LISHTA Application

RMS 49 PRINCE STREET LLC

49 PRINCE STREET
NEW HAVEN, CONNECTICUT

LISHTA Application

RMS 49 Prince Street LLC

49 Prince Street
New Haven, Connecticut

Table of Contents

Cover Letter 1

Checklist for Aldermanic Submissions 2

Fiscal Impact Statement 3

Prior Notification Form 4

Proposed Order 5

Application and Exhibits 6

- Exhibit IIF – Legal Description and Survey of the Property
- Exhibit IIG – Copy of Deed
- Exhibit IIIC – Approved Site Plans
- Exhibit IIID – Total Cost of the Project
- Exhibit IIIE – Fiscal Plan
- Exhibit IIIG – Governmental Approvals
- Exhibit IIIH – Structure Chart
- Exhibit IIIK – Certificate of the Developer, Resolution and Operating Agreement
- Section IVA, Exhibit 2 Certificate of Organization
- Section IVA, Exhibit 3 – Certificate of Good Standing
- Section IVA, Exhibit 5 – Affordable and Restrictive Covenants
- Section IVA, Exhibit 6 Real Estate Taxes
- Section IVA, Exhibit 7 – Commitment Letters

Tab 1

Brenner, Saltzman & Wallman LLP

Attorneys at Law – Established 1963

Newton D. Brenner (1963-2006)
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Donald W. Anderson
Samuel M. Hurwitz
Wayne A. Martino
Mitchell S. Jaffe
Carolyn W. Kone
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Michael T. Cretella
Diana Michta
Of Counsel:
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William A. Aniskovich
Kathryn D. Hallen
Amanda T. Oberg
John F. Strother
Danielle M. Bercury

June 10, 2020 (VIA HAND DELIVERY)

Honorable Tyisha Walker-Myers, President
Board of Alders of the City of New Haven
165 Church Street
New Haven, CT 06510

Re: **APPLICATION FOR TAX ABATEMENT FOR LOW INCOME, MULTI-FAMILY RESIDENTIAL DEVELOPMENT FOR 49 PRINCE STREET**

Dear President Walker-Myers:

This office represents RMS 49 Prince Street LLC ("RMS 49 Prince" or the "Applicant"). On behalf of RMS 49 Prince, we are filing this application for a tax abatement under the City of New Haven's program for Tax Abatements for Low Income, Multi-Family Residential Development ("LISHTA"). The Applicant is planning to rehabilitate the former Welch School located at 49 Prince Street (the "Property') in the Hill section of New Haven into 30 units of affordable housing (the "Project").

The Project is part of the Downtown South-Hill North Development (the "Development"), which is being undertaken pursuant to a Development and Land Disposition Agreement (the "DLDA") between the City and the Developer[1] dated August 31, 2016. The DLDA is the first phase of the implementation of the City's Hill to Downtown Plan. Pursuant to the DLDA, the Developer's affiliates have undertaken the construction of four other residential or mixed use buildings (22 Gold Street, which is completed and has 110 residential units; 216 Congress Avenue, which is under construction and will have 90 residential units; 246 Lafayette Street, which is under construction and will have 104 residential units; and 9 Tower Lane, which is under construction and will have 223 residential units). Thirty percent (30%) of the 22 Gold Street development is devoted to affordable housing, and the Developer's affiliates are seeking subsidies to provide affordable units in the other three buildings.

The Project is the fifth and last property to be developed under the DLDA and will be 100% affordable. For a minimum of 42 years, apartments at the Property must be allocated in accordance with requirements set forth in affordability restrictions filed on

[1] The Developer under the DLDA is RMS Downtown South Hill North Development Company LLC. With the consent of the City of New Haven, the Developer has assigned it rights with respect to the Property to RMS 49 Prince.

the New Haven Land Records These restrictions set forth how many of each type of apartment (studios, one bedroom and two bedroom units) must be allocated to households whose incomes are 25%, 50% and 60% of the annual medium income ("AMI") for the New Haven area, as determined by the United States Department of Housing.

The Project will also provide a number of amenities for the residents of the building, including a laundry room, storage rooms, community rooms, group meeting spaces, a reading room and library, and outdoor space as well as on-site parking.

The Project is being assisted by several governmental programs, including 4% Low Income Tax Credits, City of New Haven CDBG funds in the amount of $500,000 and loans from the Connecticut Housing Finance Authority ("CHFA") and the State of Connecticut Department of Housing ("DOH").

RMS 49 Prince is requesting that pursuant to the City's program for Tax Abatement for Low Income, Multi-Family Residential Developments, the Board of Alders grant it a tax abatement in the amount of $749.10/unit with a 3% annual increase after the first year of the tax abatement for 17 Grand List years (following the two year construction period, when the assessment is frozen at the preconstruction assessment). This tax abatement is necessary in order to provide affordable rents and quality housing to persons and families of varying income levels and to provide necessary related facilities and services (requirements of the City's Tax Abatement program).

Enclosed please find our application, a proposed Order and the filing fee of $250.00. We are pleased to be part of the effort of the City and its Board of Alders to provide quality affordable housing in the City. Please let us know if you need any additional information, and thank you for considering this request.

Very truly yours,

Carolyn W. Kone

Carolyn W. Kone

CWK/dle
Enclosures

cc: Albert Lucas, Director of Legislative Services
Randall M. Salvatore

61206

Brenner, Saltzman & Wallman LLP

ATTORNEYS AT LAW

271 Whitney Avenue
New Haven, CT 06511
203-772-2600

Citizens Bank

51-7011/2111

Date	Check Amount
06/03/2020	$250.00

Pay ** TWO HUNDRED FIFTY AND 00/100 DOLLARS**

To The Order Of CITY OF NEW HAVEN

AUTHORIZED SIGNATURE

Security features. Details on back.

⑈061206⑈ ⑆211170114⑆ 2201091638⑈

Tab 2

CHECK LIST FOR ALDERMANIC SUBMISSIONS

X	Cover Letter
X	Resolutions/ Orders/ Ordinances
X	Prior Notification Form
X	Fiscal Impact Statement - Should include comprehensive budget
X	Supporting Documentation (if applicable)
X	Disk or E-mailed Cover letter & Order

IN ADDITION IF A GRANT:

	Notice of Intent
	Grant Summary
	Executive Summary (not longer than 5 pages without an explanation)

Date Submitted: June 9, 2020

Meeting Submitted For: July 6, 2020

Regular or Suspension Agenda: Regular

Submitted By: Carolyn W. Kone on behalf of RMS 49 Prince Street LLC

Title of Legislation:

ORDER OF THE BOARD OF ALDERS OF THE CITY OF NEW HAVEN APPROVING THE EXECUTION OF A TAX ABATEMENT AGREEMENT BETWEEN THE CITY OF NEW HAVEN AND RMS 49 PRINCE STREET LLC FOR PROPERTY LOCATED AT 49 PRINCE STREET TO BE USED AS AFFORDABLE HOUSING IN ACCORDANCE WITH CONN. GEN. STAT. SEC. 8-215, CITY OF NEW HAVEN CHARTER, TITLE 1, ARTICLE IV, SECTION 6, AND CITY OF NEW HAVEN CODE OF GENERAL ORDINANCES, SECTION 28-4

Comments: ______________________________

Coordinator's Signature: ______________________________

Controller's Signature (if grant): ______________________________

Mayor's Office Signature: ______________________________

Call 946-7670 with any questions.
jrodriguez@newhavenct.gov

Tab 3

FISCAL IMPACT STATEMENT
TO BE FILED WITH SUBMISSION OF ITEM TO BOARD OF ALDERMEN

DATE: **June 9, 2020**

FROM: **Carolyn W. Kone**

SUBMISSION ITEM:

ORDER OF THE BOARD OF ALDERS OF THE CITY OF NEW HAVEN APPROVING THE EXECUTION OF A TAX ABATEMENT AGREEMENT BETWEEN THE CITY OF NEW HAVEN AND RMS 49 PRINCE STREET LLC FOR PROPERTY LOCATED AT 49 PRINCE STREET TO BE USED AS AFFORDABLE HOUSING IN ACCORDANCE WITH CONN. GEN. STAT SEC. 8-215, CITY OF NEW HAVEN CHARTER, TITLE 1, ARTICLE IV, SECTION 6, AND THE CITY OF NEW HAVEN CODE OF GENERAL ORDINANCES, SECTION 28-4

I. List Cost: **Describe in as much detail as possible: both personnel and non-personnel costs; general, capital or special funds; and source of funds currently budgeted for this purpose.**

	General	Special	Capital/Bond	Line Item Dept/Act/Obj. Code
A. Personnel				
1. Initial start-up				
2. One-time				
3. Annual				
B. Non-Personnel				
1. Initial start-up				
2. One-time		[see below]		
3. Annual				

II. List Revenues: **Will this item result in any revenues for the City? Please list amount and type.**

The property located at 49 Prince Street is an abandoned derelict former school which was owned by the City and therefore did not generate any taxes. The tax abatement will permit the new owner of the property to renovate the property and to generate tax revenue, which does not exist at present. In addition, the City will save money by not having to provide any maintenance, utilities or security for the building and the property. The tax revenue to be generated will be $22,473 per year plus a 3% increase of this amount after the first year of the tax abatement period.

Tab 4

PRIOR NOTIFICATION FORM

NOTICE OF MATTER TO BE SUBMITTED TO THE BOARD OF ALDERS

TO (list applicable alder): **Carmen Rodriquez – Ward 6**

DATE: **June 5, 2020**

FROM: **RMS 49 Prince Street LLC**

Person **Carolyn W. Kone, Esq.** Telephone **203-772-2600**

This is to inform you that the following matter affecting your ward(s) will be submitted to the Board of Alders.

ORDER OF THE BOARD OF ALDERS OF THE CITY OF NEW HAVEN APPROVING THE EXECUTION OF A TAX ABATEMENT AGREEMENT BETWEEN THE CITY OF NEW HAVEN AND RMS 49 PRINCE STREET LLC FOR PROPERTY LOCATED AT 49 PRINCE STREET TO BE USED AS AFFORDABLE HOUSING IN ACCORDANCE WITH CONN. GEN. STAT SEC. 8-215, CITY OF NEW HAVEN CHARTER, TITLE 1, ARTICLE IV, SECTION 6, AND THE CITY OF NEW HAVEN CODE OF GENERAL ORDINANCES, SECTION 28-4

Check one if this an appointment to a commission

☐ Democrat

☐ Republican

☐ Unaffiliated/Independent/Other ____________

INSTRUCTIONS TO DEPARTMENTS

1. Departments are responsible for sending this form to the alderperson(s) affected by the item.
2. This form must be sent (or delivered) directly to the alderperson(s) **before** it is submitted to the Legislative Services Office for the Board of Aldermen agenda.
3. The date entry must be completed with the date this form was sent the alderperson(s).
4. Copies to: alderperson(s); sponsoring department; attached to submission to Board of Aldermen.

Tab 5

ORDER OF THE BOARD OF ALDERS OF THE CITY OF NEW HAVEN APPROVING THE EXECUTION OF A TAX ABATEMENT AGREEMENT BETWEEN THE CITY OF NEW HAVEN AND RMS 49 PRINCE STREET LLC FOR PROPERTY LOCATED AT 49 PRINCE STREET TO BE USED AS AFFORDABLE HOUSING IN ACCORDANCE WITH CONN. GEN. STAT SEC. 8-215, CITY OF NEW HAVEN CHARTER, TITLE 1, ARTICLE IV, SECTION 6, AND THE CITY OF NEW HAVEN CODE OF GENERAL ORDINANCES, SECTION 28-4

WHEREAS, RMS 49 Prince Street LLC (the "Applicant") is the owner of property known as 49 Prince Street (the "Property") upon which a building that is known as the former Welch Annex School is located (the "Building"); and

WHEREAS, the Applicant intends to renovate the Property and the Building into 30 affordable housing units and related amenities (the "Project"); and

WHEREAS, the Project will be assisted by 4% Low Income Housing Tax Credits, Community Development Block Grant funds from the City of New Haven (the "City") in the amount of $500,000, and loans from the Connecticut Housing Finance Authority and the State of Connecticut Department of Housing; and

WHEREAS, in connection with such governmental assistance, restrictions have been placed on the New Haven Land Records limiting occupancy of the residential units to be constructed in the Building to households whose incomes do not exceed 25%, 50% and 60% of the Area Median Income for New Haven, determined by the United States Department of Housing and Urban Development ("HUD"), as restrictions are more particularly described in such restrictions for a minimum of 42 years; and

WHEREAS, the Applicant has applied for a tax abatement for all of the units for 17 Grand List years in the amount of $749.10 per unit plus a 3% annual increase after the first year of the tax abatement as well as a freeze on the assessment for the Property during the first two years of construction under the City of New Haven's program for Tax Abatement for Low Income Multi-Family Developments (the "Application"); and

WHEREAS, the Applicant has provided all of the information and materials required by the Board of Alders to make a determination regarding the Applicant's eligibility for the tax abatement requested; and

WHEREAS, the Board of Alders finds that the tax abatement requested by the Applicant shall be used to (i) reduce rents below the levels which would be achieved in the absence of the abatement and to improve the quality and design of the Project, (ii) effect occupancy of the Building by persons and families of varying income levels and (iii) provide necessary related facilities and services for the Project; and

WHEREAS, the Board of Alders finds that the Project constitutes a full rehabilitation of the Property and the Building; and

WHEREAS, the Board of Alders has the authority to grant the Application for a tax abatement pursuant to Conn. Gen. Stat. Sec. 8-215, the City of New Haven Charter, Title 1, Article IV, Section 6 and the City of New Haven Code of General Ordinances, Section 28-4.

NOW THEREFORE, BE IT ORDERED that the Application for a tax abatement is hereby approved;

AND BE IT FURTHER ORDERD that the City and the Applicant shall enter into a tax abatement agreement (the "Tax Abatement Agreement") which shall provide that the Property and the Building will be entitled to a tax abatement for 17 consecutive Grand List years following a two year freeze of the assessment of the Property and which Tax Abatement Agreement shall further provide that the taxes levied during the abatement period shall be $749.10 per residential unit, which amount shall be increased by 3% for each year subsequent to the first year of the abatement period.

AND BE IT FURTHER ORDERED that the Tax Abatement Agreement shall also provide that the City will conduct an Annual Compliance Review of the Project regarding its compliance with the affordability requirements of the tax abatement program and related matters and that the Tax Abatement Agreement shall be filed on the land records of the City.

AND BE IT FURTHER ORDERED that the Mayor be and hereby is authorized to execute and delivered on behalf of the City the Tax Abatement Agreement together with such ancillary documents as may be necessary to implement the intent of this Order and the City's program for Tax Abatement for Low Income Multi-Family Developments.

Tab 6

CITY OF NEW HAVEN APPLICATION FOR TAX ABATMEMENT FOR LOW INCOME, MULTI-FAMILY RESIDENTIAL DEVELOPMENTS

I. APPLICANT INFORMATION

A. APPLICATION DATE: June 2020

B. APPLICANT NAME: RMS 49 Prince Street LLC

C. IF DIFFERENT, OWNER'S NAME: Same

D. PROJECT NAME: Hill to Downtown – 49 Prince Street

E. PROJECT ADDRESS(S): 49 Prince Street

F. KEY CONTACT INFORMATION:

Name: Randall M. Salvatore

Title: Manager

Address: 1 Landmark Square, Stamford, CT 06901

Phone Number: 203-968-2313

Email: Randy@rms-companies.com

II. APPLICATION SUMMARY

A. Project Type:

- ☒ Renovation of Existing Structure
- ☐ New Construction
- ☐ Conversion of existing commercial, industrial or mixed income property
- ☐ Existing multi-family dwelling(s)

B. Total Number of Units: 30 Total Number of Buildings: 1

C. Total Number of Affordable Units: 30

D. Percentage of Affordable Units: 100%

E. Will Affordable Units be subsidized with federal or state or local rent subsidies, i.e. Project Based Section 8, RAP, etc.? ______ Yes __X__ No
If yes, provide documentation in Exhibit 12.

F. Description of the Property for which the tax exemption is sought, identified by metes and bounds, tax map block and lots and corresponding street address, including a surveyor plotting from the tax map;

The Tax Map Block and Lot are 264/0120/01100. The Street address is 49 Prince Street. Attached as Exhibit IIF are a legal description and a survey of the property.

G. A copy of the deed or lease as applicable. If the Property is not owned or leased at the time of application, the applicant shall provide a copy of the contract to purchase or the proposed form of lease;

Attached as Exhibit IIG is a copy of the deed.

III. PROJECT SUMMARY

A. Statement of the nature of the proposed project: low and moderate income housing, market rate residential, commercial, industrial, etc., and whether the Property is to be owned or leased.

The proposed project (the "Project") is the complete renovation of the former Welch Annex School located at 49 Prince Street (the "Property") into 30 affordable units. The Project is the last of five development projects constructed under the Development and Land Disposition Agreement among the City of New Haven, the New Haven Redevelopment Agency and RMS Downtown South-Hill North Development Company LLC dated August 31, 2016 (the "DLDA") approved by the Board of Alders. RMS 49 Prince Street LLC, the developer of the Project (the "Developer"), was assigned, with the City of New Haven's consent, the rights and obligations under the DLDA to develop the Property. On May 29, 2020, the Developer acquired the Property from the City for the purchase price of $725,000. The apartments to be developed include studios and one and two bedroom apartments. In addition to creating residences, the renovated Building and site will provide a laundry room, storage rooms, community rooms, group meeting space, a reading room and library, outdoor space, and on-site parking.

The Project is being assisted by a number of government programs, including 4% Low Income Housing Tax Credits ("LIHTC"), CDBG Funds in the amount of $500,000 from the City of New Haven for predevelopment costs of which $291,148.58 is being provided by means of a grant and $208,851.42 is being provided by means of a low interest loan, a construction to permanent loan from the Connecticut Housing Finance Authority ("CHFA") up to $3,750,000, and a State of Connecticut Department of Housing ("DOH") CHAMP loan in the amount of $2,751,000. The CHFA, LIHTC and DOH funding requires that affordability restrictions be placed on the New Haven land records, and such restrictions must continue for 42 years after funding. These restrictions are as follows:

Unit Type	Number of Units	Income Limits	Initial Monthly Rent (including tenant paid utilities)
Studio	2	25% AMI or les	$398.00
Studio	6	50% AMI or less	$858.oo
Studios	10	60% AMI or less	$1,042.
One bedroom	4	60% AMI or less	$1,107
Two bedroom	8	60% AMI or less	$1,321

All increases in rent must be in accordance with CHFA and DOH guidelines.

A tax abatement is required in order to provide the above listed affordable rents, offer quality housing to low and moderate income households and make available necessary related facilities, services and amenities.

B. Proposed term or duration of the tax exemption is _____ 15 years or ___x__ 17 years (per Sec. II: Tax Abatement Agreements, Para. 3).

C. A detailed description of the improvements to be made to the Property, including approved site plans and, if appropriate, architectural drawings;

See Plans approved by the City Plan Commission as part of the Site Plan Review of the Project behind Exhibit IIIC. See also Site Plan approval behind Exhibit IIIG.

D. Estimate of the total cost of the project, including an estimate of construction costs, certified by a qualified architect, engineer, general contractor, or 3rd party construction estimator;

The total cost of the project is $7,773,648.00. See Sources and Uses statement and CHFA DOH Consolidated Application Exhibit 6.3.a dated February 21, 2020 behind Exhibit IIID.

E. Fiscal plan outlining the schedule of annual gross revenue or gross shelter rents, the estimated expenditures for operation and maintenance, interest, amortization of debt and all reserves.

See CHFA DOH Consolidated Application Exhibit 5.3 – Cash Flow Projection dated 2/19/20 behind Exhibit IIIE.

F. A construction schedule indicating a certain commencement date which must occur no later than one (1) years from the date of the application.

Construction to commence in August 2020 and be completed in August 2021.

G. Copies of all government approvals such as zoning, city plan, etc. granting the Project final site plan approval;

See New Haven City Plan Commission Report 1530-04 dated May 17, 2017as amended by New Haven City Plan Administrative Site Plan Review 1530-04A1 dated June 15, 2018 behind Exhibit IIIG

H. Disclosure statements as to all parties, including principals, partners, parent and subsidiary companies, having any interest in the Property or the Project or any other Financial Agreements then in force and effect in which any of such parties have any interest;

<u>See</u> Structure Chart behind Exhibit IIIH

I. If new construction, conversion or significant renovation project, the Developer's good faith estimate of the number and type of temporary jobs to be created by the Project during construction and the number and type of permanent jobs to be created by the Project within one year after construction is completed.

The Developer believes that approximately 50 construction jobs and 1-2 permanent jobs will be created by the Project.

J. The Applicant for new construction, conversion or significant renovations projects shall also set forth the proposed Project Employment Plan of the Developer and a certification by the Developer that such plan complies with the City's employment policies;

In Section 5.4 of the DLDA,, the Developer has agreed to comply with all of the City of New Haven's employment policies including the minority, women and New Haven residents work force goals set forth in Section 12 ½ of the City's Code of General Ordinances and the MBE and SBE contracting goals set forth in Section 12n1/4 of the Code of General Ordinances.

K. Certification by the Developer that he/she confirms the accuracy of all information contained in the application and that the information is true and correct to the best of the Developer's knowledge. The certification shall contain the original signature of the Developer notarized or witnessed. In the case of a corporation, the Developer shall submit a notarized corporate resolution, with the seal of the corporation and the signature of the Secretary of the corporation, authorizing the signatory to bind the corporation or similar bona fide evidence of authorization. In the case of a partnership the Developer shall submit a copy of the partnership agreement, certified to be a full force and effect, authorizing the signatory to bind the partnership. In the case of a limited liability corporation or any other lawful business organization, the Developer shall submit other similar bona fide evidence of the signatory's authority; and

<u>See</u> Certificate, Resolution and Operating Agreement behind Exhibit IIIK.

L. Payment in full of the applicable application fee payable to the Controller. This fee is found in the New Haven Code of General Ordinances, Article XX: Section 17-201: Permit Licenses and User Fees.

A $250 fee has been paid.

IV. REQUIRED DOCUMENTATION

A. Unless otherwise provided by the Applicant in response to previous requests for information in the application, the Applicant shall provide the City with the following information as part of request for a Tax Abatement. Additional information may be requested as deemed necessary by the Board of Alderman or the City for part of their review of the applicants request for tax abatement.

☒ 9 copies of application and all required documentation with tabs labeled with appropriate Exhibit identified.

☒ Exhibit 1: Project Summary Response.

See responses to Project Summary Response in Section III.

☒ Exhibit 2: Organizational Documents including Certificate of Incorporation, Articles of Incorporation, etc.

See Certificate of Organization behind exhibit entitled Section IVA, Exhibit 2

☒ Exhibit 3: Certificate of Good Standing.

See Certificate of Good Standing behind exhibit entitled Section IVA, Exhibit 3

☒ Exhibit 4: Evidence of site control by the applicant (Deed, Option/Purchase Sale Agreement) if Applicant does not yet have ownership of the property.

See Exhibit IIG for a copy of the Deed

☒ Exhibit 5: Copy of recorded Affordable or Restrictive Covenants, if applicable.

See Exhibit entitled IVA, Exhibit 5 for the affordable and restrictive covenants listed below:

- CHFA - Extended Low-Income Housing Commitment
- CHFA – Declaration and Agreement of Restrictive Covenants
- CHFA – Open-End Mortgage Deed (Construction) Security Agreement, Assignment of Leases and Rentals and Fixture Filing
- CHFA – Covenant of Compliance and Regulatory Agreement
- State of Connecticut DOH – Declaration of Land Use Restrictive Covenant
- State of Connecticut DOH – Construction Mortgage Deed, Security Agreement and Fixture Filing
- Assignment, Assumption and Modification Agreement re: CDBG Agreement

☒ Exhibit 6: Evidence that Property and all real estate owned by principal(s) are current on New Haven taxes.

The Property has been exempt from taxes, because it is City owned. The Applicant will notify the Assessor of its acquisition of the property under Conn. Gen. Stat. Sec. 12-81a, at which point, it anticipates that a tax bill will be sent. RMS New Haven II LLC, one of the members of the Applicant, does not own any property in New Haven. People's United Bank, the other member

of the Applicant, is current on the real estate taxes that it owes. See exhibit entitled Section IVA, Exhibit 6.

☒ Exhibit 7: Development budget for new construction, conversion and significant renovations projects to include all sources, method and amount of money to be subscribed through public or private capital, to fund the construction of the Project, including the amount of stock or other securities to be issued therefore, or the extent of capital invested and the proprietary or ownership interest obtained in consideration therefore. Documentation of all commitment letters is required.

See Exhibit IIID for the budget and Exhibit IIIK for the Operating Agreement. See exhibit entitled Section IVA , Exhibit 7 for the Commitment letters listed below:

- City of New Haven, Livable City Initiative
- CHFA
- State of Connecticut DOH
- People's United Bank

☒ Exhibit 8: Three (3) year proforma assumptions for the development.

See Exhibit IIIE for three year proforma assumptions for the Project.

☒ Exhibit 9: If the applicant is requesting an abatement for a scattered site multifamily rental, than the Applicant must provide proforma, budget and tax information for each property that is requesting an abatement form and provide the Board of Alders and the City with a consolidated set of budget, proforma and financial information for the properties for which the abatements are being requested.

Not applicable

☒ Exhibit 10: Corporate resolution authorizing the Development to enter into a tax abatement agreement with the City of New Haven.

See Exhibit IIIE for a resolution of the Applicant.

☒ Exhibit 11: Attach, any and all, letters of support.

None.

☒ Exhibit 12: Documentation of any rental subsidies, if applicable.

Not applicable.

Exhibit IIF –
Legal Description
and
Survey of the Property

SCHEDULE A

A certain piece or parcel located in the City and County of New Haven and State of Connecticut containing 20,500 square feet ± 0.47062 Acres ± and being shown on a map entitled, "ALTA/NSPS LAND TITLE SURVEY 49 PRINCE STREET, NEW HAVEN CONNECTICUT", prepared by LANGAN CT, INC., 555 Long Wharf Drive, New Haven, CT 06511, Scale 1"=20' dated February 13, 2020, rev. 4/30/20 on file in the New Haven Town Clerk's office as Map Volume 62 at Page 201, said parcel being more particularly bounded and described as follows:

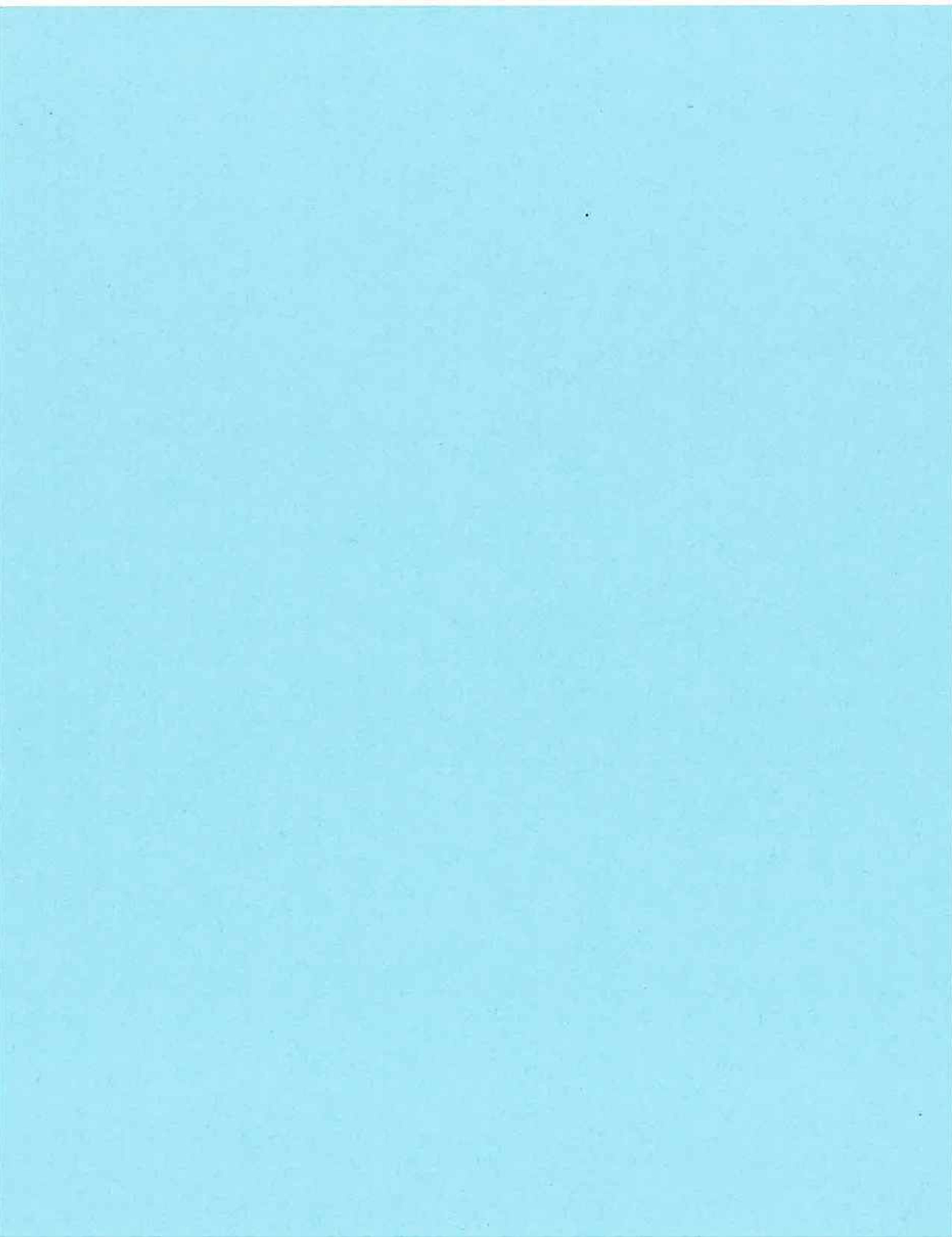
Beginning at a point marking the intersection of the northwesterly street line of Prince Street and the easterly street line of Gold Street;

Thence running North 35° 39' 49" West, 111.45 feet along said easterly street line of Gold Street;

Thence running North 43° 41' 16" East, 152.15 feet along land now or formerly of Saint Anthony's Church;

Thence running North 46° 41' 41" East, 18.09 feet and South 42° 44' 24" East, 120.83 feet along land now or formerly of Yale University;

Thence running South 47° 26' 21" West, 183.67 feet along the northwesterly street line of Prince Street to the point and place of beginning.

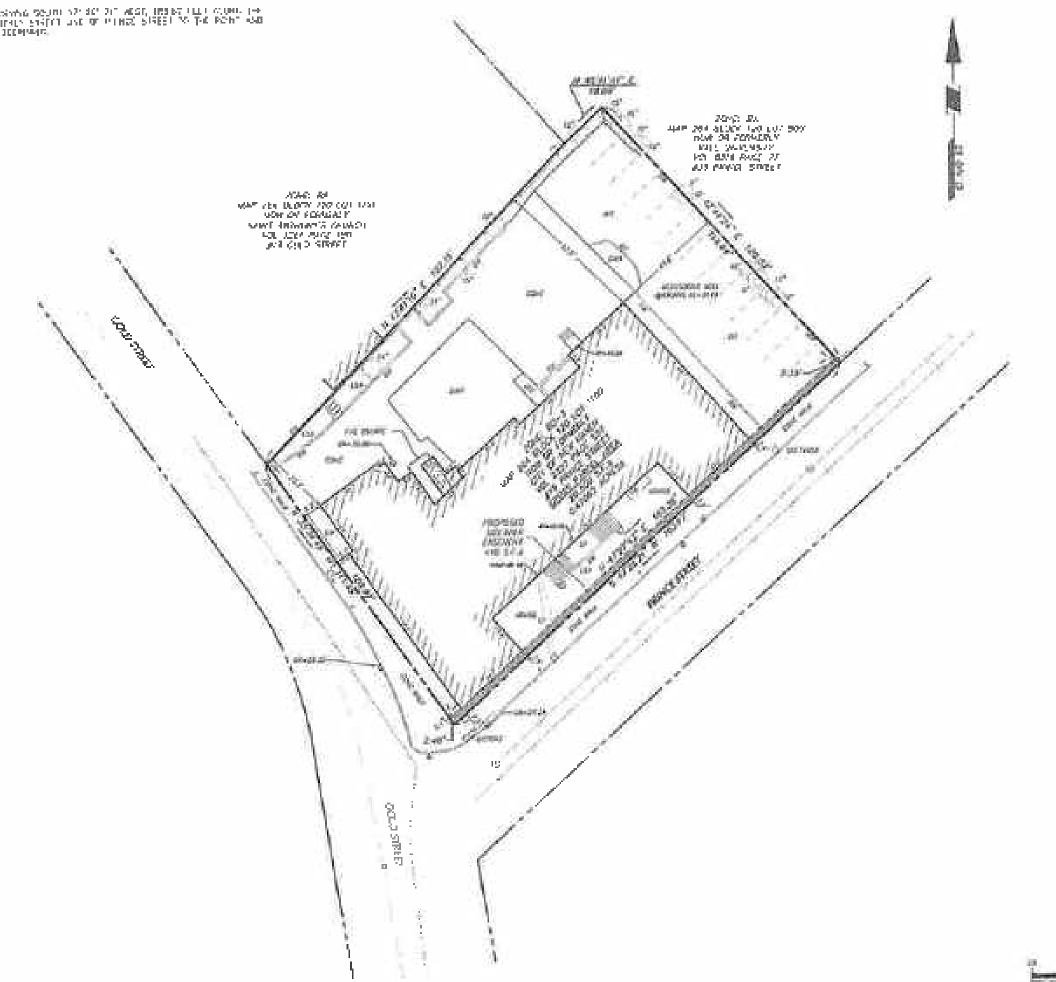


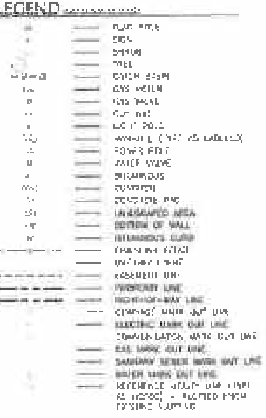
NOTES

METES & BOUNDS DESCRIPTION

TITLE REPORT

ZONING REQUIREMENTS





Date	Description	No.
4/30/20		2
3/25/20	ADDRESSED COMMENTS	1

REVISIONS

LANGAN

Project

49 PRINCE STREET

Drawing Title

ALTA/NSPS LAND TITLE SURVEY

Drawing No.

VL101

Exhibit IIG –
Copy of Deed

Receipt # 175137
Instr # 2020-04256
Local Tax $ 0
State Tax $0

VOL 10009PG 226
06/04/2020 12:26:19 PM
4 Pages
QUIT CLAIM

Michael B. Smart City Clerk

Quit Claim Deed for New Proje...

KNOW ALL PEOPLE BY THESE PRESENTS, THAT:

The **CITY OF NEW HAVEN,** a Connecticut municipality (the "City") for Seven Hundred Twenty-Five Thousand ($725,000.00) Dollars and other valuable consideration received to its full satisfaction of **RMS 49 PRINCE STREET LLC**, a Connecticut limited liability company having a place of business at 1 Landmark Square, 2nd Floor, Stamford, CT 06901 (the "Releasee") does remise, release and forever QUIT CLAIM unto the said Releasee and its successors and assigns forever, all of the right, title, interest, claim and demand which the City (the "Releasor") has or ought to have in and to all that certain piece or parcel of land, together with all buildings thereon situated in the Town of New Haven, County of New Haven and State of Connecticut and known as **49 Prince Street, a/k/a New Project Parcel 14**, being more particularly bounded and described on **Exhibit A** attached hereto and made a part hereof (the "Premises").

TO HAVE AND TO HOLD the above remised, released and QUIT CLAIMED Premises with the appurtenances thereof, unto the said Releasee, and Releasee's successors and assigns forever, to it and their proper use and behoof, so that neither the Releasor nor Releasor's successors or assigns, nor any other person claiming in its or their name or behalf, shall hereafter have any claim, right or title in or to the Premises or any part thereof, but therefrom the Releasor and they are by these presents forever barred and excluded.

No Tax

The Premises are conveyed subject to the terms and conditions of that certain Second Amended and Restated Development Agreement and Land Disposition Agreement by and among Releasor, the New Haven Redevelopment Agency and RMS Downtown South-Hill North Development Company, LLC dated as of August 31, 2016, being recorded on the New Haven Land Records at Volume 9483, Page 1 (the "Second Amended Development Agreement") all of the rights and obligations under such Second Amended Development Agreement pertaining to the Premises having been assigned to Releasee in that certain Partial Assignment and Assumption Agreement and Consent dated May 29 2020 and recorded on the New Haven Land Records immediately prior hereto. Without limiting the preceding sentence, the agreements and covenants contained in Article III, Article V, Article VI, Article VII, Article VIII, Article IX, and Article X of the Second Amended Development Agreement shall be covenants running with the Premises for the term of said Agreement as set forth therein and are enforceable by the City and the New Haven Redevelopment Agency and the United States (with respect to Section 5.6 of the Second Amended Development Agreement) against Releasee and any successor in interest to the Premises, in each case without regard to whether the City, the New Haven Redevelopment Agency or the United States has at any time been, remains, or is an owner of any land or interest therein to or in favor of which such agreements and covenants relate, and are enforceable by the Releasee and its successors and assigns against the City and the New Haven Redevelopment Agency. The covenants contained in Section 5.6 shall run with the Premises without limitation as to time and be enforceable by the City, the New Haven Redevelopment Agency and the United States against Releasee and its successors and assigns as above provided.

The premises are further conveyed subject to the Acceptable Encumbrances as that term is defined in the Second Amended Development Agreement as follows:

1. New Haven City Plan Commission Site Plan Review Approval with Conditions, Report 1530-04 dated May 17, 2017, recorded in Volume 9581 at Page 321 of the New Haven Land Records as amended by New Haven City Plan Commission Administrative Site Plan Review, Report 1530-04A1 review dated June 15, 2018 and reported to the City Plan Commission on June 20, 2018, recorded in Volume 9731 at page 312 of the New Haven Land Records

IN WITNESS WHEREOF, the Releasor has hereunto set its hand and seal this 26 day of May, 2020.

Signed, sealed and delivered
in the presence of:

____
Print Name: Sean Matteson

____
Print Name: Alison Lanoue

CITY OF NEW HAVEN

By:______________________
Justin Elicker
Its Mayor

Approved as to form and correctness:

____
Alison Lanoue
Assistant Corporation Counsel

STATE OF CONNECTICUT)
) ss. New Haven May 26 2020
COUNTY OF NEW HAVEN)

Personally appeared, Justin Elicker, as Mayor of the City of New Haven, signer and sealer of the foregoing instrument, and acknowledged the same to be the free act and deed of the City of New Haven, and his free act as Mayor thereof, before me.

____
Commissioner of the Superior Court
~~Notary Public~~
~~My Commission Expires~~:______________

EXHIBIT A

A certain piece or parcel located in the City and County of New Haven and State of Connecticut containing 20,500 square feet ± 0.47062 Acres ± and being shown on a map entitled, "ALTA/NSPS LAND TITLE SURVEY 49 PRINCE STREET, NEW HAVEN CONNECTICUT", prepared by LANGAN CT, INC., 555 Long Wharf Drive, New Haven, CT 06511, Scale 1"=20' dated February 13, 2020, rev. 4/30/20 on file in the New Haven Town Clerk's office as Map Volume 62 at Page 201, said parcel being more particularly bounded and described as follows:

Beginning at a point marking the intersection of the northwesterly street line of Prince Street and the easterly street line of Gold Street;
Thence running North 35° 39' 49" West, 111.45 feet along said easterly street line of Gold Street;
Thence running North 43° 41' 16" East, 152.15 feet along land now or formerly of Saint Anthony's Church;
Thence running North 46° 41' 41" East, 18.09 feet and South 42° 44' 24" East, 120.83 feet along land now or formerly of Yale University;
Thence running South 47° 26' 21" West, 183.67 feet along the northwesterly street line of Prince Street to the point and place of beginning.

06/04/2020 12:26:19 PM
Michael B. Smart City Clerk
City of New Haven

Vol Pg

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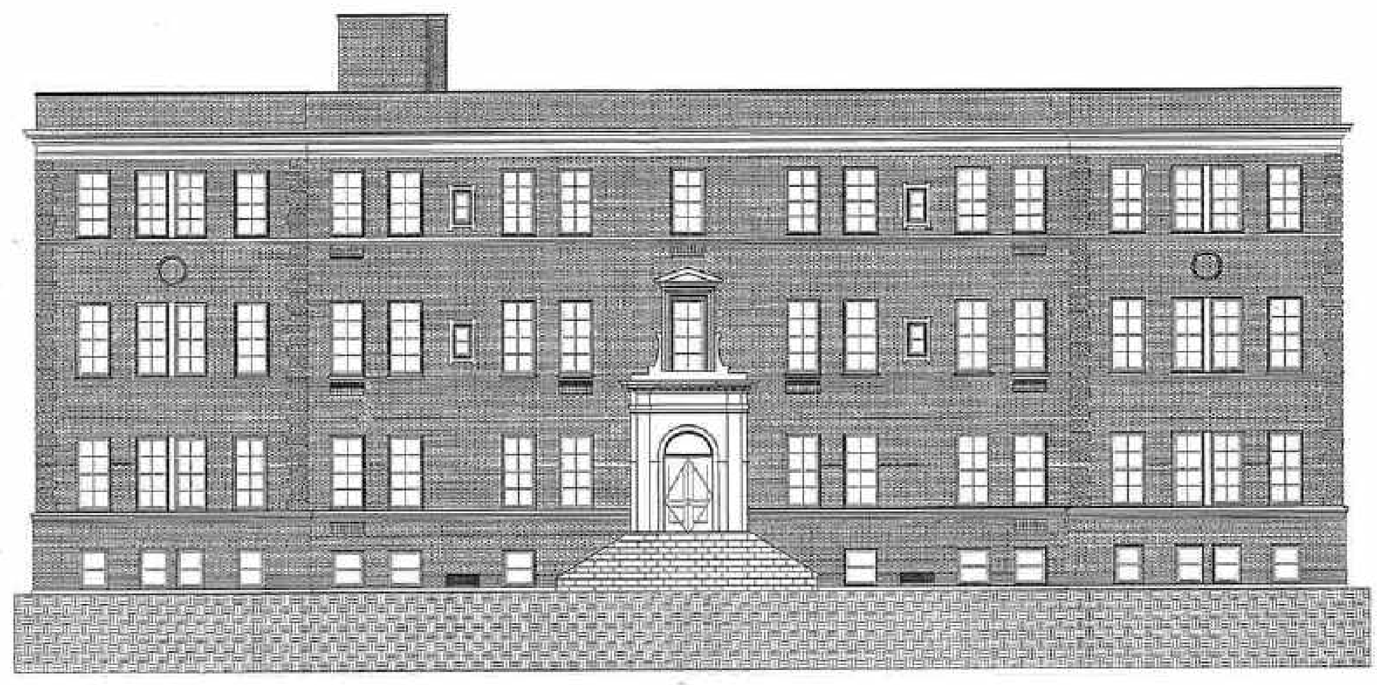
Exhibit IIIC – Approved Site Plans

PROPOSED RESIDENTIAL BUIDLING

49 PRINCE STREET
NEW HAVEN, CT, 06519



ARCHITECT'S PROJECT NUMBER:
2016.020

SITE PLAN SUBMISSION
APRIL 20, 2017

PROJECT TEAM

Architect:

KENNETH BOROSON ARCHITECTS

Kenneth Boroson Architects, LLC
Contacts:
Kenneth Boroson, Principal
kboroson@kbarch.com
Erin Delohery, Project Manager
edelohery@kbarch.com
Phone: (203) 624-0662
Fax: (203) 562-1732

Structural Engineer:

PERRONE & ZAJDA ENGINEERS LLC

Perrone & Zajda Engineers, LLC
Contacts:
Bruce Perrone
bruceperrone@aol.com
Phone: (860) 513-1156
Fax: (860) 436-3362

Civil Engineer:

LANGAN

Langan Engineering & Environmental Sevices
Contacts:
Timothy Onderko, Project Manager
tonderko@langan.com
Kathryn Lynch, Project Engineer
klynch@langan.com (203) 562-5771
Phone: (203) 789-6142
Fax:

MEP Engineer:

Stantec Consulting Services Inc.
Contacts:
Joseph Bartels
joseph.bartels@stantec.com
Phone: (203) 352-1717
Fax: (203) 352-1718

DRAWING LIST

GENERAL:

A0.00 COVER SHEET

CIVIL:

PROPERTY SURVEY
C0.00 MASTER LEGEND & GENERAL NOTES
C1.00 SITE PLAN
C1.01 SITE SHADING PLAN
C1.10 SITE DETAILS
C1.20 SITE DETAILS II
C1.30 SITE DETAILS III
C1.40 SITE DETAILS IV
C2.00 GRADING & DRAINAGE PLAN
C2.10 DRAINAGE DETAILS
C3.00 SITE UTILITY PLAN
C3.10 UTILITY DETAILS
C4.00 SOIL EROSION & SEDIMENT CONTROL PLAN
C4.10 SOIL EROSION & SEDIMENT CONTROL DETAILS

L1.00 LANDSCAPE PLAN
L1.10 LANDSCAPE NOTES AND DETAILS
L2.00 LIGHTING PLAN
L2.10 LIGHTING PLAN WITHOUT STREET LIGHTS
L2.20 LIGHTING NOTES AND DETAILS

ARCHITECTURAL:

A2.01 BASEMENT AND FIRST FLOOR PLANS
A2.02 SECOND AND THIRD FLOOR PLANS
A5.01 EXTERIOR ELEVATIONS

SITE LOCATION

PROJECT LOCATION

GRADING & DRAINAGE NOTES

STORMWATER MAINTENANCE NOTES

UTILITY NOTES

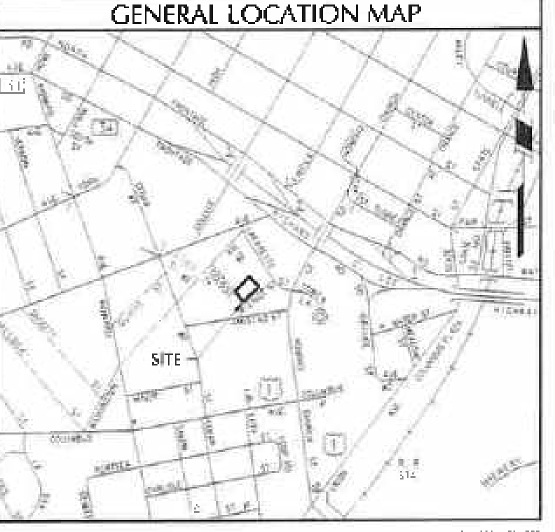
GENERAL NOTES

PLAN CERTIFICATION

LEGEND

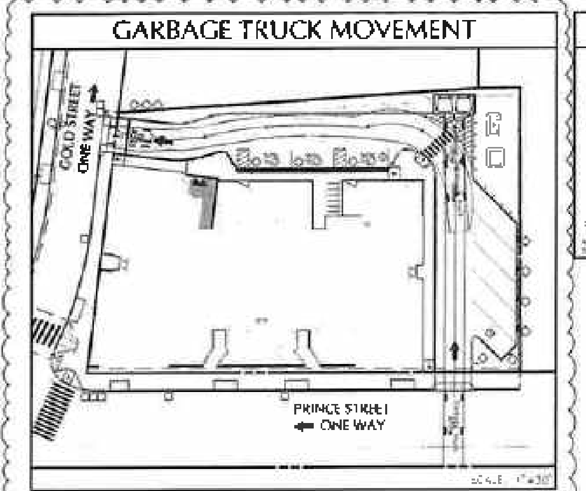
	EXISTING	PROPOSED

GENERAL LOCATION MAP



SITE PLAN SUBMISSION - NOT FOR CONSTRUCTION

GARBAGE TRUCK MOVEMENT



SIGN LEGEND

STOP | NO PARKING ANY TIME | DO NOT ENTER | ONE WAY | ONE WAY | BACK IN PARKING ONLY | RESIDENT PARKING ONLY

ZONING REQUIREMENTS

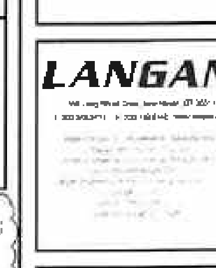
	REQUIREMENTS	PROVIDED	ZONING CH.
LOCATION: [illegible] PRINCE STREET, NEW HAVEN, CT [illegible]			
ZONE: CENTRAL BUSINESS/MIXED USE [illegible]			
USE: RESIDENTIAL			
LOT SIZE	[illegible]	[illegible]	[illegible]
F.A.R.	[illegible]	[illegible]	[illegible]
BUILDING HEIGHT	[illegible]	[illegible]	[illegible]
MAXIMUM BUILDING COVERAGE	[illegible]	[illegible]	[illegible]
MINIMUM YARDS	[illegible]	[illegible]	[illegible]
MINIMUM STREET SETBACK	[illegible]	[illegible]	[illegible]
USEABLE OPEN SPACE	[illegible]	[illegible]	[illegible]
COMMON AMENITY SPACE	[illegible]	[illegible]	[illegible]

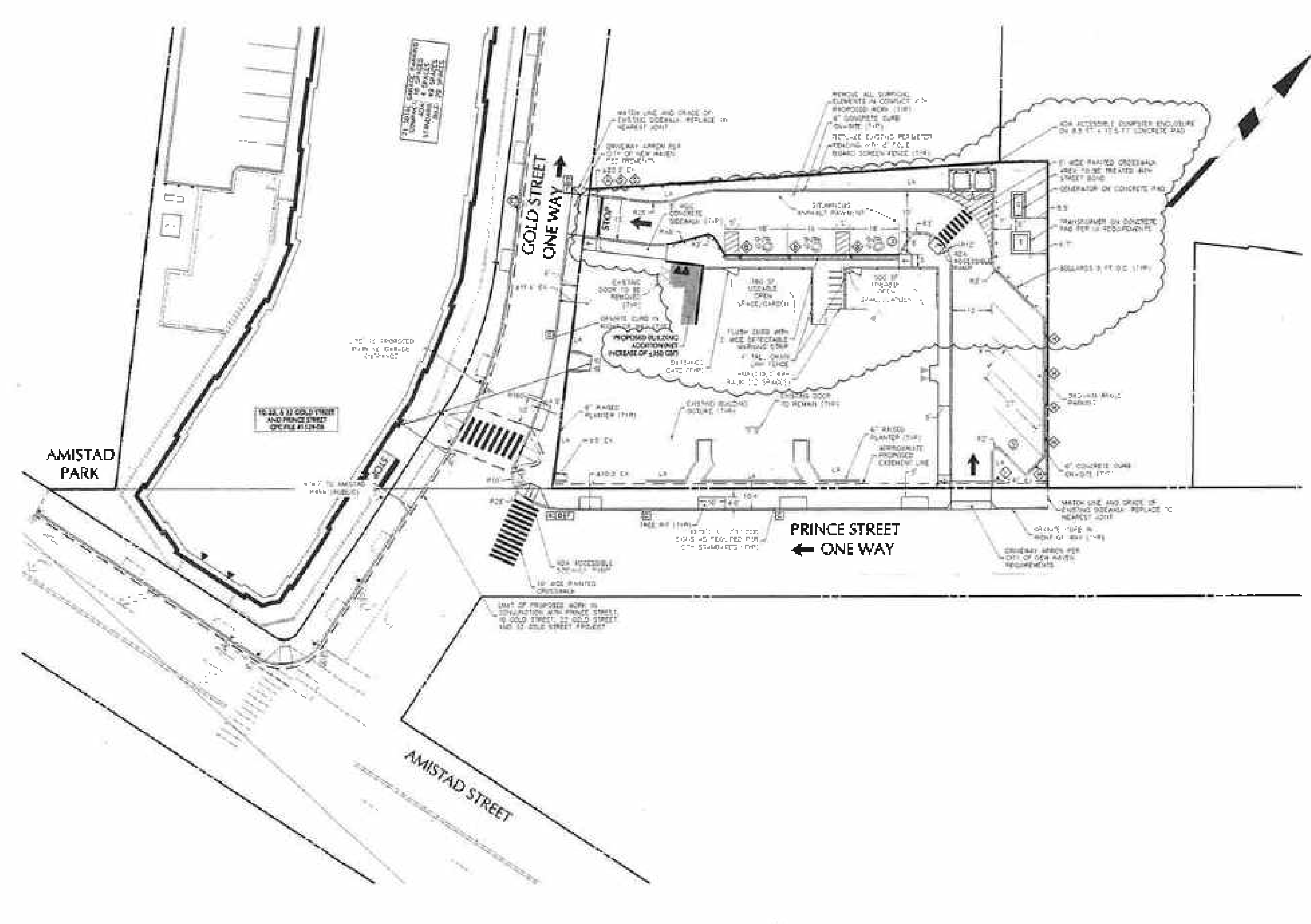
NOTES:
1. [illegible]
2. [illegible]

PARKING REQUIREMENTS

REQUIREMENTS	PROPOSED	SPACE SIZE	ZONING CH.
PARKING			
RESIDENTIAL [illegible] TOTAL 15 SPACES REQUIRED	[illegible] TOTAL 15 SPACES	[illegible]	[illegible]
BICYCLE PARKING			
[illegible]	[illegible] TOTAL 15 SPACES	[illegible]	[illegible]

NOTES:
1. [illegible]
2. [illegible]

