Lot 621, 141-161 East Avenue), each in part, north 44° 16' 00" east a distance of 66.35 feet and north 42° 59' 00" east a distance of 115.70 feet to a point, said point being the northwesterly corner of the herein described parcel (Phase II);

-- 11 --

VOL 973 PG 0691

Thence, running generally southeasterly and continuing in a clockwise direction along said land now or formerly of Old Forge Green Condominium (Tax Lot 621, 141-161 East Avenue) south 47° 24' 00" east a distance of 86.85 feet and south 49° 20' 00" east a distance of 55.50 feet and south 56° 38' 00" east a distance of 13.25 feet to the aforesaid division line between land now or formerly Medical Properties (Tax Lot 622, 173 East Avenue) and the herein described parcel (Phase II);

Thence, running generally southwesterly and southeasterly and continuing in a clockwise direction along said division line between land now or formerly of Medical Properties (Tax Lot 622, 173 East Avenue) and the herein described parcel (Phase II) south 36° 28' 00" west a distance of 46.84 feet and south 45° 58' 50" east a distance of 123.15 feet to the point of beginning.

the "**Leasehold Parcel**",

Together with the rights, provisions, terms and conditions set forth in an **Easement Agreement** by and among the Housing Authority of the Town of New Canaan, NCHA Mill Apartments Limited Partnership, Millport Phase I Limited Partnership and Millport Phase II Limited Partnership, and consented to by the State of Connecticut Department of Housing, People's United Bank, National Association, and Bankwell Bank, dated as of May 26, 2017, which will be recorded in the New Canaan Land Records.

Such easements and rights of way are shown and depicted on a map entitled "COMPILATION PLAN 33, 35, 41, 57 & 65 MILLPORT AVENUE MAP DEPICTING LEASE PARCELS PROPERTY OF THE HOUSING AUTHORITY OF THE TOWN OF NEW CANAAN, NEW CANAAN, CONNECTICUT" dated December 18, 2015, Scale 1"=30 ft., by William F. Seymour & Associates, P.C., which map is filed in the Office of the Town Clerk of New Canaan as Map #7648, as:

Easement Area Y, more particularly bounded and described as follows:

Beginning at a point on the former division line between properties known as 41 & 57 Millport Avenue, said point being further described as lying north 09°47'00" west a distance of 126.20 feet from the intersection of said former division line between said properties known as 41 & 57 Millport Avenue with the northwesterly line of Millport Avenue;

Thence, running alternately southwesterly and northwesterly south 78°16'50" west a distance of 44.25 feet and north 38°03'00" west a distance of 83.95 feet and south 50°32'40" west a distance of 14.66 feet and 8.41 feet along a tangent arc curving to the right having a radius of 5.00 feet and subtending a delta or central angle of 96°19'30" and 51.51 feet along an arc (compound and tangent) curving to the right having a radius of 107.00 feet and subtending a delta or central angle of 27°34'57" and south 84°15'50" west a distance of 25.00 feet and north 43°56'30" west a distance of 29.54 feet to a point on the division line between land of Housing Authority of the Town of New Canaan and land now or formerly of Gray Stone Condominiums;

-- 12 --

VOL 973 PG 0692

Thence, running northerly along said division line between land of Housing Authority of the Town of New Canaan and known as 57 Millport Avenue and land now or formerly of Gray Stone Condominiums north $46^{\circ}03'30''$ east a distance of 27.34 feet to a point;

Thence, running southeasterly and northeasterly through said land of Housing Authority of the Town of New Canaan and known as 57 Millport Avenue south $42^{\circ}37'20''$ east a distance of 137.25 feet and north $58^{\circ}41'20''$ east a distance of 115.23 feet to a point on the former division line between properties known as 41 & 57 Millport Avenue;

Thence, running southwesterly along said former division line between properties known as 41 & 57 Millport Avenue south $44^{\circ}32'10''$ west a distance of 62.12 feet to a point;

Thence, running southeasterly and southwesterly through said land of Housing Authority of the Town of New Canaan and known as 41 Millport Avenue south $29^{\circ}09'35''$ east a distance of 23.65 feet and south $60^{\circ}50'25''$ west a distance of 8.32 feet to a point on the former division line between properties known as 41 & 57 Millport Avenue;

Thence, running southeasterly along said former division line between properties known as 41 & 57 Millport Avenue south $09^{\circ}47'00''$ east a distance of 25.08 feet to the point of beginning.

And "**Driveway Easement Parcel**" shown and depicted as "Proposed Driveway Easement for Phase II" on a map entitled "COMPILATION PLAN 33, 35, 41, 57 & 65 MILLPORT AVENUE MAP DEPICTING DRIVEWAY EASEMENTS PROPERTY OF THE HOUSING AUTHORITY OF THE TOWN OF NEW CANAAN, NEW CANAAN, CONNECTICUT" dated December 18, 2015, Scale 1"=30 ft., Scale 1"=30 ft., by William F. Seymour & Associates, P.C., which map is filed in the Office of the Town Clerk of New Canaan as Map #7649, bounded and described as follows:

Beginning at a point on the northwesterly line of Millport Avenue, said point lying north $78^{\circ}17'30''$ east 1.87 feet of the intersection of the former division line between properties known as 65 & 57 Millport Avenue with said northwesterly line of Millport Avenue;