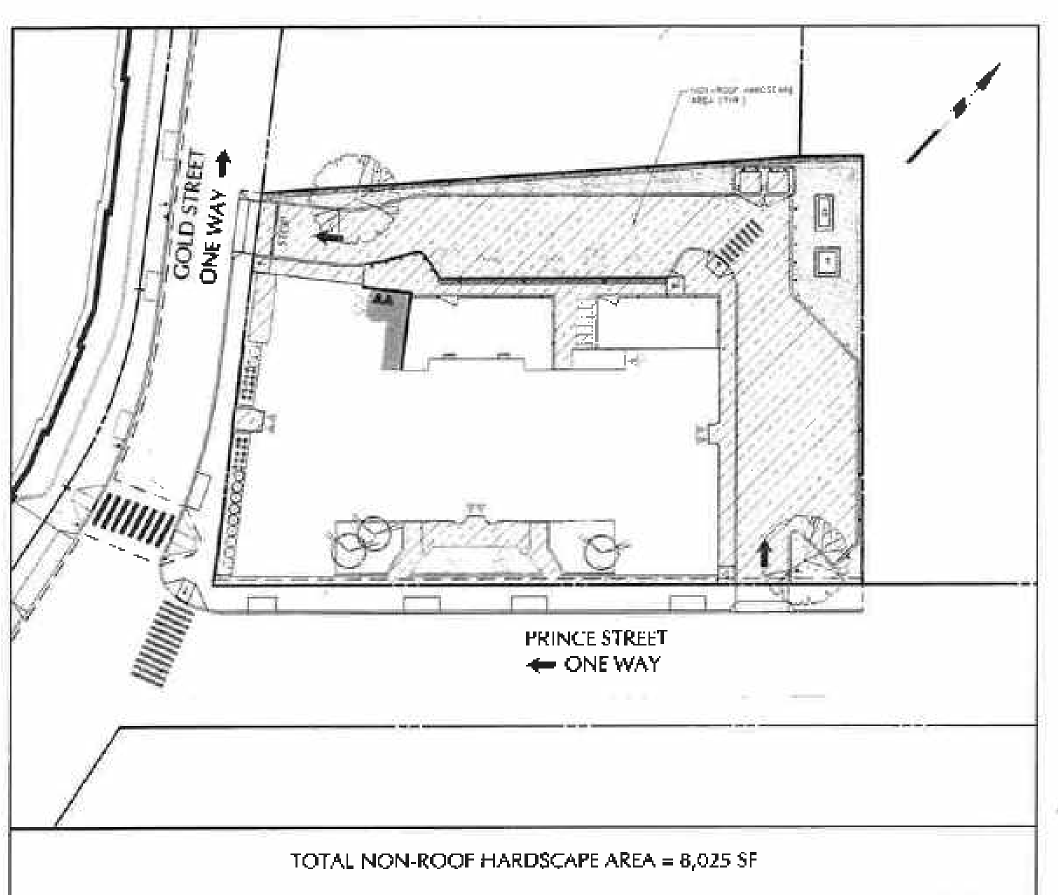




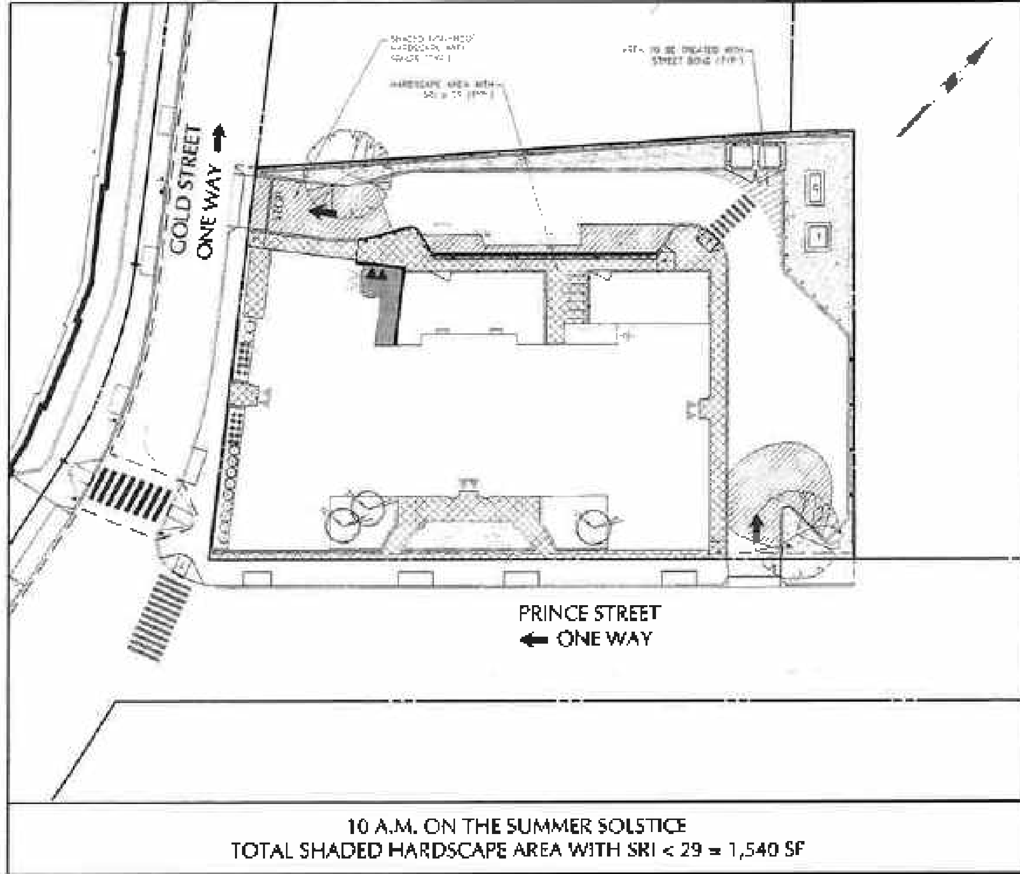
SITE PLAN

C1.02

SITE PLAN SUBMISSION - NOT FOR CONSTRUCTION



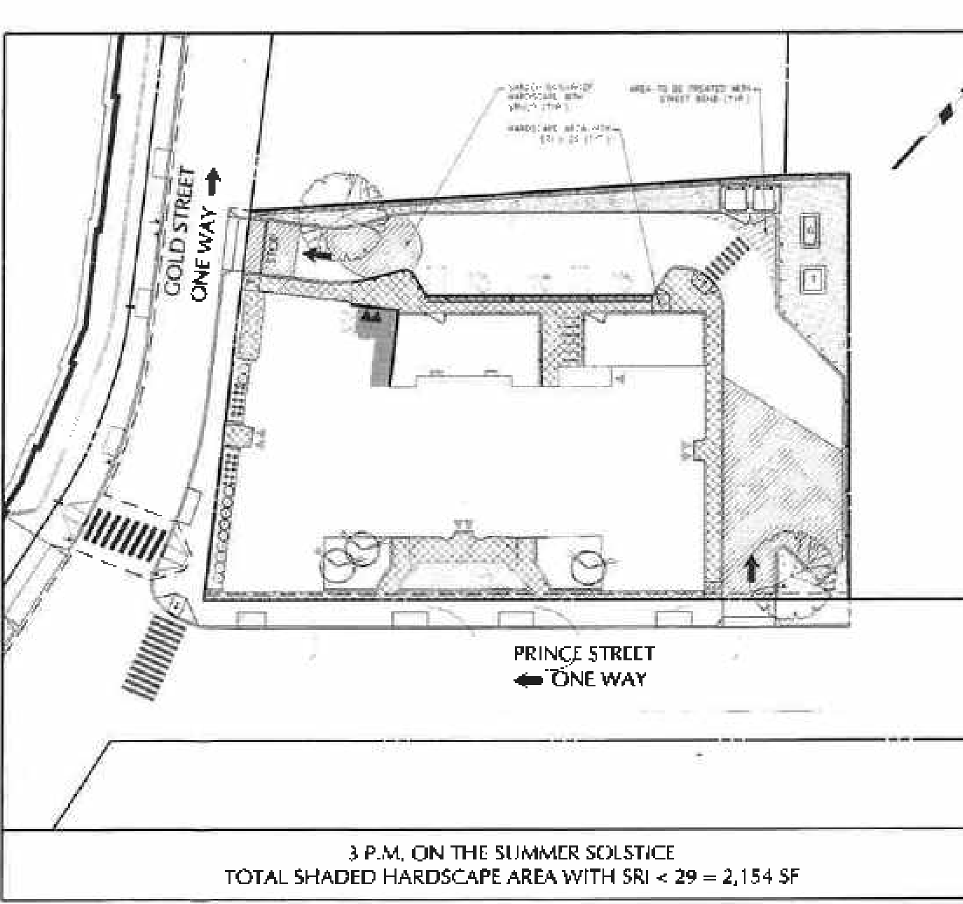
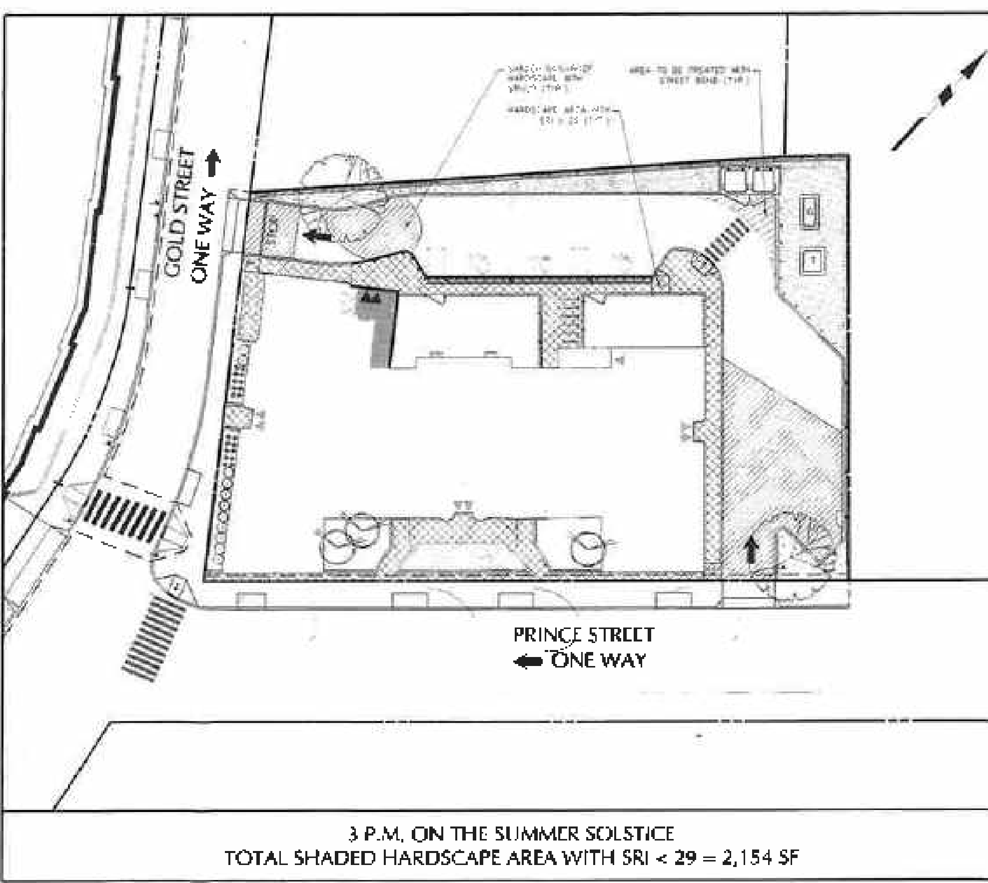
TOTAL NON-ROOF HARDSCAPE AREA = 8,025 SF



10 A.M. ON THE SUMMER SOLSTICE
TOTAL SHADED HARDSCAPE AREA WITH SRI < 29 = 1,540 SF

GOLD STREET
ONE WAY
PRINCE STREET
ONE WAY

12 P.M. ON THE SUMMER SOLSTICE
TOTAL SHADED HARDSCAPE AREA WITH SRI < 29 = 1,063 SF

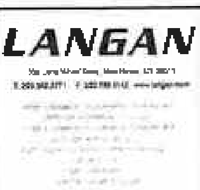



3 P.M. ON THE SUMMER SOLSTICE
TOTAL SHADED HARDSCAPE AREA WITH SRI < 29 = 2,154 SF

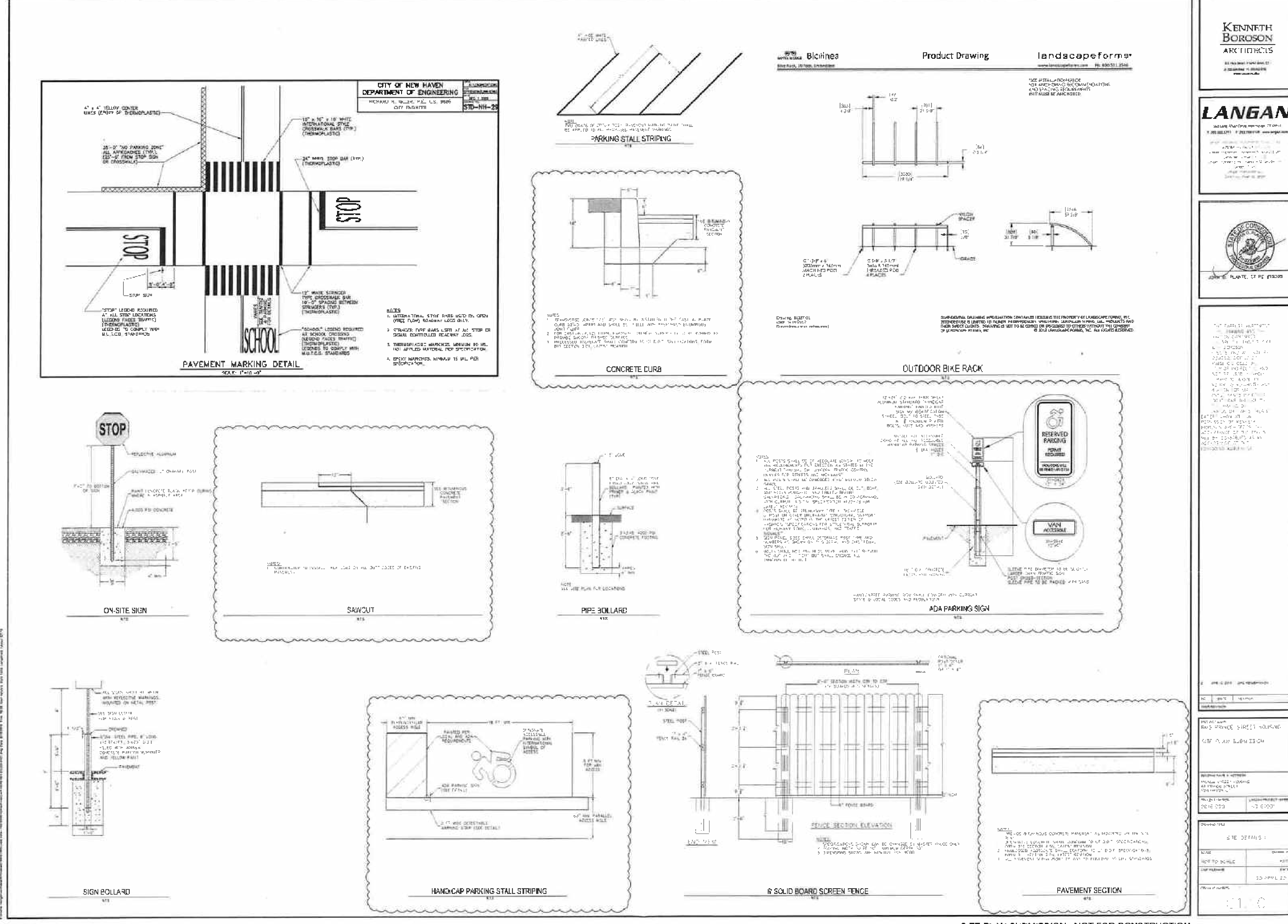
REFLECTIVE HEAT IMPACT

[illegible]	
TOTAL NON-ROOF HARDSCAPE	8,025 SF
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

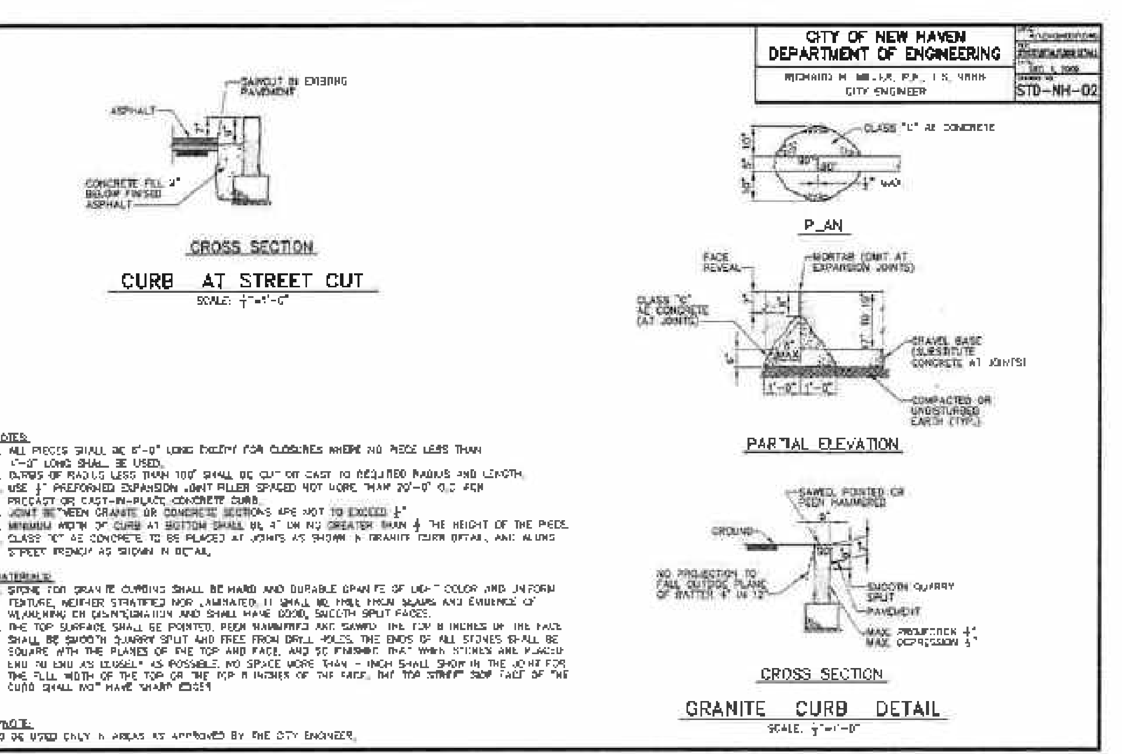
KENNETH BOROSON ARCHITECTS

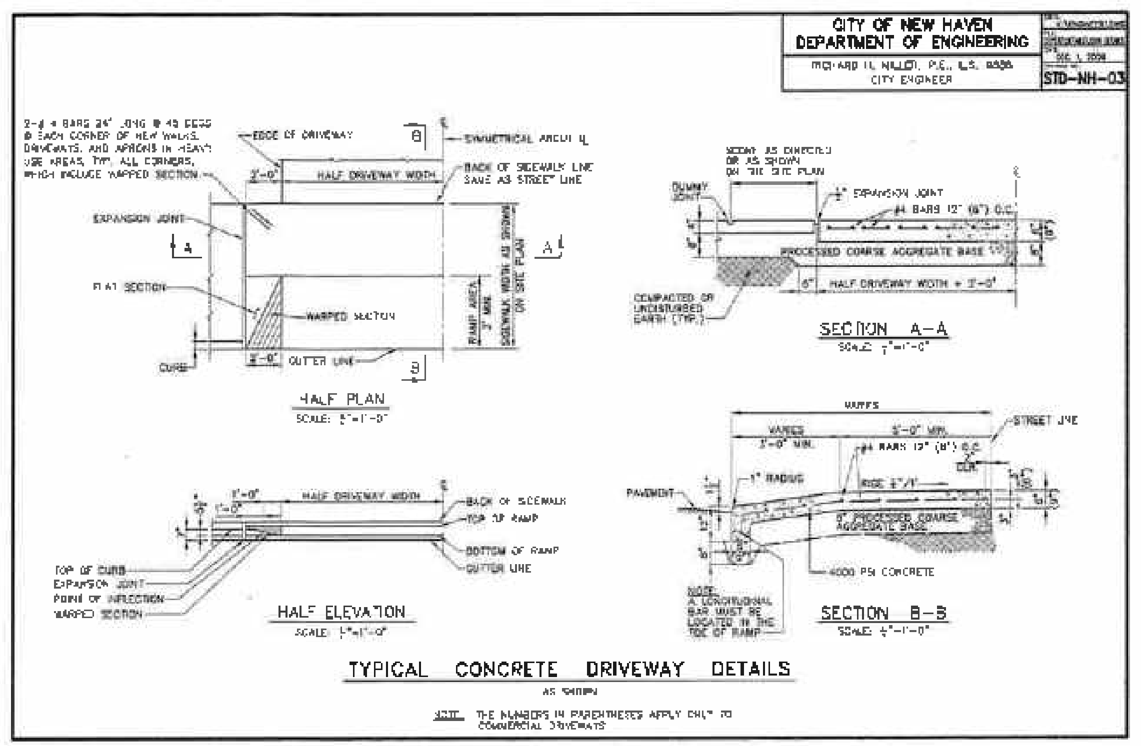


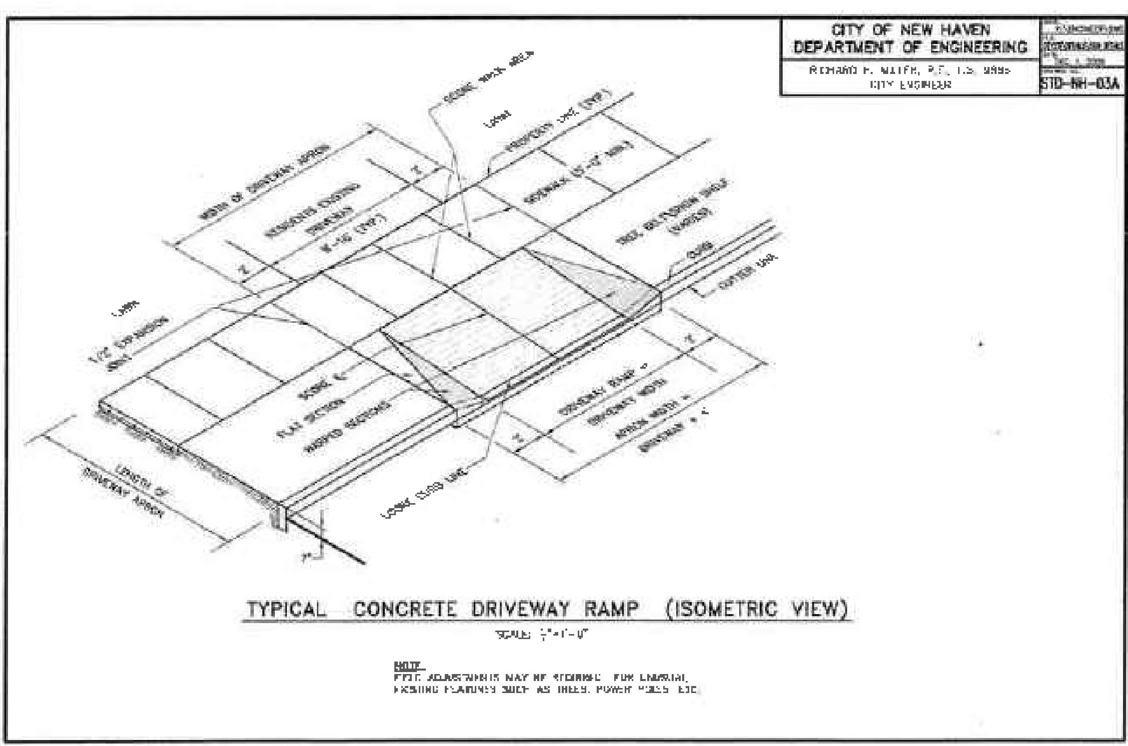
SITE PLAN SUBMISSION - NOT FOR CONSTRUCTION

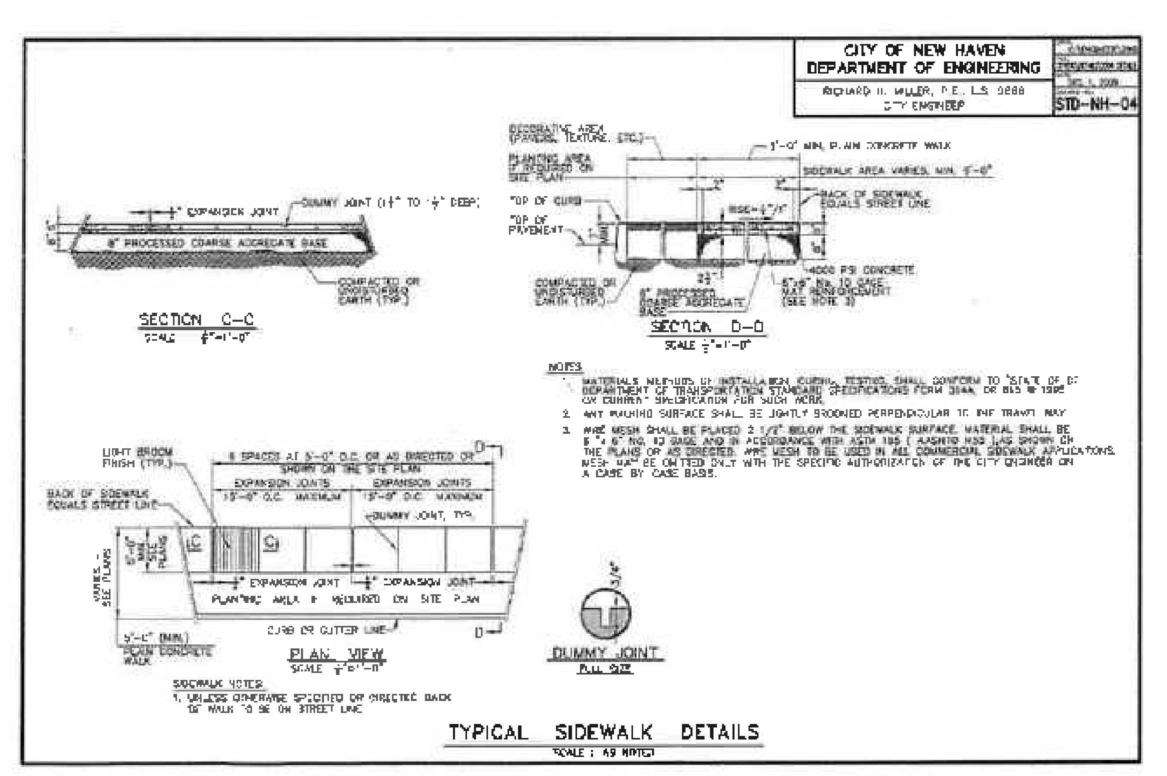


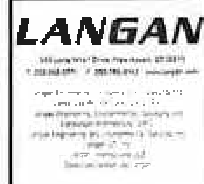
CITY OF NEW HAVEN
DEPARTMENT OF ENGINEERING
STOP
STOP
SCHOOL
PAVEMENT MARKING DETAIL
PARKING STALL STRIPING
CONCRETE CURB
Product Drawing
landscapeforms
OUTDOOR BIKE RACK
STOP
ON-SITE SIGN
SAWCUT
PIPE BOLLARD
RESERVED PARKING
VAN ACCESSIBLE
ADA PARKING SIGN
SIGN BOLLARD
HANDICAP PARKING STALL STRIPING
PLAN
FENCE SECTION ELEVATION
6' SOLID BOARD SCREEN FENCE
PAVEMENT SECTION
KENNETH BOROSON ARCHITECTS
LANGAN
SITE PLAN SUBMISSION - NOT FOR CONSTRUCTION

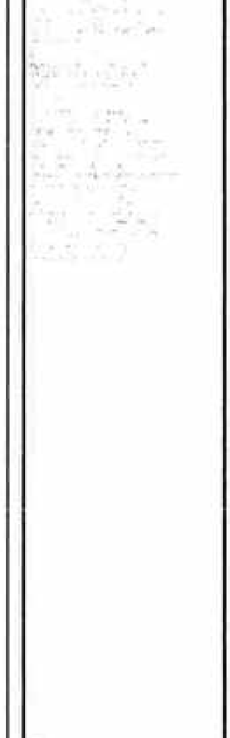












RMS PRINCE STREET HOUSING

SITE PLAN SUBMISSION

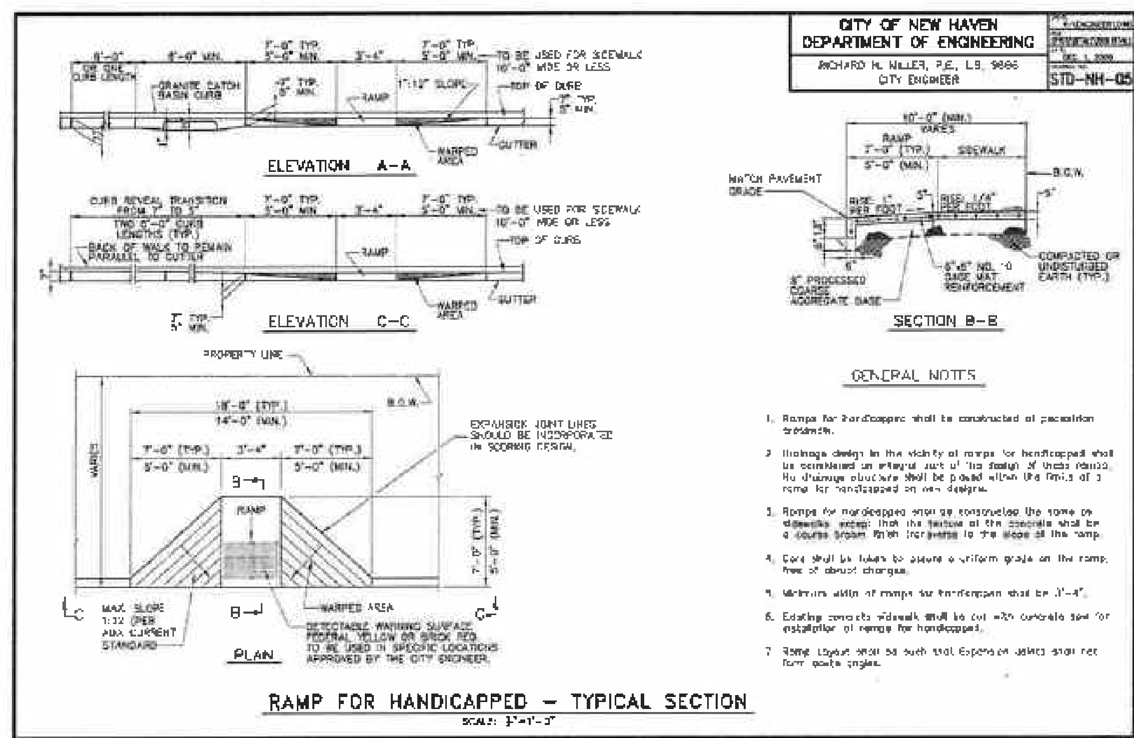
PROJECT NUMBER	LANGAN PROJECT NUMBER
J016.020	140161001

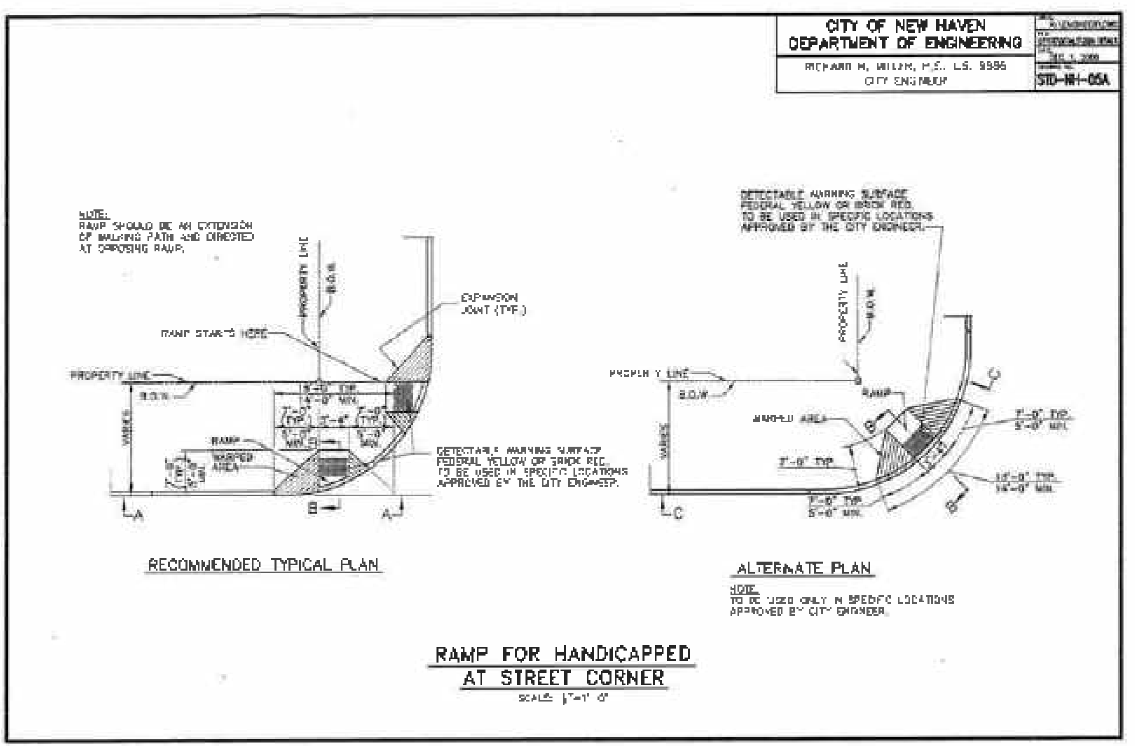
SITE DETAILS II

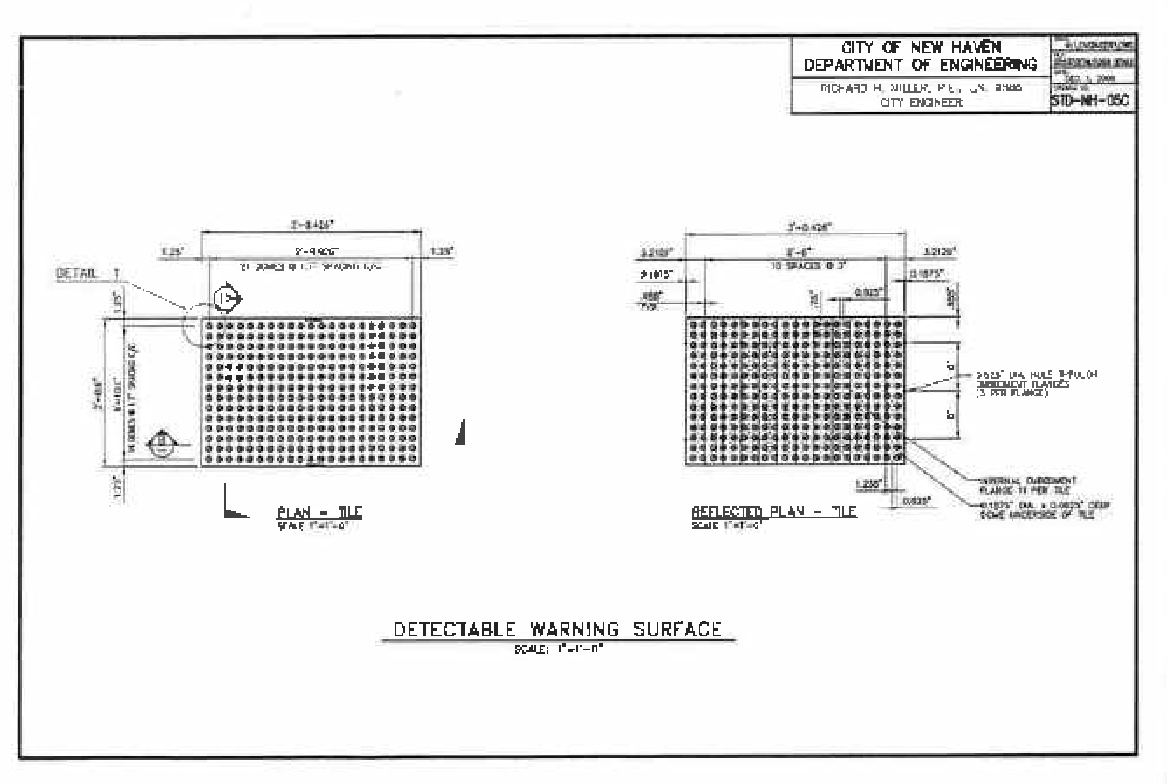
SCALE	
NOT TO SCALE	
	20 APRIL 2017

C1.20

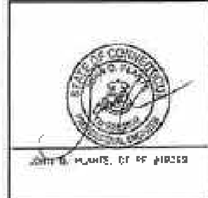
SITE PLAN SUBMISSION - NOT FOR CONSTRUCTION







LANGAN



RMS PRINCE STREET HOUSING

SITE PLAN SUBMISSION

2016.320

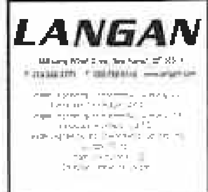
SITE DETAILS II

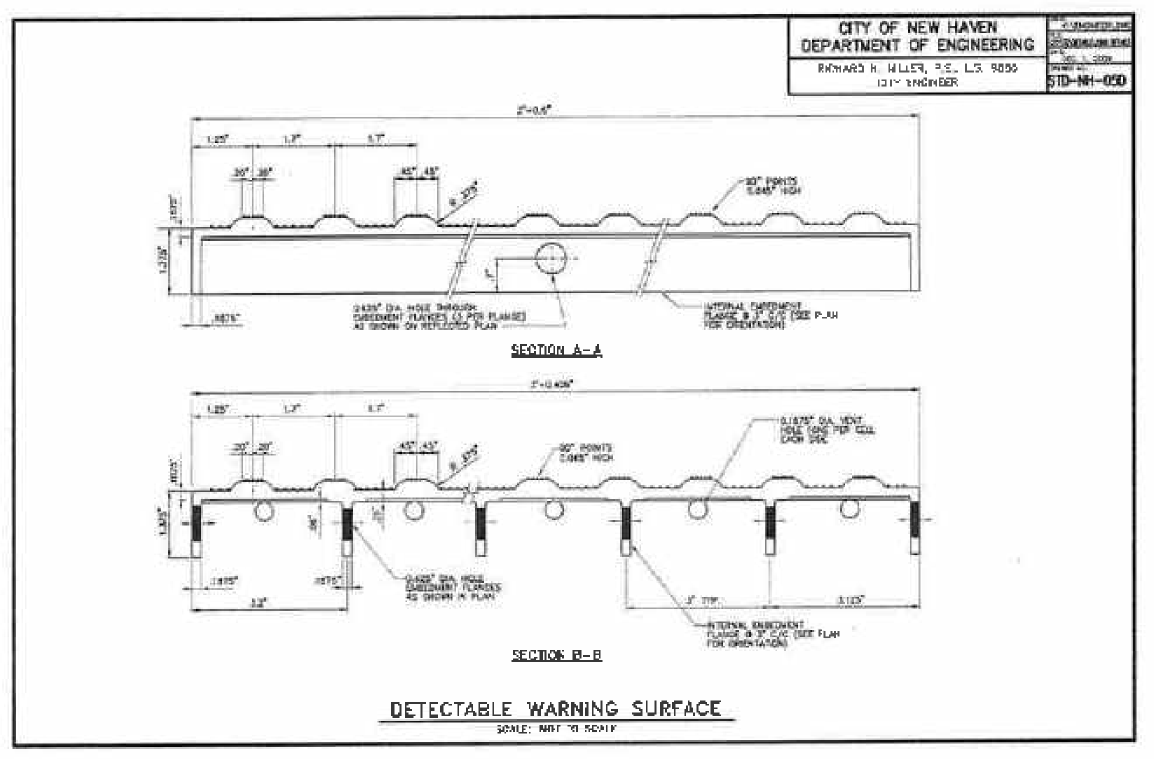
NOT TO SCALE

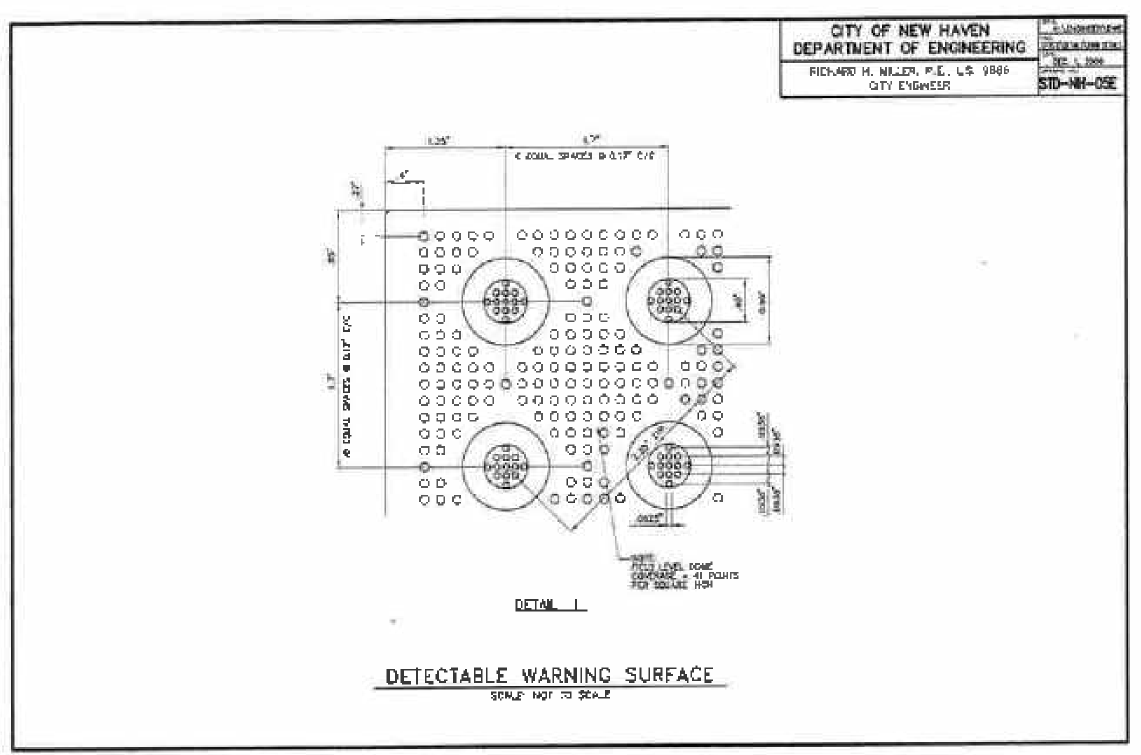
20 APRIL 2017

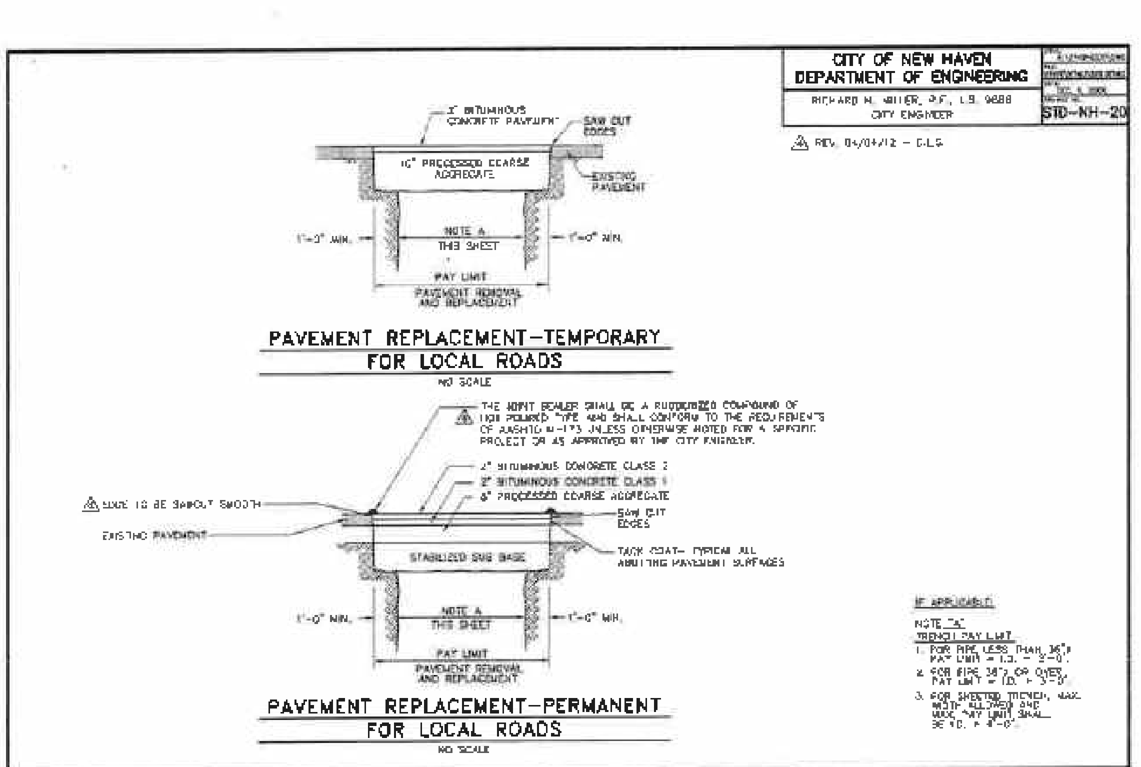
C1.30

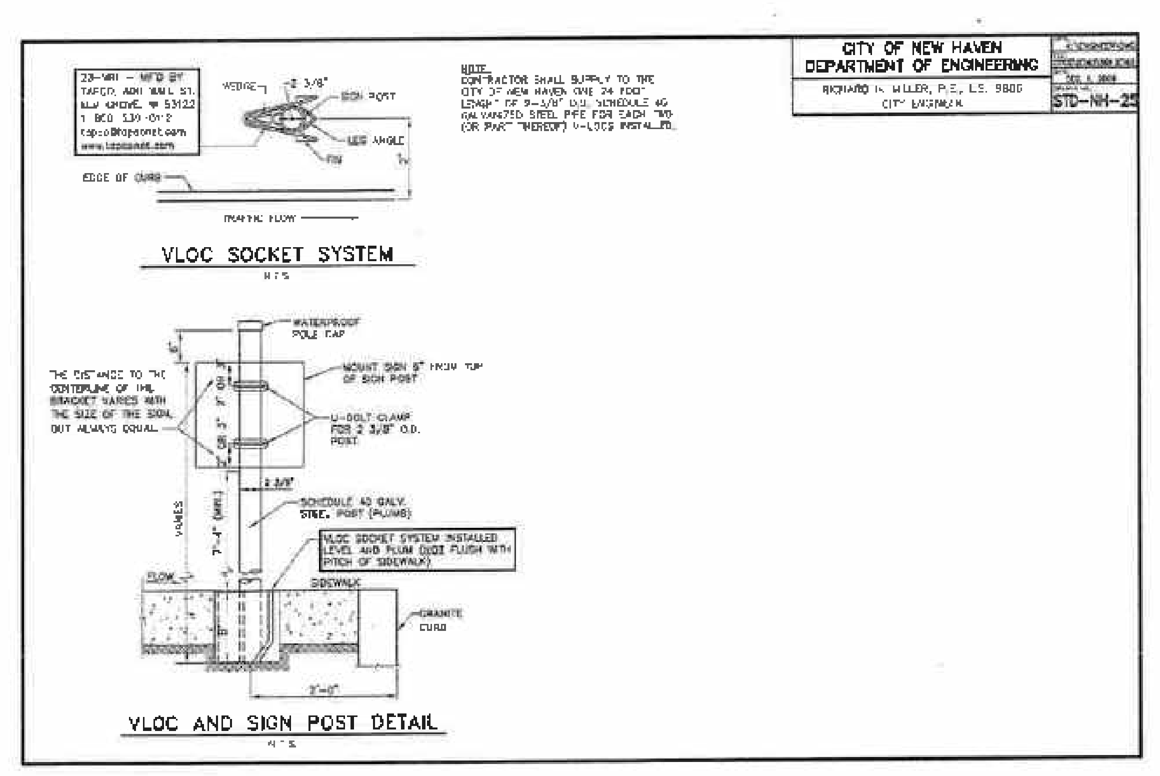
SITE PLAN SUBMISSION - NOT FOR CONSTRUCTION











RMS PRINCE STREET HOUSING

SITE PLAN SUBMISSION

PROJECT NUMBER	LANGAN PROJECT NUMBER
2016-020	140161001

SITE DETAILS IV

SCALE	DRAWN BY
NOT TO SCALE	KAT
CAD FILENAME	DATE
	20 APRIL 2017

C1.40

SITE PLAN SUBMISSION - NOT FOR CONSTRUCTION

PERCOLATION TEST 1

PROJECT: RMS Prince Street Housing — TEST LOCATION: TP-1
PROJECT NO: 140105001 — DATE: 1/5/2017
LOCATION: 115 Prince Street, New Haven, CT — TIME: 10:00AM
WEATHER: 40deg, overcast — PERFORMED BY: BGVT

	TIME (min)	WATER LEVEL (inches)	DROP (in)	RATE (min/inch)	COMMENTS
PRESOAK					*Ground pass test from +4 ft. below existing grade. Approx. elev. 24.7
TEST 1	0	10	-		
	6	9	1.2	0.07	*Ground water +6.0 ft. below existing grade
	12	8	1.2	0.07	
	24	7	1.2	0.04	
	18	6	1.2	0.04	*Test hole hand dug with post-hole digger
	27	5	1.2	0.13	
	36	4	1.2	0.13	*Test start time at 10:00am
	49	3	1.2	0.10	
	65	2	1.2	0.25	
	81	1	1.2	0.22	
	end test			0.22	results
TEST 2	0	10	-		
	6	9	1.2	0.07	
	11	8	1.2	0.09	
	27	7	1.2	0.14	
	37	6	1.2	0.15	
	48	5	1.2	0.10	
	61	4	1.2	0.21	
	85	3	1.2	0.25	
	100	2	1.2	0.29	
	100	1	1.2	0.25	
	end test			0.25	results

PERCOLATION TEST 2

PROJECT: RMS Prince Street Housing — TEST LOCATION: TP-2
PROJECT NO: 140105001 — DATE: 1/5/2017
LOCATION: 115 Prince Street, New Haven, CT — TIME: 10:30AM
WEATHER: 40deg, overcast — PERFORMED BY: BGVT

	TIME (min)	WATER LEVEL (inches)	DROP (in)	RATE (min/inch)	COMMENTS
PRESOAK					*Start perc test from +4.5 ft. below existing grade. Approx. elev. 28.0
TEST 1	0	10	-		
	2	9	1.2	0.60	*Ground water +6.0 ft. below existing grade
	5	8	1.2	0.06	
	8	7	1.2	0.06	
	12	6	1.2	0.06	*Test hole hand dug with post-hole digger
	20	5	1.2	0.10	
	28	4	1.2	0.14	*Test start time at 10:30am
	37	3	1.2	0.14	
	51	2	1.2	0.15	
	69	1	1.2	0.13	
	end test			0.15	results
TEST 2	0	10	-		
	2	9	1.1	0.05	
	8	8	1.1	0.06	
	17	7	1.2	0.09	
	21	6	1.2	0.13	
	33	5	1.2	0.17	
	45	4	1.2	0.17	
	62	3	1.2	0.18	
	72	2	1.2	0.11	
	75	1	1.2	0.11	
	end test			0.20	results

GOLD STREET

PRINCE STREET

AMISTAD STREET

LIMIT OF PROPOSED WORK IN CONJUNCTION WITH PRINCE STREET, 10 GOLD STREET AND 30 GOLD STREET PROJECT. CONNECT TO EXISTING WALL.

GRADING IN ACCESSIBLE PARKING AREA NOT TO EXCEED 2% IN ANY DIRECTION

ISOLATOR ROW

INSPECTION PORT (TYP)

LIMIT OF STONE

INFILTRATION SYSTEM

FLUSH CURB (TYP)

10, 22, & 30 GOLD STREET AND PRINCE STREET CPC FILE #1 LANGA

KENNETH BOROSON ARCHITECTS

LANGAN

JOHN E. PLANTE, CT PE #19206

PROJECT NAME: RMS PRINCE STREET HOUSING

SITE PLAN SUBMISSION

PRINCE STREET HOUSING

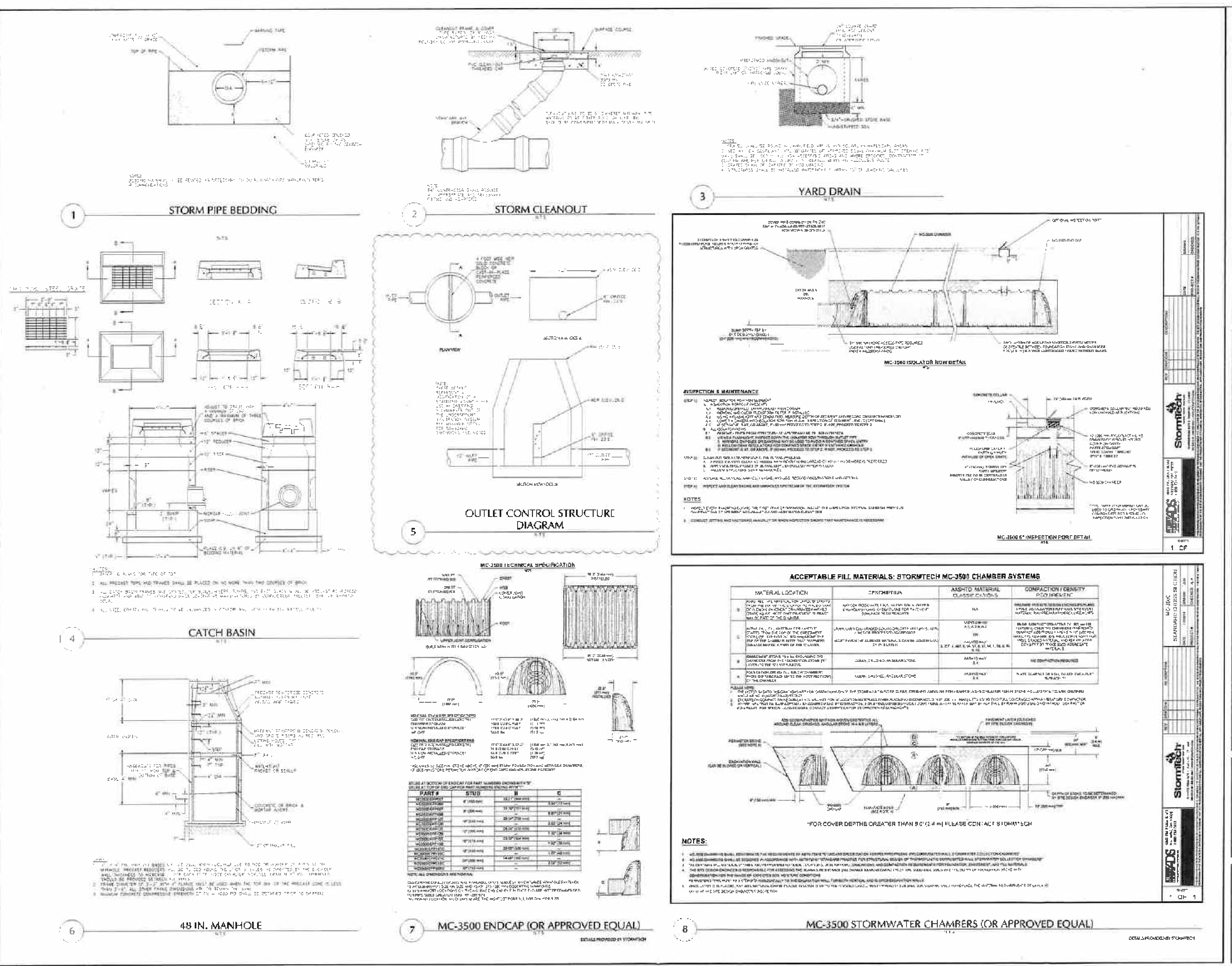
PROJECT NUMBER: 2016 020 — LANGAN PROJECT NUMBER: 140105001

DRAWING TITLE: GRADING & DRAINAGE PLAN

DATE: 20 APRIL 2017

DRAWING NUMBER: C2.00

SITE PLAN SUBMISSION - NOT FOR CONSTRUCTION



KENNETH BOROSON ARCHITECTS

LANGAN

GRADING & DRAINAGE DETAILS

NOT TO SCALE

SITE PLAN SUBMISSION - NOT FOR CONSTRUCTION

KENNETH BOROSON ARCHITECTS

LANGAN

GOLD STREET

PRINCE STREET

AMISTAD STREET

4" WATER SERVICE

6" FIRE PROTECTION

GAS SERVICE

WATER VALVE (TYP)

6" PVC SANITARY SERVICE SLOPE = 2.0%

CONNECT TO EXISTING SANITARY FOR GNHWPCA REQUIREMENTS

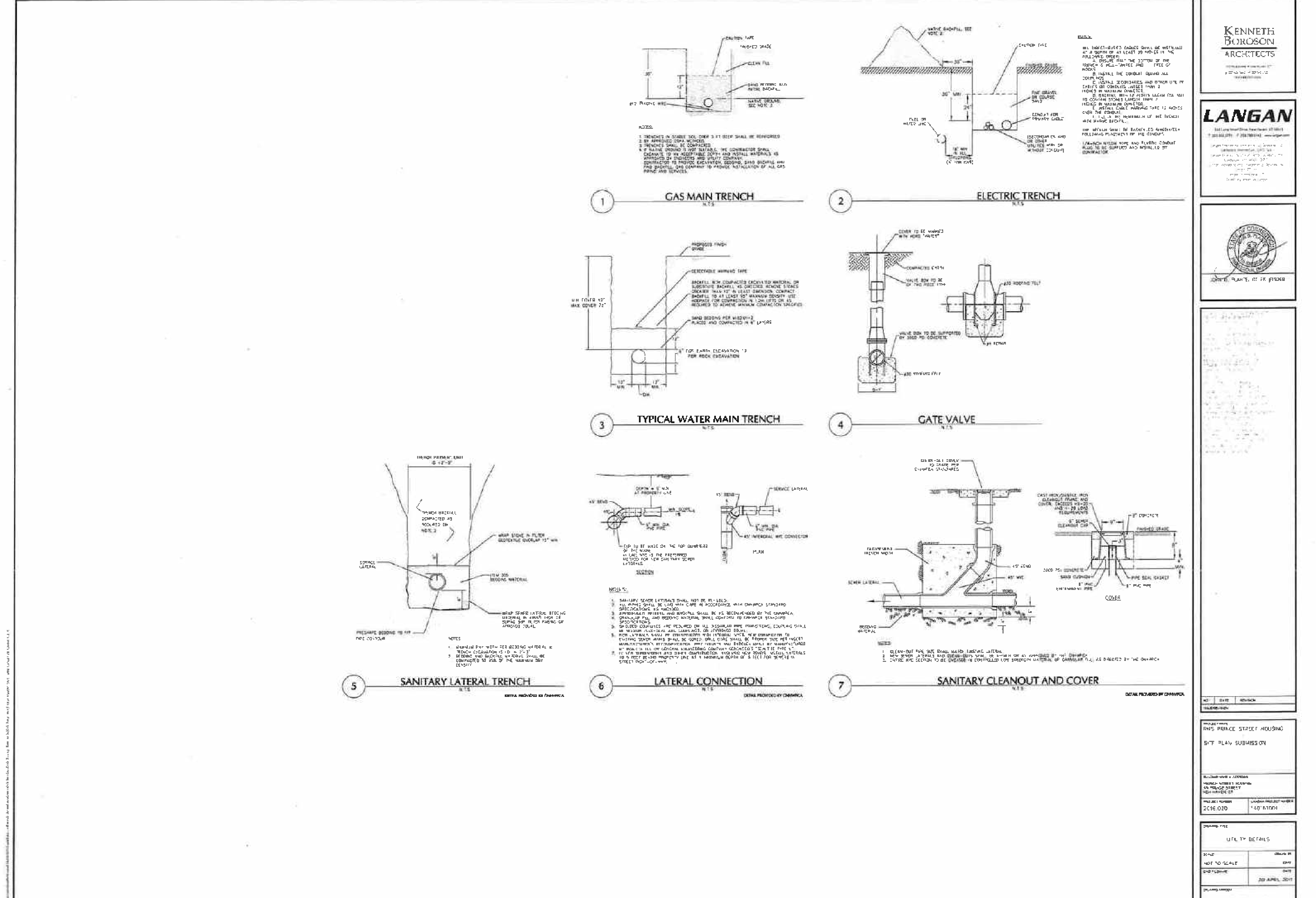
PRINCE STREET HOUSING

SITE PLAN SUBMISSION

SITE UTILITY PLAN

C3.00

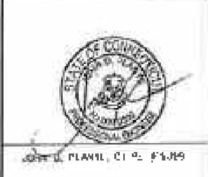
SITE PLAN SUBMISSION - NOT FOR CONSTRUCTION



SITE PLAN SUBMISSION - NOT FOR CONSTRUCTION

KENNETH BOROSON ARCHITECTS

LANGAN



GOLD STREET

PRINCE STREET

AMISTAD STREET

LIMIT OF DISTURBANCE ±0.53 AC.

SOIL EROSION & SEDIMENT CONTROL PLAN

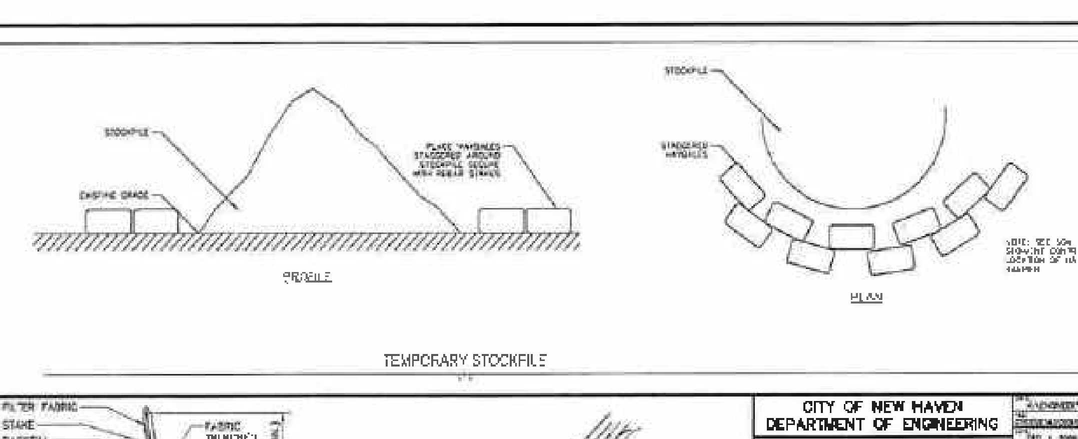
20 APRIL 2017

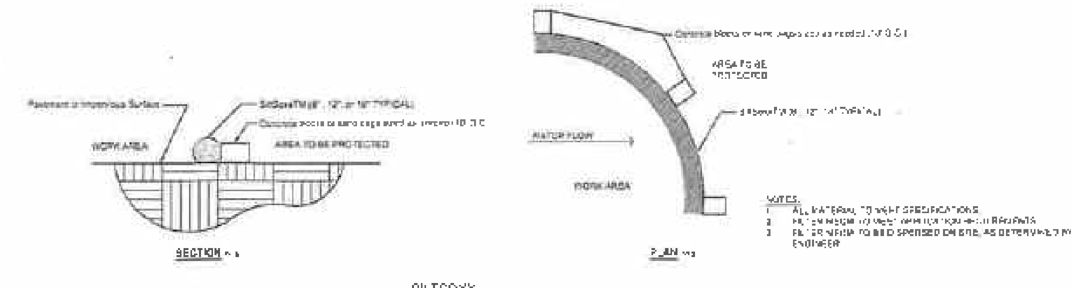
CA.00

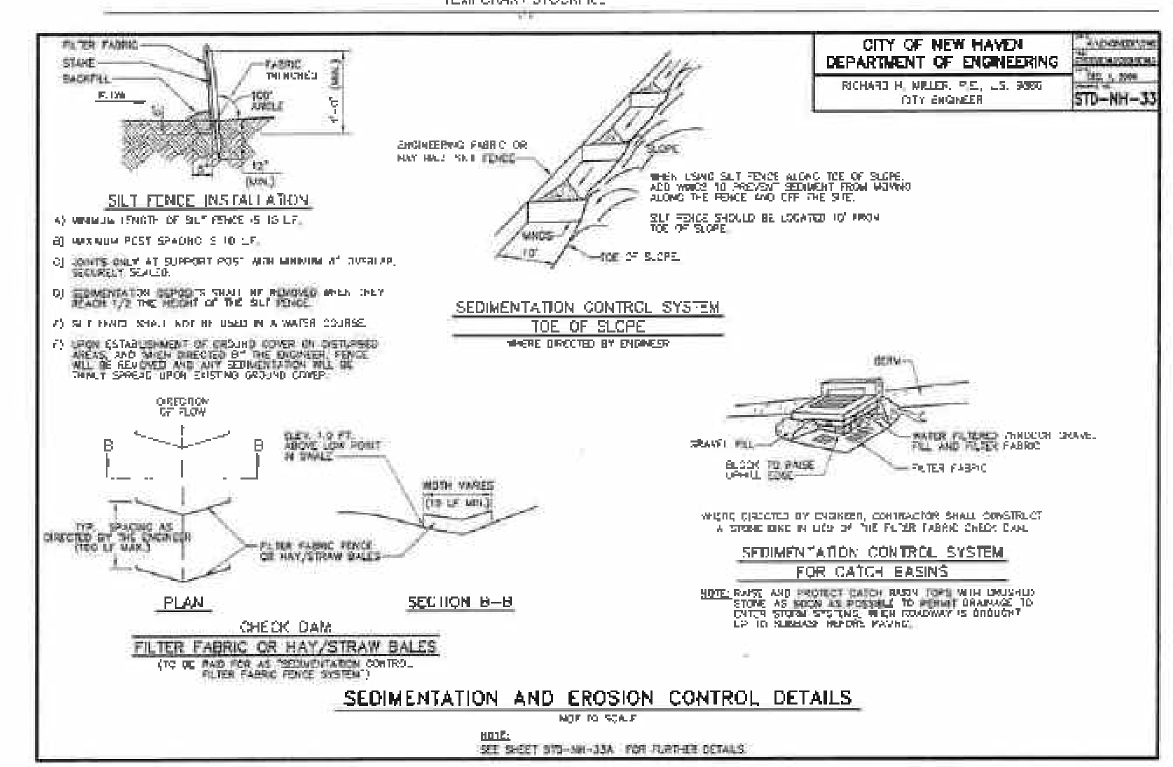
SITE PLAN SUBMISSION - NOT FOR CONSTRUCTION

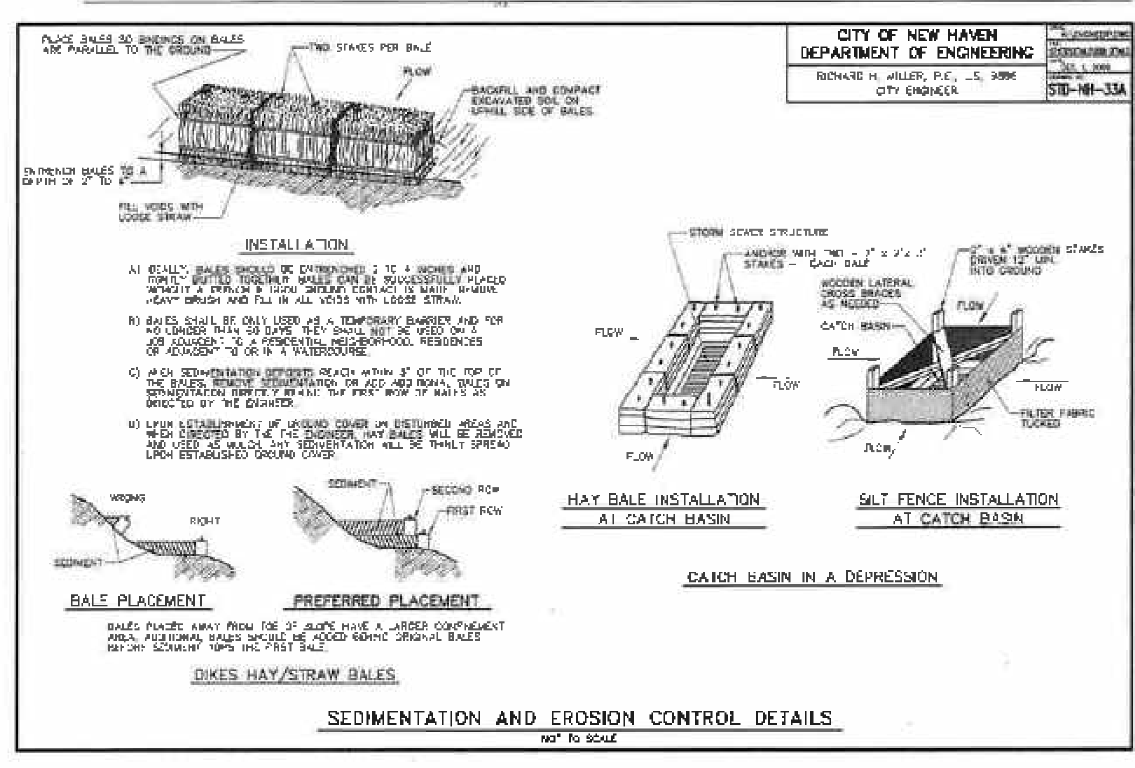
KENNETH BOROSON ARCHITECTS

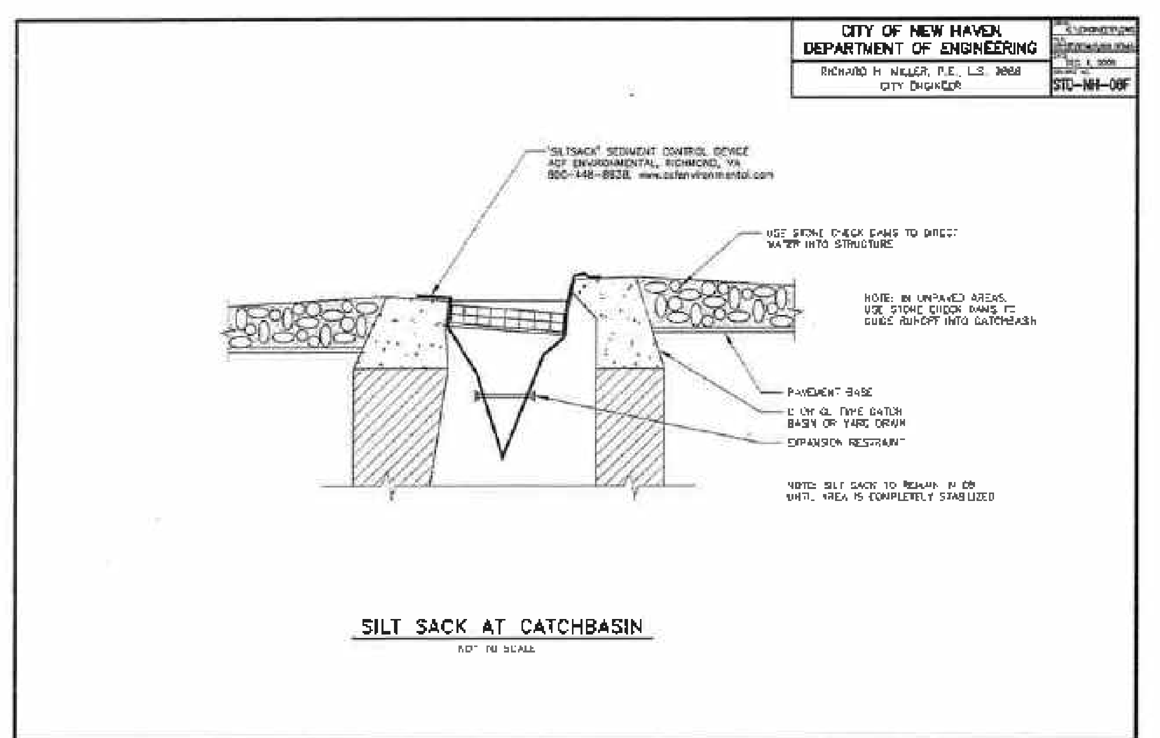
LANGAN

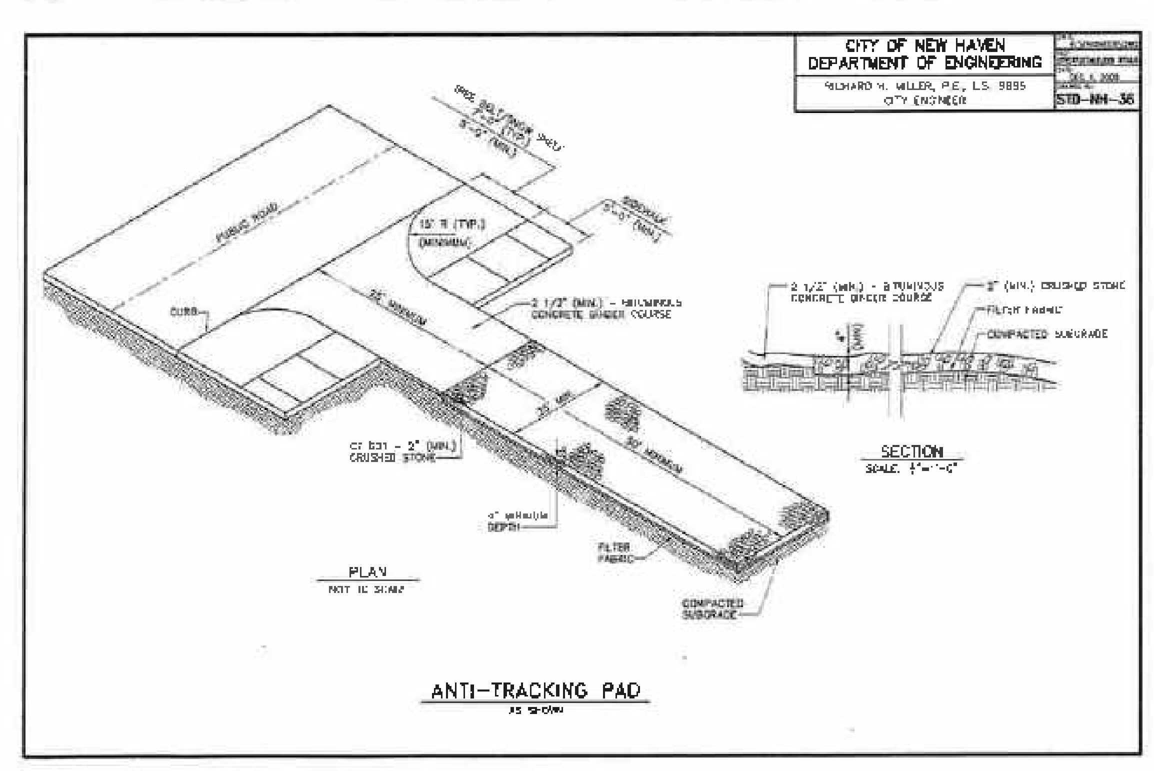












RMS PRINCE STREET HOUSING

SITE PLAN SUBMISSION

PROJECT NUMBER: 2014.070

140181001

SOIL EROSION & SEDIMENT CONTROL DETAILS

NOT TO SCALE

20 APRIL 2017

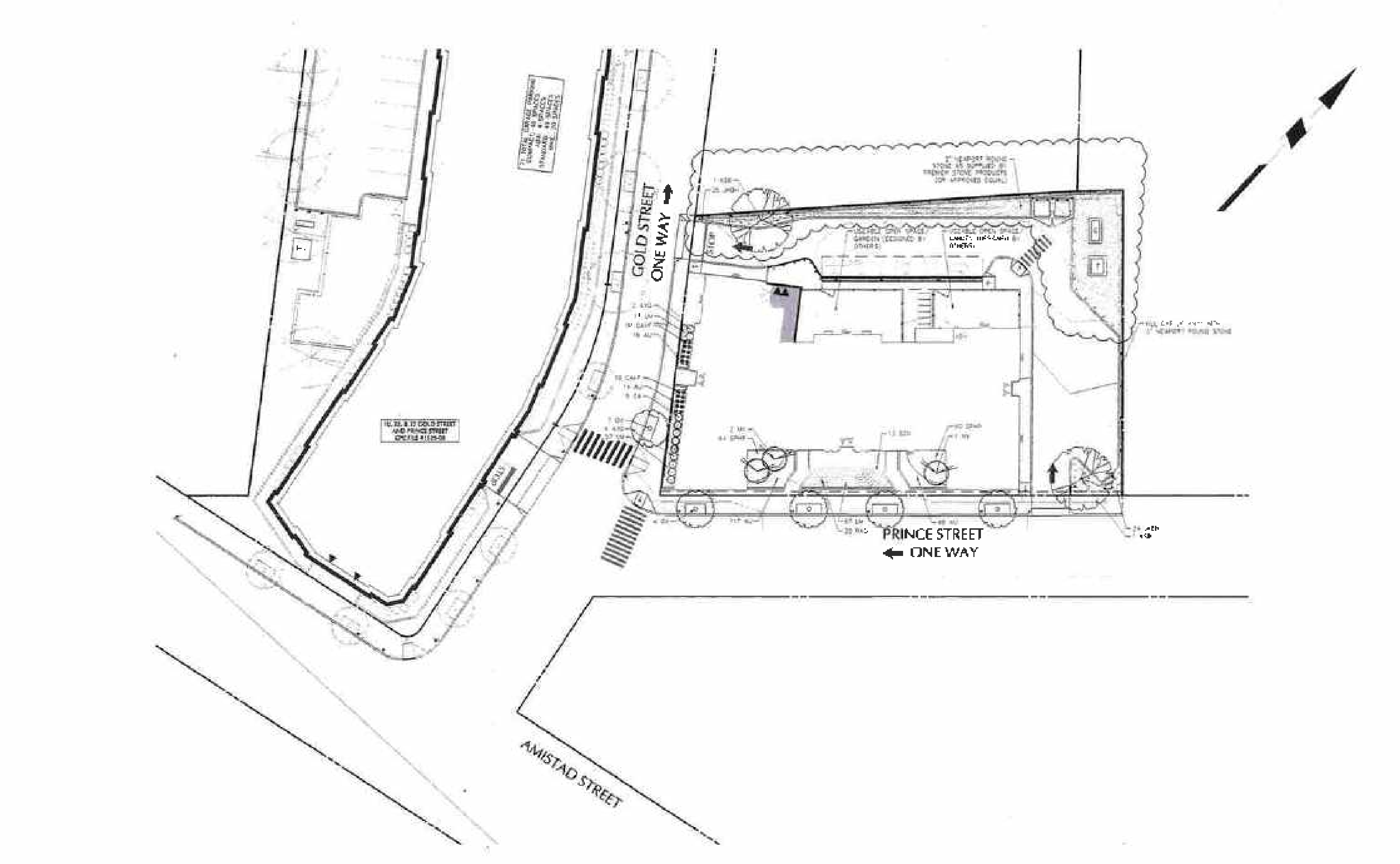
C4.10

SITE PLAN SUBMISSION - NOT FOR CONSTRUCTION

PLANT SCHEDULE

KEY	QTY	BOTANICAL NAME	COMMON NAME	SIZE	ROOT	REMARKS
SHADE TREE(S)						
ASB	2	ACER SACCHARUM 'BONFIRE'	BONFIRE SUGAR MAPLE	2 1/2-3" CAL	B+B	-
ORNAMENTAL TREE(S)						
MV	3	MAGNOLIA VIRGINIANA	SWEETBAY MAGNOLIA	8-10'	B+B	MULTI-STEM
OV	3	OSTRYA VIRGINIANA	AMERICAN HOPHORNBEAM	3 1/2-4" CAL	B+B	SINGLE STEM, LIMB TO 7 FT HT.
EVERGREEN SHRUB(S)						
JHBH	48	JUNIPERUS HORIZONTALIS 'BAR HARBOR'	BAR HARBOR CREEPING JUNIPER	15-18" SPRD	CONTAINER	-
DECIDUOUS SHRUB(S)						
AXG	8	ABELIA X GRANDIFLORA	GLOSSY ABELIA	24-30"	CONTAINER	-
CA	5	CLETHRA ALNIFOLIA	SUMMERSWEET CLETHRA	24-30"	CONTAINER	-
RAG	50	RHUS AROMATICA 'GRO LOW'	GRO LOW FRAGRANT SUMAC	18-24"	CONTAINER	spaced @ 24" o.c.
GROUND COVER						
AU	249	ARCTOSTAPHYLOS UVA-URSI	BEARBERRY	12-15"	CONTAINER	spaced @ 12" o.c.
PERENNIAL(S)						
LM	127	LIRIOPE MUSCARI 'BIG BLUE'	BIG BLUE LILYTURF	1 QT	CONTAINER	spaced @ 12" o.c.
ORNAMENTAL GRASS(ES)						
CAKF	20	CALAMAGROSTIS ARUNDINACEA 'KARL FOERSTER'	FEATHER REED GRASS	2 GAL	CONTAINER	-
SN	13	SORGHASTRUM NUTANS	INDIANGRASS	2 GAL	CONTAINER	-
SPHE	134	SPOROBOLUS HETEROLEPIS	PRAIRIE DROPSEED	2 GAL	CONTAINER	spaced @ 18" o.c.

NOTE: IF ANY DISCREPANCIES OCCUR BETWEEN AMOUNTS SHOWN IN THE PLAN AND THE PLANT LIST, THE PLAN SHALL GOVERN.



LANDSCAPE PLAN

20 APRIL 2017

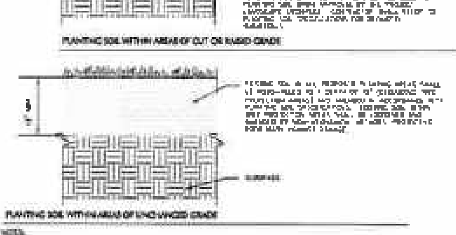
L1.00

SITE PLAN SUBMISSION - NOT FOR CONSTRUCTION

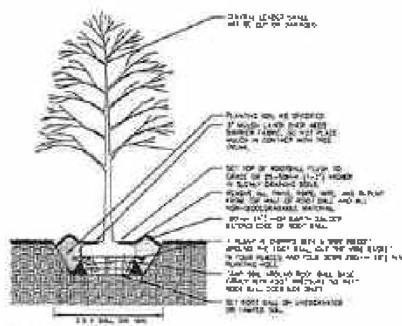
GENERAL LANDSCAPE PLANTING NOTES

LANDSCAPE MAINTENANCE NOTES

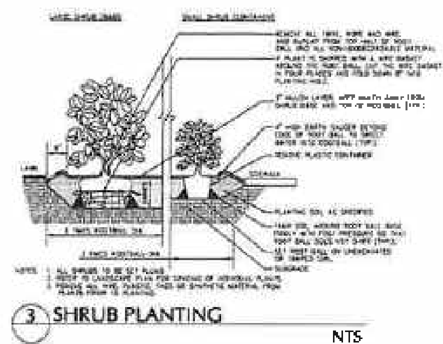
PLANTING SOIL SPECIFICATIONS



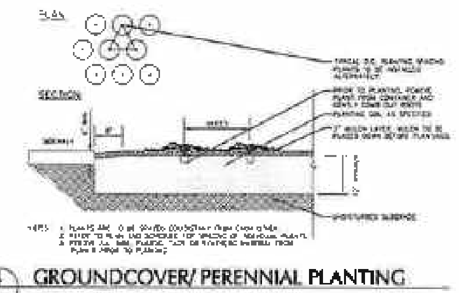
1 PLANTING SOIL NTS



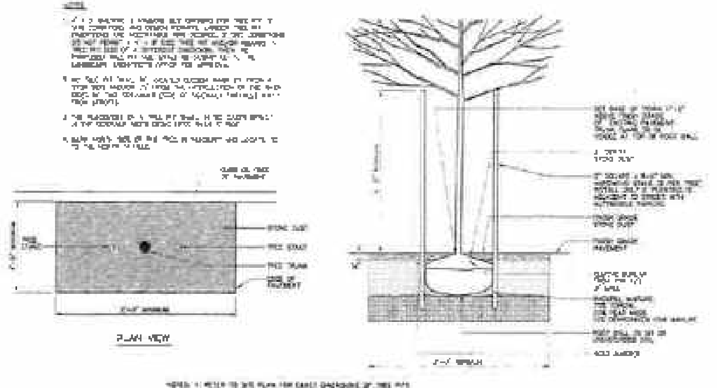
2 DECIDUOUS TREE PLANTING NTS



3 SHRUB PLANTING NTS



4 GROUNDCOVER/ PERENNIAL PLANTING NTS



5 CITY STANDARD TREE PIT WITH STONE DUST NTS

RMS PRINCE STREET HOUSING

SITE PLAN SUBMISSION

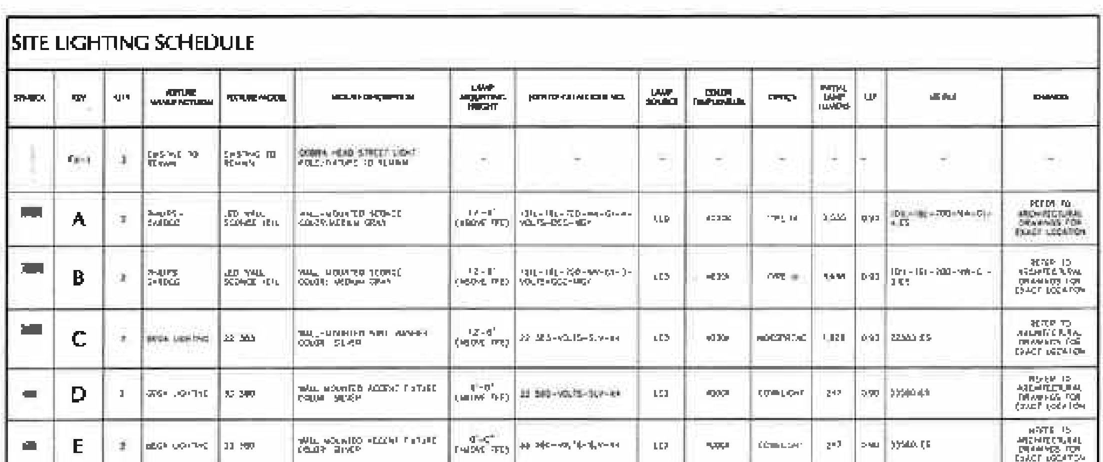
2016.020

LANDSCAPE NOTES AND DETAILS

20 APRIL 2017

L1.10

SITE PLAN SUBMISSION - NOT FOR CONSTRUCTION



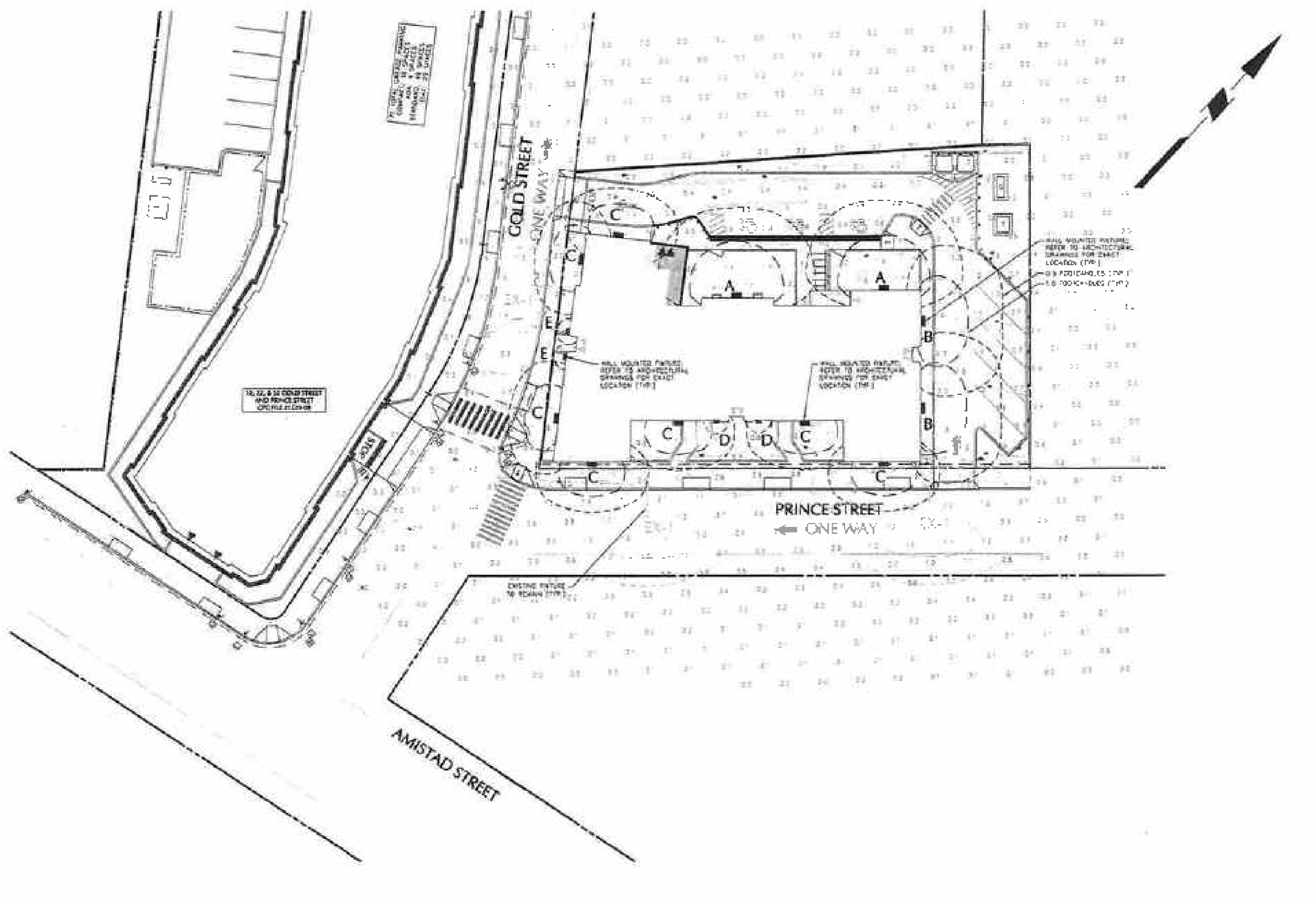
SITE LIGHTING SCHEDULE

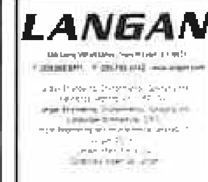
SYMBOL	KEY	QTY	FIXTURE MANUFACTURER	FIXTURE MODEL	FIXTURE DESCRIPTION	LAMP MOUNTING HEIGHT	[illegible]	LAMP SOURCE	COLOR TEMPERATURE	OPTICS	INITIAL LAMP LUMENS	LLF	IES FILE	COMMENTS
	EXIST	[illegible]	EXISTING TO REMAIN	EXISTING TO REMAIN	COBRA HEAD STREET LIGHT POLE/FIXTURE TO REMAIN	–	–	–	–	–	–	–	–	–
	A	[illegible]	PHILIPS - GARDCO	LED WALL SCONCE [illegible]	WALL-MOUNTED SCONCE COLOR: MEDIUM GRAY	12'-0" (ABOVE FFE)	[illegible]	LED	[illegible]	[illegible]	[illegible]	0.90	[illegible]	REFER TO ARCHITECTURAL DRAWINGS FOR EXACT LOCATION
	B	[illegible]	PHILIPS GARDCO	LED WALL SCONCE [illegible]	WALL MOUNTED SCONCE COLOR: MEDIUM GRAY	12'-0" (ABOVE FFE)	[illegible]	LED	[illegible]	[illegible]	[illegible]	0.90	[illegible]	REFER TO ARCHITECTURAL DRAWINGS FOR EXACT LOCATION
	C	[illegible]	BEGA LIGHTING	22 383	WALL-MOUNTED [illegible] COLOR: SILVER	12'-0" (ABOVE FFE)	[illegible]	LED	[illegible]	[illegible]	[illegible]	0.90	22383.IES	REFER TO ARCHITECTURAL DRAWINGS FOR EXACT LOCATION
	D	[illegible]	BEGA LIGHTING	33 580	WALL MOUNTED ACCENT FIXTURE COLOR: SILVER	8'-0" (ABOVE FFE)	[illegible]	LED	[illegible]	DOWNLIGHT	247	0.90	33580.IES	REFER TO ARCHITECTURAL DRAWINGS FOR EXACT LOCATION
	E	[illegible]	BEGA LIGHTING	33 580	WALL MOUNTED ACCENT FIXTURE COLOR: SILVER	[illegible] (ABOVE FFE)	[illegible]	LED	[illegible]	DOWNLIGHT	247	0.90	33580.IES	REFER TO ARCHITECTURAL DRAWINGS FOR EXACT LOCATION

STATISTICS

DESCRIPTION	AVG.	MAX.	MIN.	MAX./MIN.	AVG./MIN.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
WALKWAYS	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

NOTE: LIGHT PHOTOMETRY AND CALCULATIONS FOR EXISTING UTILITY POLE STREET LIGHTING TO REMAIN IS INCLUDED IN THE ABOVE STATISTICS BASED ON TYPICAL STREET LIGHT LEVEL ASSUMPTIONS.





NEW PRINCE STREET HOUSING

SITE PLAN SUBMISSION

LIGHTING PLAN

L2.00

SITE PLAN SUBMISSION - NOT FOR CONSTRUCTION

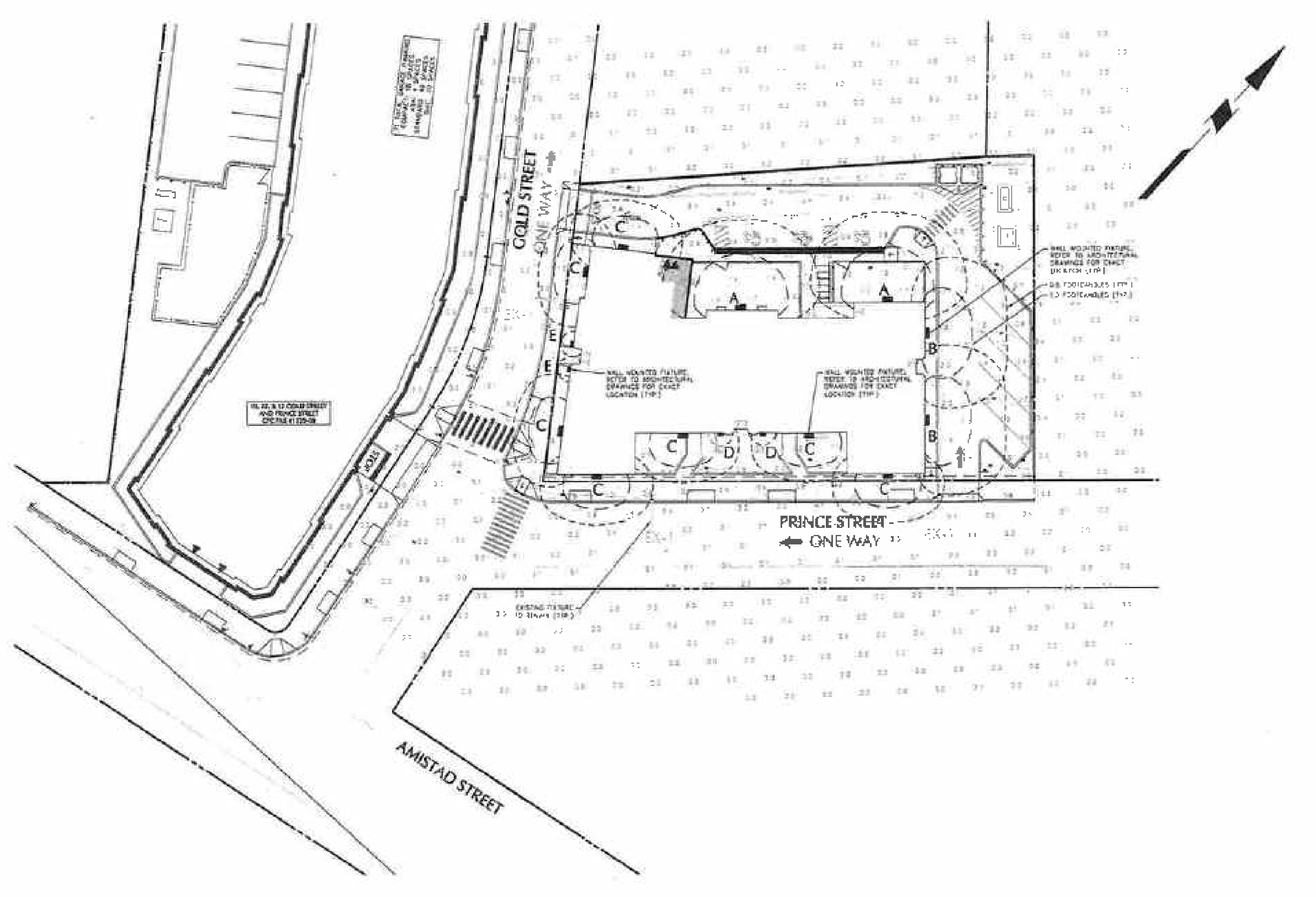
SITE LIGHTING SCHEDULE

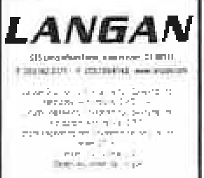
SYMBOL	ID	QTY.	FIXTURE MANUFACTURER	FIXTURE MODEL	FIXTURE DESCRIPTION	LAMP MOUNTING HEIGHT	FIXTURE CATALOGUE NO.	LAMP SOURCE	COLOR TEMPERATURE	OPTICS	INITIAL LAMP LUMENS	LLF	IES FILE	REMARKS
	EX-1	[illegible]	EXISTING TO REMAIN	EXISTING TO REMAIN	COBRA HEAD STREET LIGHT POLE/FIXTURE TO REMAIN	-	-	-	-	-	-	-	-	-
	A	[illegible]	PHILIPS-GARDCO	LED WALL SCONCE [illegible]	WALL-MOUNTED SCONCE COLOR: MEDIUM GRAY	12'-6" (ABOVE FFE)	[illegible]	LED	4000K	TYPE IV	[illegible]	[illegible]	[illegible]	REFER TO ARCHITECTURAL DRAWINGS FOR EXACT LOCATION
	B	[illegible]	PHILIPS-GARDCO	LED WALL SCONCE [illegible]	WALL-MOUNTED SCONCE COLOR: MEDIUM GRAY	12'-6" (ABOVE FFE)	[illegible]	LED	4000K	TYPE III	[illegible]	[illegible]	[illegible]	REFER TO ARCHITECTURAL DRAWINGS FOR EXACT LOCATION
	C	[illegible]	BEGA LIGHTING	22 383	WALL-MOUNTED WALL WASHER COLOR: SILVER	12'-6" (ABOVE FFE)	22 383-[illegible]	LED	4000K	[illegible]	[illegible]	0.90	22383 ES	REFER TO ARCHITECTURAL DRAWINGS FOR EXACT LOCATION
	D	2	BEGA LIGHTING	[illegible]	WALL MOUNTED ACCENT FIXTURE COLOR: SILVER	[illegible] (ABOVE FFE)	[illegible]	LED	4000K	[illegible]	[illegible]	[illegible]	[illegible] ES	REFER TO ARCHITECTURAL DRAWINGS FOR EXACT LOCATION
	E	[illegible]	BEGA LIGHTING	[illegible]	WALL MOUNTED ACCENT FIXTURE COLOR: SILVER	[illegible] (ABOVE FFE)	[illegible]	LED	4000K	[illegible]	[illegible]	0.80	[illegible] ES	REFER TO ARCHITECTURAL DRAWINGS FOR EXACT LOCATION

STATISTICS

DESCRIPTION	AVG.	MAX.	MIN.	MAX./MIN.	AVG./MIN.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

NOTE: [illegible]





PRINCE STREET HOUSING

SITE PLAN SUBMISSION

LIGHTING PLAN WITHOUT STREET LIGHTS

L2.10

SITE PLAN SUBMISSION - NOT FOR CONSTRUCTION

GENERAL LIGHTING NOTES:

1. PACKAGE CONCRETE BASE FOR LIGHT POLES AT LOCATION INDICATED ON THE CONSTRUCTION DOCUMENTS AND IN ACCORDANCE WITH PROJECT PLANS AND SPECIFICATIONS [illegible]
2. CONTRACTOR TO COORDINATE INSTALLATION OF UNDERGROUND FEEDER CABLE FOR EXTERIOR LIGHTING WITH EXISTING AND PROPOSED UTILITIES, SITE DRAINAGE SYSTEMS, AND PAVING. CONTRACTOR SHALL PROMPTLY NOTIFY THE OWNER'S REPRESENTATIVE SHOULD ANY UTILITIES NOT SHOWN ON THE PLANS BE FOUND DURING EXCAVATIONS.
3. CONTRACTOR TO OPERATE EACH LUMINAIRE AFTER INSTALLATION AND CONNECTION. INSPECT FOR IMPROPER CONNECTIONS AND OPERATION.
4. AIM AND ADJUST ALL LUMINAIRES TO PROVIDE ILLUMINATION LEVELS AND DISTRIBUTION AS INDICATED ON THE CONSTRUCTION DRAWINGS OR AS DIRECTED BY THE LANDSCAPE ARCHITECT AND/ OR OWNER.
5. CONTRACTOR TO COORDINATE ALL INSTALLATION OF WALL MOUNTED FIXTURES AND ELECTRICAL CONNECTIONS TO THE STRUCTURE(S) WITH BUILDING MEP, ARCHITECT, AND/ OR OWNER.
6. INSTALLATION OF ALL LIGHTING FIXTURES, POLES, FOOTINGS, AND FEEDER CABLE TO BE COORDINATED WITH ALL SITE WORK TRADES TO AVOID CONFLICT WITH FINISHED AND PROPOSED WORK.
7. POINT SPACING ON PLANE OF CALCULATION IS 10 FT. LEFT TO RIGHT AND 10 FT. TOP TO BOTTOM. POINT BY POINT CALCULATIONS NOT BASED ON [illegible] MAINTENANCE FACTORS FOR LED LUMINAIRES.
8. ALL SITE LIGHTING RELATED WORK AND MATERIALS SHALL COMPLY WITH CITY, COUNTY, AND OTHER APPLICABLE GOVERNING AUTHORITY REQUIREMENTS.
9. SITE ELECTRICAL CONTRACTOR TO COORDINATE LOCATION OF EASEMENTS, UNDERGROUND UTILITIES AND DRAINAGE BEFORE INSTALLING [illegible]
10. SITE ELECTRICAL CONTRACTOR TO COORDINATE POWER SOURCE WITH LIGHT FIXTURES TO INSURE ALL SITE LIGHTING IS OPERATING EFFICIENTLY, UNIFORMLY AND SAFELY.
11. SITE ELECTRICAL CONTRACTOR SHALL CONFIRM THAT LIGHT FIXTURES MATCH SPECIFICATIONS ON THE PLAN.
12. REFER TO ELECTRIFICATION PLAN FOR PROVIDING ADEQUATE POWER FOR SITE LIGHTING.
13. SITE ELECTRICAL CONTRACTOR SHALL EXAMINE AND VERIFY THAT SOIL CONDITIONS ARE SUITABLE TO SUPPORT [illegible] UPON THE FOUNDATION [illegible] EXCAVATION. CONTRACTOR SHALL NOTIFY ENGINEER OF UNSATISFACTORY CONDITIONS.
14. POLE FOUNDATIONS SHALL NOT BE POURED IF FREE STANDING WATER IS PRESENT IN EXCAVATED AREA.
15. ELECTRIFICATION AND INSTALLATION OF WALL MOUNTED FIXTURES SHALL BE COORDINATED WITH THE ARCHITECTURAL, STRUCTURAL, AND SITE DRAWINGS FOR SAFETY AND TO PREVENT [illegible]
16. LIGHTING SUBSTITUTION REQUIREMENTS
    - A. ALL SUBSTITUTIONS MUST BE MADE WITHIN 14 DAYS PRIOR TO THE BID DATE TO PROVIDE AMPLE TIME FOR REVIEW AND TO ISSUE AN ADDENDUM INCORPORATING THE SUBSTITUTION WITH THE FOLLOWING REQUIREMENTS:
    - B. ANY SUBSTITUTION TO LIGHTING FIXTURES, POLES, ETC. MUST BE APPROVED BY THE OWNER, ENGINEER, AND TENANTS.
    - C. COMPUTER PREPARED PHOTOMETRIC LAYOUT OF THE PROPOSED LIGHTED AREA WHICH INDICATES [illegible] THE SYSTEM'S PERFORMANCE.
    - D. A PHOTOMETRIC REPORT FROM A NATIONAL INDEPENDENT TESTING LABORATORY [illegible] CATALOG NUMBER, WATTAGE AND LAMP SPECIFICATIONS; IES CALCULATIONS, CANDLEPOWER TABULATIONS, ZONE LUMEN SUMMARY, ISOLUX PLOT, AND CATALOGUE CUTS. CATALOGUE CUTS MUST IDENTIFY BUT NOT LIMITED TO OPTICS, LAMP TYPE, DISTRIBUTION TYPE, REFLECTOR, LENS, BALLASTS, WATTAGE, VOLTAGE, FINISH, AND HOUSING DESCRIPTION.
    - E. POLE MANUFACTURER'S WIND LOAD CALCULATIONS INDICATING THE POLE AND ANCHOR BOLTS BEING SUBMITTED ARE CAPABLE OF SUPPORTING THE POLE AND FIXTURE SYSTEMS BEING UTILIZED IN ACCORDANCE WITH THE CONTRACT DOCUMENTS.
    - F. THE UNDERWRITERS LABORATORY LISTING AND FILE NUMBER FOR THE SPECIFIC FIXTURE(S) TO BE UTILIZED.
    - G. A COLOR PHOTOGRAPH THAT CLEARLY SHOWS THE REPLACEMENT FIXTURE POLE MOUNTED, THE FIXTURE'S COLOR, FINISH, AND PHYSICAL CHARACTERISTICS.
17. EXAMPLE PHOTOMETRIC LIGHTING TEMPLATE

FIXTURE — 0.5 FOOTCANDLES — 1.0 FOOTCANDLES

NOTE: THE PHOTOMETRIC TEMPLATE REPRESENTS LIGHT THROW FOR EACH INDIVIDUAL FIXTURE. IT DOES NOT REPRESENT LIGHT COMING FROM OTHER SOURCES.

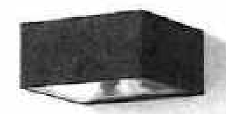
18. LIGHTING LAYOUT COMPLIES WITH THE ILLUMINATING ENGINEERING SOCIETY OF NORTH AMERICA (IESNA) SAFETY STANDARDS FOR LIGHT LEVELS.