Thence, running northerly and northwesterly a distance of 10.52 feet along an arc curving to the left having a radius of 30.00 feet and subtending a central or delta angle of $20^{\circ}05'35''$ and having a chord bearing of north $01^{\circ}39'42''$ west and north $11^{\circ}42'30''$ west a distance of 69.75 feet and north $38^{\circ}03'00''$ west a distance of 103.11 feet and 80.59 feet along an arc curving to the right having a radius of 131.00 feet and subtending a central or delta angle of $35^{\circ}14'45''$ to a point;

Thence, running northeasterly along the northerly terminus of the herein described easement north $84^{\circ}15'50''$ east a distance of 24.00 feet to a point;

Thence, running southeasterly and southerly a distance of 54.96 feet along an arc curving to the left having a radius of 107.00 feet and subtending a central or delta angle of $29^{\circ}25'40''$

-- 13 --

VOL 973 PG 0693

and south 38°03'00" east a distance of 120.81 feet and south 11°42'30" east a distance of 67.12 feet and 20.00 feet along an arc curving to the left having a radius of 30.00 feet and subtending a central or delta angle of 38°11'39" and having a chord bearing of south 30°48'19" east to the aforesaid northwesterly line of Millport Avenue;

Thence, running southwesterly along said northwesterly line of Millport Avenue south 78°17'30" west a distance of 32.25 feet to the point of beginning.

(hereinafter, the "Easement Parcels").

Together with the rights, provisions, terms and conditions set forth in a Ground Lease from the Housing Authority of the Town of New Canaan to Millport Phase II Limited Partnership, a Notice of which is dated as of May 26, 2017, and recorded, or to be recorded, in the New Canaan Land Records.

All of the above hereinafter referred to as the "Land".

Received for record on 6-1-17 at 1:38 pm
and recorded by Claudia A. Weber
TOWN CLERK

EXECUTION COPY

When Recorded Return to:
Robinson & Cole LLP
280 Trumbull Street
Hartford, Connecticut 06103
Attn: David M. Panico, Esq.



Doc ID: 002618150023 Type: LAN
Book 973 Page 694 - 716
File# 3290

LAND USE RESTRICTION AGREEMENT

by and between

HOUSING AUTHORITY OF THE TOWN OF NEW CANAAN,
and

MILLPORT PHASE II LIMITED PARTNERSHIP,

Dated as of May 1, 2017

\$6,950,000 HOUSING AUTHORITY OF THE TOWN OF NEW CANAAN
MULTIFAMILY HOUSING REVENUE BONDS
(MILLPORT PHASE II PROJECT), SERIES 2017

LAND USE RESTRICTION AGREEMENT

Pertaining to:

\$6,950,000 HOUSING AUTHORITY OF THE TOWN OF NEW CANAAN
MULTIFAMILY HOUSING REVENUE BONDS
(MILLPORT PHASE II PROJECT), SERIES 2017

THIS AGREEMENT, together with any amendments or supplements hereto (this "Agreement"), dated as of May 1, 2017, is entered into by the **HOUSING AUTHORITY OF THE TOWN OF NEW CANAAN**, a public body politic and corporate, organized and existing under the laws of the State of Connecticut, and having its principal place of business at 57 Millport Avenue, New Canaan, Connecticut 06840 (the "Authority"), and **MILLPORT PHASE II LIMITED PARTNERSHIP**, a Connecticut limited partnership with its principal place of business located at 57 Millport Avenue, New Canaan, Connecticut 06840 (together with any successor to its rights, duties and obligations hereunder and as owner of the Project identified herein, the "Borrower");

WITNESSETH:

WHEREAS, pursuant to Chapter 128 of the General Statutes of Connecticut, Revision of 1958, as amended (the "Act") the Authority has authorized the issuance of \$6,950,000 aggregate principal amount of its Multifamily Housing Revenue Bonds (Millport Phase II Project), Series 2017 comprised of \$3,050,000 Housing Authority of the Town of New Canaan Multifamily Housing Revenue Bonds (Millport Phase II Project), Series 2017A (the "Series A Bonds") and \$3,900,000 Housing Authority of the Town of New Canaan Multifamily Housing Revenue Bonds (Millport Phase II Project), Series 2017B (the "Series B Bonds" and together with the Series A Bonds, the "Bonds") under that certain Loan Agreement, dated as of May 1, 2017, by and among Bankwell Bank (the "Purchaser"), the Authority and the Borrower, as supplemented and amended from time to time (the "Loan Agreement");

WHEREAS, the proceeds of the Bonds shall be used to fund a loan to the Borrower pursuant to the Loan Agreement, to provide, in part, financing and refinancing the demolition, construction, renovation, acquisition and equipping of a qualified multifamily residential rental housing project, consisting of 40 units in 3 buildings, located in the Town of New Canaan, Connecticut and known as Millport Apartments located on the real property site described in Exhibit A hereto (as further described herein, the "Project"), to be occupied by tenants meeting the requirements of Section 142(d)(1) of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, the Code and the Treasury Regulations (as hereinafter defined) and rulings promulgated with respect thereto prescribe that the use and operation of the Project (as hereinafter defined) be restricted in certain respects and in order to ensure that the Project will be used and operated in accordance with the Code and the Treasury Regulations, the Authority and the Borrower have determined to enter into this Agreement in order to set forth certain terms and conditions relating to the acquisition, construction, use and operation of the Project;

WHEREAS, the Authority is the owner of the Land (as hereinafter defined) and the Project (as hereinafter defined) as of the date hereof and pursuant to a Ground Lease, dated as of the date hereof, by and between the Authority as lessor and the Borrower as lessee (the "Ground Lease" a Notice of which will be recorded on the New Canaan Land Records immediately subsequent to the recording of this Agreement),