PHILIPS GARDCO

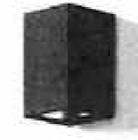
Wall Mount

LED

1 FIXTURE TYPE A, B — NTS



2 FIXTURE TYPE C — NTS



3 FIXTURE TYPE D, E — NTS

KENNETH BOROSON ARCHITECTS

LANGAN

MICHAEL [illegible]ZURA, LICENSED LANDSCAPE ARCHITECT, STATE LIC. No. 1339

NO.	DATE	REVISION

PROJECT NAME: [illegible] PRINCE STREET HOUSING

SITE PLAN SUBMISSION

PRINCE STREET HOUSING, [illegible] PRINCE STREET

PROJECT NUMBER	LANGAN PROJECT NUMBER
2016.020	140161001

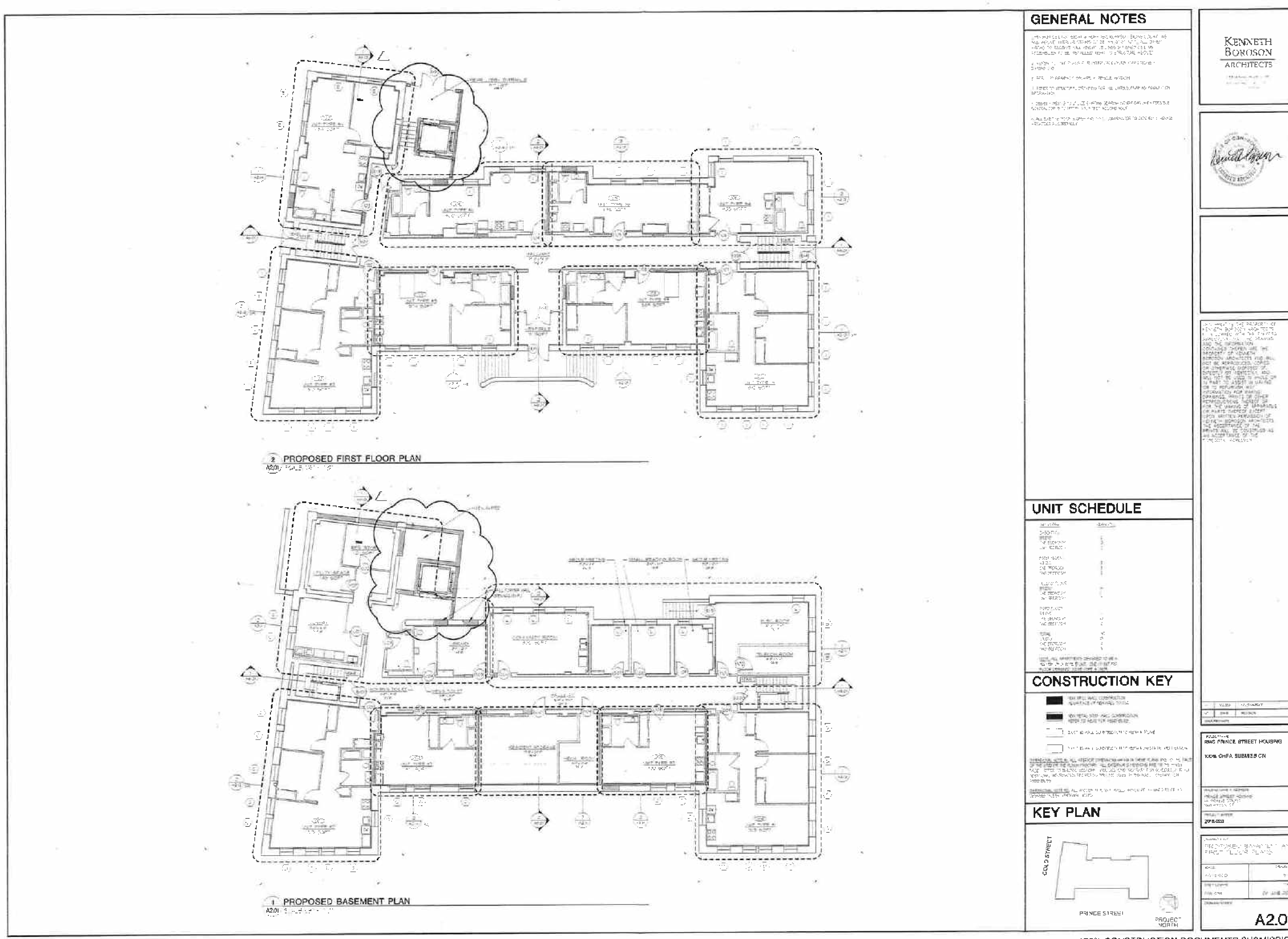
DRAWING TITLE: LIGHTING NOTES AND DETAILS

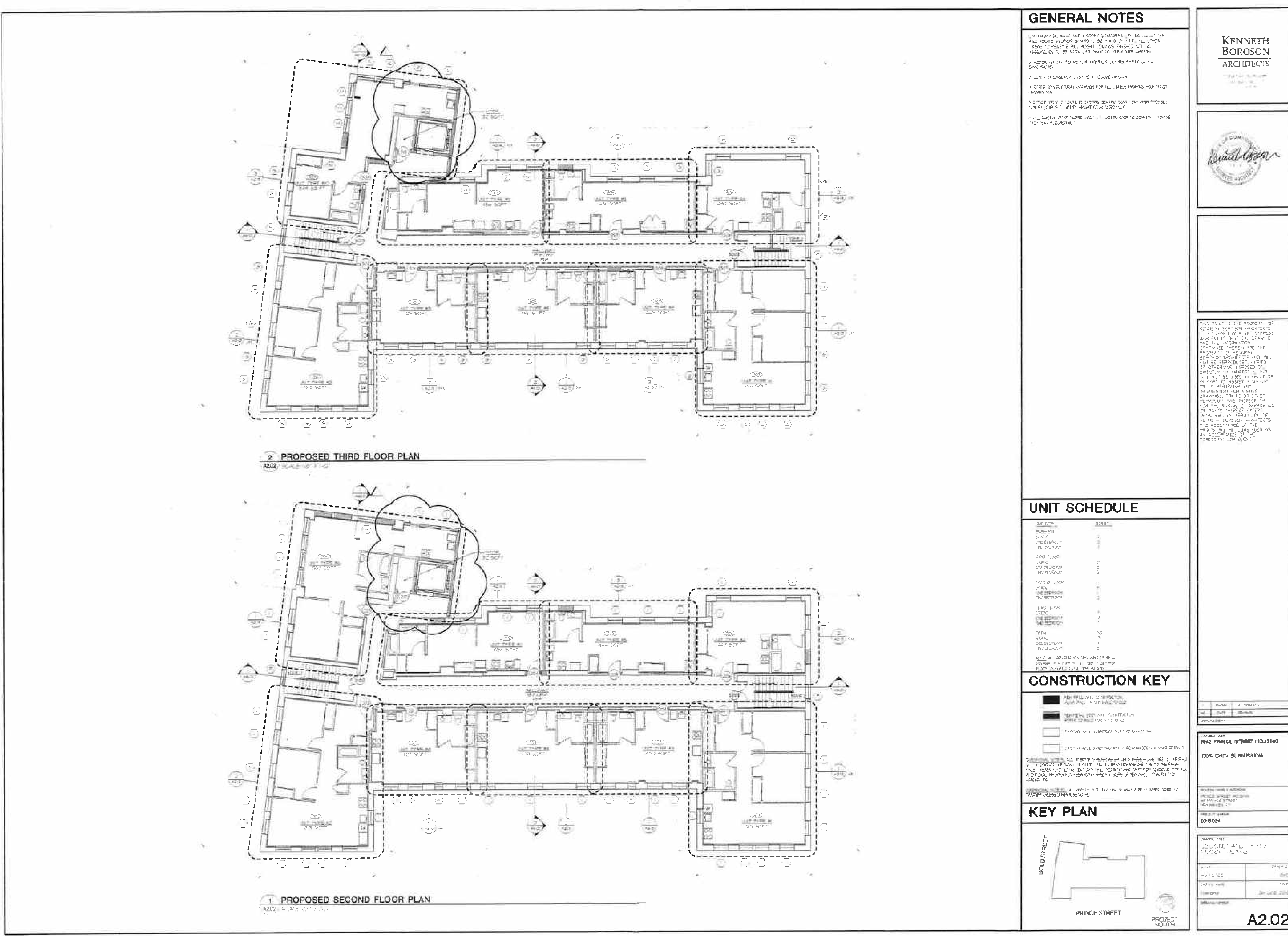
SCALE	DRAWN BY
AS SHOWN	JA

DATE: 20 APRIL 2017

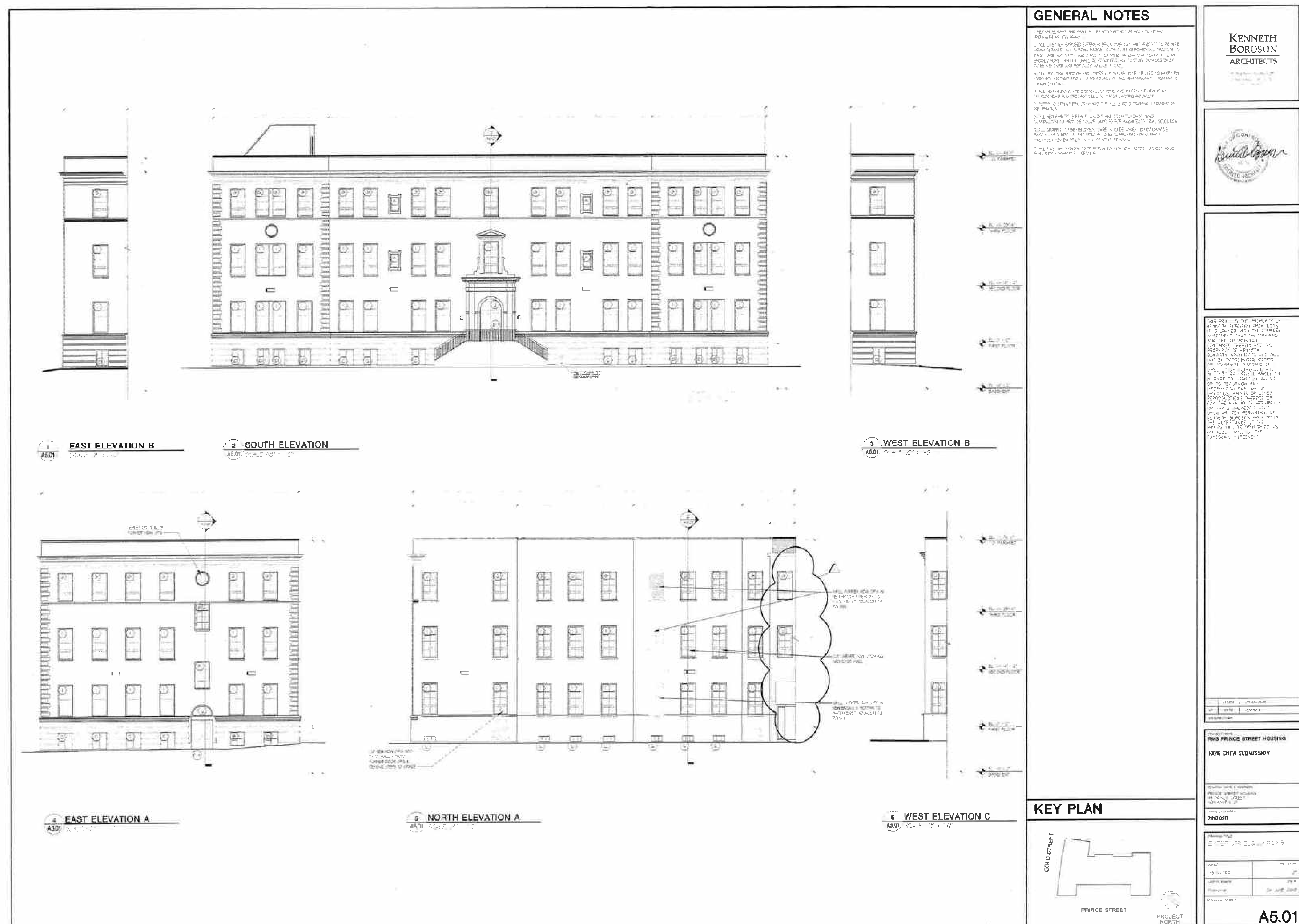
DRAWING NUMBER: L2.20

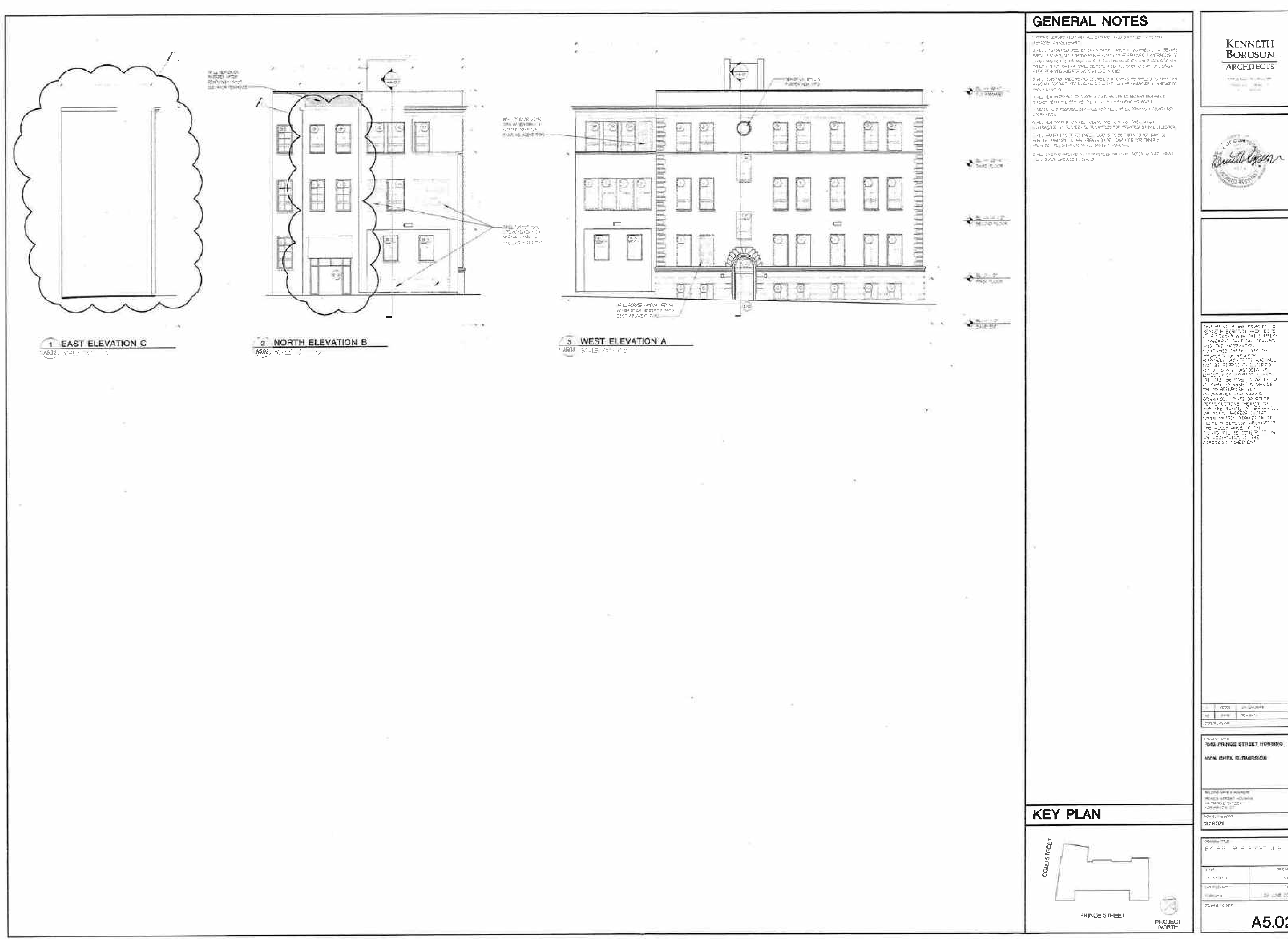
SITE PLAN SUBMISSION - NOT FOR CONSTRUCTION


GENERAL NOTES
KENNETH BOROSON ARCHITECTS
UNIT SCHEDULE
CONSTRUCTION KEY
KEY PLAN
COLD STREET
PRINCE STREET
PROJECT NORTH
2 PROPOSED FIRST FLOOR PLAN
A2.01
1 PROPOSED BASEMENT PLAN
A2.01
RMC PRINCE STREET HOUSING
100% CHFA SUBMISSION
A2.01
100% CONSTRUCTION DOCUMENTS SUBMISSION



GENERAL NOTES
UNIT SCHEDULE
CONSTRUCTION KEY
KEY PLAN
PRINCE STREET
PROJECT NORTH
KENNETH BOROSON ARCHITECTS
2 PROPOSED THIRD FLOOR PLAN
1 PROPOSED SECOND FLOOR PLAN
A2.02
100% CONSTRUCTION DOCUMENTS SUBMISSION


GENERAL NOTES
KENNETH BOROSON ARCHITECTS
EAST ELEVATION B
SOUTH ELEVATION
WEST ELEVATION B
EAST ELEVATION A
NORTH ELEVATION A
WEST ELEVATION C
KEY PLAN
PRINCE STREET
RMS PRINCE STREET HOUSING
A5.01
100% CONSTRUCTION DOCUMENTS SUBMISSION



100% CONSTRUCTION DOCUMENTS SUBMISSION

Exhibit IIID –
Total Cost of the Project

HILL-TO-DOWNTOWN: RMS 49 PRINCE STREET, LLC

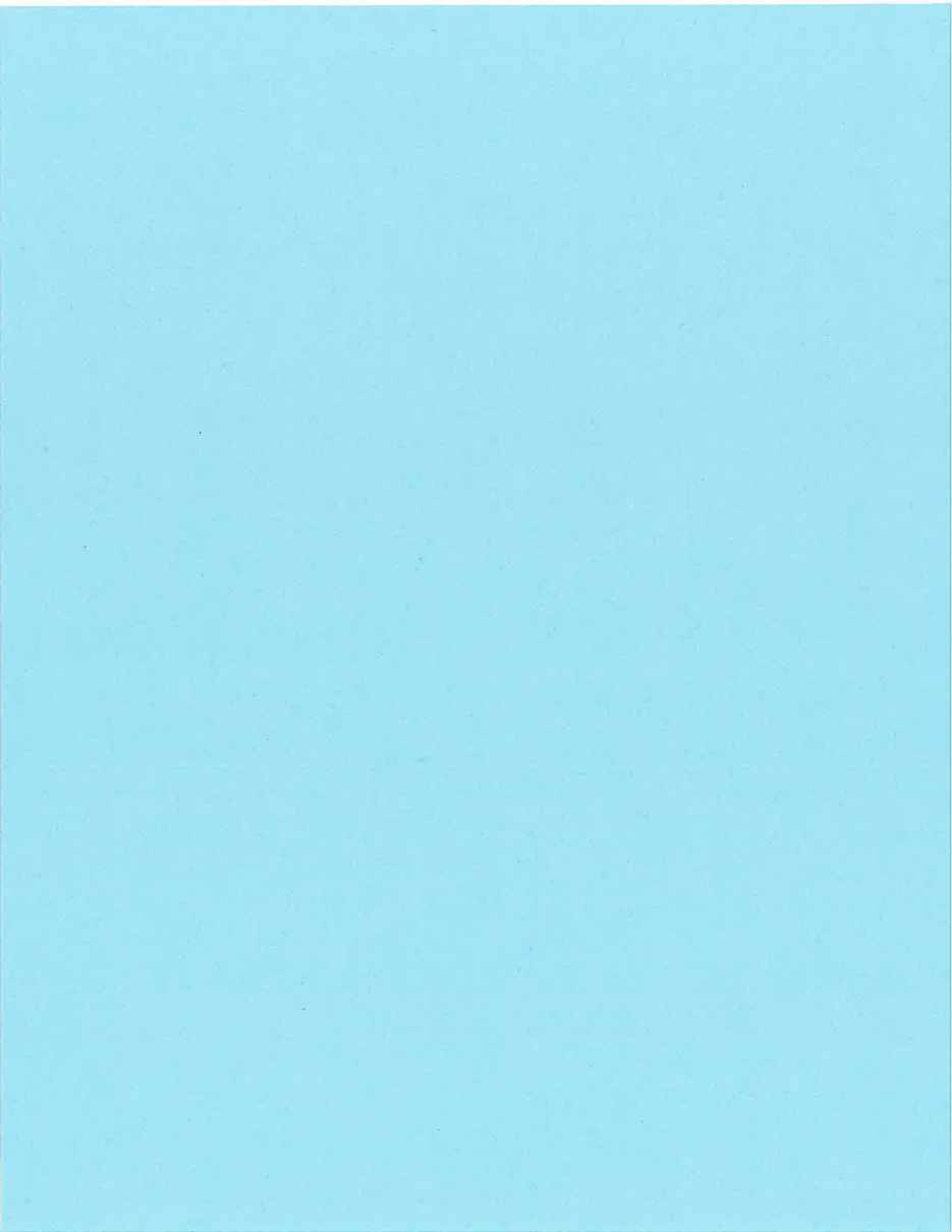
PERMANENT SOURCES

Equity Capital / Grants [Non-Debt]

	%		Amount	$'s / Unit
Federal LIHTC Net Proceeds	31.6%	$	2,459,513	$81,984
Energy Rebates	0.8%	$	65,625	$2,188
City of New Haven	2.7%	$	208,851	$6,962
Special Limited Member Equity	3.7%	$	291,149	$9,705
Deferred / Pledged Developer Fee	4.8%	$	369,574	$12,319
EQUITY SUB-TOTAL	**43.7%**	**$**	**3,394,712**	**$113,157**
Financing				
CHFA 1st Mortg. Loan	19.3%	$	1,500,000	$50,000
Self-Amort., @ 0.00% for XX Yrs.				
DOH FUNDS	35.4%	$	2,751,000	$91,700
RMS Loan	1.6%	$	127,834	$4,261
FINANCING SUB-TOTAL	**56.3%**	**$**	**4,378,834**	**$145,961**
TOTAL SOURCES		**$**	**7,773,546**	**$259,118**
Funding Gap [*Sources less Uses*]			**$0**	

USES

	%		Amount	$ / Unit
				100.0%
Construction Hard Costs	57.1%	$	4,441,872	$148,062
Const. Contingency	4.1%		319,865	$10,662
Architectural / Engineering	4.6%		356,135	$11,871
Finance and Interim Costs	4.7%		365,560	$12,185
Other Soft Costs [Fees and Expenses]	3.3%		259,001	$8,633
Developer Allow./Fee [Overhead+Profit]	11.1%		860,191	$28,673
Site Acquisition [Recognized]	9.3%		725,000	$24,167
Capitalized Reserves	4.5%		349,535	$11,651
Recognized Lending Costs	**98.8%**	**$**	**7,677,159**	**$255,905**
Entity / Syndication / Other Costs	**1.2%**		**96,387**	**$3,213**
				$ / Unit
TOTAL USES		**$**	**7,773,546**	**$259,118**



CHFA DOH CONSOLIDATED APPLICATION

Exhibit 6.3.a - DEVELOPMENT BUDGET

Version 2016.2

Submission Date

February 21, 2020

DEVELOPMENT NAME: Hill-to-Downtown, 49 Prince Street

APPLICANT: RMS Downtown South-Hill North Development Company, LLC

	%	CONSTRUCTION FUNDING INFORMATION	PERMANENT FUNDING INFORMATION			
				TAX CREDIT ELIGIBLE BASIS		TAX-EXEMPT BOND BASIS
	%	Construction Budget	Permanent Budget (Applicant)	70% NPV - 9% or 30% NPV - 4% (New / Rehab.)	30% NPV - 4% Exist Building Acquisition Credit	To be Completed by Independent Tax Professional Issuing the Attestment Letter
SITE & IMPROVEMENTS (Div. 2-16) Hard Costs		3,835,712	3,835,712	3,835,712		3,835,712
GENERAL REQUIREMENTS (Max. 9% Site + Improvements)	8.7%	335,340	335,340	335,340		335,340
OVERHEAD and PROFIT (Max. 7% Site + Improvements)	6.8%	260,820	260,820	260,820		260,820
BOND PREMIUM / L.O.C. COST		50,000	50,000	50,000		50,000
BUILDING PERMITS and OTHER DEVELOPMENT FEES		50,000	50,000	50,000		50,000
CONSTRUCTION (Project Cost Summary) Sub-Total		4,531,872	4,531,872	4,531,872	0	4,531,872
COMMERCIAL CONSTRUCTION			0	N/A		
COMMERCIAL CONSTRUCTION CONTINGENCY				N/A		
Other				0		
Other				0		
Other				0		
CONSTRUCTION CONTINGENCY (10% Max) (% Const. >)	8.3%	375,000	375,000	375,000		375,000
CONSTRUCTION		4,906,872	4,906,872	4,906,872	0	4,906,872
ARCHITECT - Design	4.4%	130,000	130,000	130,000		130,000
ARCHITECT - Contract Admin (Min 35%) (% Contract >)	35.0%	70,000	70,000	70,000		70,000
ENGINEERING (Civil-Site / Structural / Mechanical / Geo-Technical / Etc.)		40,000	40,000	40,000		40,000
SURVEYS (A-2 Exist. Conditions and As-Built)				0		
Other				0		
Other				0		
Other				0		
Other				0		
ARCHITECTURAL and ENGINEERING	5.3%	240,000	240,000	240,000	0	240,000
INTEREST (CHFA) 5.12% $ 3,750,000.00		190,000	190,000	138,700		138,700
CHFA LOAN ORIG. / COMMIT. FEE	1.5%	56,250	56,250	N/A	N/A	
INTEREST - Bridge Loan				0		
FEES - Bridge Loan				0		0
R. E. TAXES / PILOTS - Const. Period + ___ Months Lease Up		32,235	32,235	32,235		
INSURANCE (Builder's Risk / Liability / Hazard)		30,000	30,000	30,000		
UTILITIES - Const. Period				0		
Negative Arbitrage on Bonds (If Applic.)				N/A	N/A	
Credit Enhancement Premium (HUD or Private Perm. Mortg. Insur.)				N/A	N/A	
Cost of Bond Issuance		56,250	56,250	0		
Other				0		
Other				0		
CHFA CONSTRUCTION OBSERVATION (__ Weeks @ $______ / Bi-weekly)		24,000	24,000	24,000		
FINANCE and INTERIM COSTS		388,735	388,735	224,935	0	138,700

CHFA DOH CONSOLIDATED APPLICATION

Exhibit 6.3.a - DEVELOPMENT BUDGET

Version 2018.2
Submission Date:
February 21, 2020

DEVELOPMENT NAME: Hill-to-Downtown: 49 Prince Street

APPLICANT: RMS Downtown South-Hill North Development Company, LLC

	%	CONSTRUCTION FUNDING INFORMATION	PERMANENT FUNDING INFORMATION			
				TAX CREDIT ELIGIBLE BASIS		TAX-EXEMPT BOND BASIS
	%	Construction Budget	Permanent Budget (Applicant)	70% NPV - 9% or 30% NPV - 4% (New / Rehab.)	30% NPV - 4% Exist Building Acquisition Credit	To be Completed by Independent Tax Professional Issuing the Attestment Letter
LEGAL COUNSEL - Real Estate (Closing Docs and Title Work)		60,000	60,000	60,000		60,000
CHFA EXTERNAL LEGAL COUNSEL				0		
TITLE INSUR. PREMIUMS and RECORDING COSTS		30,000	30,000	30,000		30,000
APPRAISALS / MARKET STUDY (CHFA / LIHTC Required)		15,000	15,000	15,000		15,000
LEASE UP & MARKETING $'s / Residential Unit: $166.666666666667		5,000	5,000	N/A	N/A	
COST CERTIFICATIONS (CHFA/LIHTC/DOH Required)		10,000	10,000	N/A	N/A	
ENVIRONMENTAL REPORTS and TESTING		15,000	15,000	15,000		15,000
Other: DOH LEGAL		25,000	25,000	3,386		
Other				0		
Other				0		
OTHER COMMERCIAL USES/COSTS				N/A	N/A	
SOFT COST CONTINGENCY (5% Max) (A&E+FIN+SOFT %)	4.9%	39,001	39,001	39,001		39,001
SOFT COSTS - Fees & Expenses		159,001	159,001	152,387	0	159,001
TOTAL DEVELOPMENT COSTS (TDC) (aka Development Costs)		**5,734,608**	**5,734,609**	**6,534,194**	**0**	**5,444,573**
DEVELOPER ALLOWANCE / FEE (Max.15% TDC/ $841326)	15.0%	860,191	860,191	860,191	N/A	860,191
PRE-DEVEL. FINANCING (Interest) COSTS [Lender-Approved]				N/A	N/A	
Land Cost		413,250	413,250	N/A	N/A	
Other (Existing Reserves - Equipment)				N/A	N/A	
Existing Building/s		311,750	311,750	N/A	311,750	311,750
SITE ACQUISITION (Appraised "As Is" Value)		725,000	725,000	N/A	N/A	311,750
CHFA Operating Reserve		77,223	77,223	N/A	N/A	
Capital / Replacement				N/A	N/A	
Syndicator Reserve		171,872	171,872	N/A	N/A	
Working Capital Deposit (Non Profit Only)				N/A	N/A	
Syndicator- Operating deficit reserve		107,265	107,255	N/A	N/A	
CAPITALIZED RESERVES		356,360	356,360	N/A	N/A	0
RECOGNIZED LENDING COSTS		**7,676,159**	**7,676,159**	**6,394,385**	**311,750**	**6,616,514**
Entity Organizational and Legal		50,000	50,000	N/A	N/A	
Syndicator Fees / Commissions				N/A	N/A	
Equity Bridge Loan Interest and Fees				N/A	N/A	
Tax Opinion and Entity Accounting		25,000	25,000	N/A	N/A	
CHFA Tax Credit Fee (9% Ann. Credit)	8.6%	23,373	23,373	N/A	N/A	
CHFA LIHTC Applic. Fee ($1,000) and/or Historic Credit Applic. Fee — Estimated Fee = $ 21,792		1,000	1,000	N/A	N/A	
Other				N/A	N/A	
ENTITY and SYNDICATION COSTS / OTHER		99,373	99,373	0	0	0
CONSTRUCTION LOAN PAYDOWNS (if applicable)		N/A	N/A	N/A	N/A	N/A
TOTAL RESIDENTIAL USES		7,775,532	7,775,532	6,394,385	311,750	6,616,514
TOTAL COMMERCIAL USES		0	0	0	0	0
TOTAL USES (aka Project Cost)		**7,775,532**	**7,775,532**	**6,394,385**	**311,750**	**6,616,514**

Exhibit IIIE –
Fiscal Plan

Exhibit 5.3 - CASH FLOW PROJECTION

Fat

DEVELOPMENT NAME: Hill-to-Downtown: 49 Prince Street

APPLICANT: town South-Hill North Development Co

		Growth %	1 2022	2 2023	3 2024	4 2025	5 2026	6 2027
INCOME	RESIDENTIAL - Qualified / Afford. Gross Rental Income	2.0%	361,601	368,833	376,210	383,734	391,409	399,237
	- RESIDENTIAL - Qualified / Afford. Vacancy Loss	2.0%	17,858	18,215	18,579	18,951	19,330	19,717
	= RESIDENTIAL - Qualified / Afford. Net Rental Income	2.0%	343,743	350,618	357,630	364,783	372,078	379,520
	RESIDENTIAL - Market Rate Gross Rental Income	2.0%	-	-	-	-	-	-
	- RESIDENTIAL - Market Rate Vacancy Loss	2.0%	-	-	-	-	-	-
	= RESIDENTIAL - Market Rate Net Rental Income	2.0%	-	-	-	-	-	-
	Other Income	2.0%	-	-	-	-	-	-
	EFFECTIVE GROSS INCOME (EGI)		$ 343,743	$ 350,618	$ 357,630	$ 364,783	$ 372,078	$ 379,520
EXPENSES	Total Administrative Expenses	3.0%	57,530	59,256	61,034	62,865	64,751	66,693
	Total Utilities Expenses	3.0%	49,000	50,470	51,984	53,544	55,150	56,804
	Total Operating & Maintenance Expenses	3.0%	66,527	68,523	70,578	72,696	74,877	77,123
	Real Estate Tax	3.0%	22,473	23,147	23,842	24,557	25,294	26,052
	Property & Liability Insurance	3.0%	15,000	15,450	15,914	16,391	16,883	17,389
	Misc.	3.0%	4,000	4,120	4,244	4,371	4,502	4,637
	Elderly & Congregate Serv. Expense (attach schedule)	3.0%	-	-	-	-	-	-
	Capital (Replacement) Reserve	0.0%	12,000	12,000	12,000	12,000	12,000	12,000
	Sub Total: ANNUAL EXPENSES		$ 226,530	$ 232,966	$ 239,595	$ 246,423	$ 253,455	$ 260,698
	NOI		$ 117,213	$ 117,652	$ 118,035	$ 118,360	$ 118,623	$ 118,821
	Capital (Replacement) Reserve Balance		12,000	24,000	36,000	48,000	60,000	72,000

SCHEDULED ANNUAL DEBT SERVICE (ADS)

Loan	Amount / Term (Yrs.) > / Contract Rate >		2022	2023	2024	2025	2026	2027
CHFA Loan Tax-Exempt Bonds	$1,500,000	Pay Rate ADS	83,836	83,836	83,836	83,836	83,836	83,836
Term (Yrs.) >	40	DSC	1.398	1.403	1.408	1.412	1.415	1.417
Contract Rate >	4.75%	Bal. (E.O.Y.)	$1,487,135	$1,473,647	$1,459,504	$1,444,674	$1,429,124	$1,412,819
CHFA Loan - Non-Bond Proceeds (Specify)	$0	Pay Rate ADS	-	-	-	-	-	-
Term (Yrs.) >	0	DSC	n/a	n/a	n/a	n/a	n/a	n/a
Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0	$0	$0	$0	$0
DOH Loan Funding	$0	Pay Rate ADS	-	-	-	-	-	-
Term (Yrs.) >	0	DSC	n/a	n/a	n/a	n/a	n/a	n/a
Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0	$0	$0	$0	$0
CDBG Loan Funds: (Specify)	$0	Pay Rate ADS	-	-	-	-	-	-
Term (Yrs.) >	0	DSC	n/a	n/a	n/a	n/a	n/a	n/a
Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0	$0	$0	$0	$0
Other Public Funds: (Specify)	$0	Pay Rate ADS	-	-	-	-	-	-
Term (Yrs.) >	0	DSC	n/a	n/a	n/a	n/a	n/a	n/a
Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0	$0	$0	$0	$0
Other Amortizing Debt RMS LOAN	$127,834	Pay Rate ADS	11,932	11,932	11,932	11,932	11,932	11,932
Term (Yrs.) >	15	DSC	1.224	1.229	1.233	1.236	1.239	1.241
Contract Rate >	4.75%	Bal. (E.O.Y.)	$121,845	$115,565	$108,900	$102,076	$94,836	$87,245
Other Amortizing Debt 3	$0	Pay Rate ADS	-	-	-	-	-	-
Term (Yrs.) >	0	DSC	n/a	n/a	n/a	n/a	n/a	n/a
Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0	$0	$0	$0	$0
Existing Debt	$0	Pay Rate ADS	-	-	-	-	-	-
Term (Yrs.) >	0	DSC	n/a	n/a	n/a	n/a	n/a	n/a
Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0	$0	$0	$0	$0
GP Loan	$0	Pay Rate ADS	-	-	-	-	-	-
Term (Yrs.) >	0	DSC	n/a	n/a	n/a	n/a	n/a	n/a
Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0	$0	$0	$0	$0
		ADS S/TOT. =	$ 95,768	$ 95,768	$ 95,768	$ 95,768	$ 95,768	$ 95,768
		CASH FLOW AFTER DEBT SERVICE (CFADS)	$ 21,445	$ 21,883	$ 22,267	$ 22,592	$ 22,855	$ 23,053
		PROJECT DSC =	1.224	1.229	1.233	1.236	1.239	1.241
		EFFECTIVE DSC (w/Op-DSC Reserve)	1.224	1.229	1.233	1.236	1.239	1.241

	Input		2022	2023	2024	2025	2026	2027
Contingent Payments (From Cash Flow after Scheduled ADS)								
CHFA - Additional Interest	20%		4,289	4,377	4,453	4,518	4,571	4,611
* PMT/Yr., Default ITA Loans Insert 20%, TEB Loans 0%		Cum. Paid	4,289	8,666	13,119	17,637	22,208	26,819
Other	0%		-	-	-	-	-	-
		Cum. Paid	-	-	-	-	-	-
		Net Cash Flow/Surplus Cash	$ 17,156	$ 17,506	$ 17,814	$ 18,074	$ 18,284	$ 18,442
Owner Distributions								
Limited Dividend		Available/Permitted Distribution	$ 17,156	$ 17,506	$ 17,814	$ 18,074	$ 18,284	$ 18,442
		Annual Cash-On-Cash Return %	0.3%	0.3%	0.3%	[illegible]	0.3%	0.3%
Deferred Developer Fee	$325,000.00	PMT	$ 21,445	$ 21,883	$ 22,267	$ 22,592	$ 22,855	$ 23,053
To be fully repaid in 15 years from CHFA approved Owner Distributions/Surplus Cash as per loan docs.	Term> 0	NPV						
	Rate> 0.000%	Bal. (E.O.Y.)	$303,555	$286,049	$268,235	$250,161	$231,877	$213,435
		Cum. Paid	21,445	43,328	65,595	88,187	111,042	134,095
Developer Cash Flow Loan	0.0%		(4,289)	(4,377)	(4,453)	(4,518)	(4,571)	(4,611)
		Cum. Paid	(4,289)	(8,666)	(13,119)	(17,637)	(22,208)	(26,819)
Other	0.0%		-	-	-	-	-	-
		Annual Total	$ 17,156	$ 17,506	$ 17,814	$ 18,074	$ 18,284	$ 18,442
		Cum. Distribution	17,156	34,662	52,476	70,550	88,834	107,276

MAX. Deferred Fee = $ 337,939.00

Exhibit 5.3 - CASH FLOW PROJECTION

Version 2018.2
Submission Date
January 21, 2020

DEVELOPMENT NAME: Hill-to-Downtown: 49 Prince Street

		Growth %		7 2028
INCOME	RESIDENTIAL - Qualified / Afford. Gross Rental Income	2.0%		407,222
	- RESIDENTIAL - Qualified / Afford. Vacancy Loss	2.0%		20,111
	= RESIDENTIAL - Qualified / Afford. Net Rental Income	2.0%		387,110
	RESIDENTIAL - Market Rate Gross Rental Income	2.0%		-
	RESIDENTIAL - Market Rate Vacancy Loss	2.0%		-
	= RESIDENTIAL - Market Rate Net Rental Income	2.0%		-
	Other Income	2.0%		-
	EFFECTIVE GROSS INCOME (EGI)		$	387,110
EXPENSES	Total Administrative Expenses	3.0%		88,694
	Total Utilities Expenses	3.0%		38,506
	Total Operating & Maintenance Expenses	3.0%		79,437
	Real Estate Tax	3.0%		26,834
	Property & Liability Insurance	3.0%		17,511
	Misc.	3.0%		4,775
	Elderly & Congregate Serv. Expense (attach schedule)	2.0%		-
	Capital (Replacement) Reserve	0.0%		12,000
	Sub Total: ANNUAL EXPENSES		$	268,160
	NOI		$	118,950
	Capital (Replacement) Reserve Balance			84,000

SCHEDULED ANNUAL DEBT SERVICE (ADS)

CHFA Loan Tax-Exempt Bonds		$1,500,000	Pay Rate ADS	83,856
	Term (Yrs.) >	40	DSC	1.419
	Contract Rate >	4.75%	Bal. (E.O.Y.)	$1,395,722
CHFA Loan - Non-Bond Proceeds (Specify)		$0	Pay Rate ADS	-
	Term (Yrs.) >	0	DSC	n/a
	Contract Rate >	0.00%	Bal. (E.O.Y.)	$0
DOH Loan Funding		$0	Pay Rate ADS	-
	Term (Yrs.) >	0	DSC	n/a
	Contract Rate >	0.00%	Bal. (E.O.Y.)	$0
CDBG Loan Funds: (Specify)		$0	Pay Rate ADS	-
	Term (Yrs.) >	0	DSC	n/a
	Contract Rate >	0.00%	Bal. (E.O.Y.)	$0
Other Public Funds: (Specify)		$0	Pay Rate ADS	-
	Term (Yrs.) >	0	DSC	n/a
	Contract Rate >	0.00%	Bal. (E.O.Y.)	$0
Other Amortizing Debt RMS LOAN		$127,834	Pay Rate ADS	11,932
	Term (Yrs.) >	15	DSC	1.242
	Contract Rate >	4.75%	Bal. (E.O.Y.)	$79,286
Other Amortizing Debt 3		$0	Pay Rate ADS	-
	Term (Yrs.) >	0	DSC	n/a
	Contract Rate >	0.00%	Bal. (E.O.Y.)	$0
Existing Debt		$0	Pay Rate ADS	-
	Term (Yrs.) >	0	DSC	n/a
	Contract Rate >	0.00%	Bal. (E.O.Y.)	$0
GP Loan		$0	Pay Rate ADS	-
	Term (Yrs.) >	0	DSC	n/a
	Contract Rate >	0.00%	Bal. (E.O.Y.)	$0
			ADS STOT. = $	95,788
			CASH FLOW AFTER DEBT SERVICE (CFADS) $	23,182
			PROJECT DSC =	1.242
			EFFECTIVE DSC (w/Op-DSC Reserve)	1.242

Contingent Payments
(From Cash Flow after Scheduled ADS)

CHFA - Additional Interest	20%	4,636
1 PMT/Yr., Default: ITA Loans: Insert 20%, 1EB Loans: 0%	Cum. Paid	31,455
Other	0%	-
	Cum. Paid	-
	Net Cash Flow/Surplus Cash $	18,546

Owner Distributions

Limited Dividend	Available/Permitted Distribution $	18,546
	Annual Cash-On-Cash Return %	0.0%

Deferred Developer Fee
To be fully repaid in 15 years from CHFA-approved Owner Distributions/Surplus Cash as per loan docs.

	$325,000.00	PMT $	23,182
Term>	0	NPV	
Rate>	0.000%	Bal. (E.O.Y.)	$194,889
		Cum. Paid	157,277
Developer Cash Flow Loan	0.0%		(4,636)
		Cum. Paid	(31,455)
Other	0.0%		-
		Annual Total $	18,546
		Cum. Distribution	125,822

Exhibit 5.3 - CASH FLOW PROJECTION

DEVELOPMENT NAME: Hill-to-Downtown: 49 Prince Street

		Growth %	8 2029	9 2030	10 2031	11 2032	12 2033	13 2034
INCOME	RESIDENTIAL - Qualified / Afford. Gross Rental Income	2.0%	415,366	423,673	432,147	440,790	449,605	458,598
	- RESIDENTIAL - Qualified / Afford. Vacancy Loss	2.0%	20,513	20,924	21,342	21,769	22,204	22,649
	= RESIDENTIAL - Qualified / Afford. Net Rental Income	2.0%	394,853	402,750	410,805	419,021	427,401	435,949
	RESIDENTIAL - Market Rate Gross Rental Income	2.0%	-	-	-	-	-	-
	- RESIDENTIAL - Market Rate Vacancy Loss	2.0%	-	-	-	-	-	-
	= RESIDENTIAL - Market Rate Net Rental Income	2.0%	-	-	-	-	-	-
	Other Income	2.0%	-	-	-	-	-	-
	EFFECTIVE GROSS INCOME (EGI)		$ 394,853	$ 402,750	$ 410,805	$ 419,021	$ 427,401	$ 435,949
EXPENSES	Total Administrative Expenses	3.0%	70,755	72,877	75,054	77,316	79,635	82,024
	Total Utilities Expenses	3.0%	60,264	62,072	63,934	65,852	67,827	69,862
	Total Operating & Maintenance Expenses	3.0%	81,620	84,274	86,805	89,407	92,088	94,857
	Real Estate Tax	3.0%	27,639	28,468	29,322	30,202	31,108	32,041
	Property & Liability Insurance	3.0%	18,448	19,002	19,572	20,159	20,764	21,386
	Misc.	3.0%	4,819	5,057	5,219	5,376	5,537	5,703
	Elderly & Congregate Serv. Expense (attach schedule)	3.0%	-	-	-	-	-	-
	Capital (Replacement) Reserve	0.0%	12,000	12,000	12,000	12,000	12,000	12,000
	Sub Total: ANNUAL EXPENSES		$ 275,845	$ 283,750	$ 291,913	$ 300,310	$ 308,960	$ 317,869
	NOI		$ 119,008	$ 118,990	$ 118,892	$ 118,710	$ 118,441	$ 118,081
	Capital (Replacement) Reserve Balance		96,000	108,000	120,000	132,000	144,000	156,000

SCHEDULED ANNUAL DEBT SERVICE (ADS)

Loan	Input		2029	2030	2031	2032	2033	2034
CHFA Loan Tax-Exempt Bonds	$1,500,000	Pay Rate ADS	83,836	83,836	83,836	83,836	83,836	83,836
Term (Yrs.) >	40	DSC	1.420	1.419	1.418	1.416	1.413	1.408
Contract Rate >	4.75%	Bal. (E.O.Y.)	$1,377,798	$1,358,999	$1,339,289	$1,318,623	$1,296,954	$1,274,232
CHFA Loan - Non-Bond Proceeds (Specify)	$0	Pay Rate ADS	-	-	-	-	-	-
Term (Yrs.) >	0	DSC	n/a	n/a	n/a	n/a	n/a	n/a
Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0	$0	$0	$0	$0
DOH Loan Funding	$0	Pay Rate ADS	-	-	-	-	-	-
Term (Yrs.) >	0	DSC	n/a	n/a	n/a	n/a	n/a	n/a
Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0	$0	$0	$0	$0
CDBG Loan Funds: (Specify)	$0	Pay Rate ADS	-	-	-	-	-	-
Term (Yrs.) >	0	DSC	n/a	n/a	n/a	n/a	n/a	n/a
Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0	$0	$0	$0	$0
Other Public Funds: (Specify)	$0	Pay Rate ADS	-	-	-	-	-	-
Term (Yrs.) >	0	DSC	n/a	n/a	n/a	n/a	n/a	n/a
Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0	$0	$0	$0	$0
Other Amortizing Debt RMS LOAN	$127,834	Pay Rate ADS	11,932	11,932	11,932	11,932	11,932	11,932
Term (Yrs.) >	15	DSC	1.243	1.242	1.241	1.240	1.237	1.233
Contract Rate >	4.75%	Bal. (E.O.Y.)	$70,000	$62,186	$53,012	$43,330	$33,301	$22,723
Other Amortizing Debt 3	$0	Pay Rate ADS	-	-	-	-	-	-
Term (Yrs.) >	0	DSC	n/a	n/a	n/a	n/a	n/a	n/a
Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0	$0	$0	$0	$0
Existing Debt	$0	Pay Rate ADS	-	-	-	-		-
Term (Yrs.) >	0	DSC	n/a	n/a	n/a	n/a	n/a	n/a
Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0	$0	$0	$0	$0
GP Loan	$0	Pay Rate ADS	-	-	-	-	-	-
Term (Yrs.) >	0	DSC	n/a	n/a	n/a	n/a	n/a	n/a
Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0	$0	$0	$0	$0
		ADS STOT. =	$ 95,768	$ 95,768	$ 95,768	$ 95,768	$ 95,768	$ 95,768
		CASH FLOW AFTER DEBT SERVICE (CFADS)	$ 23,239	$ 23,221	$ 23,123	$ 22,942	$ 22,673	$ 22,312
		PROJECT DSC =	1.243	1.242	1.241	1.240	1.237	1.233
		EFFECTIVE DSC (w/Cp DSC Reserve)	1.243	1.242	1.241	1.240	1.237	1.232

Contingent Payments

(From Cash Flow after Scheduled ADS)

	Input		2029	2030	2031	2032	2033	2034
CHFA - Additional Interest	20%		4,646	4,644	4,625	4,588	4,535	4,462
(PMT/Yr., Default ITA Loans: Insert 20%, TEB Loans: 0%)		Cum. Paid	36,103	40,747	45,372	49,960	54,495	58,957
Other	0%		-	-	-	-	-	-
		Cum. Paid	-	-	-	-	-	-
		Net Cash Flow/Surplus Cash	$ 18,591	$ 18,577	$ 18,498	$ 18,354	$ 18,138	$ 17,850
Owner Distributions								
Limited Dividend		Available/Permitted Distribution	$ 18,591	$ 18,577	$ 18,498	$ 18,354	$ 18,138	$ 17,850
		Annual Cash-On-Cash Return %	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
Deferred Developer Fee								
To be fully repaid in 15 years from CHFA-approved Owner Distributions/Surplus Cash as per loan docs.	$325,000.00	PMT	$ 23,239	$ 23,221	$ 23,123	$ 22,942	$ 22,673	$ 22,312
	Term> 0	NPV						
	Rate> 0.000%	Bal. (E.O.Y.)	$173,288	$157,721	$139,223	$120,869	$102,731	$84,881
		Cum. Paid	180,516	203,737	226,860	249,802	272,475	294,787
Developer Cash Flow Loan	0.0%		(4,646)	(4,644)	(4,625)	(4,588)	(4,536)	(4,462)
		Cum. Paid	(36,103)	(40,747)	(45,372)	(49,960)	(54,496)	(58,957)
Other	0.0%		-	-	-	-	-	-
		Annual Total	$ 18,591	$ 18,577	$ 18,498	$ 18,354	$ 18,138	$ 17,850
		Cum. Distribution	144,413	162,990	181,488	199,842	217,980	235,830

Exhibit 5.3 - CASH FLOW PROJECTION

DEVELOPMENT NAME: Hill-to-Downtown: 49 Prince Street

		Growth %	14 2035	15 2035
INCOME	RESIDENTIAL - Qualified / Afford. Gross Rental Income	2.0%	467,770	477,125
	- RESIDENTIAL - Qualified / Afford. Vacancy Loss	2.0%	23,101	23,563
	= RESIDENTIAL - Qualified / Afford. Net Rental Income	2.0%	444,668	453,562
	RESIDENTIAL - Market Rate Gross Rental Income	2.0%	-	-
	- RESIDENTIAL - Market Rate Vacancy Loss	2.0%	-	-
	= RESIDENTIAL - Market Rate Net Rental Income	2.0%	-	-
	Other Income	2.0%	-	-
	EFFECTIVE GROSS INCOME (EGI)		$ 444,668	$ 453,562
EXPENSES	Total Administrative Expenses	3.0%	84,485	87,019
	Total Utilities Expenses	3.0%	71,958	74,117
	Total Operating & Maintenance Expenses	3.0%	97,697	100,628
	Real Estate Tax	3.0%	33,302	35,992
	Property & Liability Insurance	3.0%	22,028	22,689
	Misc.	3.0%	5,874	6,050
	Elderly & Congregate Serv. Expense (attach schedule)	3.0%	-	-
	Capital (Replacement) Reserve	0.0%	12,000	12,000
			-	-
	Sub Total: ANNUAL EXPENSES		$ 327,045	$ 336,486
	NOI		$ 117,624	$ 117,066
	Capital (Replacement) Reserve Balance		168,000	180,000

SCHEDULED ANNUAL DEBT SERVICE (ADS)

Loan		Input		14	15
CHFA Loan Tax-Exempt Bonds		$1,506,000	Pay Rate ADS	83,836	83,836
	Term (Yrs.) >	40	DSC	1.403	1.396
	Contract Rate >	4.75%	Bal. (E.O.Y.)	$1,250,426	$1,225,426
CHFA Loan - Non-Bond Proceeds (Specify)		$0	Pay Rate ADS	-	-
	Term (Yrs.) >	0	DSC	n/a	n/a
	Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0
DOH Loan Funding		$0	Pay Rate ADS	-	-
	Term (Yrs.) >	0	DSC	n/a	n/a
	Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0
CDBG Loan Funds: (Specify)		$0	Pay Rate ADS	-	-
	Term (Yrs.) >	0	DSC	n/a	n/a
	Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0
Other Public Funds: (Specify)		$0	Pay Rate ADS	-	-
	Term (Yrs.) >	0	DSC	n/a	n/a
	Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0
Other Amortizing Debt RMS LOAN		$127,834	Pay Rate ADS	11,932	11,932
	Term (Yrs.) >	15	DSC	1.229	1.222
	Contract Rate >	4.75%	Bal. (E.O.Y.)	$11,631	$0
Other Amortizing Debt 3		$0	Pay Rate ADS	-	-
	Term (Yrs.) >	0	DSC	n/a	n/a
	Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0
Existing Debt		$0	Pay Rate ADS	-	-
	Term (Yrs.) >	0	DSC	n/a	n/a
	Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0
GP Loan		$0	Pay Rate ADS	-	-
	Term (Yrs.) >	0	DSC	n/a	n/a
	Contract Rate >	0.00%	Bal. (E.O.Y.)	$0	$0
			ADS STOT =	$ 95,768	$ 95,768
			CASH FLOW AFTER DEBT SERVICE (CFADS)	$ 21,855	$ 21,297
			PROJECT DSC =	1.228	1.222
			EFFECTIVE DSC (w/Cp-DSC Reserve)	1.228	1.222

		Input		14	15
Contingent Payments (From Cash Flow after Scheduled ADS)					
CHFA - Additional Interest		20%		4,371	4,259
1 PMT/Yr., Default CHFA Loans. Insert 20%, TCB Loans 0%			Cum. Paid	63,328	67,587
Other		0%		-	-
			Cum. Paid	-	-
			Net Cash Flow/Surplus Cash	$ 17,484	$ 17,038
Owner Distributions					
Limited Dividend			Available/Permitted Distribution	$ 17,484	$ 17,038
			Annual Cash-On-Cash Return %	0.3%	0.3%
Deferred Developer Fee		$325,000.00	PMT	$ 21,855	$ 21,297
To be fully repaid in 15 years from CHFA approved Owner Distributions/Surplus Cash as per loan docs.	Term>	0	NPV	MAX NPV=	$ 337,939
	Rate>	0.000%	Bal. (E.O.Y.)	$57,397	$60,559
			Cum. Paid	$16,842	337,939
Developer Cash Flow Loan		0.0%		(4,371)	(4,259)
			Cum. Paid	(63,328)	(67,587)
Other		0.0%		-	-
			Annual Total	$ 17,484	$ 17,038
			Cum. Distribution	263,314	270,352

Exhibit IIIG –
Governmental Approvals

Please record and return to:
Brenner, Saltzman & Wallman
271 Whitney Avenue
New Haven, CT 06511

VOL 9581 PG 321
06/05/2017 04:11:16 PM
5 Pages
NOTICE
Michael B. Smart City Clerk

NEW HAVEN CITY PLAN COMMISSION SITE PLAN R...

RE: **49 PRINCE STREET.** Site Plan Review for rehabilitation of the former Welch Annex School into 30 residential units as second portion of Phase I of Downtown South-Hill North Development in a BD-3 zone. (Owner: City of New Haven; Applicant: Randy Salvatore for RMS Downtown South/Hill North Development Company, LLC; Agent: Carolyn Kone of Brenner, Saltzman, & Wallman, LLP)

REPORT: 1530-04

ACTION: Approval with Conditions

STANDARD CONDITIONS OF APPROVAL

1. Pursuant to State Statute, this site plan and soil erosion and sediment control plan approval is valid for a period of five (5) years following the date of decision, until May 17, 2022. Upon petition of the applicant, the Commission may, at its discretion, grant extensions totaling no more than an additional five (5) years to complete all work connected to the original approval.
2. The applicant shall record on the City land records an original copy of this Site Plan Review report (to be provided by the City Plan Department) and shall furnish written evidence to the City Plan Department that the document has been so recorded (showing volume and page number), prior to City Plan signoff on final plans.
3. Comments under **ADDITIONAL CONDITIONS OF APPROVAL** shall be reviewed with the City Plan Department and resolution reflected on final plans, prior to their circulation for signoff.
4. Signoff on final plans by the Greater New Haven Water Pollution Control Authority; City Engineer; Department of Transportation, Traffic, and Parking; City Plan Department; and Fire Marshal in that order shall be obtained prior to initiation of site work or issuance of building permit.
5. Construction operations plan/site logistics plan, including any traffic lane/sidewalk closures, temporary walkways, detours, signage, haul routes to & from site, and construction worker parking plan shall be submitted to the Department of Transportation, Traffic, and Parking for review and approval to prior to City Plan signoff on final plans for building permit.
6. A site bond will be required in conformity with Connecticut General Statutes Section 8-3(g). Bond, or other such financial instrument, shall be provided to the City Plan Department, in an amount equal to the estimated cost of implementation of erosion and sediment controls, plus 10 percent, prior to City Plan final sign-off on plans for building permit.
7. Any proposed work within City right-of-way will require separate permits.
8. Any sidewalks or curbs on the perimeter of the project deemed to be in damaged condition shall be replaced or repaired in accord with City of New Haven standard details.
9. Species and locations of proposed street trees must be coordinated with the Parks Department and Urban Resources Initiative (URI) and proposed removals of street trees must be coordinated with the Department of Parks, Recreation, and Trees prior to sign-off for building permits.
10. Final determination of traffic markings, V-loc locations, signs, and traffic controls on site and on the perimeter of the site will be subject to the approval of the Department of Transportation, Traffic, and Parking.
11. Filing (with City Plan) and implementation of a Storm Drainage Maintenance Plan and Inspection Schedule is required.
12. Following completion of construction, any City catch basins in the public right-of-way impacted by the project shall be cleaned, prior to issuance of Certificate of Occupancy.
13. As-built site plan shall be filed with City Plan Department, with a copy to the City Engineer, prior to issuance of Certificate of Occupancy. Site Plan shall be submitted in paper, mylar, and digital PDF on CD or flash drive.

ADDITIONAL CONDITIONS OF APPROVAL

14. Easement to City to ensure five-foot clear width on all sidewalks surrounding property to be negotiated and recorded, with a copy provided to City Plan, prior to issuance of Certificate of Occupancy

Submission: SPR Application Packet including DATA, WORKSHEET, SITE, and SESC forms. NARRATIVE attached. Application fee: $270. Received April 20, 2017.

- Stormwater Management Analysis by Langan Engineering dated and received April 20, 2017.
- Trip Generation Assessment by Langan Engineering dated and received April 20, 2017.
- Property Survey. Drawing date October 2015. Receive April 20, 2017.
- Application drawings. 22 sheets received April 20, 2017. Revisions received May 5 and May 10, 2017.
  - A0.00: Cover Sheet.
  - Property Survey. Drawing date October 2015.
  - C0.00: Master Legend & General Notes. Drawing date April 20, 2017.
  - C1.00: Site Plan. Revision date May 10, 2017.
  - C1.01: Site Shading Plan. Revision date May 10, 2017.
  - C1.10–C1.40: Site Details. Drawing date April 20, 2017.
  - C2.00: Grading & Drainage Plan. Revision date May 5, 2017.
  - C2.10: Drainage Details. Drawing date April 20, 2017.
  - C3.00: Site Utility Plan. Revision date May 5, 2017.
  - C3.10: Utility Details. Drawing date April 20, 2017.
  - C4.00: Soil Erosion & Sediment Control Plan. Drawing date April 20, 2017.
  - C4.10: Soil Erosion & Sediment Control Details. Drawing date April 20, 2017.
  - L1.00: Landscape Plan. Drawing date April 20, 2017.
  - L1.10: Landscape Notes and Details. Drawing date April 20, 2017.
  - L2.00: Lighting Plan. Drawing date April 20, 2017.
  - L2.10: Lighting Plan without Street Lights. Drawing date April 20, 2017.
  - L2.20: Lighting Notes and Details. Drawing date April 20, 2017.
  - A2.01–A2.02: Floor Plans. Drawing date April 20, 2017.
  - A5.01: Exterior Elevations. Drawing date April 20, 2017.

PROJECT SUMMARY:

Project: Phase I of Downtown South-Hill North, part 2
Address: 49 Prince Street
Site Size: 20,501 SF (0.47 acres)
Zone: BD-3 (central business/mixed use)
Financing: Private
Parking: 10 automobile spaces (including 1 HC van-accessible); 12 bicycle spaces (plus 5 additional automobile spaces and 1 bicycle space at Gold Street development)
Owner: Matthew Nemerson for City of New Haven — **Phone:** 203-946-2366
Applicant: Randy Salvatore for RMS Downtown South/Hill North Dev. Co., LLC — **Phone:** 203-968-2313
Agent: Carolyn Kone of Brenner, Saltzman, & Wallman, LLP — **Phone:** 203-772-2600
Architect: Ken Boroson of Kenneth Boroson Architects — **Phone:** 203-624-0662
Site Engineer: Tim Onderko of Langan Engineering — **Phone:** 203-562-5771
City Lead: City Plan Department — **Phone:** 203-946-6379

BACKGROUND

Previous CPC Actions:
None.

Zoning:
The Site Plan as submitted meets the requirements of the New Haven Zoning Ordinance for the BD-3 zone.

Site description/existing conditions:
49 Prince Street is an approximately half-acre parcel in the Hill neighborhood of the city, at the intersection of Prince and Gold Streets. The existing building on site is the former Welch Annex School. The building was originally constructed in 1936 as an orphanage and day nursery by the Apostolic Sisters of the Sacred Heart and was subsequently used as a convent. It was converted to a school in the 1960's, and was used as such until 2014. It has been vacant since that time.

The closest surrounding properties are a mix of parking lots, vacant buildings, and medical offices. Beyond these closest neighbors, the site lies within a quarter-mile of the Yale Medical School campus to the west, residential portions of the Hill to the south, the Church Street South public housing project and Union Station to the east, and Downtown to the north across Route 34. Nearby amenities within a five-minute walk include Amistad Park, St. Anthony Roman Catholic church, and St. Basil Greek Orthodox church.

Proposed activity:
The proposed project will renovate the former Welch Annex School into 30 residential units. Under the terms of the development and land disposition agreement (DLDA) that the applicant entered into with City of New Haven and the New Haven Redevelopment Agency, at least 30 percent of the dwelling units (9 units) must be affordable/ workforce housing units. The 30 units will consist of 18 studio apartments, four one-bedroom apartments, and eight two-bedroom apartments. Other spaces in the building will be converted for use as a laundry room, storage rooms, community rooms, group meeting spaces, a reading room, and a library. The northeast and northwest perimeter of the site bordering other parcels will be fenced with a six-foot-tall board screen fence.

Immediately across Gold Street is the site of former Prince Street School Annex, which will be redeveloped into a mixed-use site housing house 110 residential units and 2,300 SF of retail space as Phase I, part 1 of the same redevelopment project. This project gained approval from the City Plan Commission in April 2017 (CPC report 1529-08).

Motor vehicle circulation/parking/traffic:
Prince Street is a one-way street heading southwest from Lafatyette Street towards the project site. All cars will enter the site via an existing curb cut from Prince Street on the northeast side of the site. The parking lot is one-way, with vehicles proceeding around the building counterclockwise to an existing curb cut exiting onto Gold Street, which is one-way northwest towards Washington Avenue, which itself is one-way northeast towards Lafayette Street and Congress Avenue.

The parking lot will have a total of 10 parking spaces, one of which will be handicapped van-accessible. The first six spaces encountered off of Prince Street will be back-in angled parking, while the last four heading towards Gold Street will be parallel spaces alongside the property's drive aisle. To meet the requirements of the Zoning Ordinance, which requires a total of 15 parking spaces, an additional five spaces will be housed across the street in the first part of the development at 10, 22, and 32 Gold Street.

Bicycle parking:
A 12-space bicycle rack will be installed at the rear entrance to the building. One additional space will be housed in the parking garage at the Gold Street development.

Trash removal:
Trash will be collected in the building internally and rolled out to Gold Street by an employee for collection by a private hauler.

Signage:
None proposed.

Sec. 58 Soil Erosion and Sediment Control:

☒ **Class A** (minimal impact)
☐ **Class B** (significant impact)
☐ **Class C** (significant public effect, hearing required)
Cubic Yards (cy) of soil to be moved, removed or added: 350 CY
Start Date: September 2017 Completion Date: August 2018
Responsible Party for Site Monitoring: Jay Inzitari of RMS Companies

This individual is responsible for monitoring the site to assure there is no soil or runoff entering City catch basins or the storm sewer system. Other responsibilities include:

- monitoring soil erosion and sediment control measures on a daily basis;
- assuring there is no dust gravitation off site by controlling dust generated by vehicles and equipment and by soil stockpiles during construction;
- determining the appropriate response, should unforeseen erosion or sedimentation problems arise; and
- ensuring that SESC measures are properly installed, maintained and inspected according to the SESC Plan.

Should soil erosion problems develop (either by wind or water) following issuance of permits for site work, the named party is responsible for notifying the City Engineer within twenty-four hours of any such situation with a plan for immediate corrective action.

All SESC measures are required to be designed and constructed in accordance with the latest Standards and Specifications of the *Connecticut Guidelines for Soil Erosion and Sediment Control.*

Sec. 60 Stormwater Management Plan: SUBMISSION MEETS REQUIREMENTS
REQUIRED DOCUMENTATION
☒ Soil characteristics of site;
☒ Location of closest surface water bodies and depth to groundwater;
☒ DEEP ground and surface water classification of water bodies;
☒ Identification of water bodies that do not meet DEEP water quality standards;
☒ Proposed operations and maintenance manual and schedule;
☒ Location and description of all proposed BMPs;
☒ Calculations for stormwater runoff rates, suspended solids removal rates, and soil infiltration rates;
☒ Hydrologic study of pre-development conditions commensurate with conditions.

STANDARDS
☒Direct channeling of untreated surface water runoff into adjacent ground and surface waters shall be prohibited;
☒No net increase in the peak rate or total volume of stormwater runoff from the site, to the maximum extent possible, shall result from the proposed activity;
☒Design and planning for the site development shall provide for minimal disturbance of pre-development natural hydrologic conditions, and shall reproduce such conditions after completion of the proposed activity, to the maximum extent feasible;
☒Pollutants shall be controlled at their source to the maximum extent feasible in order to contain and minimize contamination;
☒Stormwater management systems shall be designed and maintained to manage site runoff in order to reduce surface and groundwater pollution, prevent flooding, and control peak discharges and provide pollution treatment;
☒Stormwater management systems shall be designed to collect, retain, and treat the first inch of rain on-site, so as to trap floating material, oil and litter;
☒On-site infiltration and on-site storage of stormwater shall be employed to the maximum extent feasible;
☒Post-development runoff rates and volumes shall not exceed pre-development rates and volumes for various storm events. Stormwater runoff rates and volumes shall be controlled by infiltration and on-site detention systems designed by a professional engineer licensed in the state of Connecticut except where detaining such flow will affect upstream flow rates under various storm conditions;
☒Stormwater treatment systems shall be employed where necessary to ensure that the average annual loadings of total suspended solids (TSS) following the completion of the proposed activity at the site are no greater than such loadings prior to

the proposed activity. Alternately, stormwater treatment systems shall remove 80 percent TSS from the site on an average annual basis; and
☒Use of available BMPs to minimize or mitigate the volume, rate, and impact of stormwater to ground or surface waters

Sec. 60.1 Exterior Lighting: SUBMISSION MEETS REQUIREMENTS
REQUIRED DOCUMENTATION
☒Lighting Plan with location of all fixtures, type of fixture and mounting height of lights;
☒Manufacturer specifications or cut-sheet for each fixture;
☒Photometrics.

STANDARDS
☒Prevent or minimize direct glare and light trespass;
☒All parking area lighting shall be full cut-off type fixtures and shall not exceed twenty (20) feet in height from the ground to the highest point of the fixture;
☒Up lighting and high pressure sodium light sources are prohibited. Externally lit signs, display building, and aesthetic lighting must be lit from the top and shine downward and not sideward or upward. The lighting must be shielded to prevent direct glare and/or light trespass. The lighting must also be, as much as physically possible, contained within the target area;
☒All building lighting for security or aesthetics shall be full cut-off or shielded type, not allowing any upward distribution of light. Floodlighting is discouraged, and if used, must be shielded to prevent: (a) disability glare for drivers or pedestrians, (b) light trespass beyond the property line, and (c) light above the horizontal plane;
☒Where non-residential development is adjacent to residential property, no direct light source shall be visible at the property line at ground level or above; and
☒High pressure sodium and flickering or flashing lights are prohibited.

Sec. 60.2 Reflective Heat Impact: SUBMISSION MEETS REQUIREMENTS
STANDARDS
☒ 50% of all on-site non-roof hardscape or paved areas will be either:
  ☒ shaded AND/OR
  ☒ constructed of a material with a solar reflectance index of at least 29.

TOTAL SF of non-roof hardscape: 8,426 SF
50% of non-roof hardscape: 4,213 SF

Shaded (average)	**1,496 SF**
SRI > 29	**2,766 SF**
Cast-in-place concrete	2,312 SF
StreetBond coating	454 SF
TOTAL PROPOSED SHADED/HIGH SRI AREA	**4,262 SF**
% SHADED/HIGH SRI PROPOSED	**50.6%**

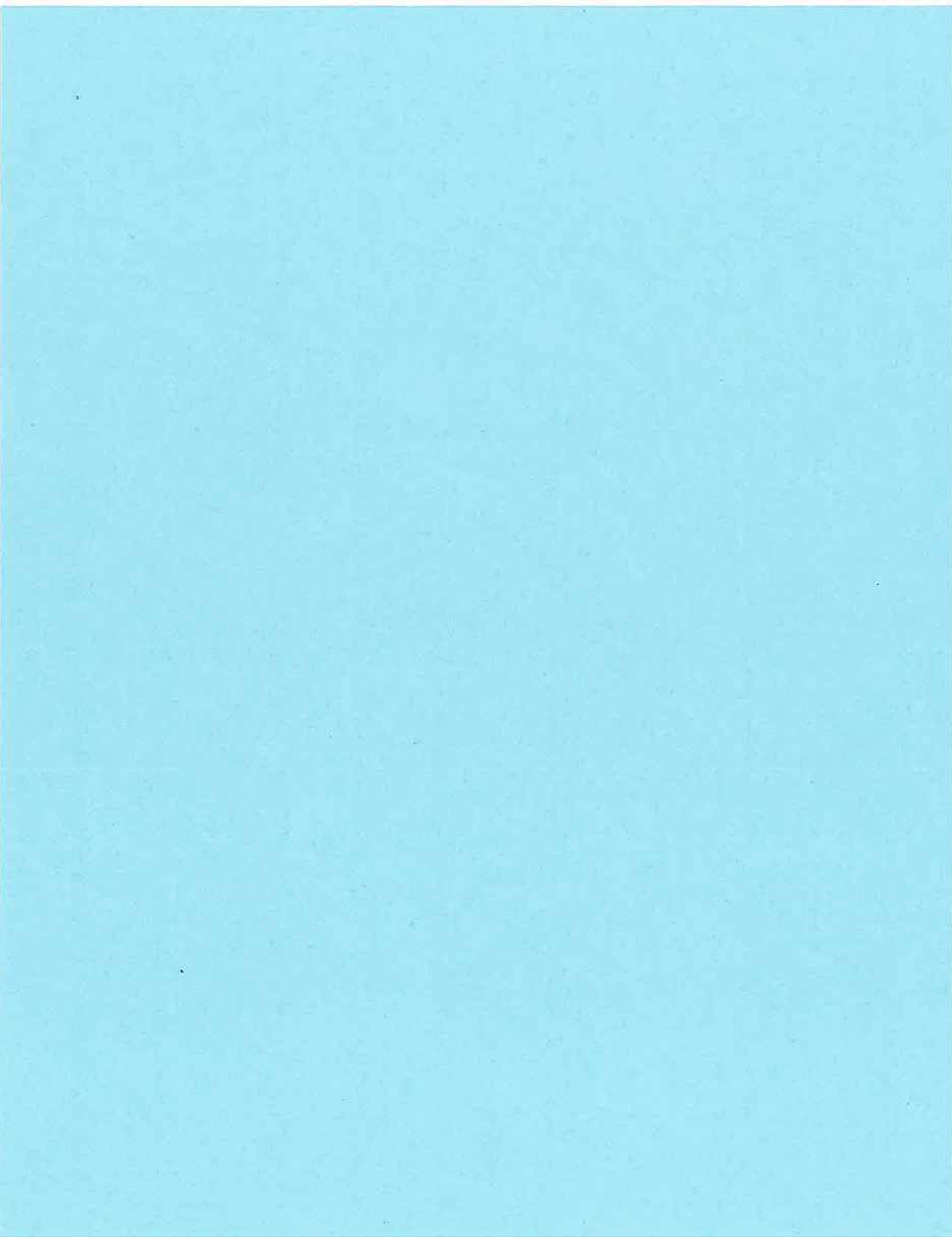
Project Timetable:
The applicant plans to begin construction in September 2017, with completion anticipated in August 2018.

SITE PLAN REVIEW
Plans have been reviewed by the Site Plan Review team with representatives from the Departments of City Plan, City Engineer, Building, Disabilities Services and Transportation, Traffic and Parking and have been found to meet the requirements of City ordinances, regulations, and standard details.

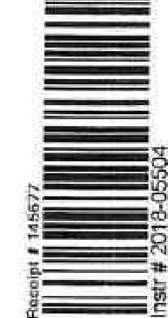
ACTION
The City Plan Commission approves the submitted Site Plans subject to conditions on Pages 1 and 2.

ADOPTED: May 17, 2017
Edward Mattison
Chair

ATTEST:
Karyn M. Gilvarg, AIA
Executive Director



NEW HAVEN CITY PLAN COMMISSION ADMINSTRATIVE SITE PLAN REVIEW



1530-04A1 **49 PRINCE STREET.** Administrative Site Plan Review for minor changes to approved site plan for the second portion of Phase I of Downtown South-Hill North Development. (Owner/Applicant: Matthew Nemerson for the City of New Haven; Agent: Carolyn Kone of Brenner, Saltzman & Wallman LLP)

Review Date: June 15, 2018

Submission received June 14, 2018:

- DATA sheet
- $100 application fee
- Submission Summary dated June 13, 2018.
- Application drawings. 13 sheets.
  - A2.01: Proposed Basement and First Floor Plans. Revised 6/12/2018.
  - A2.02: Second and Third Floor Plans.
  - A5.01: Exterior Elevations.
  - A5.02: Exterior Elevations.
  - C0.00: Master Legend & General Notes.
  - C1.00: Site Plan.
  - C1.01: Reflective Heat Index Study.
  - C1.10: Site Details I.
  - C2.00: Grading & Drainage Plan.
  - C2.10: Grading & Drainage Details.
  - C3.00: Site Utility Plan.
  - C4.00: Soil Erosion & Sediment Control Plan.
  - L1.00: Landscape Plan.

The approved site plan for the construction of a residential development at 49 Prince Street includes site and parking plans that are in conformance with City regulations. The applicant proposes to demolish the existing 992 SF elevator shaft and build a 1,336 SF lobby structure to house the new elevator and elevator shaft, resulting in a net increase of 344 SF on site. The applicant also proposes to increase the amount of parking spaces provided for 49 Prince Street at the 22 Gold Street property from the previously approved 5 spaces to 7 parking spaces in total. Additional proposed modifications include the installation of an ADA accessible dumpster and a dumpster pad on site and the relocation of the generator from the roof to a generator pad at the northeast portion of the site. The site and parking plans will still comply with the City's requirements after the changes.

ACTION

Plans noted above are approved.

Date: June 20, 2018
Reported to the City Plan Commission

Anne K.E. Hartjen, PLA, ASLA
Senior Project Manager

Exhibit IIIH –
Structure Chart

RC Family Trust
Randall M. Salvatore & Steven D. Grushkin, Co-Trustees

Randall M. Salvatore

90%

10%

RMS Downtown South-Hill North Development Company, LLC
Developer

RMS New Haven II LLC
Managing Member

People's United Bank, N.A.
Investor Member

.01%

99.99%

RMS 49 Prince Street LLC

Assignment of acquisition and development rights

100%

49 Prince Street
Real Property

Notes:

*1.**RMS New Haven II LLC** is formed as a subsidiary of RC Family Trust and Randall M. Salvatore to serve as the managing member of tax credit LLC with People's United Bank Entity.*

*2.**RMS 49 Prince Street LLC** is formed as the tax credit LLC, and is a direct subsidiary of **RMS New Haven II LLC** and the People's United Bank Entity. RMS 49 Prince Street LLC will serve as the Project Owner.*

*3.Rights to acquire and develop 49 Prince Street, New Haven, Connecticut, are assigned from RMS Downtown South-Hill North Development Company, LLC, to **RMS 49 Prince Street LLC.***

*4.**RMS 49 Prince Street LLC** then acquires from the City of New Haven and develops 49 Prince Street.*

Exhibit IIIK –
Certificate of the Developer, Resolution and Operating Agreement

CERTIFICATE OF RMS 49 PRINCE STREET LLC

I, Randall M. Salvatore, Manager of RMS 49 Prince Street LLC, the Applicant for a tax abatement under the City of New Haven's program for Tax Abatement for Low Income, Multi-Family Residential Developments hereby certifies that the information contained in the application of RMS 49 Prince Street LLC for a tax abatement is true and correct to the best of my knowledge.

Witness

Witness

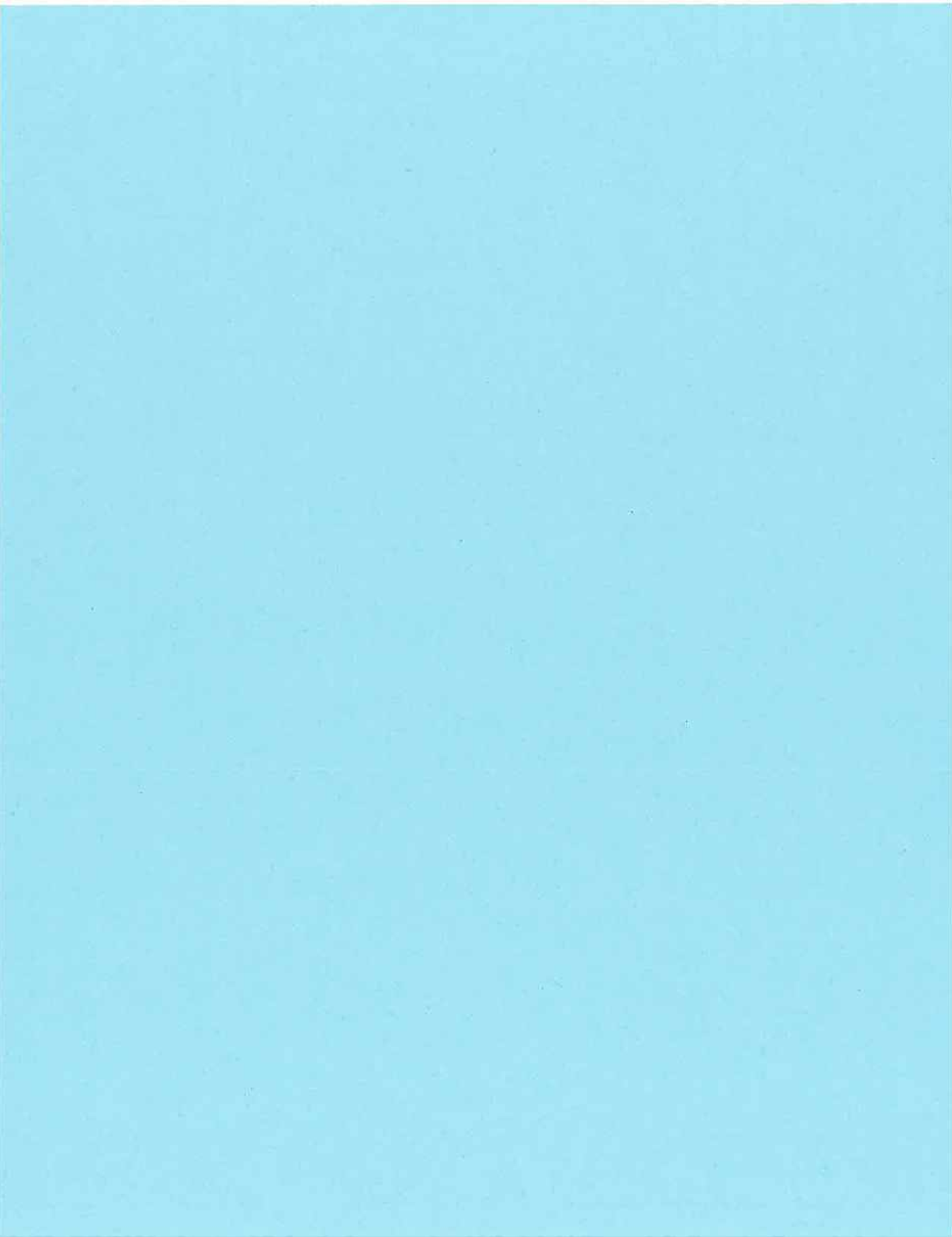
RMS 49 Prince Street LLC

By: ________________
Randall M. Salvatore
Its: Manager

Personally appeared Randall M. Salvatore before me this 3rd day of June 2020, who acknowledged himself to be the Manager of RMS 49 Prince Street LLC, a Connecticut limited liability company, and that as such Manager, being authorized to do so, executed the foregoing Certificate for the purposes contained therein by signing on behalf of RMS 49 Prince Street LLC as his free act and deed as such Manager.

Notary Public
My Commission expires

KAREN L. NUNEZ
NOTARY PUBLIC OF CONNECTICUT
My Commission Expires 6/30/2021



WRITTEN CONSENT AND RESOLUTIONS OF
THE MANAGER
OF
RMS 49 PRINCE STREET LLC

The undersigned, being the manager of RMS 49 Prince Street LLC, a Connecticut limited liability company (the "Company"), does hereby consent to and adopt the following resolutions for and on behalf of the Company:

RESOLVED, that the Company be, and it hereby is, authorized to enter into a Tax Abatement Agreement –between the Company and the City of New Haven, in connection with the Company's purchase of 49 Prince Street, New Haven, Connecticut; and

FURTHER RESOLVED, that Randall M. Salvatore, manager of the Company, be, and it hereby is, authorized and empowered to negotiate the terms and conditions of the Tax Abatement Agreement, and to execute and deliver in the name and on behalf of the Company, in such form and substance as it, in its sole discretion, shall deem necessary or appropriate in furtherance of the accomplishment of the intent and purposes of the foregoing resolutions, and that any actions heretofore or hereafter taken by it in carrying out the intent and purposes of these resolutions be conclusive evidence of the Company's full authorization of the same; and it is

FURTHER RESOLVED, that Randall M. Salvatore, manager of the Company, be, and it hereby is, authorized to execute and deliver such other instruments and documents and to take such further actions on behalf of the Company, and to do and perform all such other acts and things as they shall deem necessary or appropriate in furtherance of the accomplishment of the intent and purposes of the foregoing resolutions and that any actions heretofore or hereafter taken by it in carrying out the intent and purposes of these resolutions are confirmed, approved and ratified in all respects.

RESOLVED, that these resolutions may be executed in counterpart and that such counterparts when taken together shall constitute one and the same instrument and that a facsimile or electronic transmission of the signature of the manager shall be deemed to be an original signature of such manager.
DATED this 3rd day of June, 2020.

Randall M. Salvatore
Manager

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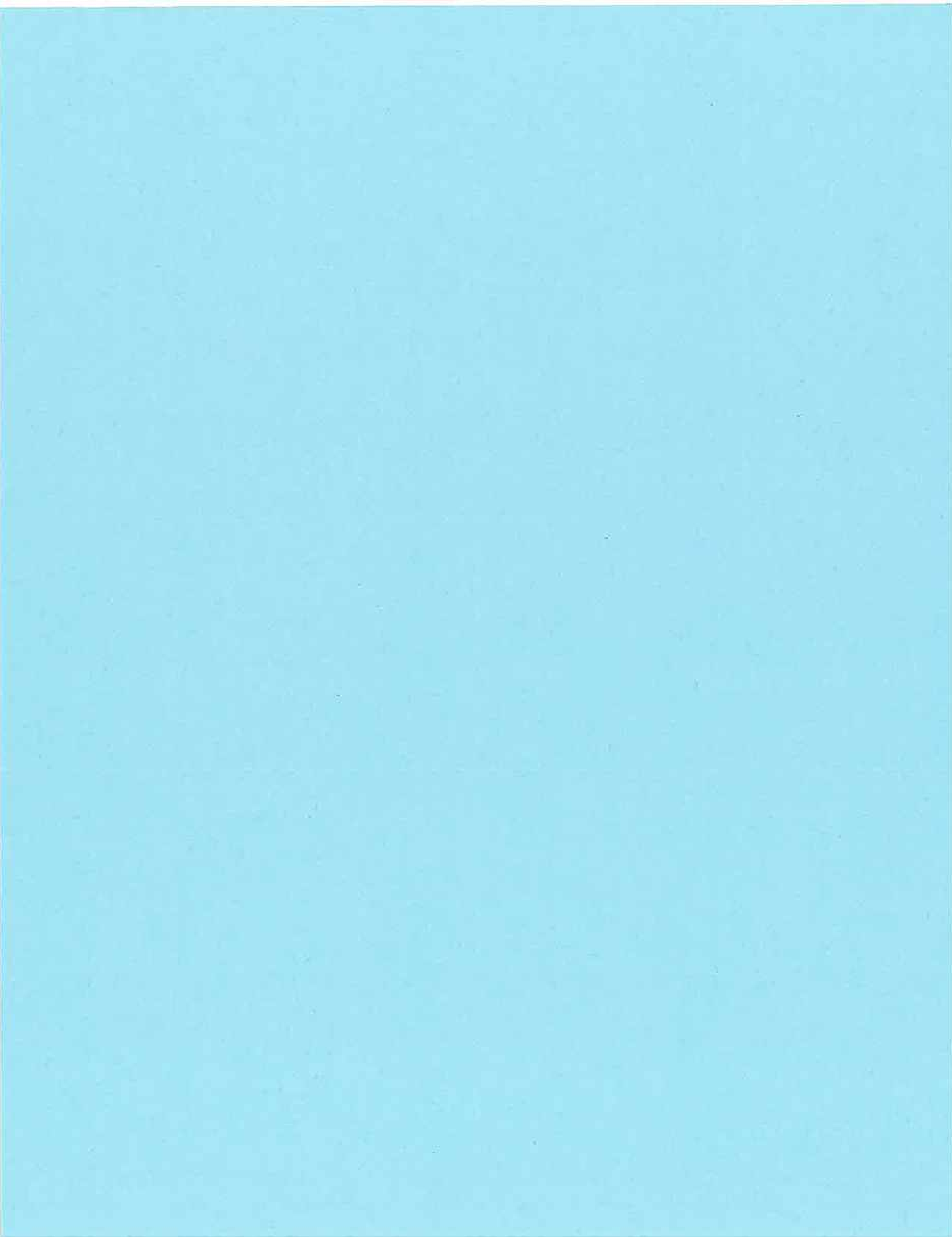

OPERATING AGREEMENT

OF

RMS 49 PRINCE STREET LLC

Dated as of May 29, 2020

TABLE OF CONTENTS

Page

ARTICLE 1: DEFINITIONS 1

ARTICLE 2: ORGANIZATION 15

- Section 2.1 Formation of the Company 15
- Section 2.2 Character and Purpose of Business 15
- Section 2.3 Name of Company 15
- Section 2.4 [Reserved] 16
- Section 2.5 Principal Office 16
- Section 2.6 Agent for Service of Process 16
- Section 2.7 Name and Address of Members 16
- Section 2.8 Governmental Filings 16
- Section 2.9 Term of Company 16
- Section 2.10 Compliance with Laws 16
- Section 2.11 Statutory Record Keeping 17
- Section 2.12 [Reserved]. 17
- Section 2.13 Non-Confidential Tax Shelter 17

ARTICLE 3: CAPITAL CONTRIBUTIONS AND MEMBER LOANS 17

- Section 3.1 RMS Member's Capital Contributions 17
- Section 3.2 Investor Member's Capital Contributions 18
- Section 3.3 Security Interest 18
- Section 3.4 Interest on Capital Contributions 20
- Section 3.5 Withdrawal and Return of Capital Contributions 20
- Section 3.6 Capital Accounts 20
- Section 3.7 Company Loans 21
- Section 3.8 Additional Capital Contributions 21
- Section 3.9 No Right of Withdrawal 21

ARTICLE 4: ALLOCATION OF PROFITS, LOSSES AND TAX CREDITS 21

- Section 4.1 Profit and Loss Allocations 21
- Section 4.2 Special Allocations 22
- Section 4.3 Timing of Allocations 25
- Section 4.4 Other Allocation Rules 25
- Section 4.5 Tax Effect of Allocations 25

ARTICLE 5: DISTRIBUTIONS 26

- Section 5.1 Distribution of Cash Flow 26
- Section 5.2 Net Cash from Sales and Refinancings 27
- Section 5.3 Timing of Distributions 27
- Section 5.4 Treatment of Distributions 28

ARTICLE 6: POWERS, RIGHTS AND DUTIES OF MANAGER 28

Section 6.1 Management of Company 28
Section 6.2 Restrictions on Manager's Authority 28
Section 6.3 Representations, Warranties and Covenants of the Manager 30
Section 6.4 Specific Obligations of Manager 33
Section 6.5 Fees for Services Rendered 40
Section 6.6 Outside Ventures of Members 41
Section 6.7 Dealing With Affiliates 41
Section 6.8 Indemnification of Company and Investor Member 42
Section 6.9 Credit Adjusters 43
Section 6.10 [Reserved]; 47
Section 6.11 Managers 47
Section 6.12 Partnership Representative Rules 47

ARTICLE 7: POWERS, RIGHTS AND DUTIES OF INVESTOR MEMBER 49

Section 7.1 Limitation of Liability 49
Section 7.2 No Participation in Management 49

ARTICLE 8: ACCOUNTING AND FISCAL AFFAIRS 49

Section 8.1 Books of Account 49
Section 8.2 Management Reports 50
Section 8.3 General Disclosure 51
Section 8.4 Tax Information 51
Section 8.5 Review of Compliance 53
Section 8.6 Failure to Provide Information 54

ARTICLE 9: TRANSFER OF INVESTOR MEMBER'S MEMBERSHIP INTERESTS 54

Section 9.1 Voluntary Transfers 54
Section 9.2 Manager's Consent to Substitution as an Investor Member 55
Section 9.3 Involuntary Transfers 55
Section 9.4 Distributions and Allocations with Respect to Transferred Membership Interests 56
Section 9.5 [Reserved] 56
Section 9.6 Right of First Refusal 56
Section 9.7 [Reserved]. 56
Section 9.8 Voluntary Withdrawal 56
Section 9.9 Put Right 56
Section 9.10 Purchase Option 56

ARTICLE 10: TRANSFER OF RMS MEMBER'S MEMBERSHIP INTERESTS 57

Section 10.1 Voluntary Transfers 57
Section 10.2 Reserved 57
Section 10.3 Continuation of Company After Involuntary Transfer of RMS Member's Membership Interests 57
Section 10.4 Distributions and Allocations with Respect to Transferred Membership Interests 57
Section 10.5 Voluntary Withdrawal 58
Section 10.6 Removal of Manager 58

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Section 10.7 Nominee's Enforcement Powers 60

ARTICLE 11: DISSOLUTION, WINDING UP AND TERMINATION 60

Section 11.1 Dissolution 60
Section 11.2 Winding Up and Termination 61
Section 11.3 Compliance with Liquidation Requirements of Regulations 61
Section 11.4 Rights and Obligations of Investor Member Upon Dissolution 62
Section 11.5 Waiver of Partition 62
Section 11.6 Final Accounting 62

ARTICLE 12: MISCELLANEOUS 63

Section 12.1 Notices and Addresses 63
Section 12.2 Pronouns and Plurals 63
Section 12.3 Counterparts 63
Section 12.4 Applicable Law 63
Section 12.5 Successors 63
Section 12.6 Severability 63
Section 12.7 Exhibits 63
Section 12.8 Limitation of Benefits 63
Section 12.9 Entire Agreement 63
Section 12.10 Broker's Commission and Indemnity 64
Section 12.11 Amendment of Operating Agreement 64
Section 12.12 Power of Attorney 64
Section 12.13 Third Party Beneficiary 65

ARTICLE 13: REQUIREMENTS OF THE LENDER 65

Attachments:
Appendix I - Projections

Exhibit A – Purchase Option and Right of First Refusal

Exhibit B – Development Fee Agreement

OPERATING AGREEMENT

OF

RMS 49 PRINCE STREET LLC

(a Connecticut limited liability company)

Dated as of May 29, 2020

This Operating Agreement (as amended from time to time, this "Operating Agreement") of RMS 49 Prince Street LLC, a Connecticut limited liability company (the "Company"), dated and effective as of the date first set forth above, is entered into by and among RMS New Haven II, LLC, a Connecticut limited liability company (the "RMS Member"), as a member, People's United Bank, National Association, a national banking association (the "Investor Member"), as a member, and Randall M. Salvatore, an individual ("Manager"), as manager.

RECITALS

WHEREAS, capitalized terms used herein shall have the meanings given to them in Article 1; and

WHEREAS, the Company and its Members wish to establish this Operating Agreement as the Company's "operating agreement," as such term is used in the Act, for the purpose of setting forth the parties' agreement as to the management of the business and affairs of the Company;

NOW, THEREFORE, the parties hereto hereby adopt this Operating Agreement as the Company's operating agreement and hereby agree as follows:

ARTICLE 1: DEFINITIONS

The capitalized words and phrases used in this Operating Agreement shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of such words and phrases):

"Accountant" means CohnReznick LLP, or such certified public accountant as is selected by the Manager, with the prior written approval of the Investor Member.

"Act" means the Connecticut Uniform Limited Liability Company Act, as the same may be amended from time to time (or any corresponding provisions of any successor law).

"Actual Tax Credits" means the Tax Credits which the Company allocates to the Investor Member (as determined by the Accountant) with respect to any taxable year.

"Adjusted Capital Account Deficit" means, with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the relevant fiscal period after giving effect to the following adjustments: (a) the credit to such Capital Account of any amounts which such Member is obligated to restore under any provision of this Operating Agreement or is otherwise treated as being obligated to restore under Treasury Regulations Section 1.704-2(b)(2)(ii)(c) or is deemed to be obligated to restore pursuant to the penultimate sentences of Treasury Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5); and (b) the debit to such Capital Account of the amounts described in Treasury Regulations

Section 1.704-1(b)(2)(ii)(d)(4), (5) and (6). The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

"Administrative Adjustment Request" means an administrative adjustment request under Section 6227 of the Code.

"Affiliate" means, as to any named Person or Persons, any other Person (a) who directly or indirectly controls, is controlled by, or is under common control with such Person, (b) who owns or controls 10% or more of the outstanding voting securities of such Person, (c) of which 10% or more of the voting securities are owned by such Person; (d) who is an officer, director, partner or trustee of such Person, or (e) for which such Person acts in the capacity of officer, director, partner or trustee.

"Applicable Federal Rate" means the "applicable federal rate" as defined in Code Section 1274(d).

"Applicable Percentage" means the applicable percentage for the Project determined in accordance with Section 42(b) of the Code.

"Architect" means Kenneth Boroson Architects, LLC.

"Architect Agreement" means that certain agreement in connection with the design of the Project, dated April 26, 2017 by and between the Company and the Architect.

"Assignee" means a Person to whom all or any part of an Investor Member's Membership Interest has been transferred in a manner permitted under or contemplated by this Operating Agreement, but who has not been admitted to the Company as a Substituted Investor Member with respect to the transferred Membership Interest.

"Bonds" means collectively, the tax-exempt bonds issued by CHFA, the proceeds from the sale of which will be utilized to fund the Construction/Permanent Loan.

"Building" means each building in the Project that is assigned a separate building identification number (BIN) in the documents evidencing the allocation of Tax Credits for the Project.

"Business Day" means a weekday other than a U.S. federal holiday or day when banks in the Project State are permitted to be closed.

"Capital Account" means, with respect to any Member, the capital account maintained for such Member pursuant to Section 3.6.

"Capital Contribution" means, with respect to any Member, the total amount of cash or any cash equivalents contributed and/or agreed to be contributed to the Company, including all adjustments thereto, as provided in this Operating Agreement. Except for obligations incurred in connection with Section 6.4.6(i)-(iii), and any loans made in accordance with Section 3.7 hereof, any additional advances actually made by the RMS Member shall be treated as a Capital Contribution of such RMS Member for purposes of this Operating Agreement. Any reference in this Operating Agreement to the Capital Contribution of a substituted Member shall include all Capital Contributions previously made by any predecessor or former Member in respect of the Membership Interest acquired by the substituted Member, subject to all adjustments thereto pursuant this Operating Agreement.

"Cash Flow" means, with respect to any Fiscal Year of the Company, the Gross Cash Receipts for such year, reduced by the sum of the following: (a) Required Debt Service Payments; (b) all cash expenditures incurred incident to the Operating Expenses of the Company for that Fiscal Year; and (c) such cash as is necessary to (i) pay all accrued, outstanding trade payables, and (ii) establish any additional reserves as the Members shall from time to time agree to establish.

"Cash Flow Debt Service Payments" means all principal, interest and other charges and fees that are principal and interest payments which are payable in connection with the Construction/Permanent Loan and, or, any Permitted Loan, and the payment or amount of which are contingent on available net operating receipts of the Company, including, but not limited to, payment with respect to (a) loans payable solely from Cash Flow, (b) loans to the Company from the RMS Member (including loans made pursuant to Section 3.7 or Sections 6.4.6(i) or 6.4.6(ii) hereof), and (c) loans to the Company from the Investor Member.

"CERCLA" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (including the Superfund Amendments and Reauthorization Act of 1986), 42 U.S.C. 9601 et seq.

"Certificate of Organization" means the Company's certificate of organization prepared in accordance with the Act, and filed with the Filing Office on January 31, 2020, as amended from time to time.

"CHFA" means the Connecticut Housing Finance Authority, a body politic and corporate, constituting a public instrumentality and political subdivision of the State.

"CHFA Contract Documents" means, collectively, the Construction/Permanent Loan Documents, the CHFA Regulatory Agreement, and related contract documents.

"CHFA First Mortgage" means the instrument pursuant to which a first priority security interest in the Property is created by the Company to secure the repayment of the CHFA Construction/Permanent Loan.

"CHFA Regulatory Agreement" means that certain Regulatory Agreement, dated on or about the date hereof, between the Company and CHFA, as amended from time to time.

"Code" means the Internal Revenue Code of 1986, as the same may be amended from time to time (or any corresponding provisions of any successor law).

"Collateral" has the meaning set forth in Section 3.3.1.

"Company" has the meaning set forth in the preamble to this Operating Agreement.

"Company Property" means all real and personal property acquired by the Company and any improvements thereto, and shall include both tangible and intangible property.

"Compliance Period" means, with respect to any Building in the Project Property, the fifteen (15) taxable years beginning with the first taxable year of the Credit Period with respect thereto, as defined in Section 42(i)(1) of the Code.

"Construction Completion" means the date upon which the Company has completed the construction of the Project in accordance with the Project Documents and the Loan Documents, as

evidenced by both (a) a certificate prepared and executed by the Architect indicating that construction of the Company Property has been completed in accordance with the Plans and Specifications (except for punch list items which are not material and do not affect the rental of the space in the Project on a full rent paying basis, *provided* that the Company has delivered sufficient funds or cash equivalents in escrow, or has retained sufficient funds pursuant to the Construction Contract, to provide for the completion of such punch list items) and (b) a certificate of occupancy for all Residential Units.

"Construction Completion Date" means the date on which Construction Completion is achieved, which in any event shall not exceed the end of the second year after the year in which the Project receives an allocation of Tax Credits or, if earlier, the date required by any Lender or State Agency.

"Construction Contract" means that certain agreement, dated April 24, 2020, between the Company and the Contractor in connection with the construction and/or rehabilitation of the Project.

"Construction/Permanent Lender" means CHFA and its successors and assigns.

"Construction/Permanent Loan" means the $3,750,000 loan borrowed from the Construction/Permanent Lender and secured by the CHFA First Mortgage (and any related security agreement or financing statement), which loan was financed with proceeds from the sale of the Bonds; on or about June 1, 2022, the Construction/Permanent Loan will be reduced to a permanent loan of $1,500,000.

"Construction/Permanent Loan Documents" means any and all of those loan documents evidencing, securing, or related to the Construction/Permanent Loan, including the CHFA First Mortgage.

"Contractor" means RMS Construction, LLC.

"Cost Certification" means the following documents which must be delivered to the Investor Member after Placement in Service of the Project (a) a letter or certification from the Accountants in the form satisfactory to the State Housing Finance Agency and the Investor Member certifying, among other things, that the Accountants have examined the books and records and will sign a tax return including the Project costs specified in the letter or certification in Tax Credit basis, and (b) a certification by the Manager that the Accountants' letter accurately reflects actual Project costs.

"Credit Approval" means the written determination issued pursuant to Sections 42(m)(1)(D) and 42(m)(2)(D) of the Code approving low-income housing tax credits for the Project in an amount of not less than $267,338 (subject to adjustment as contemplated herein).

"Credit Period" means, with respect to any Building in the Project the period of ten (10) taxable years beginning with (a) the taxable year in which the Building is placed in service or (b) at the election of the taxpayer, the next succeeding taxable year, but only if the Building is a qualified low-income building (as defined in the Code) as of the close of the first year of such period. Special rules apply to the determination of the Credit Period for multiple building Projects and the first year of the Credit Period pursuant to Code Section 42.

"Credit Reduction Payment" shall have the meaning attributed thereto in Section 6.9 of this Operating Agreement.

"Credit Shortfall" shall have the meaning attributed thereto in Section 6.9.3 of this Operating Agreement.

"Debt Service Coverage Ratio" shall be defined as the Gross Cash Receipts for a specified period (excluding for this purpose the amount of any income from tenant-based (not project-based) rent subsidy vouchers for Tax Credit Units to the extent that the income from any such unit exceeds the maximum applicable Tax Credit rent) reduced by all Operating Expenses, divided by Required Debt Service Payments. The Operational Costs of the Company shall be used in place of Operating Expenses to calculate Debt Service Coverage Ratio only for purposes of defining Stabilized Occupancy.

"Defaulting Investor Member" has the meaning set forth in Section 3.3.2.

"Deferred Development Fee" means the Development Fees that are to be paid out of Cash Flow from the Project or the proceeds of sales and refinancings and not from the Capital Contribution of the Investor Member or the Project financing.

"Designated Individual" shall have the meaning assigned to such term in Section 6.12.1 hereof.

"Developer" shall be RMS New Haven II LLC, a Connecticut limited liability company

"Development Completion Guaranty" means all of the obligations of the RMS Member as described in Section 6.4.6(i) of this Operating Agreement.

"Development Fee" means the fee in the amount of Eight Hundred Sixty Thousand One Hundred Ninety-One Dollars and No/100 Dollars $860,191.000 described in the Development Agreement, payable at the times and upon the conditions set forth in the Development Agreement.

"Development Fee Agreement" means the Development Fee Agreement attached as Exhibit B entered into or to be entered into by the Company and the Developer pursuant to which the Developer shall have primary responsibility for the development of the Project Property.

"DOH" means the State of Connecticut, acting by and through its Department of Housing, and its successors.

"DOH Loan" means the Loan from DOH in the amount of $2,751,000 which will mature in forty (40) years. The DOH Loan will bear compound interest at 1.0% per annum.

"DOH Loan Mortgage" means that certain mortgage entered into by the Company, securing the Company's obligations under the DOH Loan Note.

"DOH Loan Documents" means the DOH Loan Note, the DOH Loan Mortgage, and all other documents executed and/or delivered in connection with the DOH Loan.

"DOH Loan Note" means the promissory note dated May 29, 2020, for the Project executed by the Company to evidence its obligations with respect to the DOH Loan, which note is secured by the DOH Loan Mortgage.

"Draft 8609" means a completed draft Form 8609 for the Project prepared by the Manager and submitted to CHFA.

"Eligible Basis" shall mean the adjusted basis of all of the buildings in the Project, determined as to each such building as of the close of the first year of its Credit Period, as more particularly defined in Section 42(d) of the Code.

"Environmental Certification" means delivery to the Investor Member, upon completion of rehabilitation or construction, of a certification by the Manager that the Project has been completed in accordance with the recommendations contained in the Environmental Reports for the Project.

"Environmental Law" means (a) CERCLA, (b) the Clean Air Act, as amended, 42 U.S.C. 7401 et seq., (c) the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq., (d) the Hazardous Materials Transportation Act, as amended, 39, U.S.C. 1801 et seq., (e) the Resource Conservation and Recovery Act, as amended, 42 U.S.C. 6901 et seq., (f) the Toxic Substances Control Act, as amended, 15 U.S.C. 2601 et seq., (g) the Safe Drinking Water Act, as amended, 42 U.S.C. 300f et seq., (h) the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4821 et seq.; (i) the Occupational Safety and Health Act of 1970, 29 U.S.C. 651 et seq.; (j) any other similar state or local law, or (k) any regulation adopted or publication promulgated pursuant to any such laws".

"Environmental Reports" means, collectively, (a) the Phase I Environmental Site Assessment Update dated May 22, 2018, prepared by GZA GeoEnvironmental, Inc., and bearing File No. 05.0045497.02; (b) Phase II Environmental Site Investigation dated November 27, 2019, prepared by GZA GeoEnvironmental, Inc., and bearing File No. 05.0045927.02; (c) Pre-Renovation Asbestos Inspection letter dated September 18, 2019, prepared by Brooks Environmental Consulting, LLC with respect to Project No. KD160330-Rev; and (d) Limited environmental hazards inspection letter dated September 10, 2019, prepared by Brooks Enviro.

"Extended Use Agreement" means the extended low-income housing commitment entered into between the Company and the State Housing Finance Agency pursuant to Section 42(h)(6) of the Code.

"Filing Office" means the Office of the Secretary of the State of Connecticut.

"Final Partnership Adjustment" means a notice from the IRS of a final partnership adjustment under Section 6231 of the Code.

"Final 8609" means the Form 8609 executed by CHFA setting forth the amount of Tax Credit allocated to the Project.

"First Installment" has the meaning set forth in Section 3.2.1 of this Operating Agreement.

"First Year Tenant Files" means such information or documents that evidence the tenant's qualification to occupy the Tax Credit Unit, including, but not limited to, tenant applications, executed tenant lease agreements, tenant income and asset certifications and verifications, student status verification, and rent rolls obtained by the Property Management Agent with respect to those tenants who occupy the Tax Credit Units during the period beginning with the date that the Project achieves Placement in Service and ending with the date that the Project achieves Qualified Occupancy.

"Fiscal Year" means the calendar year unless otherwise specified in writing by the Investor Member.

"Form 8609" means the IRS Form 8609 (Low-Income Housing Tax Credit Allocation Certification) issued by the State Agency for each residential Building in the Project which finally allocates Tax Credits to such residential Building as evidenced by the execution of Part II of the form by the State Housing Finance Agency.

"GAAP" means generally accepted accounting principles established by the Financial Accounting Standards Board or the American Institute of Certified Public Accountants in effect in the United States, as amended from time to time.

"Gross Cash Receipts" means all cash received from the operations of the Company, including all government subsidies due and payable at such time but not yet received by the Company, but excluding Capital Contributions, loan proceeds, prepayment of rent, security deposits, insurance proceeds, condemnation awards, proceeds from Net Cash from Sales and Refinancings, and any other funds not generated from current Project operations.

"Guarantor" means Randall M. Salvatore.

"Hazardous Substance" means any substance defined in any Environmental Law as a hazardous substance, including, but not limited to, any hazardous material, hazardous waste, toxic substance or toxic waste lead-based paint, asbestos, methane gas, urea formaldehyde insulation, oil, toxic substances, petroleum, benzene, toluene, ethylbenzene or xylene (BTEX), methyl tertiary butyl ether (MTBE) underground storage tanks, polychlorinated biphenyls (PCBs), radon, or any other pollutant that may have a material adverse effect on the Project.

"Imputed Underpayment" shall have the meaning assigned to such term in Section 6225 of the Code.

"Incentive Company Management Fee" means the portion of Cash Flow that is paid to the RMS Member pursuant to Section 5.1.1 and Section 6.5.5 as an additional fee for managing the affairs of the Company.

"Investor Member" means the Member identified as such in the preamble to this Operating Agreement, or any Person who becomes a Substituted Investor Member pursuant to Section 9.1, Section 9.2, Section 9.3 or Section 9.6. If there is more than one Investor Member, they are referred to herein singularly and collectively as the Investor Member, as the context may require or suggest.

"Investor Member Capital Contribution" has the meaning set forth in Section 3.2.

"Involuntary Event" means, with respect to any Member any one of the following events: (a) the making of an assignment for the benefit of creditors by the Member; (b) the filing of a voluntary petition in bankruptcy by the Member; (c) the adjudication of the Member as a bankrupt or insolvent; (d) the filing of a petition or answer by the Member seeking for itself a reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or rule; (e) the seeking, consenting to or acquiescence of the Member in the appointment of a trustee, receiver, or liquidator of the Member or of all or any substantial part of the Member's properties; (f) the death of any Member who is a natural person; or (g) the termination of the legal existence of any Member who is other than a natural person.

"Involuntary Transfer" means any transfer of any Member's Membership Interest effected by operation of law as a result of the occurrence of an Involuntary Event.

"IRS" means the Internal Revenue Service.

"Lender" or "Lenders" means the Construction/Permanent Lender, the DOH and/or the Sponsor, as the context requires.

"Loan Documents" means (a) the CHFA Contract Documents; (b) the DOH Loan Documents; (c) the Sponsor Loan Documents; (d) any rent assistance agreement and any grant or subsidy agreement from a unit of local, state or federal government; and (d) any and all other documents executed by the Company evidencing, securing or related to such Loan Documents.

"Manager" means the Person identified as such in the preamble to this Operating Agreement, or any Person who becomes a replacement Manager pursuant to this Operating Agreement.

"Market Rate Units" means Project units that are not subject to the Tax Credit income limitations under Section 42 of the Code.

"Member" or "Members" mean the RMS Member and Investor Member, either individually or collectively.

"Membership Interest" means, as to any Member, such Member's right, title, and interest in and to any and all assets, distributions, losses, profits, and shares of the Company, whether cash or otherwise, and any other interests and economic incidents of ownership whatsoever of such Member in the Company under this Operating Agreement and the Act.

"Mini Audit" means the audit procedures performed by the Investor Member's accountants, in accordance with Section 8.4.2(ii), of the Company's financial books and records for the Fiscal Year in which the Project achieves Placement in Service, which procedures shall include, without limitation, review and analysis of Company trial balances, general ledger, bank statements, loan statements and documents, accounts payable and other payable schedules, Project cost certifications, rent rolls, depreciation/amortization schedules and material expenses.

"Net Cash from Sales and Refinancings" means, with respect to any Fiscal Year of the Company, the cash proceeds from Company sales or refinancings reduced by (a) all reasonable costs and expenses incurred by the Company in connection with such sale or refinancing, (b) all principal and interest payments and other sums paid on or with respect to any indebtedness of the Company, other than amounts treated as loans pursuant to the Operating Agreement from the RMS Member, the Developer or the Investor Member, (c) any amounts reasonably required to be set aside in reserves for the Project (which shall include funding the Operating Reserve up to the Operating Reserve Target Amount if applicable), and (d) application of the refinancing proceeds for the use for which they were obtained. Net Cash from Sales and Refinancing shall include all principal and interest payments with respect to any note or other obligation received by the Company in connection with the sale or other disposition of Project Property.

"Non-Deferred Development Fee Equity" has the meaning set forth in Section 3.2.

"Nonrecourse Deduction" has the meaning set forth in Section 1.704-2(b)(1) of the Regulations. The amount of Nonrecourse Deductions for any Fiscal Year of the Company equals the excess, if any, of the net increase, if any, in the amount of Partnership Minimum Gain during that Fiscal Year reduced (but not below zero) by the aggregate amount of any distributions during that Fiscal Year of proceeds of a Nonrecourse Liability that are allocable to an increase in Partnership Minimum Gain, determined in accordance with Section 1.704-2(c) of the Regulations.

"Nonrecourse Liability" has the meaning set forth in Section 1.704-2(b)(3) of the Regulations.

"Operating Agreement" has the meaning set forth in the preamble hereto. Words such as "herein," "hereinafter," "hereof," "hereto" and "hereunder" refer to this Operating Agreement as a whole, unless the context otherwise requires.

"Operating Deficit" means the amount by which the collected revenues of the Company from rental payments made by tenants of the Project (including governmental subsidies received during such period) and all other revenues of the Company (excluding Capital Contributions, proceeds of any loans to the Company, investment earnings on funds on deposit in the reserve fund for replacements and other such reserve or escrow funds or accounts, prepayment of rent, security deposits and any other funds not generated from current Project operations) for a particular period of time is exceeded by the sum of (i) all Seasonally Adjusted Operating Expenses and (ii) all Required Debt Service Payments during the same period of time. In computing the Operating Deficit, all cash expenditures or amounts budgeted to be spent for capital improvements (excluding payments for construction of the Project) during the period described above shall also be taken into account, unless such amounts are funded from Project reserves. Operating Deficits shall be measured on a monthly basis and funded as necessary during the Operating Deficit Guaranty Period.

"Operating Deficit Guaranty" means all of the obligations of the RMS Member as described in Section 6.4.6(ii) of this Operating Agreement.

"Operating Deficit Guaranty Amount" means Four Hundred Ninety Thousand Six Hundred Seventeen and No/100 Dollars ($490,617.00).

"Operating Deficit Guaranty Period" means the period beginning with the date on which the Project achieves Stabilized Occupancy and ending on the date on which the Company has achieved a Debt Service Coverage Ratio of 1.15 or better, measured on an annualized basis, for a period of one year commencing on or after the third anniversary of achievement of Stabilized Occupancy, *provided* that if the Operating Reserve is not funded on the last day of such period in an amount greater than or equal to the Operating Reserve Target Amount, then the Operating Deficit Guaranty Period shall be extended until such time as the Operating Reserve Account is funded in an amount that is greater than or equal to the Operating Reserve Target Amount. Any amount funded by the RMS Member into the Operating Reserve pursuant to the Development Completion Guaranty under Section 6.4.6(i)(b) will not be included in determining whether the Operating Reserve Target Amount has been funded as required by the preceding sentence.

"Operating Expenses" means all expenses incurred incident to the operation of the Project and the Company including, without limitation, administrative expenses of the Company, Project maintenance costs, insurance premiums, amounts required to fund deductibles, claims and related expenses to the extent not funded from insurance proceeds, fees to lenders and/or any applicable mortgage insurance premium payments, utilities, Property Management Agent Fee, taxes, assessments, required deposits into the Replacement Reserve and other reserves or escrow accounts, including any arrearages that must be funded, capital expenditures not paid from any reserves, equity or development financing proceeds, and all other Company obligations or expenditures that become due and payable, excluding Required Debt Service Payments, Cash Flow Debt Service Payments, fees and other expenses and obligations of the Company to be paid from Capital Contributions and capital expenditures paid from reserves, equity or development financing proceeds.

"Operating Reserve" means the amount required by the Operating Agreement or the Loan Documents to be reserved by the Company to fund Operating Deficits arising with respect to the Project, which reserve shall be funded as described in Section 6.4.7(ii).

"Operating Reserve Account" means a segregated Company bank account established by the Manager to hold the Operating Reserve, as described in Section 6.4.7(ii).

"Operating Reserve Target Amount" means ONE HUNDRED SEVEN THOUSAND TWO HUNDRED SIXTY-FIVE and No/100 Dollars ($107,265.00) and maintained as described in Section 6.4.7(ii).

"Operational Costs of the Company" means Seasonally Adjusted Operating Expenses, but excluding the Deferred Development Fee and the Incentive Company Management Fee to the extent such fees are payable solely out of Cash Flow. The Operational Costs of the Company identified by the Manager shall be evidenced by a certification of the Manager confirming such matters and stating that all trade payables have been satisfied or will be satisfied by cash held by the Company on the date of such certification. The Operational Costs of the Company for any period shall be the greater of (a) the Project's actual Seasonally Adjusted Operating Expenses for such period, or (b) the anticipated operational costs of the Project for such period determined on an accrual basis in accordance with the operating expenses of the Project for the applicable period shown in the Projections, *provided* that the Project property tax and insurance expense used to calculate the Operational Costs of the Company shall be based solely upon the actual property tax (if the assessed value reflects construction completion) and insurance expense incurred by the Company for the subject period.

"Opt-Out Election" means action by the Partnership Representative that causes the Company to elect out of the Revised Partnership Audit Rules, if such election is available to the Company under Section 6221(b) of the Code and Regulations or other guidance issued by the IRS.

"Owner's Title Insurance Policy" means the fully executed, ALTA Owner's Policy of Title Insurance in final form (which includes the customary "jacket" of preprinted terms and conditions), dated on or about the date hereof, which shall be consistent with the "marked-up" commitment or *pro forma* approved by the Investor Member on or prior to the date hereof.

"Owner's Title Report" means a title search report issued by the same title company that issued the Owner's Title Insurance Policy that sets forth, among other things, the ownership of the Project Property, any liens of record, and any encumbrances affecting the Project Property as of a specified date after Construction Completion approved by the Investor Member.

"Partner Minimum Gain" means an amount, with respect to each Partner Nonrecourse Debt, equal to the Partnership Minimum Gain that would result if such Partner Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with 1.704-2(i) of the Regulations.

"Partner Nonrecourse Debt" has the meaning set forth in Section 1.704-2(b)(4) of the Regulations.

"Partner Nonrecourse Deductions" has the meaning set forth in Section 1.704-2(i)(2) of the Regulations. The amount of Partner Nonrecourse Deductions with respect to a Partner Nonrecourse Debt for a Company Fiscal Year equals the net increase during that Fiscal Year in Partner Nonrecourse Debt reduced (but not below zero) by the proceeds of the Partner Nonrecourse Debt distributed during that Fiscal Year to the Member bearing the economic risk of loss for the Partner Nonrecourse Debt that are both attributable to the Partner Nonrecourse Debt and allocable to an increase in Partner Minimum Gain, as determined in accordance with Section 1.704-2(i)(2) of the Regulations.

"Partnership Minimum Gain" has the meaning set forth in Section 1.704-2(d) of the Regulations.

"Partnership Representative" shall have the meaning assigned to such term in Section 6.12.1 hereof.

"Permanent Credit Increase" has the meaning set forth in Section 6.9.4 hereto.

"Permanent Credit Reduction" has the meaning set forth in Section 6.9.1 hereto.

"Permanent Credit Reduction Adjustment" has the meaning set forth in Section 6.9 hereto.

"Permitted Loan" means, collectively, (a) the Construction/Permanent Loan; (b) the DOH Loan, (c) the Sponsor Loan; and (d) loans to the Company from the RMS Member and/or the Investor Member in accordance with this Operating Agreement.

"Person" means an individual or entity, such as, but not limited to, a corporation, general partnership, joint venture, limited partnership, limited liability company, trust, cooperative or association and the heirs, executors, administrators, legal representatives, successors and assigns of such Person where the context so admits.

"PHA" means the Housing Authority of the City of New Haven, a public housing agency.

"Placement in Service" or "Placed in Service" means the placement in service of all Residential Units in all Buildings in the Project for purposes of Section 42 of the Code.

"Plans and Specifications" mean the plans and specifications attached and made a part of the Construction Contract, as supplemented by any change orders approved by the Investor Member pursuant to Section 6.2 for the Project approved in writing by the Investor Member.

"Post-Closing Document Delivery Agreement" means that certain agreement by and between the RMS Member and the Investor Member, dated as of the date hereof, with respect to certain documents that are required to be delivered by the RMS Member to the Investor Member within a specified period of time after closing.

"Prime Rate" shall mean the "prime rate" of interest as published in The Wall Street Journal from time to time.

"Proceedings" has the meaning set forth in Section 6.12.

"Profits" and "Losses" mean, for each Fiscal Year of the Company, an amount equal to the Company's taxable income or loss for such period from all sources, except as provided for in Section 4.2.13, determined in accordance with Section 703(a) of the Code, adjusted in the following manner: (a) the income of the Company that is exempt from federal income tax shall be added to such taxable income or loss; (b) any expenditures of the Company which are not deductible in computing its taxable income and not properly chargeable to capital account under either Section 705(a)(2)(B) of the Code or the Regulations promulgated under Section 704(b) of the Code shall be subtracted from such taxable income or loss; (c) in the event any Company Property is revalued in accordance with Section 1.704-1(b)(2)(iv)(f) of the Regulations, then the amount of any adjustment to the value of such Company Property shall be taken into account as gain or loss from the disposition of such Company Property for purposes of computing Profits or Losses; (d) gain or loss resulting from any disposition of Company Property which has been revalued pursuant to Section 1.704-1(b)(2)(iv)(f) of the Regulations and with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the adjusted value of such Company Property, notwithstanding that the adjusted tax basis of such Company Property differs from the adjusted value; (e) any depreciation, amortization or other cost recovery deductions taken into account in computing such taxable income or loss shall be recomputed based upon the adjusted value of any Company Property which has been revalued in accordance with Section 1.704-1(b)(2)(iv)(f) of the Regulations; and (f) any items of income, gain, loss, deduction or credit which are specially allocated pursuant to Section 4.2.1 and Sections 4.2.4 through 4.2.15 shall not be taken into account in computing Profits or Losses.

"Project Closing Checklist" means the Investor Member's most recent checklist of items that must be submitted to the Investor Member and approved by the Investor Member before it will enter the Company.

"Project Documents" means any or all of the agreements or contracts related to the construction of the Project, including Plans and Specifications, the Credit Approval, Loan Documents, Construction Contract, Architect Agreement, Property Management Agreement, Ground Lease, fee agreements, and any other document or instrument executed in connection with the development and operation of the Project.

"Project Equity" has the meaning set forth in Section 3.2.

"Project Property" or "Project" means the affordable housing rental project to be known as Hill-to-Downtown, which project will be located at 49 Prince Street, New Haven, Connecticut and will be comprised of one (1) Building containing thirty (30) Residential Units, and all furnishings, equipment and personal property used in connection with the operation thereof. It is expected that thirty (30) Residential Units will be rented to low- and very low-income households, and no Residential Units will be a Market Rate Unit.

"Project State" means the State of Connecticut.

"Projected First and Second Tax Credit Year Increase" has the meaning set forth in Section 6.9.5.

"Projected First Tax Credit Year" means 2021.

"Projected Second Tax Credit Year" means 2022.

"Projected Tax Credits" means the product of (i) 99.99%, multiplied by (ii) the Tax Credits expected to be allocable to the Project. The Tax Credits expected to be allocable to the Project during each year of the Credit Period for purposes of making the calculation set forth in the preceding sentence are $267,338.00 for each year of 2021 through 2031, as shown in the Projections attached hereto.

"Projections" means the projections attached hereto as Appendix I, as they may be amended pursuant to this Operating Agreement.

"Property Management Agent" means initially RMS Property Management LLC, Mark Nolan or such other Property Management Agent as is selected by the Manager from time to time or identified by the Investor Member pursuant to Section 6.4.9 with the prior written consent of the Investor Member.

"Property Management Agent Fee" means a fee of up to 5.3% of the gross collected rents from the Project payable to the Property Management Agent, as described in the Property Management Agreement.

"Property Management Agreement" means the Property Management Agreement entered into or to be entered into by the Company and the Property Management Agent pursuant to which the Property Management Agent shall have primary responsibility for overseeing the management of the Project Property, as described in Section 6.4.9.

"Purchase Price" has the meaning set forth in Section 9.9.

"Push-Out Election" means an election by the Partnership Representative under Section 6226 of the Code with respect to any Imputed Underpayment(s) identified in a Final Partnership Adjustment for the Company.

"Put Right" has the meaning set forth in Section 9.9.

"QAP" means the Qualified Allocation Plan for the Project State.

"Qualified Basis" has the meaning set forth in Section 42(c) of the Code.

"Qualified Occupancy" means the initial occupancy of 100% of the Tax Credit Units by qualified tenants pursuant to Section 42 of the Code.

"Qualified Occupancy Date" means June 30, 2021.

"Radon Test" and "Radon Report" have the respective meanings set forth in the definition of Radon Testing Requirement.

"Radon Testing Requirement" means that, upon Construction Completion, the Company shall cause each Building in the Project to be tested for radon gas in accordance with industry standards for such testing ("Radon Test") and shall have a radon gas measurement report and conclusion ("Radon Report") completed for each such Building. The Company shall hire, at its sole cost and expense, a radon service professional or environmental professional to conduct the Radon Test and prepare the Radon Report. The radon service professional shall be certified/accredited by (a) the National Radon Safety Board, (b) the National Environmental Health Association or (c) shall be an environmental professional acceptable to the Investor Member and such professional shall conduct such testing pursuant to all state, local and federal requirements for radon testing. Should the Radon Report indicate the presence of radon gas in excess of applicable federal, state or local safety guidelines, the Company shall, at its sole cost and expense: (i) take all corrective actions or responses needed to remediate, clean up and otherwise remove such radon gas and (ii) take such actions as are necessary to prevent or mitigate any future release of radon gas. In addition, documentation including, but not limited to, the Radon Report and such other documentation evidencing compliance with the foregoing shall be provided to the Investor Member.

"Regulations" means the Federal Income Tax Regulations (including without limitation, Temporary Regulations) promulgated under the Code, as the same may be amended from time to time (including corresponding provisions of successor regulations).

"Regulatory Agreement" means, to the extent applicable, and collectively, (a) the Extended Use Agreement, and (b) any regulatory agreements and/or any declaration of covenants and restrictions to be entered into between the Company and any Lender, or any applicable government agency setting forth certain terms and conditions under which the Project is to be developed and/or operated.

"Replacement Reserve" means the amount of funds required by the Operating Agreement or the Loan Documents to be reserved by the Company to fund capital replacement costs with respect to the Project, which reserve shall be funded as described in Section 6.4.7(iii).

"Replacement Reserve Account" means a segregated Company bank account held by the RMS Member or the Construction/Permanent Lender and established to hold the Replacement Reserve, as described in Section 6.4.7(iii).

"Report" has the meaning set forth in Section 8.4.2.

"Repurchase Amount" has the meaning set forth in Section 6.9.7.

"Required Debt Service Payments" means all principal, interest and other required recurring charges and fees that are required to be paid monthly, or at some other regular period, which are payable in connection with the Construction/Permanent Loan and, or, any Permitted Loan, but only to the extent that payment of such amount is not contingent on available net operating receipts of the Company.

"Residential Units" means the individual residential rental housing Tax Credit Units located on the Project Property.

"Revised Partnership Audit Procedures" means the partnership audit rules contained in Sections 6221 - 6241 of the Code and the Regulations promulgated thereunder.

"Seasonally Adjusted Operating Expenses" means the Operating Expenses for a specified period as adjusted to take into account seasonal or periodic expenses incurred on an unequal basis during a full calendar year (such as utilities, maintenance expense and real estate taxes) and prorated evenly over the 12 month period, as reasonably determined by the Investor Member.

"Second Installment" has the meaning set forth in Section 3.2.2 of this Operating Agreement.

"Sponsor" means RMS Construction L.L.C., a Connecticut limited liability company, which is an Affiliate of the RMS Member.

"Sponsor Loan" means that certain loan expected to be made by Sponsor in the original principal amount of $127,834.00.

"Sponsor Loan Documents" means any and all of those loan documents evidencing, securing, or related to the Sponsor Loan, including but not limited to the loan agreement, note, and mortgage for such loan.

"Stabilized Occupancy" means the date upon which all of the following conditions are satisfied: (a) after Construction Completion, at least 90% of the Residential Units have been occupied for a period of three (3) consecutive months; and (b) the Gross Cash Receipts (excluding for this purpose the amount of any income from tenant-based (not project-based) rent subsidy vouchers for Tax Credit Units to the extent that the income from any such unit exceeds the maximum applicable Tax Credit rent) for any three (3) consecutive calendar months after Construction Completion from those Residential Units collectively equal or exceed each of the following: (i) the projected revenues as set forth in the Projections for the same three (3) month period; and (ii) an amount sufficient to yield a Debt Service Coverage Ratio of not less than 1.15 during each month of such three (3) consecutive month period based upon the Operational Costs of the Company and the required monthly payment of principal and interest provided for under the draft CHFA Contract Documents.

"State Housing Finance Agency" means the agency controlling the allocation of Tax Credits and administering the Tax Credits for the Project State.

"Subject Fiscal Year" has the meaning set forth in Section 8.4.2(iv).

"Submission Date" has thee meaning set forth in Section 8.4.2(i).

"Substituted Investor Member" means a Person who is admitted as an Investor Member to the Company pursuant to Section 9.2 or Section 9.3 in place of and with all the rights of an investor member under the Operating Agreement and the Act.

"Substituted Manager" means a Person who is appointed as the Manager of the Company pursuant to this Operating Agreement with all the rights of a "manager" under the Operating Agreement and the Act.

"Tax Credit" or "Credit" means the low income housing tax credit under Section 42 of the Code.

"Tax Credit Units" means Project units that are subject to the Tax Credit income limitations under Section 42 of the Code as specified in the Projections.

"Tax Return Documents" has the meaning set forth in Section 8.4.3.

"Temporary Permitted Investments" means (a) direct obligations of, or obligations unconditionally guaranteed by, the United States of America or any agency thereof; (b) certificates of deposit, in amounts not exceeding the federally insured amount, issued by any commercial bank organized and doing business under the laws of the United States of America or any state thereof whose deposits are federally insured; (c) money market funds rated in the highest rating category by a nationally recognized statistical rating organization; and/or (d) such other investment vehicle as shall be approved in writing by the Investor Member.

"Timing Reduction" means the reduction in the Capital Contribution of the Investor Member designed to compensate the Investor Member for the reduced present value of delayed Tax Credits, as more fully set forth in Section 6.9.2.

"Treasury" means the United States Department of the Treasury, including the United States of America acting through the Treasury.

"Unencumbered Liquid Assets" means cash and readily marketable securities (net of outstanding balances on all personal unsecured lines of credit) which (a) are not the subject of any lien, pledge, security interest or other arrangement with any creditor to have its claim satisfied out of the asset (or proceeds thereof) prior to the general creditors of the owner of the asset and (b) may be converted to cash within five (5) days.

"Voluntary Transfer" means any sale, assignment, transfer, pledge, or hypothecation of any Membership Interests by a Member, except for (a) an Involuntary Transfer, (b) a voluntary withdrawal by the Investor Member under Section 9.8 or (c) the Investor Member's exercise of its Put Right under Section 9.9.

ARTICLE 2: ORGANIZATION

Section 2.1 **Formation of the Company**. The Company was formed by filing the Certificate of Organization with the Filing Office on January 31, 2020.

Section 2.2 **Character and Purpose of Business**. The general character and purpose of the business of the Company is: (i) primarily to acquire, construct, own, finance, lease, and operate the Project Property in a manner that provides decent, safe and affordable housing for low-income persons and ensures that the Project Property will be and remain a qualified low income housing project within the meaning of Section 42 of the Code; (ii) to eventually sell or otherwise dispose of the Project Property in a manner consistent with the provisions of this Operating Agreement; and (iii) to engage in all other activities incidental or related thereto.

Section 2.3 **Name of Company**. The name of the Company is "RMS 49 Prince Street LLC".

Section 2.4 **[Reserved]**.

Section 2.5 **Principal Office**. The address of the principal office of the Company is c/o RMS New Haven II LLC, One Landmark Square, Suite 220, Stamford, CT 06901, or such other address as the Manager may select from time to time.

Section 2.6 **Agent for Service of Process**. The Company's agent for service of process and such agent's address are as set forth in the Certificate of Organization, or as otherwise amended by the Manager from time to time upon the filing under the Act of a change certificate with the Filing Office, with written notice to the Investor Member.

Section 2.7 **Name and Address of Members and Manager**.

As of the date of this Operating Agreement, the name and address of the RMS Member is:

RMS New Haven II, LLC
One Landmark Square
Stamford, Connecticut 06901
Attention: Randall M. Salvatore
E-mail: Randy@rms-companies.com

As of the date of this Operating Agreement, the name and address of the Investor Member is:

People's United Bank, National Association
850 Main Street
Bridgeport, CT 06604-4913
Attention: Arthur F. Casavant, III
E-mail: -rthur.Casavant@peoples.com

As of the date of this Operating Agreement, the name and address of the Manager is:

Randall M. Salvatore
c/o RMS New Haven II, LLC
One Landmark Square
Stamford, Connecticut 06901
E-mail: Randy@rms-companies.com

Section 2.8 **Governmental Filings**. The Manager shall make all governmental filings as are necessary or appropriate to qualify the Company (i) to do or continue to do business in the Project State and any other jurisdiction or (ii) to otherwise carry out the purposes and intent of this Operating Agreement. In addition, the Manager shall timely and properly file of record the Extended Use Agreement.

Section 2.9 **Term of Company**. The term of the Company began on January 31, 2020 (the date on which the Certificate of Organization of the Company was first filed with the Filing Office) and the Company will continue in existence until the date set forth in the Certificate of Organization or, if no such end date is set forth, the date when the Company is dissolved and terminated in accordance with the provisions of this Operating Agreement and the Act.

Section 2.10 **Compliance with Laws**. The Company shall comply with all applicable provisions of the Act, and any other applicable statutes and local ordinances governing limited liability

companies in the Project State, as well as any other applicable laws of any federal, state, or local government or agency having legal jurisdiction over the Company and the Project.

Section 2.11 **Statutory Record Keeping**. The Company shall keep at its principal place of business the following and any and all other items required by the Act:

2.11.1 a current list of the full name and last known address of each Member, separately identifying RMS Member and all Investor Members in alphabetical order and setting forth the amount of cash and a description and statement of the agreed value of any other property or services contributed by each Member and that each Member has agreed to contribute in the future, and the date on which each became a Member;

2.11.2 a copy of the Certificate of Organization of the Company, as amended or restated from time to time, together with executed copies of any powers of attorney pursuant to which any such certificate has been executed;

2.11.3 copies of the Company's federal, state, and local income tax returns and reports, if any, for the three (3) most recent years;

2.11.4 a signed copy of this Operating Agreement, and any amendments thereto; and

2.11.5 financial statements of the Company for the three (3) most recent years.

Section 2.12 **[Reserved].**

Section 2.13 **Non-Confidential Tax Shelter**. Any obligations of confidentiality contained in or applicable to this Operating Agreement shall not apply to the federal tax structure or federal tax treatment of the Company or the transactions contemplated herein. Each Member and its employees, representatives, and agents may disclose to any and all persons, without limitation of any kind, such federal tax structure and treatment and such transactions. The Membership Interests shall not be treated as having been issued under conditions of confidentiality for purposes of Treasury Regulations Section 1.6011-4(b) or any successor provision. Each Member agrees that it has no proprietary or exclusive rights to the federal tax structure of the Company, the transactions contemplated herein, or federal tax matters or ideas related to such transactions.

The Manager shall promptly notify the Investor Member if it learns that the Company has participated in any reportable transaction within the meaning of Treasury Regulations Section 1.6011-4(b)(3).

ARTICLE 3: CAPITAL CONTRIBUTIONS AND MEMBER LOANS

Section 3.1 **RMS Member's Capital Contributions**.

3.1.1 The RMS Member has made, or shall make upon the execution of this Operating Agreement, a cash Capital Contribution to the Company in the amount of Two Hundred Ninety-One Thousand One Hundred Forty-Nine and No/100 Dollars ($291,149.00) in exchange for a 0.01% Membership Interest.

3.1.2 To the extent not previously assigned, the RMS Member hereby assigns and shall cause its Affiliates to assign to the Company all of its respective rights, title and interest in, to and under all agreements, licenses, approvals, permits, Tax Credit allocations, and any other

tangible or intangible personal property related to the Project Property or required to permit the Company to pursue its business and carry out its purposes as contemplated in this Operating Agreement. The RMS Member's Capital Account will not be credited with any amount as a result of its assignment to the Company of the various items referred to in the immediately preceding sentence.

3.1.3 If the Company has not paid all amounts due as a Deferred Development Fee by the end of the Compliance Period, the RMS Member shall make an additional Capital Contribution to the Company in the amount of the outstanding balance of the Deferred Development Fee, and any accrued and unpaid interest thereon, and the Company shall use this Capital Contribution to pay the remaining balance of the Deferred Development Fee, and any accrued and unpaid interest thereon.

Section 3.2 **Investor Member's Capital Contributions**. The Investor Member shall make Capital Contributions to the Company in the aggregate amount of Two Million Four Hundred Fifty-Nine Thousand Nine Hundred Four and No/100 Dollars ($2,459,904.00) in exchange for a 99.99% Membership Interest in the Company (the "Investor Member Capital Contribution"). The Investor Member Capital Contribution shall be paid as equity for Project related costs (including payment of the Construction/Permanent Loan but excluding the Development Fee) (the "Project Equity") and for the non-deferred portion of the Development Fee ("Non-Deferred Development Fee Equity"). Subject to Section 6.9 and the other terms and conditions of this Operating Agreement, the Investor Member's Capital Contributions will be made as follows:

3.2.1 **First Installment**. The Investor Member's first installment of the Investor Member Capital Contribution shall be in the amount of $250,607.00 (the "First Installment"), and shall be payable upon admission of the Investor Member as a Member in the Company.

3.2.2 **Second Installment**. The Investor Member's second installment of the Investor Member Capital Contribution, in the amount of $2,208,906 (the "Second Installment"), shall be payable in cash by the Investor Member to the Company upon satisfaction of the all of the following conditions:

(i) Receipt by the Investor Member of a satisfactory draft Cost Certification for the Project, verifying the Tax Credit basis; and

(ii) Receipt by the Investor Member of the Draft 8609 and evidence that such Draft 8609 has been submitted to CHFA.

3.2.3 [Reserved].

3.2.4 Subject to the provisions set forth above, if an Investor Member's interest in the Company is liquidated (within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g)) prior to the payment of the Investor Member's entire Capital Contribution pursuant to this Section 3.2, the Investor Member shall pay to the Company, no later than the end of the taxable year of the Company in which the Investor Member's interest is liquidated or, if later, within ninety (90) days after the date of the liquidation, the lesser of (1) the unpaid balance of its Capital Contribution; and (2) its negative Capital Account balance.

Section 3.3 **Security Interest**.

3.3.1 To secure the Investor Member's obligation to make Capital Contributions pursuant to the terms of this Agreement, the Investor Member hereby assigns, grants, and sets over to the Company, and agrees that the Company has a security interest in, the following collateral (the "Collateral"): all of the Investor Member's rights as the Investor Member hereunder, including, without limitation, the Investor Member's rights, title and interest in and to the Property and assets of the Company and the Investor Member's interest in and to all capital of and other accounts maintained by the Company including profits, losses, Cash Flow, proceeds of capital transactions and Tax Credits allocated by the Company. The Company is hereby authorized to file with respect to the Collateral one or more financing statements or continuation statements and to name therein the Investor Member as debtor and the Company as secured party or to correct or complete, or cause to be corrected or completed, any financing statements or continuation statements as have been signed by the Investor Member.

3.3.2 In the event the Investor Member fails to pay any installment of its Capital Contributions on or prior to the due date therefor (and *provided* all conditions precedent to such payment have been satisfied as required by the terms and provisions of this Agreement), and such failure continues for five (5) Business Days after notice given by the Manager, the Investor Member will be deemed to be in default hereunder (a "Defaulting Investor Member"). If a cure is rendered by the Investor Member at any time prior to the full execution of the remedies set forth in Section 3.3.3 below, it will be as though the Investor Member was never a Defaulting Investor Member. Notwithstanding the foregoing or anything in this Operating Agreement to the contrary, the Investor Member will not be in default and will not be a Defaulting Investor Member if there exists, in the reasonable judgment of the Investor Member, a dispute concerning whether any payment of a Capital Contribution is due and owing. The Investor Member will provide notice to the Manager upon request specifying, in detail, the basis upon which it maintains that a Capital Contribution payment demanded by the Manager is not due and owing.

3.3.3 The amount in default will bear interest from the date of default at the Prime Rate plus 1% per annum (or such lesser rate as will be the maximum permitted by law). Upon the occurrence of such default, the Manager has the authority to (x) proceed to pursue any and all available legal or equitable remedies against the Defaulting Investor Member in order to collect the amount owed by the Defaulting Investor Member to the Company and/or (y) without being under any obligation whatsoever to do so, negotiate a settlement with the Defaulting Investor Member providing for extensions of time of payment by the Defaulting Investor Member, or for the purchase of the interest owned by such Defaulting Investor Member by any Person, in each case on such terms and conditions as may be acceptable to the Manager and the Defaulting Investor Member and/or (z) pursue the remedies provided in Section 3.3.4.

3.3.4 If the Defaulting Investor Member fails to pay any installment of its Capital Contributions required hereby and there is no dispute as to whether the Capital Contribution is due and owing, then effective upon the expiration of the 5-Business Day cure period provided in paragraph (b) above, the Manager has the authority to take any or all of the following actions without the consent of the Defaulting Investor Member:

(i) The Manager may permit RMS Member purchase the interest of the Investor Member for a purchase price equal to (x) the fair market value of the interest to be sold determined by the Accountants based on the prevailing fair market value of interests in entities investing in affordable housing properties which have been allocated Tax Credits but taking into account the effect of the Defaulting Investor Member's failure to pay or default, less (y) the amount of any Capital Contribution obligations of the Defaulting Investor Member that have not been satisfied and any third-party expenses

actually incurred by the purchaser or the Company in connection with such purchase including, without limitation, reasonable legal fees.

(ii) The Company has all of the rights and remedies of a secured party under the Uniform Commercial Code in force in the Project State, including without limitation, the right without demand and upon such notice as may be required by law, to the Investor Member, to collect, receive or take possession of the Collateral or foreclose on the Collateral or any part thereof.

If any of the options set forth in this Section 3.3.4 will be exercised, title to the interests so purchased will vest in the purchaser or purchasers upon the execution of the requisite assignment documents by the purchaser or purchasers and the Company. If the purchase price paid for an interest as a result of the direct purchase from the Defaulting Investor Member pursuant to Section 3.3.4(i) above or as a result of the foreclosure sale pursuant to Section 3.3.4(ii) above (but, in either case, not from any subsequent sale) exceeds the sum of (i) the Defaulting Investor Member's remaining Capital Contribution obligations corresponding to such interest and (ii) the Manager's and RMS Member's costs and expenses incurred with respect to the Investor Member's default, the amount of such excess will be paid to the Defaulting Investor Member.

Section 3.4 **Interest on Capital Contributions**. The Company shall not pay any Member interest on its Capital Contribution.

Section 3.5 **Withdrawal and Return of Capital Contributions**. Except as provided elsewhere herein, no Member has the right: (i) to withdraw any part of its Capital Contribution from the Company; (ii) to demand a return of its Capital Contribution; or (iii) to receive property other than cash in return for its Capital Contribution.

Section 3.6 **Capital Accounts**.

3.6.1 The Company shall maintain for each Member a separate capital account in accordance with Section 1.704-1(b) of the Regulations. The Capital Account of each Member consists of the amount of its Capital Contribution, and will be (1) increased by (i) the fair market value of any property contributed by it to the Company, (ii) the amount of any Company liability assumed by such Member or which is secured by any Company Property distributed to such Member, and (iii) its allocable share of Profits and any items of income or gain specially allocated to it pursuant to Section 4.2.4 through Section 4.2.15, and (2) decreased by (i) the amount of any cash distributed to it, (ii) the fair market value of any Company Property distributed to it, (iii) the amount of any liability of such Member assumed by the Company or which is secured by any property contributed by such Member to the Company, and (iv) its allocable share of Losses and any items of loss or deduction specially allocated to it pursuant to Section 4.2.4 through Section 4.2.15.

3.6.2 If any Membership Interests are transferred in accordance with the terms of this Operating Agreement, then the transferee will succeed to the Capital Account of the transferor to the extent it relates to the transferred Membership Interest. Upon the occurrence of any of the following events, the Company shall revalue the Company Property and adjust the Members' Capital Accounts to reflect the gain (or loss) that would have been allocated to each Member if all the Company Property had been sold at its fair market value immediately prior to the occurrence of any of the following events, and if required to cause the provisions herein regarding the maintenance of Capital Accounts to comply with Section 1.704(b) of the Regulations:

(i) Any new or existing Member acquiring an additional interest in the Company in exchange for more than a *de minimis* Capital Contribution;

(ii) The Company distributing to a Member more than a *de minimis* amount of property or money in consideration for an interest in the Company; or

(iii) The "liquidation" of the Company within the meaning of Section 1.704-1(b)(2)(ii)(g) of the Regulations, other than a "liquidation" resulting from a termination under Section 1.708-1(b)(2) of the Regulations.

The revaluation of the Company Property referred to in the immediately preceding sentence will be made in accordance with Section 1.704-1(b)(2)(iv)(f) of the Regulations.

The foregoing provisions and all other provisions of this Operating Agreement relating to the maintenance of Capital Accounts are intended to comply with Section 1.704-1(b) of the Regulations and will be interpreted and applied in a manner consistent with such Regulations.

Section 3.7 **Company Loans**. Subject to the limitations set forth in 6.2.2, if from time to time the Company needs funds in excess of those provided by the Construction/Permanent Loan, the DOH Loan, the Sponsor Loan, the Capital Contributions of the Members, grants and funds required to be provided by the RMS Member or any Affiliate of the RMS Member pursuant to any obligation hereunder or any other agreement (such as pursuant to Sections 6.4.6(i) and 6.4.6(ii)), any Member or other person, organization, or institution may loan such additional funds to the Company at an interest cost to the Company and upon such terms, as agreed upon by the Manager in its reasonable discretion, which shall be subordinate and subject to compliance with the terms of existing loan agreements, including without limitation the Construction/Permanent Loan and this Operating Agreement. Any loan made by a RMS Member or an Affiliate of the RMS Member will, subject at the time to the approval of Investor Member's tax counsel in its reasonable judgment, bear interest at the Prime Rate plus two percent (2%). Any Member making any loan to the Company will be considered, in its capacity as maker of the loan, a general creditor of the Company and not as a Member. Any loan made hereunder by a Member will be paid as provided in Section 5.1 and Section 5.2 hereof.

Section 3.8 **Additional Capital Contributions**. Except as expressly provided in this Operating Agreement, no Member is required to make contributions to the capital of the Company.

Section 3.9 **No Right of Withdrawal.** Except as set forth in Section 6.9, the Investor Member shall have no right to be repaid any portion of its Capital Contribution, nor shall the Investor Member have the right to receive property other than cash as a return of its Capital Contribution, except upon the dissolution or termination of the Company, and then only in the manner specifically provided in this Agreement. Except as set forth in Article 9, the Investor Member shall have no right to withdraw from the Company.

ARTICLE 4: ALLOCATION OF PROFITS, LOSSES AND TAX CREDITS

Section 4.1 **Profit and Loss Allocations**. Except as otherwise provided in Section 4.2, Profits and Losses for any Fiscal Year of the Company are allocated among the Members in accordance with the following percentages:

Member	**Percentage**
RMS Member	0.01%
Investor Member	99.99%

Total	*100.00%*

Section 4.2 **Special Allocations**. Notwithstanding anything to the contrary contained in 4.1, the following special allocations in all events apply in determining the allocation of Profits and Losses among the Members and are made prior to the allocations required under Section 4.1:

4.2.1 **Depreciation and Tax Credits**.

(i) Depreciation (cost recovery) deductions and Tax Credits are allocated .01% to the RMS Member and 99.99% to the Investor Member.

(ii) Any recapture of Tax Credits is allocated to the Members that were allocated (or whose predecessors-in-interest were allocated) the depreciation/cost recovery deduction and Tax Credits associated therewith.

4.2.2 **Limitation on Allocations of Losses**. To the extent the allocation of any Losses to an Investor Member would cause that Investor Member to have an Adjusted Capital Account Deficit at the end of any Fiscal Year of the Company, then those Losses will not be allocated to that Investor Member, but rather will be specially allocated to the RMS Member.

4.2.3 **Profit Chargeback**. To the extent any Losses are allocated to the RMS Member in accordance with Section 4.2.2 above, then Profits will thereafter first be specially allocated to the RMS Member in proportion to and in an amount (1) up to but not exceeding the amount of any such allocations of Losses made to the RMS Member under such Section 4.2.2, but (2) not to the extent that Losses would be allocated to the Investor Member in excess of the amount permitted by such Section 4.2.2.

4.2.4 **Partnership Minimum Gain Chargeback**. Notwithstanding any other provision of this Article 4, if there is a net decrease in Partnership Minimum Gain during any Company Fiscal Year, then each Member will be specially allocated items of Company income or gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to the portion of such Member's share of the net decrease in the Partnership Minimum Gain (determined in accordance with Section 1.704-2(g) of the Regulations). Any allocations made pursuant to this Section 4.2.4 are to be made in proportion to the respective amounts required to be allocated to each of the Members pursuant thereto. The items of Company income or gain specially allocated under this Section 4.2.4 are to be determined in accordance with Section 1.704-2(f) of the Regulations. This Section 4.2.4 is intended to comply with the minimum gain chargeback requirements of Section 1.704-2(f) of the Regulations and will be interpreted consistently therewith.

4.2.5 **Partner Minimum Gain Chargeback**. Notwithstanding any other provision of this Article 4 (except Section 4.2.4), if there is a net decrease in Partner Minimum Gain attributable to a Partner Nonrecourse Debt during any Company Fiscal Year, then each Member who has a share of the Partner Minimum Gain attributable to such Partner Nonrecourse Debt (as determined in accordance with Section 1.704-2(i)(5) of the Regulations) will be specially allocated items of Company income and gain for such Fiscal Year (and if necessary, subsequent Fiscal Years) in an amount equal to the portion of such Member's share of the net decrease in Partner Minimum Gain attributable to such Partner Nonrecourse Debt (as determined in accordance with Section 1.704-2(i)(4) of the Regulations). Any allocations made pursuant to this Section 4.2.5 will be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items of Company income or gain specially allocated under this Section 4.2.5 will be determined in accordance with Section 1.704-2(i)(4) of the Regulations. This Section 4.2.5 is

intended to comply with the minimum gain chargeback requirements of Section 1.704-2(i)(4) of the Regulations and will be interpreted consistently therewith.

4.2.6 **Qualified Income Offset**. If an Investor Member unexpectedly receives any adjustments, allocations, or distributions described in Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6) of the Regulations, then items of Company income or gain will be specially allocated to that Investor Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of that Investor Member as quickly as possible. The special allocations required pursuant to this Section 4.2.6 are made only if and to the extent that that Investor Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article 4 have been tentatively made as if this Section 4.2.6 were not in this Operating Agreement. This Section 4.2.6 is intended to comply with the qualified income offset requirements of Section 1.704-1(b)(2)(ii)(d) of the Regulations and will be interpreted consistently therewith.

4.2.7 **Gross Income Allocation**. If an Investor Member has a deficit balance in its Capital Account at the end of any Company Fiscal Year which exceeds the sum of (1) the amount that Investor Member is obligated to restore pursuant to any provision of this Operating Agreement and (2) the amount that Investor Member is deemed to be obligated to restore pursuant to the penultimate sentences of Section 1.704-2(g)(1) and Section 1.704-2(i)(5) of the Regulations, then that Investor Member will be specially allocated items of Company income or gain in the amount of such excess as quickly as possible. The special allocations required pursuant to this Section 4.2.7 are made only if and to the extent that that Investor Member would have a deficit Capital Account in excess of the aforementioned sum after all of the allocations provided for in this Article 4 have been tentatively made as if Section 4.2.6 and this Section 4.2.7 were not in this Operating Agreement.

4.2.8 **Nonrecourse Deductions**. Nonrecourse Deductions are specially allocated among the Members in accordance with the same percentages set forth in Section 4.1 with respect to Profits and Losses.

4.2.9 **Partner Nonrecourse Deductions**. Partner Nonrecourse Deductions are specially allocated to the Member who bears the economic risk of loss with respect to the Partner Nonrecourse Debt to which such Partner Nonrecourse Deductions are attributable in accordance with Section 1.704-2(i) of the Regulations.

4.2.10 **754 Adjustment**. If, pursuant to Section 6.2.10, the Investor Member consents to an election under Section 754 of the Code, then to the extent an adjustment to the adjusted tax basis of any Company Property undertaken pursuant to Section 734(b) or 743(b) of the Code is required to be taken into account in determining the Capital Accounts of the Members under Section 1.704-1(b)(2)(iv)(m) of the Regulations, the amount of such adjustment to the Capital Accounts will be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss will be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to the aforementioned section of the Regulations.

4.2.11 **Imputed Interest**. To the extent the Company has taxable interest income with respect to any Capital Contribution pursuant to Section 483 or Sections 1271 through 1288 of the Code, then (i) such interest income will be specially allocated to the Member to whom such Capital Contribution relates, and (ii) the amount of such interest income will be excluded from the Capital

Contributions credited to such Member's Capital Account in connection with the payments of principal with respect to such Capital Contribution.

4.2.12 **Curative Allocations**. The special allocations set forth in Section 4.2.4 through Section 4.2.9 are intended to comply with the requirements of Section 1.704-1(b) of the Regulations. These special allocations may lead to results which are inconsistent with the Members' intentions concerning their sharing in Company distributions. Accordingly, the Manager is hereby authorized and directed to specially allocate other items of Company income, gain, loss, and deduction among the Members so as to prevent the special allocations required under Section 4.2.4 through Section 4.2.9 of this Section 4.2 from distorting the Members' understanding of the manner in which Company distributions are to be made to the Members upon the dissolution and termination of the Company. In general, it is anticipated that the special allocations, if any, made under this Section 4.2.12 are made by specially allocating other items of Company income, gain, loss, and deduction among the Members so that the sum of the special allocations made to each Member pursuant to Section 4.2.4 through Section 4.2.9 of this Section 4.2 equals the sum of the special allocations made under this Section 4.2.4. In order to preserve its Capital Account to allow the allocation of Tax Credits to the Investor Member in accordance with Section 4.2.1, the Investor Member may select certain classes of deductions (but not depreciation deductions) to be allocated solely to the RMS Member. The Investor Member shall notify the Manager in writing no later than the due date (without extension) of the Company tax return for any fiscal year of the deductions to be allocated to the RMS Member in this manner, and the Manager, RMS Member and Investor Member shall cause the Operating Agreement to be amended to reflect the special allocation described in the preceding sentence. Such amendment shall be considered effective as of the first day of the year for which such return relates.

4.2.13 **Matching Income Allocation of Income or Gain from Sales and Refinancing Proceeds**. All items of Company income or gain arising from events resulting in Net Cash from Sales or Refinancings are allocated:

(i) first, as specified in Sections 4.2.4 through 4.2.7, Section 4.2.10 and Section 4.2.12 and Section 4.4.3 of this Operating Agreement;

(ii) second, if after the allocation of Profits and Losses for the Fiscal Year in which the gain arose, the Investor Member has a negative Capital Account balance, 99.99% to the Investor Member and 0.01% to the RMS Member, until each Investor Member's negative Capital Account is equal to zero;

(iii) third, to the RMS Member, to the extent that RMS Member has a negative Capital Account balance, after the allocation of Profits and Losses for the Fiscal Year in which the gain arose, until its Capital Account balance is equal to zero;

(iv) fourth, 99.99% to the Investor Member and 0.01% to the RMS Member, until each Investor Member's positive Capital Account balance equals any amount to be distributed to the Investor Member pursuant to Section 5.2.1(i) and Section 5.2.1(ii); and

(v) fifth, to the Members in accordance with the percentages specified in Section 5.2.2.

4.2.14 **[Reserved].**

4.2.15 **Special Adjustment**. The special allocations in this Section 4.2.15 shall apply notwithstanding any provision of this Operating Agreement to the contrary. Prior to making any special allocations set forth in this Section 4.2, items of expenses and other deductions (other than depreciation, amortization, cost recovery deductions and Nonrecourse Deductions) equal to the sum of the amount of any loans to the Company made by the RMS Member or any of its Affiliates pursuant to or for the purposes described in Section 3.7 and Sections 6.4.6(i) and 6.4.6(ii) are specially allocated to the RMS Member in each tax year in which any such loan is made.

Section 4.3 **Timing of Allocations**. Except as otherwise expressly provided in this Operating Agreement, all allocations of Profits, Losses, and Tax Credits are to be made as of the last day of each Fiscal Year of the Company.

Section 4.4 **Other Allocation Rules**. The following rules apply for the purpose of interpreting and applying the provisions of this Article 4 relating to the allocation of Profits, Losses, and Tax Credits among the Members:

4.4.1 **Excess Nonrecourse Liabilities**. Solely for purposes of determining a Member's proportionate share of the "excess nonrecourse liabilities" of the Company within the meaning of Section 1.752-3(a)(3) of the Regulations, the Members' respective interests in Company Profits shall be those percentage interests set forth in Section 4.1 (determined without regard to Section 4.2).

4.4.2 **Effect of Cash Distributions**. To the extent permitted by Sections 1.704-2(h) and 1.704-2(i)(6) of the Regulations, the Manager shall endeavor to treat distributions of Cash Flow as having been made from the proceeds of a Nonrecourse Liability or a Partner Nonrecourse Debt only to the extent that such distributions would cause or increase an Adjusted Capital Account Deficit for any Investor Member.

4.4.3 **Recharacterization of Fee as Distribution**. If any fee or portion thereof payable to any Member or any Affiliate thereof is determined to be a nondeductible distribution from the Company to a Member for federal income tax purposes, there will be allocated to such Member an amount of gross income equal to such distribution.

Notwithstanding anything to the contrary in this Operating Agreement, if the (i) Project Property was acquired from the RMS Member or its Affiliate, and (ii) Projections reflect any amount of Tax Credits allocated in respect of the acquisition of the Project Property, then, except as set forth in the Code or the Treasury Regulations thereunder, the RMS Member shall not be allocated nor shall the RMS Member receive a distribution in excess of 45% of the Profits, Losses, or Cash Flow (except for payment of Development Fees or repayment of any RMS Member loans) of the Company.

Section 4.5 **Tax Effect of Allocations**. Except as otherwise required under the second paragraph of this Section 4.5, the allocation of Profits, Losses, and Tax Credits to any Member under this Article 4 is deemed an allocation to that Member of the same proportionate part of each separate item of Company taxable income, gain, loss, deduction, or credit comprising such Profits, Losses, and Tax Credits, including, without limitation, any "unrealized receivable" or "substantially appreciated inventory item" under Section 751 of the Code. The Members are aware of the income tax consequences of the allocations made pursuant to this Article 4 and hereby agree to be bound by the provisions of this Article 4 in reporting their respective shares of Company income, gain, loss, deduction, and credit for income tax purposes.

Notwithstanding anything to the contrary contained in this Article 4, income, gain, loss, deduction, and credit with respect to any Company Property contributed to the capital of the Company by any Member

is, solely for tax purposes, allocated among the Members so as to take into account any variation between the adjusted tax basis of such Company Property to the Company for federal income tax purposes and the value assigned to such Company Property for the purposes of the computation of the Members' Capital Accounts. If any revaluation of the Company Property is made by the Manager (which revaluation may only be made with the consent of the Investor Member), then any subsequent allocations of income, gain, loss, deduction, and credit with respect to such Company Property will take into account any variation between the adjusted tax basis of such Company Property for federal income tax purposes and the value assigned to such Company Property as a result of such revaluation. All allocations required under this paragraph of Section 4.5 are solely for purposes of federal, state, and local income taxes. These allocations do not affect and must not in any way be taken into account in computing any Member's Capital Account or any Member's share of Profits, Losses, Tax Credits or other items or distributions required or permitted to be made pursuant to any provision of this Operating Agreement. This Section 4.5 is intended to conform to Section 704(c) of the Code.

ARTICLE 5: DISTRIBUTIONS

Section 5.1 **Distribution of Cash Flow**.

5.1.1 Cash Flow shall be paid, prior to the making of any distributions pursuant to Section 5.1.2 hereof, in the following order and priority:

(i) First, to the Investor Member to the extent of any amount which the Investor Member is entitled to receive in order to satisfy any amounts owed to it pursuant to Section 6.9 hereof;

(ii) Second, to pay any accrued and unpaid principal and interest on loans made by the Investor Member pursuant to Section 3.7;

(iii) Third, to the Operating Reserve Account until such time as such account is replenished up to the Operating Reserve Target Amount;

(iv) Fourth, to repay any accrued and unpaid principal and interest on loans made by the RMS Member pursuant to Section 3.7;

(v) Fifth, to the Property Management Agent to pay any payable or deferred Property Management Agent Fee;

(vi) Sixth, to the Developer to pay any unpaid balance on the Deferred Development Fee;

(vii) Seventh, to the RMS Member (in the order of loans made, with earlier loans repaid in full before subsequent loans are repaid) to repay any amounts treated as loans to the Company (without interest) by the RMS Member pursuant to Section 6.4.6(i) or Section 6.4.6(ii) and not yet repaid;

(viii) Eighth, 90% of the balance to the RMS Member as an Incentive Company Management Fee, on a non-cumulative basis.

5.1.2 After making the payments described in Section 5.1.1 hereof, the remaining Cash Flow, if any, shall be distributed to the Members in accordance with the following percentages:

RMS Member	0.01%
Investor Member	99.99%
Total	100.00%

Notwithstanding any other provision of this Section 5.1 to the contrary, for each Fiscal Year a sufficient amount of Cash Flow shall be distributed to the Investor Member such that, when such distribution is added to all other distributions of Cash Flow made to the Investor Member with respect to such Fiscal Year, the Investor Member will have received an amount of Cash Flow equal to at least 10% of all Cash Flow which remains after repayment of the loans referred to in Section 5.1.1(viii) with respect to such Fiscal Year.

Section 5.2 **Net Cash from Sales and Refinancings**. Except as otherwise provided in Article 11 of this Operating Agreement (pertaining to the liquidation and dissolution of the Company), Net Cash from Sales and Refinancings shall be paid or distributed to the Members as provided in this Section 5.2.

5.2.1 **Payments**. Net Cash from Sales and Refinancings shall be paid in the following order and priority:

(i) First, to the Investor Member to the extent of any amount which the Investor Member is entitled to receive in order to satisfy any amounts owed to it pursuant to Section 6.9;

(ii) Second, to pay any accrued and unpaid principal and interest on loans made by the Investor Member pursuant to Section 3.7;

(iii) Third, to repay any accrued and unpaid principal and interest on loans made by the RMS Member pursuant to Section 3.7;

(iv) Fourth, to the Developer to pay any unpaid balance, if any, on the Deferred Development Fee;

(v) Fifth, to the Property Management Agent to pay any payable or deferred Property Management Agent Fee;

(vi) Sixth, to the RMS Member (in the order of loans made, with earlier loans repaid in full before subsequent loans are repaid) to repay any amounts treated as loans to the Company (without interest) by the RMS Member pursuant to Section 6.4.6(i) or Section 6.4.6(ii) and not yet repaid;

(vii) Seventh, to the RMS Member to pay any accrued and unpaid Incentive Company Management Fees; and

5.2.2 **Distributions**. After making the payments specified in Section 5.2.1 hereof, the balance of Net Cash from Sales and Refinancings, if any, shall be distributed 90% to the Investor Member and 10% to the RMS Member.

Section 5.3 **Timing of Distributions**. Distributions of Cash Flow shall be made annually on the later of (i) ninety (90) days after the end of each Fiscal Year of the Company, or (i) final approval by the State Housing Finance Agency. The determination of the amount of Cash Flow distributable annually to the Members under this Article 5 shall be based upon the state of facts existing on the last day of each Fiscal Year of the Company.

Section 5.4 **Treatment of Distributions**. Distributions to a Member of Cash Flow are considered draws against such Member's allocable share of the Company's Profits and Losses.

ARTICLE 6: POWERS, RIGHTS AND DUTIES OF MANAGER

Section 6.1 **Management of Company**. The Company is managed by the Manager, who exercises full and exclusive control over the affairs of the Company, subject, however, to the limitations on its authority set forth in this Operating Agreement (including, without limitation, Section 6.2 and Section 6.3). The Manager is under a fiduciary duty to conduct and manage the affairs of the Company in a prudent, businesslike, and lawful manner and will devote such part of its time to the affairs of the Company as is deemed necessary and appropriate to pursue the business and carry out the purposes of the Company as contemplated in this Operating Agreement. The Manager shall use its best efforts and exercise good faith in all activities related to the business of the Company. The Manager shall perform services in connection with the acquisition of the Project Property, including, if applicable, negotiating the purchase agreement with the seller of the Project Property, acting on behalf of the Company with federal, state and local authorities with respect to the Project Property, monitoring compliance with zoning, land use and other requirements with respect to the Project Property, and preparing or causing to be prepared such third-party studies as it deems necessary in connection with the acquisition of the Project Property. Except as otherwise set forth in this Agreement, in the event of the death, disability, retirement, permitted resignation or removal of the Manager, then the RMS Member shall have the right to designate an individual to replace the Manager. In the event that the RMS Member shall fail to designate in writing a representative to replace the Manager, and such failure shall continue for more than forty-five (45) days after notice from the Investor Member or Company to RMS Member with respect to such failure, then the replacement Manager shall be an individual designated by the Investor Member.

Section 6.2 **Restrictions on Manager's Authority**. Notwithstanding anything to the contrary contained in this Operating Agreement, the Manager does not have the authority to take any of the actions set forth below without the prior written consent of the Investor Member:

6.2.1 Sell, exchange, lease (other than lease of Residential Units to individual tenants as required hereunder), mortgage, pledge or otherwise transfer any of the assets of the Company;

6.2.2 [Reserved];

6.2.3 Acquire any real property in addition to the Project Property (other than easements or similar rights necessary or convenient for the operation of the Project);

6.2.4 Refinance, prepay, amend or modify any mortgage or long-term liability of the Company, including, without limitation the Construction/Permanent Loan, the DOH Loan or the Sponsor Loan;

6.2.5 Take any action that would cause the termination of the Company for federal income tax purposes or the dissolution of the Company for state law purposes;

6.2.6 Construct any improvements on the Project Property other than those contemplated in the Plans and Specifications (or any modification thereof if such modification is expressly approved in writing by the Investor Member);

6.2.7 Lease or otherwise operate any Tax Credit Unit in such a manner that such Tax Credit Unit would fail to be treated as a "low-income unit" under Section 42(i)(3) of the Code, or

operate the Project in such a manner that the Project would fail to be treated as a qualified low-income housing project under Section 42 of the Code;

6.2.8 Take any action or fail to take any action which would cause the termination or discontinuance of the qualification of the Project as a "qualified low-income housing project" under Section 42(g) of the Code or which would cause the recapture or reduction of the Tax Credits.

6.2.9 Cause the Company to make a loan of any funds belonging to the Company or cause the Company to provide a guarantee of the indebtedness of any other Person;

6.2.10 Make, amend or revoke any tax election required of or permitted to be made by the Company under the Code or the Regulations, including, without limitation, any election under Section 42 or Section 754 of the Code. In this regard, the Manager shall make (and the Investor Member consents thereto) any elections required or permitted under Section 42 of the Code requested in writing by the Investor Member;

6.2.11 Change the nature of the business or purpose of the Company;

6.2.12 Take any action (or fail to take any action) causing or resulting in a breach of any of the representations, warranties or covenants of the Manager or RMS Member set forth in this Operating Agreement, including, without limitation, those set forth in Section 6.3;

6.2.13 Admit any other person or entity as a Member, except as specifically permitted herein;

6.2.14 Except as permitted by Section 11.1 (pertaining to dissolution of the Company), take any action that may cause the dissolution of the Company;

6.2.15 Commingle any Company funds with the funds of (1) any other partnership or limited liability company in which Manager or RMS Member is a partner or managing member, as the case may be, (2) Manager or RMS Member or any of its affiliates, or (3) any other entity;

6.2.16 Modify or amend this Operating Agreement except as authorized herein, or materially amend any fee agreement or the Construction Contract, or materially deviate from the Plans and Specifications for the construction of the Project from those provided to the Investor Member prior to its admission to the Company;

6.2.17 After the Construction Completion Date, construct any improvements on the Project Property other than those contemplated in the Plans and Specifications (or any modification thereof if such modification is expressly approved in writing by the Investor Member) with a cost basis in excess of $50,000. If prior to the Construction Completion Date there are change orders for the approved Plans and Specifications for the Project Property, such change orders shall be permitted only with the consent of the Investor Member, unless all of the following are satisfied: (i) an individual change is for an amount not in excess of $25,000 and, when combined with all prior change orders, does not cause the aggregate amount of change orders to exceed $250,000, (ii) the change order does not cause a material diminishment in the construction materials or methods approved in the Plans and Specifications, and (iii) when combined with all prior change orders, the change order will not extend by more than thirty (30) days the initial scheduled date for Construction Completion as specified in the Project documents;

6.2.18 Modify, in any material respect, any Loan Document or Project Document; or

6.2.19 Bring any claim based on any right or interest of the Company except in the name and for the benefit of the Company;

6.2.20 File or cause to be filed on behalf of the Company a voluntary petition in bankruptcy or a petition or answer seeking a reorganization, liquidation, dissolution or similar relief under any statute, law, rule, or regulation;

6.2.21 Cause the conversion, merger, or consolidation of the Company into or with another entity; and

Section 6.3 **Representations, Warranties and Covenants of the Manager**. As an inducement to the Investor Member to enter into this Operating Agreement, and in addition to the representations, warranties, and covenants set forth elsewhere in this Operating Agreement, each of the Manager and RMS Member hereby makes the following representations, warranties, and covenants to and with the Investor Member. The Manager and RMS Member shall fully comply with and abide by all of these covenants at all times throughout the term of the Company's existence.

6.3.1 The Manager shall obtain in a timely fashion from CHFA to the extent required in accordance with Code Sections 42(m)(1)(D) and 42(m)(2)(D), which confirm their determinations that (i) the Project satisfies the requirements for allocation of Tax Credits under the QAP applicable to the area in which the Project is located, and (ii) the Tax Credits to be claimed with respect to the Project do not exceed the amount necessary for the financial feasibility of the Project and its viability as a qualified low income housing project throughout the Compliance Period;

6.3.2 At all times following the completion of the contemplated improvements to the Project Property, the Manager shall operate the Project Property in order to qualify thirty (30) of the Residential Units in the Project Property for the Tax Credit with one-hundred percent (100%) of the tenants thereof qualifying under the appropriate income and rent restrictions of Section 42 of the Code as the same may be modified pursuant to the Extended Use Agreement (assuming no repeal or amendment of Section 42 of the Code renders such qualification impracticable), and in all other respects shall comply with the provisions of Section 42 of the Code;

6.3.3 To the best of the Manager's knowledge after due inquiry, and except as otherwise disclosed and certified in writing to the Investor Member prior to the date of this Operating Agreement, there are no actions, suits, or proceedings pending or threatened by any person or governmental authority against or affecting the Project Property, the Manager or any of its Affiliates that may have a material adverse effect on the Project Property or the Company or on the ability of the Manager to perform its obligations hereunder;

6.3.4 The Company is not liable (nor has any claim been made against it) for any expense, debt, cost, liability, or other charge other than costs incurred in connection with the acquisition and construction of the Project Property, operating expenses arising in the normal course of business, and those relating to the Construction/Permanent Loan, the DOH Loan and the Sponsor Loan;

6.3.5 Except as set forth in the Environmental Reports, the Manager warrants and represents that to the best of the Manager's knowledge, after due inquiry, there presently are not in, on or under the Project Property nor will there be in, on or under the Project Property, upon

completion of the construction any Environmental Hazard. If any Environmental Hazard was found to exist or be present, it has been either removed from the Project Property and disposed of or encapsulated and/or otherwise corrected, contained and made safe and inaccessible, all in strict accordance with federal, state, and local statutes, laws, regulations, rules, and ordinances, any recommendations set forth in the Environmental Reports, and any requirements in the CHFA Contract Documents, the DOH Loan Documents and Sponsor Loan Documents. The Manager further warrants and represents to the best of the Manager's knowledge, after due inquiry, that except as set forth in the Environmental Reports, the Partnership Property is in compliance with all applicable Environmental Laws, and the Manager has not received notice of any violations of the Environmental Laws.

6.3.6 The Company is a duly formed limited liability company validly existing and in full force and effect under the laws of the State of Connecticut and has undertaken all acts, including without limitation, the filing of all certificates and the payment of all fees, taxes, and other sums necessary for the Company to operate as a limited liability company in the State of Connecticut and to enable the Company to engage in its business.

6.3.7 The Manager will not act in any manner that will cause (i) the Company to be treated for federal income tax purposes as an "association" taxable as a corporation, rather than as a partnership, (ii) the Company to fail to qualify as a limited liability company under the Act, or (iii) any Investor Member to be liable for Company obligations in excess of its Capital Contribution, plus the limited dollar amount of any deficit restoration obligation agreed to by such Investor Member pursuant to Section 11.4 and any amount required to be repaid by such Investor Member to the Company pursuant to Section 7.1 hereof and the Act;

6.3.8 The Company has good record and marketable fee simple title to the Property and the Project, subject only to the encumbrances and restrictions created in the Project Documents and to any other exceptions set forth in the Owner's Title Insurance Policy;

6.3.9 The Project Property has been or will be rehabilitated and equipped in full compliance with the requirements of all governmental authorities having jurisdiction over the Project Property, and does and will comply with all state and local zoning laws, building codes, health and safety codes, regulations pertaining to ingress and egress, and all local codes, ordinances and regulations applicable to the Project Property;

6.3.10 The Manager has caused or will cause the Company to maintain property and liability insurance on the Project Property in amounts required by the Project Documents and by this Agreement;

6.3.11 The Manager has provided or will provide once available the Investor Member with copies of all documents material to the Investor Member's investment in the Company and copies of all amendments to such documents and all other material information relevant to the Project or to the admission of the Investor Member to the Company.

6.3.12 The execution of this Agreement, the incurring of the obligations set forth in this Agreement, and the consummation of the transactions contemplated by this Agreement do not violate any applicable law or regulation, do not violate any order or ruling of any court binding on the Manager or the Company and do not violate any provision of any indenture, agreement, or other instrument to which the Company or the Manager is a party or by which their respective properties are bound;

6.3.13 There has been no event or circumstance which would entitle a lender or other party to declare an event of default, as such an event is defined under any Project Document, or the commencement of any action to foreclose any mortgage on the Property;

6.3.14 The Company has or will obtain all permits required for the commencement of the rehabilitation of the Project Property, has or will obtain all permits required for the operation and use or occupancy of the Project Property;

6.3.15 No portion of the Project Property is treated as "tax-exempt use property" as defined in Section 168(h) of the Code;

6.3.16 The RMS Member (i) is a limited liability company duly organized, in good standing, and validly existing under the laws of the State of Connecticut, and (ii) has full power to enter into this Operating Agreement and to perform its obligations hereunder, and the consummation of all transactions contemplated herein and in the Loan Documents and the Project Documents to be performed by the RMS Member or Manager does not and will not result in any breach or violation of, or default under, any agreements by which the Manager or RMS Member is bound, or under any applicable law, administrative regulation or court decree;

6.3.17 The Manager shall maintain or direct the Property Management Agent to maintain the Project Property in a decent, safe and sanitary condition;

6.3.18 The Manager shall operate the Project Property in accordance with, and lease the Residential Units within the Project Property in compliance with, all applicable laws, regulations, ordinances, the Loan Documents, and the QAP (to the extent applicable);

6.3.19 To the best of the Manager's knowledge, the Projections attached hereto as Appendix I are accurate, and the financial assumptions upon which such Projections are based are true and correct in all material respects as of the date hereof;

6.3.20 All rental charges and security deposits with respect to dwelling units in the Project are and will be in compliance with any applicable governmental regulations;

6.3.21 All real estate and personal property taxes, special assessments and any other taxes applicable to the Project or the property or operations of the Company which are or will be due and payable have been or will be paid in full;

6.3.22 To the best of the Manager's knowledge, the Manager, the Company, its Property Management Agent, the Project Property, and all the Loan Documents and Project Documents are in compliance with all applicable federal, regional, state and local laws, rules, regulations, statutes, decisions, orders, judgments, directives, decrees, codes guidelines or ordinances of any governmental or regulatory authority, court or arbitrator;

6.3.23 The Project is located in a "qualified census tract" as defined in Section 42(d)(5)(C) of the Code;

6.3.24 The Manager shall promptly correct all building code and Environmental Law violations, including any such violations that occur during the construction or rehabilitation of the Project;

6.3.25 The Manager shall and shall cause the Company to perform all radon mitigation, testing, evaluation and/or remediation pursuant to and in accordance with all appropriate federal, state, and local laws, regulations, guidelines, and requirements;

6.3.26 The Manager shall and shall cause the Company, the Manager, each Affiliate of the RMS Member, and the Sponsor and to comply with the Money Laundering Control Act, Executive Order 13224, USA Patriot Act of 2001 (Public Law 107-56), and all federal regulations issued with respect thereto, which shall include, but not be limited to, providing to each Project lender the names, addresses, tax identification numbers and/or such other identification information concerning the Company, the Manager, any Affiliate of the RMS Member, and the Sponsor as shall be necessary for each Project lender to comply with federal law;

6.3.27 The Manager shall deliver to the Investor Member within thirty (30) days of the date first set forth above, the Owner's Title Insurance Policy;

6.3.28 The aggregate Projected Tax Credits applicable to the Project which are anticipated to be available to the Company for the Credit Period is $2,459,513;

6.3.29 If the RMS Member is required by the terms of this Agreement to make an additional Capital Contribution in the performance of its obligations hereunder, the Manager shall give the Investor Member ten (10) Business Days' prior written notice and the Investor Member shall have the right, based on the advice of its tax counsel, to provide written direction to the Manager within such ten (10) Business Day period confirming that the action to be taken shall be structured as the making of a Capital Contribution or redirecting the Manager to structure the action as a loan to the Company from RMS Member in the same amount in lieu of a Capital Contribution. The Manager and RMS Member agrees to abide by such direction from the Investor Member, *provided* that if the Investor Member fails to respond to the Manager's notice within such ten (10) Business Day period, the Manager may proceed to satisfy its obligations by causing RMS Member to make the additional Capital Contribution in accordance with the terms of this Operating Agreement;

6.3.30 The Manager shall cause all Project-related financing to be closed in accordance with the Projections and the terms and conditions of this Agreement, and in furtherance of the foregoing, the Investor Member hereby acknowledges the Manager's authority to execute the Loan Documents on behalf of the Company;

Section 6.4 **Specific Obligations of Manager**. The Manager shall, on behalf of and in the name of the Company and in addition to any obligations placed upon it elsewhere in this Operating Agreement, have the following specific obligations:

6.4.1 **Securities Law Matters**. The Manager shall prepare and file appropriate reports for the Company, if any, with the Securities and Exchange Commission and state securities administrators; *provided* the Manager shall not be obligated to prepare and file any reports related to transfers of interests in the Investor Member.

6.4.2 **Limited Liability Company Status**. The Manager shall (i) file such certificates and do such other acts as may be required to qualify and maintain the Company as a limited liability company under the Act and to qualify the Company to transact business in all such jurisdictions as may be required under applicable provisions of law and (ii) take or cause the Company to take all reasonable steps deemed necessary by counsel to the Company to assure that the Company is at all times classified as a partnership for federal and state income tax purposes.

6.4.3 **Intentionally Omitted.**

6.4.4 **Governmental Filings**. The Manager shall prepare, sign, and submit to the IRS, the State Housing Finance Agency, and any other governmental authority having jurisdiction over the Project Property, on a timely basis, any and all annual reports, information returns, and other certifications and information required by any such governmental agency. The Manager shall comply with all other applicable requirements of any federal, state, or local agency having jurisdiction over the Project Property, including, without limitation, any requirements of any such governmental agency with respect to the funding and maintenance of any operating or replacement reserves for the Project Property.

6.4.5 **Bank Accounts**. The Manager shall establish in the name and on behalf of the Company such bank accounts as shall be required to facilitate the operation of the Company's business. The Company's funds shall not be commingled with any other funds of the Manager, RMS Member or any of its Affiliates, including without limitation, any other limited liability company in which the Manager is a manager or managing member. Funds of the Company held in bank accounts shall be deposited in one or more interest bearing accounts maintained in FDIC insured banking institutions or in Temporary Permitted Investments. If the Company incurs any loss due to any Company funds being deposited in FDIC insured accounts with balances in excess of the maximum insured amount, the RMS Member and the Guarantor (pursuant to the Guaranty Agreement) shall be absolutely and unconditionally liable to the Company and the Investor Member with respect to any such loss. Promptly upon the request of the Investor Member, the Manager shall obtain and deliver to the Investor Member full, complete, and accurate statements of the amount and status of all Company bank accounts and all withdrawals therefrom and deposits thereto.

6.4.6 **Guaranties**. The RMS Member shall have the following guaranty obligations.

(i) **Development Completion Guaranty**. The RMS Member hereby absolutely and unconditionally guarantees to the Company and the Investor Member that the Project Property will be constructed in a good and workmanlike manner free and clear of all mechanics', materialmen's, and similar liens, in accordance with the Plans and Specifications and in accordance with the terms, conditions and provisions of the Construction/Permanent Loan, the DOH Loan, the Sponsor Loan and this Operating Agreement, will be equipped with all necessary and appropriate fixtures, equipment and personal property on or before the Construction Completion Date, and the Project will be leased-up in accordance with the Projections. The obligations of the RMS Member under the Development Completion Guaranty shall be unlimited and shall include, without limitation, the obligation to provide all funds (a) required of the Company to complete construction of the Project Property and to repair any latent defects that occur within one year of completion of construction (to the extent not then available under the Construction/Permanent Loan, the DOH Loan, the Sponsor Loan or the Capital Contributions), (b) needed for unanticipated or additional development or construction costs, on and off- site escrows, taxes, insurance premiums, interest, funding of Operating Deficits, reserves, escrows, legal expenses, accounting expenses until the Project achieves Stabilized Occupancy, (c) needed for repayment in full of the Construction/Permanent Loan and any other amounts due from the RMS Member under Section 6.4.6(i)(b) hereof. The repayment of any borrowings arranged by the RMS Member to fund its obligations under this Section 6.4.6(i) are the sole obligation of the RMS Member. Funds made available by the RMS Member to fulfill its obligations pursuant to this Section 6.4.6(i) shall be accounted for as unsecured loans to the Company by the RMS Member and may be

reimbursed to the RMS Member, without interest, in accordance with Section 5.1 hereof, or out of the proceeds of refinancing or sale pursuant to Section 5.2 hereof. If the construction cost overruns are due to the gross negligence or willful misconduct of the Manager or the RMS Member or any of its Affiliates, then any guaranty advances made by the RMS Member to cover such costs shall be deemed to be capital contributions.

(ii) **Operating Deficit Guaranty**. The RMS Member shall be required, upon the reduction of the Operating Reserve Account to zero, to promptly provide funds to the Company from time to time as needed in an amount up to the Operating Deficit Guaranty Amount for Operating Deficits occurring during the Operating Deficit Guaranty Period. Repayment of any letters of credit or other borrowings arranged by the Manager or RMS Member to meet its obligations under this Section 6.4.6(ii) shall be the sole obligation of the RMS Member. Funds made available by the RMS Member to fulfill its obligations pursuant to this Section 6.4.6(ii) shall be accounted for as unsecured loans to the Company by the RMS Member and may be reimbursed to the RMS Member, without interest, in accordance with Section 5.1 hereof, or out of the proceeds of refinancing or sale pursuant to Section 5.2 hereof. If the Operating Deficits overruns are due to the gross negligence or willful misconduct of the Manager or the RMS Member, then any guaranty advances made by the RMS Member to cover such costs shall be deemed to be capital contributions.

(iii) **Cumulative Guaranty Obligations**. The various guaranty obligations under this Section 6.4.6 are cumulative, not concurrent. Any limitation of liability under one guaranty shall not affect the amount of liability under any other guaranty, and any payment of obligations under one guaranty shall not reduce the amount of liability under any other guaranty.

6.4.7 **Required Reserves**.

(i) **[Reserved]**.

(ii) **Operating Reserve**. The Manager shall establish an operating reserve (the "Operating Reserve") to fund Operating Deficits incurred by the Company. The Operating Reserve shall be funded, at least initially, from the Investor Member's Project Equity funded under the Second Installment, in the amount of THREE HUNDRED FORTY-NINE THOUSAND FIVE HUNDRED THIRTY-FIVE and No/100 Dollars ($349,535.00), held in a separate bank account (the "Operating Reserve Account"), controlled by the Manager (or a Project lender, if required by such lender), and maintained until the end of the Project's Compliance Period. Throughout the Compliance Period, the RMS Member shall also be obligated, to the extent funds are available, to replenish the Operating Reserve Account up to the Operating Reserve Target Amount out of Cash Flow in accordance with Section 5.1 hereof or from sales or refinancings (prior to the distribution of Net Cash from Sales and Refinancings). Subject to any required lender's consent, any funds remaining in the Operating Reserve Account upon the sale of the Project or the Membership Interest of the Investor Member shall be released from the Operating Reserve Account and distributed to the Members in accordance with Section 5.2 or Section 11.2 hereof, as applicable.

(iii) **Replacement Reserve**. The Manager shall establish a replacement reserve (the "Replacement Reserve") to fund capital improvements and repairs to the Project. The RMS Member shall fund the Replacement Reserve in accordance with the CHFA Contract Documents.

6.4.8 **Qualified Occupancy**. The Manager shall use its best efforts to cause the Project Property to achieve Qualified Occupancy on or before the Qualified Occupancy Date.

6.4.9 **Property Management**. The Manager, on behalf of the Company, shall enter into a Property Management Agreement with the Property Management Agent for the physical property management and leasing of the Project, in form and of content as set forth in a separate document approved in writing by the Manager and the Investor Member. The Manager, on behalf of the Company, shall diligently enforce all of the obligations of the Property Management Agent under the Property Management Agreement and shall perform all of the Company's obligations as owner thereunder, subject to the following terms and conditions:

(i) **Renewal or Successor Agreements**. Upon the termination of such Property Management Agreement or any subsequent Property Management Agreement, the Manager shall renew the same or enter into an agreement that does not differ materially from the initial Property Management Agreement in Property Management Agent obligations and owner remedies, or in any other respect, with the same Property Management Agent or another Property Management Agent of at least comparable ability and experience who can reasonably be expected to perform at least as well, subject to the requirements of subparagraphs (ii) and (iii) herein below.

(ii) **Notice and Consultation**. If the Manager wishes to enter into a new form of management agreement or retain the services of a different Property Management Agent, it shall give the Investor Member at least ten (10) Business Days' prior written notice of the proposed change, accompanied by a copy of any proposed new Property Management Agreement and a written description of the identity and qualifications of any proposed new Property Management Agent, and the Manager shall consult with the Investor Member regarding the proposed change.

(iii) **Investor Member Consent**. Under any circumstances, the Manager shall not enter into a new management agreement materially different from the initial Property Management Agreement in any respect without the prior written consent of the Investor Member as to the form and content of such new management agreement, nor shall the Manager retain the services of a property management agent other than a property management agent previously approved by the Investor Member without the prior written consent of the Investor Member as to the identity and qualifications of such new property management agent, *provided* such consent shall not be unreasonably withheld, conditioned or delayed. For purposes of this provision, a management agreement shall be deemed to be materially different if the agreement involves a change in the parties to, or the services provided or the fees to be paid under, the Property Management Agent.

(iv) **Termination of Non-Performing Property Management Agent**. If the Property Management Agent fails to perform any of its obligations under the Property Management Agreement, whether general or specific obligations, in any material respect, including without limitation, failure to capably manage the Project as measured by sustained high Project vacancies, delinquent rents, or Operating Deficits (in each case beyond levels specified in the Projections), inadequate maintenance, or failure to qualify tenants under low-income housing tax credit requirements, or repeated failure to provide or unreasonable delay in providing accurate financial or operating reports to the Manager and the Investor Member, the Manager shall promptly comply with the terms of the Property Management Agreement regarding notice to the Property Management Agent and its opportunity to cure. The Manager shall also simultaneously provide the Investor Member

with a copy of this notice and any documentation explaining why the Property Management Agent should not be terminated for cause. Upon expiration of the applicable cure period, and the failure of the Property Management Agent to cure its breach of the Property Management Agreement, the Manager shall consult with the Investor Member as to whether or not the Property Management Agent should be retained and, if so, under what terms and conditions. Unless within ten (10) Business Days of the delivery of this notice the Investor Member consents in writing to the retention of the managing agent, the Manager shall terminate the Property Management Agent for cause, in accordance with the terms of the Property Management Agreement. The Manager shall also immediately enter into a new Property Management Agreement with a substitute Property Management Agent, subject to the prior written consent of the Investor Member. For purposes of this Section 6.4.9(iv), "cause" shall include, but not be limited to, any one of the following: (a) failure to promptly and competently perform (after any applicable notice and within the applicable cure period) all duties of the Property Management Agent under the Property Management Agreement with the Company, (b) failure of the Project to generate at least 80% of the Projected Tax Credits in any calendar year, (c) failure to materially comply with the record keeping, tenant qualification and rental requirements of the Extended Use Agreement and Section 42 of the Code and the Regulations, rulings, and policies related thereto, (d) material mismanagement of the Project, or (e) if the Property Management Agent is an Affiliate of the Manager or RMS Member, removal of the Manager pursuant to Section 10.6 hereof.

All Property Management Agreements shall contain specific provisions requiring the Property Management Agent to rent to low-income tenants at the level required to maintain Qualified Occupancy, to obtain prior written approval of the Manager for any deviation from such level, to obtain tenant income certifications and employer and/or other relevant verifications of tenant income, to determine low-income tenant eligibility for tax credit purposes, to deliver certifications of its compliance with these requirements and of Project rent rolls upon Qualified Occupancy and annually prior to the times such information is required for low-income housing tax credit purposes, to keep records of such low-income rental and occupancy and deliver copies of leases, certifications, and verifications to the Company, and to prepare elections, certifications, and any other materials contemplated by Section 6.4.12 hereof, to the extent necessary or advisable to qualify for and maintain the Tax Credit and any other available tax benefits in connection with such rental and occupancy. Where the Property Management Agent is the Manager or its Affiliate, each management agreement shall provide that the property management agent's monthly fees are accrued and subordinated to payment of Operating Deficits until funds are available to pay such fees.

6.4.10 **[Reserved].**

6.4.11 **Rental Program**. The Manager shall cause the Project to be rented to low-income tenants to the extent projected in the Projections. Without limitation of the foregoing, the Manager shall (i) use its commercially reasonable efforts to achieve Qualified Occupancy within the time specified in the Projections; (ii) comply with the rent schedule set forth in the Projections; (iii) cause to be kept all records of rental and occupancy throughout the Compliance Period; (iv) cause the Property Management Agent to comply with all income certification or other record-keeping requirements of the Code and Regulations, and of prudent management accounting practices, to support the claim of a low-income housing tax credit based on the occupancy requirements for the Project and any other material tax benefits resulting from such low-income occupancy of the Project; and (v) take such other actions required under Section 6.4.12 below to claim all available tax benefits in connection therewith. The Manager and the Property

Management Agent shall comply with all income certification or other record-keeping requirements of the Code and Regulations, and of prudent management accounting practices, to support the claim of a Tax Credit based on the occupancy requirements for the Project and any other material tax benefits resulting from such low-income occupancy of the Project.

6.4.12 **Tax Benefits Requirements**. The Manager acknowledges that it is of great importance that the Tax Credits and all other tax benefits contemplated in the Projections be achieved and maintained. Accordingly, the Manager agrees as follows:

(i) **No Delays**. The Manager shall not cause or suffer any delay in Placement in Service or Qualified Occupancy that would reduce such anticipated tax benefits.

(ii) **Record-Keeping**. The Manager shall cause to be kept all records and cause to be made all elections and certifications, pertaining to the number and size of apartment units, occupancy thereof by tenants, income levels of tenants, set-aside for low-income tenants, and any other matters now or hereafter required to qualify for and maintain the Tax Credits and any other available tax benefits in connection with low-income occupancy of the Project.

(iii) **Set-Aside Election**. The Manager shall elect the minimum low-income set-aside requirement specified in the Projections within twelve (12) months after Placement in Service or such other time period as may hereafter be required by the Code or Regulations thereunder for such Tax Credits, *provided* that in the event it becomes reasonably certain that such set-aside either will not be met or will be exceeded, the Manager shall promptly so notify the Members in writing and shall proceed to elect such other minimum set-aside requirement as will best protect or enhance the projected tax benefits to the Members under the circumstances.

(iv) **[Reserved];**

(v) **Annual Compliance Procedures**. As soon as feasible after Qualified Occupancy has occurred and annually thereafter, prior to the times such information is required for Tax Credit reporting purposes, the Manager shall:

(a) cause the Company's Property Management Agent to submit to the Company the certifications and all other applicable materials related to low-income leasing described in Section 6.4.11 hereof;

(b) check and verify the same against leases, certifications, and other appropriate back-up materials to the extent necessary or advisable to determine with reasonable assurance that the low-income leasing requirements have been met for Tax Credit purposes; and

(c) execute and deliver to the Investor Member a certification, in form reasonably acceptable to the Investor Member, stating that the Manager has complied with the foregoing requirements and attaching copies of the managing agent's certification and rent roll in a format reasonably acceptable to the Investor Member.

The Manager's initial certification following Qualified Occupancy shall also specify the Qualified Occupancy Date.

(vi) **Cost Accounting**. As soon as feasible after Placement in Service has occurred, prior to the time such information is required for Tax Credit reporting purposes, the Manager shall:

(a) cause the Accountant to submit to the Manager a letter, as required by the State Housing Finance Agency and in a form and content reasonably acceptable to the Investor Member, certifying that the Accountant has examined the Company's books and records for the Project and, subject to any changes in facts or applicable law, is prepared to sign a tax return for the Company reflecting that all costs specified in the letter or in an attached schedule are includable in qualified basis for the Tax Credits; and

(b) execute and deliver to the Investor Member a Cost Certification, in form and content reasonably acceptable to the Investor Member, stating that the amounts described in the Accountant's letter accurately reflect Project costs incurred and attaching a copy of such letter.

(vii) **Tax Filings**. The Manager shall properly reflect all Tax Credits and other tax benefits in preparing and filing federal return of income forms on behalf of the Company in accordance with Section 8.4 hereof. Notwithstanding anything in this Operating Agreement to the contrary, in no event shall the Manager cause or suffer any delay in the filing of such form covering the year in which Qualified Occupancy occurred. The Manager shall obtain and deliver to the Investor Member at the earliest feasible time a fully executed Form 8609.

(viii) **Compliance Certifications**. The Manager shall certify compliance with the elected set-aside requirement and report the dollar amount of Qualified Basis, maximum Applicable Percentage and Qualified Basis under the State Housing Finance Agency allocation, date of Placement in Service, and any other information required for the aforesaid Tax Credit within ninety (90) days after the end of the first taxable year for which such Tax Credit is claimed and for each taxable year thereafter during the Compliance Period for such Tax Credit, or such other time periods as may hereafter be required by the Code or Regulations thereunder for such Tax Credit.

(ix) **Notice of Tax Benefits Reduction**. In the event at any time it becomes apparent that the tax benefits projected in the Projections are likely to be reduced, the Manager shall promptly notify the Investor Member of the circumstances.

(x) **Consequences of Tax Benefits Reduction or Delay**. In the event there is a reduction or delay of tax benefits, then the provisions of Section 6.9 hereof relating to reduction in the amount of remaining installments of Investor Member's Capital Contributions and other consequences described therein shall govern where applicable.

(xi) **Extended Use Agreement**. The Manager, on behalf of the Company, shall enter into an Extended Use Agreement pursuant to Section 42(h)(6) of the Code, in the form of an agreement between the Company and the State Housing Finance Agency that has allocated or will allocate Tax Credits to the Project, and shall cause such agreement to be recorded pursuant to state law as a restrictive covenant as soon as feasible but in any event prior to the end of the tax year during which the Project is deemed to achieve Placement in Service under Section 42 of the Code.

(xii) **Local Code Compliance**. The Manager shall maintain the Project in compliance with rules prescribed by the Secretary of Treasury pursuant to Section 42(i)(3)(B)(ii) of the Code. The Manager shall also promptly provide the Investor Member with any notice or other documentation sent by any federal, state or local governmental agency that the Project may be in violation of any health, environmental, safety, building, or other federal, state or local statute, regulation, or ordinance. With respect to building code or Environmental Law violations that are to be corrected during the construction or rehabilitation of the Project, the Manager shall certify or shall cause the Architect or the project general contractor to certify upon completion of the Project that such building code and Environmental Law violations have been corrected. In lieu of a certification regarding the correction of building code violations, the Manager may obtain or cause to be obtained a current owner's title insurance policy indicating that no building code violations exist at the time construction or rehabilitation is completed.

(xiii) **[Reserved]**.

(xiv) **Depreciation Schedule**. The Manager shall take all acts and make any necessary filings or elections to cause the Project's improvements to be depreciated for tax purposes in accordance with the Projections and shall not take any action or permit any event or circumstances to occur which would cause depreciation of the Project's improvements to be changed therefrom. The Manager shall cause to be kept adequate records of any such filings or elections and all other matters applicable to the Company's depreciation of the Project's improvements.

6.4.13 **[Reserved.]**

Section 6.5 **Fees for Services Rendered**. The Company shall pay the following described fees to the Members or Affiliates of one or more Members indicated below:

6.5.1 **Development Fee**. The Company shall pay the Development Fee to the Developer for the services and obligations described in the Development Fee Agreement. The portion of the Development Fee in the amount of at least $369,574.00 that is not projected to be paid out of the Investor Member's Capital Contribution or the Project financing shall be payable from available Cash Flow, without interest thereon, and, if applicable, as provided in Section 3.1.3, subordinated to certain Cash Flow payments to be made to the Investor Member. If any principal and/or accrued interest on the Deferred Development Fee remain unpaid by the end of the Compliance Period, the RMS Member shall make a Capital Contribution to the Company, as provided for in Section 3.1.3 above, in an amount sufficient to enable the Company to pay the outstanding amount of the Deferred Development Fee.

6.5.2 **[Reserved]**.

6.5.3 **[Reserved]**.

6.5.4 **Incentive Company Management Fee**. The Company shall pay an Incentive Company Management Fee, on an annual, non-cumulative basis, in the amount and priority specified in Section 5.1.1 hereof, to compensate the RMS Member and Manager for monitoring the activities of the Company, supervising the Property Management Agent, and reporting to the Investor Member so as to enable the Company to comply with all Code requirements for the Tax

Credit and to establish eligibility for such Tax Credit with respect to the Project and avoid recapture thereof during the Compliance Period.

6.5.5 **Other Considerations**.

(i) The Development Fee Agreement and any other agreements entered into by the Company and the RMS Member or any Affiliate thereof will specifically provide that such agreement shall be terminable at the election of the Investor Member if any Manager is removed pursuant to Section 10.6 hereof and that, upon the delivery of notice of such removal pursuant to Section 12.1 hereof, the RMS Member's obligation to make an additional Capital Contribution in accordance with Section 3.1.3 in the amount of the outstanding balance of the Deferred Development Fee shall be accelerated, and the RMS Member shall be obligated to make such additional Capital Contribution within five (5) Business Days after delivery of notice of removal. The Company shall use this Capital Contribution to pay the remaining balance of the Deferred Development Fee, and if the RMS Member fails to pay this additional Capital Contribution in full within such five (5) Business Day period, the Company shall receive a dollar credit for payment of the Deferred Development Fee for each dollar by which the amount of the additional Capital Contribution so paid by the RMS Member is less than the required payment amount. Once proceeds of the RMS Member's additional Capital Contribution or any such credits, or both, have been so applied, the Company shall have no obligation to make any further payments to the RMS Member or any Affiliate thereof for fees that would otherwise be due and payable pursuant to such agreement.

(ii) None of the fee payments or reimbursements to any of the Persons indicated in Section 6.5 or elsewhere in this Operating Agreement will be considered a distribution of Cash Flow to any Member pursuant to Section 5.1.2, and, except as otherwise specifically provided herein, the RMS Member may make any such reimbursement or fee payment prior to any distribution of any Cash Flow to the Members.

Notwithstanding anything to the contrary herein, the sum of (a) the Company Management Fee, plus (b) the Incentive Company Management Fee, plus (c) any other incentive fees, plus (d) if the Property Management Agent is an Affiliate of the RMS Member, the fee payable to the Property Management Agent pursuant to the Property Management Agreement, shall not exceed 12% of the gross income of the Company.

Section 6.6 **Outside Ventures of Members**. Any Investor Member or Affiliate of Manager or the RMS Member may engage in or possess an interest in any other business venture of any type or description, independently or with others (including, without limitation, any venture which may be competitive with the business being conducted by the Company) and neither the Company, nor any RMS Member or Manager will, by virtue of this Operating Agreement, have any right, title or interest in or to such outside ventures or the income or other benefits derived therefrom.

Section 6.7 **Dealing With Affiliates**. The Manager may employ or retain in any capacity any Member or Affiliate of any Member so long as the terms upon which such Member or such Affiliate is employed or retained are commercially reasonable under the circumstances and comparable to those terms which could be obtained from an independent person for comparable services in the area where the Project is located or the Company has its principal office.

Section 6.8 **Indemnification of Company and Investor Member.**

6.8.1 The RMS Member hereby agrees to defend, indemnify, and hold harmless the Company and the Investor Member and their successors and assigns, from and against any loss, claims, demands, liabilities, lawsuits and other proceedings, judgments, awards, costs, and expenses including, without limitation, reasonable attorneys' fees or damages (including foreseen and unforeseen damages and consequential damages) arising directly or indirectly out of the presence on, under or about the Project Property of any Hazardous Substance, or the use, release, generation, manufacture, storage, or disposal of any Hazardous Substance on, under or about the Project Property.

6.8.2 In the event the Company or the Investor Member becomes liable, due to the presence of any Hazardous Substance in the Project, under any statute, regulation, ordinance, or other provision of federal, state, or local law pertaining to the protection of the environment or otherwise pertaining to public health or employee health and safety, including without limitation protection from hazardous waste, lead-based paint, asbestos, methane gas, urea formaldehyde insulation, oil, toxic substance, underground storage tanks, PCBs, and radon, the RMS Member shall indemnify and hold harmless the Investor Member and the Company for any and all actual out of pocket costs, expenses (including reasonable attorneys' fees), damages, or liabilities incurred by the Investor Member upon demand by the Investor Member at any time and from time to time, to the extent that the Company or the Investor Member is required to discharge such costs, expenses, damages, or liabilities in whole or in part from any source. The foregoing indemnification obligations of the RMS Member shall be limited if and to the extent the Investor Member participates in the control of the Company's business after the formation of the Company and such participation is the direct cause of the conditions affecting the Project that resulted in such liability under applicable law and the consequent costs, expenses, damages, or liability of the Investor Member. References in this Section 6.8.2 to the Investor Member shall include each of the Investor Member's assignee(s) (and their respective partners or members, if any). The foregoing indemnification shall be a recourse obligation of the RMS Member and shall survive the dissolution of the Company and/or the death, retirement, incompetency, insolvency, bankruptcy, or withdrawal of the Manager. The indemnification authorized by this Section 6.8.2 shall include, but not be limited to, the costs and expenses (including reasonable attorneys' fees) of the removal of any liens affecting any property of the indemnitee as a result of such legal action. The parties hereto agree and acknowledge that the Investor Member's exercise of the rights and approvals reserved to the Investor Member under this Operating Agreement shall not constitute participation in the control of the Company's business for purposes of this paragraph.

6.8.3 The RMS Member's shall defend, indemnify, and hold harmless the Company, the Investor Member, its beneficiaries and their respective successors and assigns from and against any claims, demands, losses, damages, liabilities, lawsuits and other proceedings, judgments, awards, costs, and expenses including, without limitation, attorneys' fees, arising directly or indirectly, in whole or in part, out of the RMS Member's or Manager's gross negligence, fraud, willful misconduct, malfeasance, breach of fiduciary duty or actions performed outside the scope of the authority of the Manager or RMS Member, or breach of any or all of the representations, warranties, covenants, and agreements contained in this Operating Agreement, including, without limitation, those contained in Section 6.3 hereof. In addition to the foregoing indemnification, the Company and/or the Investor Member may pursue any other available legal or equitable remedy against the Manager or RMS Member with respect to the Manager's or RMS Member's breach of any of the representations, warranties, or covenants contained herein, including, without limitation, the Investor Member's deferral of the payment of its Capital Contribution pursuant to Section 3.2. The RMS Member shall defend, indemnify and hold harmless the Investor Member for any liability

incurred by it for Company obligations (including, without limitation, the Loan Documents), except to the extent that either (i) a court of competent jurisdiction, or (ii) a mediator mutually selected by both the RMS Member or Manager and the Investor Member, has made a determination that such liability is the result of actions taken by the Investor Member or rights exercised by the Investor Member with respect to the operation of the Investor Member in excess of those actions and rights granted or allowed under this Operating Agreement or the Act. The RMS Member's obligations described in this Section 6.8 shall survive the termination and/or liquidation of the Company.

Section 6.9 **Credit Adjusters**.

6.9.1 **Permanent Reduction in Tax Credits**. If, as of the end of the first year of the Credit Period and based upon the Cost Certification prepared by the Accountant or the IRS Form(s) 8609 for the Project, it is determined that the amount of Actual Tax Credits over the Credit Period for the Project will be less than the Projected Tax Credits over the Credit Period (a "Permanent Credit Reduction"), then there will be a reduction (the "Permanent Credit Reduction Adjustment") in the Investor Member's Capital Contribution in an amount equal to the product of (i) the Permanent Credit Reduction and (ii) $0.93. The Permanent Credit Reduction means the amount by which the Actual Tax Credits are or will be less than the Projected Tax Credits over the Credit Period due to (a) the actual Applicable Percentage being less than projected; (b) the actual Eligible Basis being less than projected; (c) the actual Qualified Basis as of the end of the first year of the Credit Period being less than the projected Qualified Basis; (d) the actual final allocation of Tax Credits as indicated on Form 8609 being less than the Projected Tax Credits; or (e) any combination of the above. This Permanent Credit Reduction Adjustment shall be made, at the option of the Investor Member, by first decreasing the amount, if any, of the Investor Member's Capital Contribution installment next due, and, if necessary, further installments (reducing the earliest ones first) by the amount of the Permanent Credit Reduction Adjustment. In the event that there are no remaining Investor Member Capital Contributions, or the Permanent Credit Reduction Adjustment required hereunder exceeds the remaining Capital Contributions of the Investor Member, or the Investor Member elects not to offset the Permanent Credit Reduction Adjustment against the remaining Investor Member Capital Contribution installments, the RMS Member shall immediately make a Capital Contribution to the Company in an amount necessary for the Company to make the Permanent Credit Reduction Adjustment, followed by an immediate distribution in such amount by the Company to the Investor Member, unless it is determined by the Investor Member's tax counsel that such a distribution would cause the Company profits, losses, and credits to be allocated other than in accordance with the percentage interests of the Members, in which event the RMS Member shall pay directly to the Investor Member an amount which, on an after-tax basis, will be equal to the Permanent Credit Reduction Adjustment.

6.9.2 **Timing Difference in Tax Credits (Downward)**. If, for the Projected First Tax Credit Year and the Projected Second Tax Credit Year, any portion of the Projected Tax Credits cannot be claimed (as determined by the Accountant) by the Investor Member during such Projected First Tax Credit Year and the Projected Second Tax Credit Year, but must be delayed and taken in a later year or years of the Compliance Period, then the Investor Member shall be entitled to reduce its Capital Contribution by an amount equal to $0.48 times the amount by which the Projected Tax Credits for the Projected First Tax Credit Year and the Projected Second Tax Credit Year, respectively, exceed the Actual Tax Credits for such years (the "Timing Reduction"). This Timing Reduction is intended to compensate the Investor Member for the reduced present value of such delayed Tax Credits, while taking into account the Tax Credits the Investor Member may be entitled to receive no later than the 11th and 12th years of the Compliance Period. No adjustment shall be made under this Section 6.9.2 for any shortfall in Tax Credits for which an adjustment is

already made pursuant to Section 6.9.1. In the event that there are no remaining Investor Member Capital Contributions, or the Timing Reduction required hereunder exceeds the remaining Capital Contributions of the Investor Member, or the Investor Member elects not to offset the Timing Reduction against the remaining Investor Member Capital Contribution installments, the RMS Member shall immediately make a Capital Contribution to the Company in an amount necessary for the Company to make the Timing Reduction, followed by an immediate distribution in such amount by the Company to the Investor Member, unless it is determined by the Investor Member's Tax counsel that such a distribution would cause the Company profits, losses, and credits to be allocated other than in accordance with the percentage interests of the Members, in which event the RMS Member shall pay directly to the Investor Member an amount which, on an after-tax basis will be equal to the Timing Reduction.

6.9.3 **Ongoing Tax Credit Shortfall**. If, for any Fiscal Year after the Projected First Tax Credit Year, for any reason whatsoever (1) the Actual Tax Credits are less than the Projected Tax Credits (as adjusted in any revised Projections prepared pursuant to Section 6.9.1 or Section 6.9.2) for such Fiscal Year or (2) an Investor Member is required to recapture (resulting from other than a transfer of part or all of the Investor Member's Membership Interest) all or any part of the Tax Credits claimed by it in any prior Fiscal Year of the Company (the "Credit Shortfall"), then, at the option of the Investor Member, the Investor Member's Capital Contributions shall be reduced in chronological order in an amount (the "Credit Reduction Payment") equal to the sum of (i) One Dollar ($1.00) times the difference between (A) the Projected Tax Credits (as adjusted in any revised Projections prepared in connection with Section 6.9.1 or Section 6.9.2) for the Fiscal Year and all subsequent Fiscal Years, and (B) the Actual Tax Credits for such Fiscal Year and the Tax Credits projected by the Accountant as being available to the Investor Member for all subsequent Fiscal Years, and (ii) the amount of the Tax Credits recaptured in such Fiscal Year, plus the amount of any interest or penalty payable by the Investor Member as a result of the recapture. In the event there are no remaining Capital Contributions or the Credit Reduction Payment exceeds the amount of remaining Capital Contributions of the Investor Member, or the Investor Member elects not to offset the Credit Reduction Payment against the remaining Investor Member Capital Contribution payments, the RMS Member shall immediately make a Capital Contribution to the Company in an amount equal to the Credit Reduction Payment or the unpaid portion thereof, and the Credit Reduction Payment shall be immediately distributed to the Investor Member and shall neither constitute nor be limited by the distribution limits for Cash Flow, pursuant to Section 5.1, hereof, or for Net Cash from Sales and Refinancings, pursuant to Section 5.2, hereof, unless it is determined by the Investor Member's Tax counsel that such a distribution would cause the Company profits, losses, and credits to be allocated other than in accordance with the percentage interests of the Members, in which event the RMS Member shall pay directly to the Investor Member an amount which, on an after-tax basis will be equal to the Credit Reduction Payment.

6.9.4 **Permanent Increase in Tax Credits**. If it is determined that the amount of Actual Tax Credits over the Credit Period for the Project will be greater than the Projected Tax Credits over the Credit Period (such difference being defined herein as the "Permanent Credit Increase") and the Investor Member is provided with satisfactory written documentation to evidence the allocation of the Permanent Credit Increase, the Investor Member will increase its Capital Contribution by an amount that is equal to the product of (i) the Permanent Credit Increase, and (ii) $0.93, subject to the limitations described in Section 6.9.6. Any increase in the Investor Member's Capital Contribution pursuant to this Section 6.9.4 that exceeds five percent (5%) of the Investor Member's Capital Contribution as set forth in the Projections in effect on the date of this Operating Agreement (i.e., no subsequent increases in the Investor Member's Capital Contribution shall be taken into account for purposes of calculating the five percent (5%) limitation) shall be at the option of the Investor Member. If the Investor Member elects not to increase its Capital

Contribution pursuant to this Section 6.9.4 by more than five percent (5%) of the Investor Member's Capital Contribution, the Actual Tax Credits in excess of the five percent (5%) threshold shall be allocated to the RMS Member, or its designee subject to the Investor Member's sole discretion.

6.9.5 **Increase in First and/or Second Year Tax Credits**. If it is determined that the amount of Actual Tax Credits for the period prior to the end of the Projected First Tax Credit Year and Projected Second Tax Credit Year will be greater than the Projected Tax Credits for the period prior to the end of the Projected First Tax Credit Year and Projected Second Tax Credit Year, respectively (such difference being defined herein as the "Projected First and Second Tax Credit Year Increase"), and the Investor Member is provided with satisfactory written documentation to evidence the allocation of the Projected First and Second Tax Credit Year Increase, the Investor Member will increase its Capital Contribution by an amount that is equal to the product of (i) the Projected First and Second Tax Credit Year Increase, and (ii) $0.48. Such increase will be subject to the limitations described in Section 6.9.6.

6.9.6 **Limitation on Upward Adjuster**. Notwithstanding anything to the contrary contained herein, the Investor Member will increase its Capital Contribution only once during the 90 day period following the later of (i) achievement of Stabilized Occupancy or (ii) the allocating agency's issuance of the Form 8609 for all Buildings. The Investor Member, in the exercise of its sole discretion, will increase its Capital Contribution under Section 6.9.4 and 6.9.5 only if the Investor Member determines that is has sufficient funds to make the additional Capital Contribution. An increase in the Investor Member's Capital Contribution pursuant to Section 6.9.5 that exceeds, in the aggregate, five percent (5%) of the Investor Member's Capital Contribution as set forth in the Projections in effect on the date of this Operating Agreement (*i.e.*, no subsequent increases in the Investor Member's Capital Contribution shall be taken into account for purposes of calculating the five percent (5%) limitation) shall require the approval of Investor Member's investors.

6.9.7 **Repurchase**. Notwithstanding anything contained herein to the contrary, in the event that (i) Construction Completion and Placement in Service of all Buildings are not achieved, or in the reasonable judgment of the Investor Member, based on all of the relevant facts and circumstances, will not be achieved on or before December 31, 2021, (ii) the Company fails to comply with the minimum set-aside test and/or the rent restriction test (as described in Section 42(g) of the Code) before the end of the year in which the Building is placed in service or, at the election of the RMS Member pursuant to Section 42(f)(i)(B) (which election shall be made in accordance with Section 6.4.12(iv) hereof), the end of the succeeding taxable year, (iii) proceedings have been commenced, filed or initiated to foreclose the CHFA First Mortgage or permanently enjoin construction or rehabilitation of the Project and such proceedings have not been stayed or vacated within thirty (30) days of commencement, filing or initiation, (iv) if the Project is financed with tax-exempt bonds, 50% or more of the aggregate basis of each Building and the land on which the Project is located is not financed by the tax-exempt obligation on or before the end of the year in which the Building is placed in service or, at the timely election of the RMS Member pursuant to Code Section 42(f)(1)(B) (which election shall be made only with the consent of the Investor Member), the end of the succeeding taxable year, (v) the Manager fails to deliver to the Investor Member a Form 8609 for each Building in the Project on or before the date by which the Manager is required to deliver to the Investor Member the Tax Return Documents for the first year of the Credit Period pursuant to Section 8.4.3, (vi) any one of the following occurs with regard to the Construction/Permanent Loan: (a) the Construction/Permanent Loan commitment has been terminated or substantially modified (unless the commitment is replaced with a commitment of equivalent terms as determined by the Investor Member in its reasonable judgment), (b) any

interest rate lock applicable to the Construction/Permanent Loan has expired and not been replaced within thirty (30) days by a new rate lock acceptable to the Investor Member or (c) the Construction/Permanent Loan has not been fully funded on or before the maturity date (or any extensions thereof) of the Construction/Permanent Loan, (viii) upon the Company's receipt of a Form 8609 for each Building in the Project, it is determined that the Project will deliver less than 80% of the aggregate Projected Tax Credits over the Credit Period to the Investor Member, or (ix) the Manager fails to perform any obligation under its Development Completion Guaranty that is not fully performed within any applicable cure period contained in the Guaranty Agreement, if applicable, then, in the event any of the conditions described in clauses (i) through (ix) above occurs, upon the written notice of the Investor Member, the RMS Member shall purchase the Investor Member's entire interest in the Company for an amount equal to (x) the sum of (1) all Capital Contributions actually made to the Company by the Investor Member, plus (2) all expenses incurred by the Investor Member in connection with entering into the Company and enforcing this Section 6.9.7, minus (y) an amount equal to the purchase price paid by the Investor Member for any Tax Credits already received by the Investor Member, net of any amounts that the Investor Member has paid or will have to pay as the result of any recapture of any portion of the Tax Credits that the Investor Member has received, and (z) any amounts that have already been reimbursed to the Investor Member by the Company and/or the RMS Member (the "Repurchase Amount"). Notwithstanding anything to the contrary in this Operating Agreement, the Investor Member may, in its sole discretion and at any time following any of the events described in this Section 6.9.7, after any applicable notice and cure period and regardless of whether the Repurchase Amount or any portion thereof has been received by the Investor Member at such time, withdraw from the Company as the Investor Member.

6.9.8 **Failure to Pay; Remedies**. If the RMS Member fails to pay any amount payable pursuant to Section 6.9.1, 6.9.2 or 6.9.3 above, or the Repurchase Amount pursuant to the preceding section owing to the Investor Member within thirty (30) Business Days after written demand by the Investor Member, then, in addition to any other rights the Investor Member may have, any sums payable to the RMS Member (or any Affiliate thereof) pursuant to the terms of this Operating Agreement (including, without limitation, Cash Flow and any fees payable by the Company to the RMS Member or its Affiliates) will instead be paid to the Investor Member until such time as all amounts owing to the Investor Member pursuant to this Section 6.9 are fully repaid. For purposes of this Operating Agreement, any sums distributed to the Investor Member pursuant to the immediately preceding sentence are deemed to have been paid to the RMS Member (or its Affiliates) and subsequently paid by the RMS Member to the Company as a capital contribution, followed by a distribution to the Investor Member from the Company of such capital contribution proceeds in satisfaction of the RMS Member's obligations hereunder, unless it is determined by Investor Member's tax counsel that such a distribution would cause Company profits, losses, and credits to be allocated other than in accordance with the percentage interests of the Members, in which event the amount payable to the Investor Member in accordance with the preceding sentence shall be an amount that, on an after-tax basis, will be equal to the Permanent Credit Reduction Adjustment, Timing Reduction, Credit Reduction Payment or Repurchase Amount, as applicable, and such amount shall be deemed to have been paid directly by the RMS Member to the Investor Member. The rights and remedies granted to the Investor Member by this Section 6.9 are not exclusive of, but are in addition to, any other rights and remedies granted to the Investor Member under this Operating Agreement or by applicable law. The obligations of the RMS Member under this Section 6.9 are deemed to have arisen as a consequence of a transaction between the RMS Member and the Investor Member other than in their capacities as Members and the Capital Accounts or loans of the Members are not affected in any way as a result of the making of any credits or payments hereunder.

6.9.9 **Survival**. The obligations of the RMS Member and its Affiliates prescribed or described in this Section 6.9 will survive the termination and/or liquidation of the Company.

Section 6.10 **[Reserved];**

Section 6.11 **Managers**. Except as otherwise set forth herein, if there is more than one Manager, or if the Manager is a joint venture or partnership in which there is more than one general partner, then all members of such joint venture or general partners of such partnership shall be jointly and severally liable to the Company, to the Investor Member, and to its successors and assigns for all obligations of the Manager, and for any damages that may arise from the acts or omissions of any of such general partners in their performance or breach of the guaranties, management, and all other obligations and the representations and warranties of the Manager, whether now existing or hereafter created, under this Operating Agreement as the same may from time to time be amended and under applicable law.

Section 6.12 **Partnership Representative Rules**.

6.12.1 Subject to the terms and conditions of this Section 6.12, the Manager shall serve as the partnership representative of the Company ("Partnership Representative") pursuant to Section 6223(a) of the Code for all taxable years for which it remains the manager of the Company, *provided* that it qualifies as a partnership representative under Section 6223(a) of the Code. The Manager will nominate an individual through whom the Partnership Representative proposes to act at any time for all purposes of the Revised Audit Procedures, which nominated individual shall be subject to the Investor Member's review and approval in its sole discretion (as approved by the Investor Member, the "Designated Individual"). The Investor Member in its sole discretion shall appoint a Partnership Representative or replacement Partnership Representative and Designated Individual of the Company for all taxable years of the Company if, at any time, the Manager does not qualify as a partnership representative under the Code. Subject to the limitations set forth in this Agreement, the Partnership Representative and Designated Individual shall have all of the power and authority of a partnership representative and designated individual, respectively, under the Revised Partnership Audit Procedures and shall represent the Company in all dealings with the IRS and state and local taxing authorities for all taxable years during which they serve in in such positions in accordance with this Section 6.12, *provided* that (a) the Partnership Representative and Designated Individual shall give prior written notice to the Investor Member of any administrative or judicial proceeding ("Proceedings") involving the adjustment of any tax items affecting the Company or the Investor Member and obtain the prior written consent of the Investor Member regarding the course of action to be taken in such Proceedings, and (b) neither the Partnership Representative nor the Designated Individual shall enter into or consent to a settlement with the IRS that binds the Company or the Investor Member with respect to any Company item without obtaining the prior written consent of the Investor Member. If the Partnership Representative or Designated Individual, or both, resign, or if the Manager is removed in accordance with any provision of this Agreement, or if for any other reason the Manager no longer serves as Manager of the Company, then the Investor Member in its sole discretion shall designate a replacement Partnership Representative and Designated Individual for all taxable years of the Company. If the Partnership Representative or Designated Individual fails to obtain the Investor Member's prior written consent as to any filing, election, or course of action in accordance with this Section 6.12 or if the Partnership Representative or Designated Individual fails to perform or observe any other covenant, term or condition to be performed or observed by the Partnership Representative or Designated Individual, respectively, under this Section 6.12, then the Investor Member, whether or not it exercises its right to remove the Manager under Section 10.6 in connection with such Event of Default, shall have the right any time thereafter to remove and replace the Manager as Partnership Representative and the individual serving as the Designated Individual for any and all taxable years

of the Company. The timing of any change in the Partnership Representative and Designated Individual pursuant to this Section 6.12 shall be subject to all applicable requirements of the Code and Regulations. The Partnership Representative or Designated Individual shall provide to the Investor Member prompt notice of any communication to or from, or agreements with, any federal, state, or local tax authority regarding any Company tax return or other Company tax matter, including a summary of the provisions thereof. The terms and conditions of this Section 6.12 also shall apply to state and local income tax matters affecting the Company to the extent that the terms and conditions hereof have any application to audit procedures at the state and local level.

6.12.2 The Partnership Representative and Designated Individual shall comply with any written direction given by the Investor Member at any time with regard to making an Opt-Out Election, Push-Out Election, Administrative Adjustment Request or any other tax decisions and elections on behalf of the Company or the Investor Member for any taxable year and shall not make an Opt-Out Election, Push-Out Election, Administrative Adjustment Request or any other tax decisions and elections on behalf of the Company or the Investor Member for any taxable year without obtaining the Investor Member's prior written consent.

6.12.3 In addition to the other limitations on the Partnership Representative's authority set forth herein, the Partnership Representative shall not take any of the following actions without obtaining the prior written consent of the Investor Member:

(i) Extend the statute of limitations for assessing or computing any tax liability against the Company (or the amount or character of any Company tax item);

(ii) Settle any audit or Proceeding with the IRS or any state or local taxing authority;

(iii) File a request for an administrative adjustment of any kind with the IRS or any state or local taxing authority at any time or file a petition for judicial review with respect to any adjustment made by the IRS or any state and local taxing authority;

(iv) Initiate or settle any judicial review or action concerning the amount or character of any Company tax item;

(v) Intervene in any action brought by any other Member for judicial review of a final adjustment of any Company tax item;

(vi) Take any other action that would have the effect of finally resolving a tax matter affecting the rights of the Company and its Members or otherwise have a material effect on any tax matters affecting the Company and its Members.

6.12.4 The Manager shall cooperate with the Investor Member to amend this Agreement if, after promulgation of final or amended Regulations or other guidance or rules issued by the IRS implementing the Revised Partnership Audit Procedures, the Investor Member determines in good faith that an amendment to this Agreement is required in order to maintain the intent of the Members as expressed in this Section 6.12 with respect to any issues raised by such final or amended Regulations or other guidance or rules.

6.12.5 The Manager shall keep the Investor Member advised of any dispute the Company may have with the IRS or any state or local taxing authority, and, to the extent permitted by applicable rules of procedure adopted by such taxing bodies, shall afford the Investor Member

the right to participate directly in negotiations with any such taxing authority in an effort to resolve any such dispute. In addition, within ten (10) Business Days after the receipt of any correspondence or communication relating to the Company or a Member from the IRS or any state or local taxing authority, the Manager or Partnership Representative shall forward to the Investor Member a photocopy of all such correspondence or communication(s). The Manager or Partnership Representative shall, within ten (10) calendar days thereafter, advise the Investor Member in writing of the substance and form of any conversation or communication held with any representative of the IRS or any state or local taxing authority.

6.12.6 The Company shall indemnify and reimburse the Partnership Representative and the Designated Individual for all expenses, including legal and accounting fees, claims, liabilities, losses and damages incurred in connection with any administrative or judicial proceeding with respect to the tax liability of the Members and/or the Company, *provided* that the Partnership Representative and Designated Individual will not be entitled to indemnification for fraud, gross negligence, willful misconduct, breach of fiduciary duty or breach of its obligations under this Section 6.12. The Company's indemnification and reimbursement obligations under this Section 6.12.4 shall constitute Operating Expenses payable solely from Gross Cash Receipts (before any distributions are made from Cash Flow or any discretionary reserves are set aside by the Manager) or the Operating Reserve.

ARTICLE 7: POWERS, RIGHTS AND DUTIES OF INVESTOR MEMBER

Section 7.1 **Limitation of Liability**. Except as otherwise required under the Act (relating to a Member's liability under certain circumstances to refund to the Company distributions of cash previously made to it as a return of capital), the Investor Member shall not be personally liable for any loss or liability of the Company beyond the amount of such Investor Member's agreed-upon Capital Contribution.

Section 7.2 **No Participation in Management**. Except as otherwise expressly provided in this Operating Agreement, the Investor Member shall not participate in the operation, management, or control of the Company's business, transact any business in the Company's name, or have any power to sign documents for or otherwise bind the Company.

ARTICLE 8: ACCOUNTING AND FISCAL AFFAIRS

Section 8.1 **Books of Account**. The Manager shall keep proper books of account for the Company. Such books of account shall be kept at the principal office of the Company and the Manager shall make them available during normal business hours for examination and copying by the Investor Member or its authorized representatives. The Manager shall retain such books of account for six (6) years after the termination of the Company. The fiscal year of the Company shall be the calendar year, unless otherwise specified in writing by the Investor Member, and all Company accounts shall be maintained on an accrual basis. Decisions as to other accounting methods to be used by the Company shall be made only with the prior written consent of the Investor Member.

The Manager shall retain all documentation with respect to initial qualification of the Project as a qualified Tax Credit project until the later of six (6) years after completion of the Project's Compliance Period or any longer period required under applicable law. The Manager shall retain such other documentation relating to the continuing Tax Credit qualification of the Project for at least six (6) years, unless requested by the Investor Member or required by applicable law to retain such documentation for a longer period.

The Manager shall cooperate fully and in good faith, and shall instruct and cause the Property Management Agent to cooperate fully and in good faith, with the Investor Member and the Investor Member with respect to their monitoring of the Company's operation of the Project Property, including the review of and compliance with Tax Credit related laws and regulations.

Section 8.2 **Management Reports**. The Manager shall deliver or cause to be furnished to the Investor Member any periodic financial or performance report provided by the Company to any federal, state, or local governmental agency or to any Lender or any compliance monitoring report provided to the Company by the State Housing Finance Agency responsible for compliance monitoring or its designee. The Manager shall deliver any such report to the Investor Member within twenty (20) days after such report is filed with any such governmental agency, a Lender or provided to the Company.

The Manager shall also prepare and deliver to or shall cause to be prepared and delivered to the Investor Member the following reports:

8.2.1 **Monthly Development Reports**. During the Project development period and through completion of lease-up of the Project, within ten (10) days after the end of each month, the Manager shall provide a monthly status report on the development of the Project, containing information on development costs, completion schedule, projected occupancy, operating income and expenses, accounts payable, and any difficulties encountered or anticipated in conjunction with any of these matters. The Manager shall also submit, such additional documentation or supporting documentation as the Investor Member may reasonably request.

8.2.2 **Quarterly Management Reports**. Before and after lease-up of the Project, as soon as practicable after the end of each calendar quarter but in no event later than thirty(30) days thereafter, the Manager shall provide a management report on the Project and any other Company affairs, containing such information as is reasonably necessary to advise the Investor Member about its investment in the Company and the development or operation of the Project (including, to the extent now or hereafter requested by the Investor Member, a rent roll containing tenant names and addresses, monthly rent, security deposit, lease renewal date; an income and expense statement with budget comparison and a balance sheet). The Manager shall also submit such additional documentation or supporting documentation as the Investor Member may reasonably request.

8.2.3 **Annual Budget**. Annually, no later than October 15th of each calendar year, throughout the term of the Company, the Manager shall prepare and submit, for approval by the Investor Member, a proposed operating budget for the Project that provides budget projections based upon anticipated Project revenues and expenses, beginning with the first full calendar year after the year of Placement in Service, and for each succeeding year thereafter. The proposed budgets shall include without limitation an itemized account of projected operating income, expenses, an analysis prepared by the Manager in a form satisfactory to the Investor Member of reserve sufficiency for the period covered by the budget, and a copy of the most recent rent roll for the Project.

8.2.4 **Annual Real Property Tax-Exemption or Abatement**. To the extent the Company is expected to receive, on an annual basis, an abatement or exemption from real property taxes in respect of the Project, the Manager shall, no later than the applicable due date of each calendar year throughout the term of the Compliance Period, prepare and submit to the appropriate agency or authority and the Investor Member such documents as may be required to permit the Company to receive the abatement or exemption from real property taxes.

8.2.5 **[Reserved]**.

8.2.6 **Other Information**. Upon request from time to time, the Manager shall provide such information and reports as may be reasonably requested by the Investor Member with respect to the Company and the Project.

8.2.7 **[Reserved]**

Section 8.3 **General Disclosure**.

8.3.1 The Manager shall deliver to the Investor Member a detailed report of any of the following events or receipt of the following information as quickly as possible but no later than five (5) days after the occurrence of such event or receipt of such information:

(i) a material default by the Company under any loan, grant, subsidy, construction or property management documents or in payment of any mortgage, taxes, interest, or other obligation on secured or unsecured debt;

(ii) receipt by the Manager of any information regarding any lawsuits to which the Company has been made a party, any claims against the Project's hazard or liability insurance, any tax liens filed against the Project or the Company, or any notices of violations pertaining to the Project or the Company;

(iii) receipt of any notice, including any Form 8823, Report of Noncompliance or Building Disposition from the State Housing Finance Agency, together with a copy of any such notice;

(iv) receipt of any notice of any IRS or State Housing Finance Agency audit or proceeding involving the Company, together with a copy of any such notice; and

(v) the occurrence of any natural disaster or incident of widespread property damage having an impact on the Project, containing the following information to the extent available: (a) the extent of the damage to the Project, (b) any expected delays in construction or rehabilitation, (c) the effect that the damage sustained, if any, may have on marketing and lease-up activity, and (d) the amount that is anticipated to be recoverable under available insurance policies.

8.3.2 The Manager shall deliver to the Investor Member a detailed report of any of the following events with ten (10) days after the end of any calendar quarter during which such event occurred:

(i) any reserve has been reduced or terminated by application of funds therein for purposes materially different from those for which such reserves was established; or

(ii) any Manager has received any notice of a material fact which may substantially affect further distributions.

Section 8.4 **Tax Information**.

8.4.1 **Tax Credit Eligible Basis**. Within ninety (90) days after completion of rehabilitation, the Cost Certification shall be provided to the Investor Member by the Manager.

8.4.2 **Financial Reports**.

(i) The Manager shall, within fifteen (15) days after each calendar quarter, submit or cause to be submitted to the Investor Member unaudited financial statements, prepared in accordance with GAAP, for the Company. With respect to each taxable year of the Company, the Manager shall submit or cause to be submitted to the Investor Member (a) on or before February 15 of the following calendar year, a draft of the audited financial statements prepared by the Accountant in accordance with GAAP for review and comment by the Investor Member, and (b) on or before February 28 of the following calendar year (the "Submission Date"), a written report prepared by the Accountant, which shall include a Schedule K-1 or its successor form for preparing federal income tax returns and audited financial statements, prepared in accordance with GAAP, certified by the Accountant, and reflecting the comments received from the Investor Member to the draft documents (the "Report"). The Report's audited financial statement shall include the following: a balance sheet of the Company as at the end of such year; an itemized statement of income, expenses, surplus and deficits; a financial summary which reconciles and summarizes the financial statements and bank statements as of the end of such year; changes in fund balances and changes in financial position for such year; supporting schedules; a statement of Members' capital; the status, amount, and timing of the Projected Tax Credits and other tax benefits from the Project as compared with the Projections; and such additional statements with respect to the status of the Company and the distribution of profits and losses therefrom as are considered necessary by the Manager or the Accountant to advise all Members properly about their investment in the Company for federal income tax reporting purposes. Submissions required by this section also may include such supplemental or alterative audit-related documentation as the Investor Member may request. The Investor Member shall have the right to require the Manager to remove the Accountant and the right to approve or identify a replacement accountant if the Accountant fails to submit the Report to the Investor Member by the Submission Date.

(ii) In addition to the requirements set forth in Section 8.4.2(i) above, the Manager shall submit or cause to be submitted to the Investor Member, (a) [reserved]; (b) at any time after the first calendar quarter of each year within thirty (30) days after notice from the Investor Member, (1) unaudited financial statements, prepared in accordance with GAAP, of the RMS Member for the prior calendar year, (2) tax returns of the RMS Member for the preceding calendar year and (3) such other financial information documenting the current financial condition of the RMS Member as the Investor Member may reasonably require; and (c) by September 30 of each year and within thirty (30) days after notice from the Investor Member, tax returns of the Guarantor for the preceding calendar year and such other financial information documenting the financial condition of the Guarantor as the Investor Member may reasonably require.

(iii) At the request of the Investor Member, the Manager shall submit or cause to be submitted to the Investor Member by (a) July 31 of each year, unaudited financial statements as of June 30 of each year, prepared in accordance with GAAP (with the exception of not including variable interest), for the Guarantor(s); and (b) March 31 of each year, audited financial statements for the preceding calendar year, prepared in accordance with GAAP, for the Guarantor(s), until such time as all of the "Guaranteed Obligations" (as such terms are defined in the Guaranty Agreement) have been fully performed or paid.

(iv) In lieu of submitting annual audited financial statements for such year in accordance with Section 8.4.2(i), if the date of Placement in Service occurs after September 30 of the Fiscal Year in which Placement in Service occurs (the "Subject Fiscal Year") and there is no tenant occupancy as of December 31 of the Subject Fiscal Year, then the Manager shall submit to the Investor Member all financial information reasonably requested by the Investor Member that reflects the financial condition of the Company. If the financial information materially differs from the Projections or profit and loss related to rental operations, then the Manager shall participate in a Mini Audit performed by the Investor Member's accountants for the Subject Fiscal Year. The cost of the Mini Audit shall be a Company expense. If the final Cost Certification of the Project prepared by the Accountant is not submitted and approved by the Investor Member by February 15 of the year following the Subject Fiscal Year, then performance of the Mini Audit will require submission by the Manager of such additional audit-related documentation as the Investor Member's accountants may request to complete the Mini Audit in the absence of the final and approved Cost Certification.

8.4.3 **Tax Returns**. With respect to each taxable year of the Company, the Manager shall (i) deliver to the Investor Member, for its review and approval, within thirty (30) days after each taxable year ends, drafts of Form 1065 and Schedule K-1 or any successor federal return of income forms required to be filed on behalf of the Company, and any and all other forms, schedules, materials required in connection therewith (the "Tax Return Documents"), and (ii) cause to be prepared and filed with the appropriate agencies within sixty (60) days after each taxable year ends, the Tax Return Documents, which shall be revised or amended to include any comments made by the Investor Member. Within such sixty (60) day period, the Manager shall deliver a copy of the filed Tax Return Documents to the Investor Member. The Manager shall cause the Accountant to include in the Tax Return Documents (a) a capital account analysis that includes a calculation of Partner Minimum Gain and Partnership Minimum Gain for the current taxable year and all prior taxable years, (b) a GAAP-to-tax reconciliation if the capital account on the Schedule K-1 is presented on a GAAP basis, and (c) for the first taxable year in which the Company claims Tax Credits, a schedule describing the Accountant's calculation of the Tax Credits claimed by the Company for such tax year. In addition, the Manager shall comply with all requirements of Section 6.3.2 hereof with respect to anticipated Tax Credits and other tax benefits.

8.4.4 **Tax Information Required by Partnership Representative**. The Manager shall deliver, or shall cause the Accountant to deliver, to the Partnership Representative, within the timeframes established by the Partnership Representative pursuant to its obligations under Section 6.12 hereof and the Code and Regulations, all information and documentation required by the Partnership Representative for the performance of its duties as Partnership Representative under Section 6.12 hereof and the Code and Regulations.

Section 8.5 **Review of Compliance**.

8.5.1 The Manager shall, seventy-five (75) days after the end of each Fiscal Year of the Company, certify to the Investor Member in the same scope and manner that it is required to certify, if requested, to the applicable State Housing Finance Agency, that the Company is in compliance with all regulations and procedures relating to the operation of the Project as a qualified Tax Credit project within the meaning of Section 42(h) of the Code. Upon initial lease-up of the Project and thereafter no more frequently than annually, the Investor Member may conduct or cause to be conducted an audit or review (which may include an on-site inspection of the Project) of the Company's compliance with all regulations and procedures relating to the operation of the Project as a qualified Tax Credit project within the meaning of Section 42(h) of the Code. The audit

attributable to the transferred Membership Interest are divided and allocated between the transferor and the transferee by taking into account their varying interests during such fiscal period, using any convention or method of allocation selected by the Investor Member which is then permitted under Section 706 of the Code and the Regulations promulgated thereunder. Any distributions of Cash Flow made prior to the effective date of any such transfer are made to the transferor and any such distributions made after the effective date of such transfer shall be made to the transferee. Neither the Company nor the Investor Member will incur any liability for making allocations and distributions in accordance with the provisions of this Section 10.4.

Section 10.5 **Voluntary Withdrawal**. RMS Member may not voluntarily withdraw from the Company without the prior written consent of the Investor Member and Manager may not resign as manager of the Company without the prior written consent of Investor Member.

Section 10.6 **Removal of Manager**. The Investor Member may remove the Manager, or at its election any individual manager if there is more than one manager, for any of the following Events of Default:

10.6.1 **Events of Default**.

(i) Any fraud, gross negligence, malfeasance or intentional misconduct of the Manager or RMS Member; or

(ii) Any act by the Manager or RMS Member outside the scope of its duties or obligations under this Operating Agreement or any breach by the Manager or RMS Member of any fiduciary duty to the Company or the Investor Member; or

(iii) The breach of any representation or warranty of the Manager or RMS Member contained in this Operating Agreement, including, without limitation, those contained in Section 6.3 hereof that has a material adverse effect on the Company, the Investor Member or the Project; or

(iv) The breach by the Manager or RMS Member of any covenant of the Manager or RMS Member contained in this Operating Agreement, including without limitation those contained in Section 6.3 hereof that has a material adverse effect on the Company, the Investor Member or the Project; or

(v) Any action or inaction by the Company, Manager, RMS Member or any Affiliate of the RMS Member that does, or with the passage of time would, (a) cause the termination of the Company for federal income tax purposes (except to the extent such action is expressly authorized herein), (b) cause the Company to be treated for federal income tax purposes as an association taxable as a corporation, (c) violate any applicable federal or state securities laws (as they relate to the Company or the Membership Interest), (d) cause the Company to fail to qualify as a limited liability company under the Act, (e) cause the Investor Member to be liable for Company obligations in excess of its Capital Contribution, (f) qualify as an event of removal or withdrawal with respect to the Manager under the Act, or (g) otherwise substantially reduce tax benefits or substantially increase tax liabilities of the Investor Member and otherwise is not cured by payments made pursuant to Section 6.9 hereof; or

(vi) Any construction cost overruns or Operating Deficits are incurred by the Company and such cost overruns and Operating Deficits are not funded by loans or other

sources of funds on terms that do not adversely affect the Projections or financial viability of the Project or the Company; or

(vii) A material default occurs under the Construction/Permanent Loan, the DOH Loan, the Sponsor Loan or any Project Documents and such default is not cured or waived by the Lender within thirty (30) days after the occurrence of such default, or if such default takes more than thirty (30) days to cure, the Manager or RMS Member, as applicable, has failed to commence diligent efforts to effect a cure within such thirty (30) day period and diligently pursue such remedies until the default is fully cured (it being acknowledged and agreed that an Event of Default under this subsection (vii) exists independently of an Event of Default under subsection (ix) hereof and does not merge with subsection (ix) if a foreclosure or other creditor's action is filed in connection with the Construction/Permanent Loan, the DOH Loan or the Sponsor Loan); or

(viii) The Project or the Company is substantially mismanaged and such mismanagement has a material adverse effect on the Company, the Project, or the Investor Member; or

(ix) Any Lender to the Company or other creditor of the Company files a foreclosure or other creditor's action for exercise of control over the Project or the rents therefrom, or the filing of a bankruptcy petition or similar creditor's action by or against the Company and any such action is not dismissed within thirty (30) days; or

(x) The Company fails to deliver 80% of Projected Tax Credits to the Investor Member with respect to any calendar year; or

(xi) The Manager fails to timely and promptly discharge the Property Management Agent if at any time cause (as such term is defined in Section 6.4.9(iv) hereof) for such removal exists; or

(xii) [Reserved].

(xiii) Any payment required to be made to the Investor Member or the Company by the RMS Member pursuant to Sections 6.4.6(i), 6.4.6(ii), and Section 6.9 is not timely made by or on behalf of the RMS Member or any guarantor of such obligation; or

(xiv) The occurrence of an "Event of Default" under the Guaranty Agreement; or

(xv) [Reserved];

(xvi) [Reserved];

(xvii) The occurrence of an Event of Default as described in Section 8.6; or

(xviii) The commencement by the Manager or RMS Member or a Guarantor of a proceeding in bankruptcy or insolvency seeking a compromise, adjustment or other relief under the laws of the United States or of any state relating to the relief of debtors; or

(xix) The failure of the Manager or RMS Member, as applicable, to obtain the dismissal of any case commenced against the Manager or RMS Member, as applicable, (i)

for the appointment of a trustee for such Manager or RMS Member, or any of its property or (ii) in bankruptcy or insolvency or for compromise adjustment or other relief under the laws of the United States or any state relating to the relief of debtors; or

(xx) During the Compliance Period, the Manager has operated the Project in a manner such as that 20% or more of the Tax Credit Units fail to qualify for the Tax Credits; or

(xxi) The failure of the Manager to exercise customary efforts to dispose of the Project in accordance with Section 9.5; or

(xxii) The use by the Manager of any funds in any of the reserves described in Section 6.4.7 above for purposes other than permitted therein; or

(xxiii) The failure of the Partnership Representative or the Designated Individual to perform or observe any of the covenants, terms and conditions to be performed or observed by the Partnership Representative or the Designated Individual, respectively, under Section 6.12 hereof.

10.6.2 **Waiver**. Any forbearance by the Investor Member in exercising any right or remedy under this Section 10.6 or any other provision in this Operating Agreement or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any other right or remedy, or the subsequent exercise of any right or remedy. The enforcement by the Investor Member of any right herein shall not constitute an election by the Investor Member of remedies so as to preclude the exercise of any other right available to the Investor Member.

Section 10.7 **Nominee's Enforcement Powers**. If the Investor Member holds bare legal title, as nominee, to its Membership Interest and transfers the beneficial interests in the Investor Member's Membership Interest to one or more Persons, the Manager hereby acknowledges and agrees that the Investor Member, in its capacity as nominee, shall be entitled to exercise all rights and remedies reserved to the Investor Member under this Operating Agreement, including without limitation, the right to bring any legal action to enforce the Manager's obligations hereunder.

ARTICLE 11: DISSOLUTION, WINDING UP AND TERMINATION

Section 11.1 **Dissolution**. The Company will dissolve upon the occurrence of any of the following events:

11.1.1 The expiration of the term of the Company's existence;

11.1.2 The sale or other disposition of all or substantially all of the Company Property and the Company's receipt of all or substantially all of the proceeds therefrom;

11.1.3 The Members' mutual election to dissolve the Company;

11.1.4 [Reserved];

11.1.5 The failure of the Investor Member to agree in writing at the time and in the manner provided in Section 10.3 hereof to the continuation of the business of the Company and the appointment of a new Manager upon the occurrence of an Involuntary Transfer of the last remaining Member's Membership Interest or the removal of the Manager; or

11.1.6 The Investor Member's election pursuant to Section 10.2 hereof to dissolve the Company upon the occurrence of an Involuntary Transfer of RMS Member's Membership Interest, notwithstanding the fact that one or more other Member is in existence at such time.

Section 11.2 **Winding Up and Termination**. Upon the dissolution of the Company, the affairs and business of the Company will be wound up and terminated, the Company's liabilities discharged and the Company Property liquidated and distributed in the manner hereinafter described. A reasonable time will be allowed for the orderly winding up of the affairs and business of the Company so as to enable the Company to minimize the normal losses attendant to the winding up and termination period. The winding up and termination of the affairs and business of the Company shall be supervised and conducted by the Manager. The Manager has the exclusive power and authority to act on behalf of the Company to wind up and terminate the affairs and business of the Company, to sell and convey the Company Property to such Persons (including, without limitation, any Member or any Affiliate thereof) for such consideration and upon such terms and conditions as it deems necessary or appropriate, to discharge the Company's liabilities, to establish any reserves that it deems necessary or appropriate for any contingent or unforeseen liabilities or obligations of the Company, and to distribute the liquidation proceeds in the manner hereinafter described.

Upon completion of the winding up of the affairs and business of the Company, the liquidation proceeds will be distributed by the Manager in the following manner and order of priority:

11.2.1 First, such liquidation proceeds will be applied to the payment of debts and liabilities of the Company (excluding any Member loans, including, without limitation, any loans the RMS Member or its Affiliates made pursuant to Section 6.4.6(i) and/or 6.4.6(ii) hereof and the Guaranty Agreement, and any unpaid Development Fee) and the payment of expenses of the winding up of the affairs and business of the Company;

11.2.2 Second, such liquidation proceeds will be applied to the setting up of any reserves (to be held by the Manager in an interest-bearing account) which the Manager may deem necessary or appropriate for any contingent or unforeseen liabilities or obligations of the Company, *provided* that at the expiration of such time as the Manager deems necessary or appropriate, the balance of such reserves remaining after payment of such liabilities or obligations will be distributed by the Manager in the manner hereinafter set forth in this Section 11.2; and

11.2.3 Third, such liquidation proceeds will be paid to satisfy debts and liabilities owed to Members and their Affiliates described in Section 5.2.1 hereof and in accordance with the priority set forth therein; and

11.2.4 Fourth, such liquidation proceeds will be distributed in compliance with Section 1.704-1(b)(2)(ii)(b)(2) of the Regulations to the Members in accordance with their positive Capital Accounts, after giving effect to all contributions, distributions and allocations for all periods, including, without limitation, the allocations to be made under Section 4.2.13 hereof.

Section 11.3 **Compliance with Liquidation Requirements of Regulations**. If the Company is "liquidated" within the meaning of 1.704-1(b)(2)(ii)(g) of the Regulations, then:

11.3.1 Distributions will be made pursuant to Section 11.2 hereof (if such "liquidation" constitutes a dissolution and termination of the Company) to the Members who have positive balances in their Capital Accounts in compliance with Section 1.704-1(b)(2)(ii)(b)(2) of the Regulations;

11.3.2 Except as otherwise provided in this Agreement, the RMS Member shall not be obligated to restore a deficit balance in its Capital Account, and such deficit shall not be considered a debt owed to the Company or any other person for any purpose whatsoever;

11.3.3 If the Investor Member has a deficit balance in its Capital Account (after giving effect to all contributions, distributions and allocations for all taxable years, including, without limitation, the taxable year in which such liquidation occurs), then such Investor Member will contribute to the capital of the Company the lesser of (1) such deficit balance in its Capital Account or (2) the limited dollar amount, if any, of its Capital Account deficit which the Investor Member has expressly agreed in writing to restore to the capital of the Company pursuant to Section 11.4 hereof; and

11.3.4 Any such contribution by a Member shall be made on or before the later of (1) the end of the taxable year of the "liquidation" or (2) ninety (90) days after the date of the "liquidation".

Notwithstanding anything to the contrary contained in this 11.3, in the event the Company is "liquidated" within the meaning of Section 1.704-1(b)(2)(ii)(g) of the Regulations, but such "liquidation" does not constitute a dissolution and termination of the Company pursuant to this Operating Agreement, then no distributions shall be made pursuant to Section 11.2 hereof. Instead, the Company shall be deemed to have distributed the Company Property in kind to the Members, who shall be deemed to have assumed and taken subject to all Company liabilities, all in accordance with their respective Capital Accounts. Immediately thereafter, the Members shall be deemed to have recontributed the Company Property in kind to the Company, which shall be deemed to have assumed and taken subject to all such liabilities.

Section 11.4 **Rights and Obligations of Investor Member Upon Dissolution**. Except as otherwise expressly provided in Section 11.3.2 hereof, the Investor Member shall look solely to the assets of the Company for the return of its Capital Contribution. Except as otherwise elected by the Investor Member pursuant to this Section 11.4, the Investor Member shall not have any obligation to restore any deficit in its Capital Account upon the liquidation of the Company. Notwithstanding anything to the contrary contained in this Operating Agreement, the Investor Member may from time to time elect to be obligated to restore a deficit in its Capital Account up to a limited dollar amount. Such election shall be made by the Investor Member's delivery of a written notice of election to the Manager no later than April 15 following the taxable year for which such election is to be effective and shall specify the dollar amount of the deficit in its Capital Account that the Investor Member agrees to restore. Such election shall be irrevocable and shall be binding on subsequent transferees of the Investor Member's Membership Interest.

Section 11.5 **Waiver of Partition**. Each Member hereby waives any right to partition or cause a partition of the Company Property.

Section 11.6 **Final Accounting**. The Manager shall furnish each of the Members with a statement setting forth the assets and liabilities of the Company as of the date of the completion of the winding up and termination of the affairs and business of the Company. Upon completion of the distribution plan set forth in this Article 11, the Manager shall cause to be executed by the appropriate parties and filed in such public offices as shall be required under the Act a cancellation of the Certificate of Organization, or any amendment thereto, of the Company and any and all other documents which the Manager deems necessary or appropriate to effect the dissolution and termination of the Company.

ARTICLE 12: MISCELLANEOUS

Section 12.1 **Notices and Addresses**. All notices, consents, demands, requests, or other communications which may or are required to be given hereunder shall be in writing and shall be sent by overnight courier or United States mail, registered or certified, return receipt requested, postage prepaid to the Company at the address of the Company's principal office and to the Members at the addresses set forth after their respective names in Article 2. The Company and any Member may change its or his address for the giving of notices, consents, demands, requests, or other communications by delivering written notice to the Company and to all the Members of its or his new address for such purpose. Notices, consents, demands, requests, or other communications shall be deemed given or served on the day when sent by telefax, one Business Day after deposit with an overnight courier or three (3) Business Days after deposit in the United States mail.

Section 12.2 **Pronouns and Plurals**. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identity of the person or persons may require.

Section 12.3 **Counterparts**. This Operating Agreement may be executed and delivered in electronic form and in several counterparts each of which shall be deemed an original and all of which, taken together, shall constitute one agreement, binding on all parties hereto, notwithstanding that all the parties are not signatories to the same counterpart.

Section 12.4 **Applicable Law**. This Operating Agreement and the rights of the Members hereunder shall be interpreted in accordance with the laws of the State of Connecticut.

Section 12.5 **Successors**. This Operating Agreement shall inure to the benefit of, be binding upon, and be enforceable by and against the parties hereto, their heirs, executors, administrators, successors, and assigns.

Section 12.6 **Severability**. The invalidity or unenforceability of any provision of this Operating Agreement in a particular respect shall not affect the validity and enforceability of any other provisions of this Operating Agreement or of the same provision in any other respect.

Section 12.7 **Exhibits**. All exhibits attached hereto or referred to herein are incorporated herein by this reference.

Section 12.8 **Limitation of Benefits**. It is the explicit intention of the Members that no person or entity other than the Members, the owner(s) of the beneficial interests in the Investor Member's Membership Interest and the Company is or shall be entitled to bring any action or enforce any provision of this Operating Agreement against any Member or the Company, and that the covenants, undertakings and agreements set forth in this Operating Agreement shall be solely for the benefit of and shall be enforceable only by the Members, the owners of such beneficial interests and the Company and their or its respective successors and assigns as permitted hereunder). Nothing herein shall be deemed to limit the nominee's enforcement powers as described in Section 10.7.

Section 12.9 **Entire Agreement**. This Operating Agreement contains the entire agreement among the Members with respect to the transactions contemplated herein, and supersedes all prior or written agreements, commitments, or understandings with respect to the matters provided for herein and therein.

Section 12.10 **Broker's Commission and Indemnity**. Each of the parties to this Operating Agreement warrants and represents to the others that it has not been introduced to the other party by any broker, nor has it been in contact with any real estate or business broker or consultant otherwise than as specified in this Operating Agreement regarding the Project Property; and each party to this Operating Agreement agrees to indemnify and hold the other party harmless from all suits, claims, actions, loss or expenses (including reasonable attorney's fees) arising from the claim of any person to a brokerage or other commission in connection with this transaction and resulting from contact with or other action, alleged or actual, of the indemnifying party.

Section 12.11 **Amendment of Operating Agreement**. Except as otherwise provided for herein, this Operating Agreement may not be amended in whole or in part except by a written instrument signed by the Manager, RMS Member and Investor Member.

Section 12.12 **Power of Attorney**.

12.12.1 **Generally**. The Investor Member, by the execution hereof, hereby irrevocably constitutes and appoints the Manager its true and lawful attorney-in-fact, with full power and authority in its name, place, and stead, to execute and acknowledge under oath, swear to, deliver, file, and record at the appropriate public offices the following documents (which shall not include such documents as may be required by law to carry out the provisions of Section 10.6 of this Operating Agreement):

(i) all certificates and other instruments, including any articles of organization and any amendment thereto, that are required to form, continue, or qualify the Company as a limited liability company or to transact business under the Act; and

(ii) all amendments to the Certificate of Organization or other instrument that are required to be filed under applicable law.

The appointment by the Investor Member of the Manager as attorney-in-fact shall be deemed to be a power coupled with an interest in recognition of the fact that each of the Members under the Operating Agreement will be relying upon the power of the Manager to act as contemplated by the Operating Agreement in any filing and other action by it on behalf of the Company. The foregoing power of attorney shall survive the dissolution and termination of the Investor Member or the assignment by the Investor Member of the whole or any part of its Membership Interest hereunder. Nothing contained herein shall be construed to limit the authority of the Manager under Article 6 hereof to execute documents and act on behalf of the Company without execution or action by the Investor Member.

12.12.2 **Removal for Cause**. The Manager, by the execution hereof, hereby irrevocably constitutes and appoints the Investor Member its true and lawful attorney-in-fact, with full power and authority in its name, place, and stead, to execute and acknowledge under oath, swear to, and, if necessary, deliver, file, and record at the appropriate public offices such documents as may be required by law to carry out the provisions of Section 10.6 of this Operating Agreement, including without limitation:

(i) all certificates and other instruments, including any articles of organization and any amendment thereto, that are required to remove the Manager from its role as Manager and replace it with a substitute Manager;

(ii) all amendments to this Operating Agreement required to remove the Manager from its role as Manager and replace it with a substitute Manager; and

(iii) all other certificates, documents, amendments, and instruments required to effectuate the provisions of Section 10.6 hereof.

The appointment by the Manager of the Investor Member as attorney-in-fact shall be deemed to be a power coupled with an interest in recognition of the fact that each of the Members under this Operating Agreement will be relying upon the power of the Investor Member to act as contemplated by Section 10.6 hereof in any filing and other action by it on behalf of the Company. The foregoing power of attorney shall survive the dissolution and termination of the Manager or the assignment by the RMS Member of the whole or any part of its interest hereunder.

Section 12.13 **Third Party Beneficiary**. The parties hereto hereby acknowledge and agree that the Investor Member is a third party beneficiary of this Operating Agreement.

ARTICLE 13: REQUIREMENTS OF THE LENDER

13.1.1 **Lender Requirements**. For purposes of this Article 13, "Lender" shall mean Connecticut Housing Finance Authority (the "Authority") and the State of Connecticut, as applicable. Notwithstanding any other provisions of this Agreement, it is hereby agreed that:

(i) The limited liability company is organized to provide housing;

(ii) Every member and/or manager of the limited liability company shall be deemed, by acceptance of a beneficial interest in the limited liability company or by executing the Operating Agreement and any amendments thereto, to have agreed that he or it at no time shall receive from the limited liability company any return in excess of the face value of the investment attributable to his respective interest plus cumulative dividend payments not in excess of the return on equity permitted by other provisions of Chapter 134 of the Connecticut General Statutes, as determined in accordance with the terms of the Regulatory Agreement between the limited liability company and the Authority, computed from the initial date upon which moneys were paid or property delivered in consideration for the interest, and upon the dissolution of the limited liability company any surplus in excess of such amounts shall be paid to the Authority; "surplus" as used herein shall not be deemed to include any increase in assets of any recipient of a mortgage loan from the Authority under Chapter 134 of the Connecticut General Statutes by reason of reduction of mortgage, by amortization or similar payments, or realized from the sale or disposition of any assets of such recipient, to the extent such surplus can be attributed to any increase in market value of any real property or tangible personal property accruing during the period the assets were owned and held by such recipient;

(iii) The operations of the limited liability company may be supervised by the Authority, and the limited liability company shall enter into such agreements with the Authority as the Authority from time to time requires providing for the regulation by the Authority of the planning, development and management of any housing undertaken by the limited liability company, and the disposition of the property and franchises of the limited liability company;

(iv) The Authority shall have the power to appoint a managing agent of the limited liability company, notwithstanding any other provisions of this Agreement or any other provisions of law, if:

(a) the Authority determines that the loan or advance made to the limited liability company is in jeopardy of not being repaid;

(b) the Authority determines that the proposed housing project for which the loan or advance was made is in jeopardy of not being constructed;

(c) the Authority determines that the limited liability company is in violation of any rules, regulations or procedures promulgated by the Authority under the provisions of Chapter 134 of the Connecticut General Statutes;

(d) the Authority determines that the limited liability company is in violation of any agreements entered into with the Authority providing for regulation by the Authority of the planning, development and management of any housing undertaken by the limited liability company or the disposition of the property and franchises of the limited liability company; or

(e) the Authority determines that some part of the net income or earnings of the limited liability company, in excess of that permitted by other provisions of Chapter 134 of the Connecticut General Statutes, shall inure to the benefit of any private individual, firm, corporation, limited liability company or association;

(v) Except as otherwise permitted in the CHFA Contract Documents, no assignment, transfer or sale of a membership interest in the limited liability company or a substitution of the manager or any member of the limited liability company or transfer of any interest therein, or removal of any member or manager of the limited liability company or substitute thereof may be made without the prior written consent of the Lender and no member may be admitted to the limited liability company and no manager of the limited liability company may be appointed without the prior written approval of the Lender;

(vi) No actions shall be taken and/or performed by the limited liability company or the manager or any member of the limited liability company unless said actions are in compliance with the promulgated regulations, procedures and requirements of the Lender;

(vii) There shall be no further amendments of this Agreement without the prior written approval of the Lender;

(viii) The limited liability company shall not be voluntarily terminated, dissolved, or substantially all of the assets sold without the prior written approval of the Lender; and

(ix) The limited liability company is and shall be subject to all of the terms, provisions, covenants, agreements, interests, conditions and restrictions set forth in the documents evidencing and/or securing the loan or loans made, or to be made, by the Lender to the limited liability company; and to the extent that there are any inconsistencies between the provisions of the documents evidencing and/or securing the loan(s) made by

the Lender and the provisions of this Agreement (and/or any exhibits hereto), the terms and provisions of the documents evidencing and/or securing the loan(s) made by the Lender shall take precedence and shall control;

(x) The Manager (and each of them if more than one), on behalf of the limited liability company, is authorized to execute and deliver all documents and items, and to take all action, as may be necessary or required in order to obtain and/or maintain the loan or loans made, or to be made, by the Lender to the limited liability company, and is authorized at all times to modify the terms and provisions of such loan(s) and to execute and deliver all documents and items relating to any such modification(s), without the need for any further consent;

(xi) Any review of this Agreement by the Lender is made solely for the benefit of the Lender, and no person or entity may rely on such review for any purpose whatsoever;

(xii) The Investor Member hereby acknowledges the provisions of the loan documents evidencing and/or securing the loan(s) including, without limitation, the Open-End Construction Mortgage Deed, Security Agreement, Assignment of Leases and Rentals and Fixture Filing and the Construction Loan and General Escrow Agreement (the "Lender Loan Documents"). The Members acknowledge that the limited liability company's right to receive Capital Contributions hereunder has been assigned to the Authority pursuant to the Construction Loan and General Escrow Agreement executed by the limited liability company in favor of the Authority. The Members further acknowledge that because the Project is financed in part by the Lender, the limited liability company is subject to the provisions of the Lender Loan Documents and the applicable provisions of Chapter 134 of the Connecticut General Statutes, as the same may be amended from time to time;

[Remainder of this page intentionally left blank.]

The Members have executed this Operating Agreement as of the date first set forth at the beginning hereof.

RMS Member:

RMS NEW HAVEN II LLC

By: ______________________
Name: Randall Salvatore
Its: Manager

Investor Member:

PEOPLE'S UNITED BANK, NATIONAL ASSOCIATION

By: ______________________
Name: ______________________
Its: ______________________

Manager:

____
Randall M. Salvatore

The Members have executed this Operating Agreement as of the date first set forth at the beginning hereof.

RMS Member:

RMS NEW HAVEN II LLC

By: ____________________________
Name: __________________________
Its: ___________________________

Investor Member:

PEOPLE'S ~~UNITED~~ BANK, NATIONAL ASSOCIATION

By: Timothy B Hodges
Name: TIMOTHY B HODGES
Its: VICE PRESIDENT

Manager:

____
Randall M. Salvatore

APPENDIX I

PROJECTIONS

{See attached.}

49 PRINCE STREET New Haven CHFA Loan #18-013

RMS 49 Prince Street, LLC

PERMANENT SOURCES

Equity Capital / Grants [Non-Debt]

	%		Amount	$'s / Unit	LIHTC CT-12	
					$8,911	
Federal LIHTC Net Proceeds	31.6%	$	2,458,513	$81,984	$267,338	Ann. Credits
Fed. Historic Credit Net Proceeds	0.0%	$	-	$0	$0.920	Raise
Energy Rebates	0.8%	$	65,825	$2,108		
City of New Haven	2.7%	$	208,651	$6,982		
Special Limited Member Equity	3.7%	$	291,149	$9,705		
Deferred / Pledged Developer Fee	4.8%	$	369,574	$12,319		
EQUITY SUB-TOTAL	43.7%	$	3,394,712	$113,167		

Financing

	%		Amount	$'s / Unit	Init. DSC	LTV
CHFA 1st Mortg. Loan Self-Amort., @ 0.00% for XX Yrs.	19.3%	$	1,500,000	$50,000	1.820	19.3%
DOH FUNDS	35.4%	$	2,751,000	$91,700	1.282	
RMS Loan	1.6%	$	127,834	$4,261	1.252	
Other	0.0%		-	$0	n/a	
Other	0.0%		-	$0	n/a	
FINANCING SUB-TOTAL	56.3%	$	4,378,834	$145,961		

TOTAL SOURCES	$	7,773,546	$259,118
Funding Gap [Sources less Uses]		$0	

USES

	%		Amount	$ / Unit	$ / GSF
				RESID. GSF % 100.0%	
Construction Hard Costs	57.1%	$	4,441,872	$148,062	$147
Const. Contingency	4.1%		319,885	$10,662	
Architectural / Engineering	4.0%		367,832	$11,928	
Finance and Interim Costs	4.7%		365,580	$12,186	
Other Soft Costs [Fees and Expenses]	3.3%		257,304	$8,577	
Developer Allow./Fee [Overhead+Profit]	11.1%		860,181	$28,673	
Pre-Develop. Carrying Costs	0.0%		-	$0	
Site Acquisition [Recognized]	5.3%		725,000	$24,167	
Capitalized Reserves	4.5%		349,535	$11,651	
Recognized Lending Costs	98.8%	$	7,677,159	$255,905	
Entity / Syndication / Other Costs	1.2%		96,387	$3,213	
				$ / Unit	
TOTAL USES		$	7,773,546	$259,118	

RESIDENTIAL UNIT MIX

	Qualified / Affordable	Unqualified	Row Totals	
0-BR	18	0	18	60.0%
1-BR	4	0	4	13.3%
2-BR	8	0	8	26.7%
3-BR	0	0	0	0.0%
4-BR	0	0	0	0.0%
5-BR	0	0	0	0.0%
TOTALS	30	0	30	
% All	100.0%	0.0%		
NEW	30	0	30	100.0%
REHAB.	0	0	0	0.0%
GSF Residential			30,174	100.0%
GSF Non-Residential			0	0.0%
Total Built Space (GSF)			30,174	

OPERATING PROJECTION

Proforma Stabilized Year = 2022

INCOME		Gross	$'s / Unit	% Gross
RESIDENTIAL: Qual./Afford - Tenant Paid	$	361,632	$12,054	100.0%
RESIDENTIAL RENT SUBSIDY PMTS.		-	$0	0.0%
RESIDENTIAL: Unqualified Units		-	$0	0.0%
Gross Residential Income	$	361,632	$12,054	100.0%
LAUNDRY & OTHER CONCESSIONS (Net)		-	$0	0.0%
ELD. / CONGR. SERVICES (Net)		-	$0	0.0%
COMMERCIAL / RETAIL (Net)		-	N/A	0.0%
PARKING (Net)		-	$0	0.0%
OTHER		-	$0	0.0%
GROSS INCOME	$	361,632	$12,054	
LESS: Avg. Overall Vacancy Loss %		4.94%		
EFFECTIVE GROSS INCOME (EGI)	$	343,772	$11,459	

EXPENSES		All		Resid. Only	$ / Unit
ADMIN. / MAINT. /OPERATING / INS./ OTH		203,312		203,312	$6,777
CAPITAL (Replacement) RESERVE		12,000		12,000	$400
REAL ESTATE TAXES		22,473		22,473	$749
EXPENSE Sub-Total	$	237,785	$	237,785	$7,926

ESTIMATED INITIAL NOI = $ 105,987

Permanent Financing Terms

	1	2	3	4	5	
	CHFA 1st Mortg. Loan	DOH FUNDS	RMS Loan	Developer / Investor Cash Flow Loan	Deferred Developer Fee Loan	Max. Permitted DDF
Principal Amount [PV]	$1,500,000	$2,751,000	$127,534	$0	$369,574	$325,511
Perm. Loan Term [Yrs.]	40	30	15	30	15	See NOI-Cash Flow
Fully Amortizing [Yes or No]	Yes	Yes	Yes	No	Yes	Deferral % Total DAF
Amortization Schedule [Yrs.]	40	30	15	30	15	43.0%
Payment Periods Per Year	12	12	12	1	1	
Permanent Loan Interest Rate	3.500%	0.000%	6.000%	0.000%	0.000%	
Addit. Interest from Surplus Cash [If Applic.]	0.0%	0.0%	0.0%	0.0%	0.0%	
Construction Loan Interest Rate [If Applic.]	3.750%	0.000%	0.000%	0.000%	0.000%	
Total Annual Scheduled Debt Service [ADS]	$69,730.37	$0.00	$12,944.83	$0.00	$24,638.27	
Initial Debt Serv. Coverage [DSC]	1.520	1.282	1.282	n/a	n/a	
LTV	19.3%				(See Note Below)	

Deferred / Pledged Developer Allowance/Fees: Under CHFA's LIHTC guidelines, CHFA-approved deferred fee amounts are to be recovered from CHFA-approved Owner Distributions/Surplus Cash based upon one payment per year. Full repayment must occur within the first fifteen (15) years of operations.

		Const. & Perm.	Const. & Perm.	Const. & Perm.	Const. & Perm.	Const. & Perm.	Const. & Perm.
		DOH	Energy Rebate	City + Spec LP	LIHTC Equity	DDF	RMS Loan
PERM. LOAN AMOUNT	1,500,000	2,751,000	55,525	500,000	2,459,513	369,574	127,534
$ REQUIRED for CONSTRUCTION	-3,750,000	-2,751,000	0	-500,000	-250,607	-521,939	0
PAY DOWN AMOUNT and OFFSETS	-2,250,000	0	55,525	0	2,208,906	-152,365	127,534
	2,250,000	< Total Perm. Pay Down sources		0	CHFA OP / DS / CVG. Reserve		
	0	< Pay Down Gap		0	% CHFA Perm. Sources		

CONSTRUCTION SOURCES			Construction Rates	Permanent Status and/or Repayment Sources
CHFA 1st Mortgage Loan (ITA/Taxable)		0	0	Converts to Perm. Financing *(See Terms / Notes above)*
CHFA TEB 1st Mortgage Loan	52.3%	3,750,000	0	Converts to Perm. Financing *(See Terms / Notes above)*
State Bond Financing (DECD)		2,751,000	0	Converts to Perm. Financing *(See Terms / Notes above)*
Energy Rebates		0	0	Converts to Perm. Financing *(See Terms / Notes above)*
City of New Haven		208,851		
RMS Loan		0		
Special LP Equity		291,149		
Other		0		
Bridge / Interim Loan		0	0	Repaid from:
Fed. LIHTC Equity	$2,459,513	250,607	n/a	Owner / Investor Equity Capital
Fed. Historic Tax Credit Equity	$0	0	n/a	Owner / Investor Equity Capital
State Historic Tax Credit Equity	$0	0	n/a	Owner / Investor Equity Capital
Developer Cash Equity		0	n/a	Owner / Investor Equity Capital
Deferred Developer Allowance/Fee		521,939	n/a	Owner / Investor Equity Capital
TOTAL CONST./ INTERIM SOURCES		7,773,546		
TOTAL USES		7,773,546		
SOURCES Less USES		0		

HILL-TO-DOWNTOWN: 49 PRINCE STREET New Haven CHFA Loan #18-013

RMS Downtown South-Hill North Development Company, LLC

Non-LIHTC SOURCES of FUNDS

CHFA 1st Mortg. Loan		$1,500,000
DOH FUNDS		2,761,000
RMS Loan		127,834
Special Limited Member Equity		291,149
Fed. Historic Credit Net Proceeds		0
Energy Rebates		56,626
City of New Haven		206,851
Deferred Developer Fee		369,574
Total Non-LIHTC SOURCES	$	5,314,033
Less: TOTAL USES		7,773,546

LIHTC EQUITY GAP	$	(2,459,513)
PLUS: Estim. LIHTC Net Proceeds	$	2,459,510
Overall FUNDING GAP	$	(3)

CREDIT CALCULATION FACTORS

1. APPLICABLE FRACTION (LIHTC Qual. Unit %)

LIHTC Qualified Units	30	100.00%
Non-Qualified Units	0	
Total Units	30	

2. RESIDENTIAL NET LEASEABLE SPACE

NSF - LIHTC Qualified Units	18,360	100.00%
NSF - Non-Qualified Units	0	
Total NSF	18,360	

Applicable Fraction is the LESSER of the two above percentages.

3. QUALIFIED CENSUS TRACT (QCT) / DDA INCREMENT

Applicable = Yes	Yes
Not Applicable = No	

CREDIT CALCULATION

CHFA LIHTC No.:

Credit NPV's of AFR Rates: May-20 < Month & Year

Credit Types

	70% NPV - 9% or 30% NPV - 4% New Const. / Sub-Rehab. Credit	30% NPV - 4% Exist. Building Acquisition Credit	TOTALS
Credit NPV of AFR % =	3.08%	3.08%	
TAX CREDIT ELIGIBLE BASIS	$6,439,036	$311,750	$6,750,786
LESS: BASIS ADJUSTMENTS *(Insert Negative Values)*			
Federal Grants for Qualifying Devel. Costs		XXXXXXXXXXX	0
Non-Qualified Non-Recourse Financing		XXXXXXXXXXX	0
Non-Qualifying units of higher quality		XXXXXXXXXXX	0
Non-Qual. excess portion of higher qual. units		XXXXXXXXXXX	0
Fed. Historic Credit Basis *(Resid. Portion)*		XXXXXXXXXXX	0
Other		XXXXXXXXXXX	0
PLUS: QCT INCREMENT *(If Applic.)*	$1,931,711	XXXXXXXXXXX	1,931,711
ADJUSTED ELIGIBLE BASIS	$8,370,748	$311,750	$8,682,498
X the Applicable Fraction (%)	100.00%	100.00%	
TOTAL QUALIFIED BASIS	$8,370,748	$311,750	$8,682,498
ELIGIBLE Credit from QUALIFIED BA	$257,819	$9,602	$267,421

LIHTC EQUITY GAP >	($2,459,513)
ALLOWABLE Credit from GAP ANALYSIS >	$267,338

MAX. ANNUAL CREDIT AMOUNT (e)	$267,338
Annual Credits Per QUALIFIED Unit	$8,911
Equity Raise ($ Yield / $1.00)	$0.920
ESTIM. LIHTC NET PROCEEDS	$2,459,510

(e) Lesser of Credit from Gap Analysis or from Qualified Basis

EXHIBIT A

PURCHASE OPTION AGREEMENT

PURCHASE OPTION AGREEMENT

THIS AGREEMENT is made effective as of the __ th day of ___, 2020, by and among RMS 49 PRINCE STREET LLC, a Connecticut limited liability company (the "Company"), RMS NEW HAVEN II, LLC, a Connecticut limited liability company (the "RMS Member"), and PEOPLE'S UNITED BANK, N.A., a national banking association (the "Investor Member").

WITNESSETH:

WHEREAS, the Company was formed for the purpose of constructing a 30 unit affordable housing complex located in New Haven, Connecticut (the "State"), which is intended to qualify for federal low-income housing tax credits (the "Project"), pursuant to the Operating Agreement of the Company dated May 29, 2020 (the "Operating Agreement");

WHEREAS, the Investor Member desires to give, grant, bargain, sell and convey to the RMS Member certain rights to purchase its Membership Interest on the terms and subject to the conditions set forth herein;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. *Purchase Option.* At all times after the six (6) months commencing on January 1st after the end of the Credit Period and for a period of six (6) months after the end of the Compliance Period (the "Option Period"), the RMS Member shall have the option to purchase the Investor Member's entire Membership Interest (the "Buyout Option") on the terms and conditions set forth in this Agreement. The Buyout Option shall be null and void and of no effect upon the removal or withdrawal of RMS Member.

2. The RMS Member may exercise the Buyout Option by delivering to the Company and the Investor Member, during the Option Period, written notice of the exercise. The notice of exercise shall state that the Buyout Option is exercised without condition or qualification.

3. The purchase price (the "Buyout Price") of the Buyout Option shall equal to be the sum of (i) any amount owed to the Investor Member under any provision of the Operating Agreement (including all credit adjusters owed under Section 6.9) plus (ii) the fair market value of the Investor Member's Membership Interest.

   The fair market value of the Investor Member's Membership Interest shall be determined by mutual agreement of the parties or, in the absence of such agreement, as follows. The RMS Member and the Investor Member shall select a mutually acceptable appraiser who shall determine the fair market value of the Investor Member's Membership Interest. In the event the parties are unable to agree upon an appraiser, the RMS Member and the Investor Member shall each select an appraiser. If the difference between the two appraisals is within ten percent (10%) of the lower of the two appraisals, the fair market value shall be the average of the two appraisals. If the difference between the two appraisals is greater than ten percent (10%) of the lower of the two appraisals, then the two appraisers shall jointly select a third appraiser. If the two appraisers are unable jointly to select a third appraiser, either the RMS Member or the Investor Member may, upon written notice to the other, request that the appointment be made by the American Arbitration Association or its designee. The appraisals shall take into account any title restrictions and the requirement that the Project remain dedicated for the use of low income

households pursuant to any restrictions under any loan agreements or regulatory agreements. If the third appraisal is less than either of the first two, then fair market value shall be the average of the two lowest appraisals. If the third appraisal is greater than the first two, then fair market value shall be the average of the two highest appraisals. If the third appraisal falls between the previous two appraisals, the fair market value shall be the value established by the third appraisal. The RMS Member and the Investor Member shall share the cost equally of any appraiser jointly selected or shall pay the costs of the appraiser they each select and shall share the cost equally of any third appraiser. Any appraiser selected pursuant to this section shall be an MAI appraiser with at least five years of experience in valuing income-restricted multifamily rental property.

The Buyout Price shall be paid to the Investor Member at closing in cash.

4. The closing shall occur no later than ninety (90) days after the Investor Member's receipt of the RMS Member's written notice of exercise of the Buyout Option (or, if later, thirty (30) days after the fair market value is determined pursuant to an appraisal as described above. As a condition to Closing, the RMS Member shall (i) pay all amounts owed to the Investor Member under the Operating Agreement and (ii) obtain all consents from any lessor, governmental agency and holder of a mortgage or deed of trust on the Project, whose consent to a sale is required.

5. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their heirs, executors, personal representatives, successors, and assigns. No party to this Agreement may assign the rights under this Agreement without the consent of each other party hereto. Any amendment(s) to this Agreement shall be effective only if set forth in writing and signed by each party hereto.

6. Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

7. No party hereto shall be deemed to have waived any rights hereunder unless such waiver shall be in writing and signed by such party. The waiver by any part of any breach of this Agreement shall not operate or be construed to be a waiver of an subsequent breach.

8. Except as expressly provided herein, terms used in this Agreement with initial capital letters shall have the meanings set forth in the Operating Agreement.

9. This Agreement shall be construed and enforced in accordance with the laws of the State.

10. All headings and captions in this Agreement are for convenience of reference only and are not intended to qualify the meaning of any provision.

11. This Agreement and any amendments hereto may be executed in several counterparts, each of which shall be deemed to be an original copy, and all of which together shall constitute one agreement binding on all parties, hereto, notwithstanding that all the parties shall not have signed the same counterpart.

12. Any reference contained in this Agreement to specific statutory or regulatory provisions or to specific governmental agencies or entities shall include any successor statute or regulation, or agency or entity, as the case may be.

IN WITNESS WHEREOF, the parties have executed this Agreement under seal as of the date and year first written above.

RMS Member:

RMS NEW HAVEN II, LLC

By: ____________________________
Name: ____________________________
Its: ____________________________

Investor Member:

PEOPLE'S UNITED BANK, N.A.

By: ____________________________
Name: ____________________________
Its: ____________________________

EXHIBIT B

DEVELOPMENT FEE AGREEMENT

{See attached.}

DEVELOPMENT FEE AGREEMENT

This Development Fee Agreement (this "Agreement") is made as of the ____ day of ______, 2020, by and between RMS 49 PRINCE STREET LLC, a Connecticut limited liability company (the "Company"), and RMS DOWNTOWN SOUTH-HILL NORTH DEVELOPMENT COMPANY, LLC, a Connecticut limited partnership (the "Developer").

WITNESSETH:

WHEREAS, the Developer, or its affiliate, as manager, and People's United Bank, National Association (the "Investor Member"), contemplate entering into, or concurrently with the execution and delivery of this Agreement are entering into, that certain Operating Agreement forming the Company (said operating agreement, together with any amendments that may be executed by the parties thereto from time to time, being referred to hereinafter as the "Operating Agreement") for the purposes of acquiring, rehabilitating or constructing, financing, operating, managing, leasing, and otherwise dealing with the real estate described therein, in significant part as low-income rental housing (the "Project"); and

WHEREAS, the Developer has performed certain services related to the development of the project, and will continue to perform development services for the Company pursuant to the terms and conditions described herein and in the contemplated Operating Agreement, upon execution thereof; and

WHEREAS, the Developer and the Company wish to enter into this Agreement describing the scope of such development services performed and to be performed by the Developer, for which Developer is entitled to receive payment of a development fee, subject to the terms and conditions contained herein and in the Operating Agreement, upon execution thereof; and

WHEREAS, terms used herein that are not otherwise defined shall have the meaning ascribed to them in the Operating Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do agree as follows:

1. **Development Services**. Developer shall provide to the Company all development services necessary and advisable to facilitate the construction and/or rehabilitation of the Project. These development services shall include those services specified in the Operating Agreement, upon execution thereof, such other related development services as the Company may reasonably request in connection therewith, and those services more fully described in Schedule A of this Agreement (collectively, the "Development Services"). As of the date of this Agreement, Developer has completed performance of those Development Services more fully described as Items [___] through [___] in Schedule A of this Agreement. Developer has earned and accrued [________ percent (_%)] of the entire development fee described in the following Section 2 of this Agreement by the date hereof, and the balance shall be earned in proportion to the percentage of completion of construction, as more fully set forth in the Operating Agreement. Notwithstanding the provisions of Section 2 hereof, the portion of the development fee described in this Section 1 shall be paid by the Company to the Developer not later than the last day of the first year of the earliest credit period for any building included in the Project as determined under IRC Section 42.

2. **Development Fee**. In consideration of the Developer's performance of the Development Services, the Company shall pay to the Developer a total development fee in the aggregate amount of $860,191.00 of which $490,617 will be paid as the Non-Deferred Development Fee and $369,574.00 will be paid as Deferred Development Fee pursuant to the Operating Agreement.

3. **Conflicts**. This Agreement is made subject to the terms and conditions of the Operating Agreement, and in the event of any conflict or inconsistency between this Agreement and the Operating Agreement, upon execution thereof, the Operating Agreement shall govern and control. Nothing contained in this Agreement shall be deemed in any way to limit or reduce the obligations and liabilities (including, without limitation, all guaranty obligations) imposed by the Operating Agreement on the manager or any sponsor identified therein.

4. **Termination**. From and after the date the Operating Agreement is executed by the Members, this Agreement shall be terminable at the election of the Investor Member and the Company shall have no obligation to make any further payment of the Development Fee, except as expressly provided in Section 6.5.6 of the Operating Agreement, if the Developer or its affiliate is removed as Manager pursuant to the terms of the Operating Agreement or is replaced as Manager.

5. **No Assignment**. Neither the Company nor the Developer may assign all or any portion of its respective right, title, and interest in this Agreement or its duties and obligations hereunder

6. **Third-Party Beneficiary**. The Investor Member is an intended third-party beneficiary of this Agreement.

7. **Amendments**. This Agreement is subject to amendment only with the written consent of the Developer and the Investor Member.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

DEVELOPER:

RMS DOWNTOWN SOUTH-HILL NORTH DEVELOPMENT COMPANY, LLC

By: ______________________________
Name: ______________________________
Its: ______________________________

COMPANY:

RMS 49 PRINCE STREET LLC

By: ______________________________
Name: ______________________________
Its: ______________________________

DEVELOPMENT FEE AGREEMENT
SCHEDULE A

Developer has performed or shall perform, and shall continue to perform, the following non-exclusive list of services to the Company in connection with the development of the Project:

prepare a business plan for the development of the Project, which shall be approved in writing by the Investor Member and set forth in the financial projections described in the Operating Agreement;

use best efforts to procure all required construction and rehabilitation financing and ensure that the obligations of the Company in connection with such financing are fully and faithfully performed;

select the Project architect, general contractor, construction manager (if any), and all other parties rendering services to the Company in connection with the rehabilitation or construction of the Project and represent the Company in the negotiation and administration of the contracts between the Company and such parties;

cause the Company to obtain all governmental approvals required in connection with the rehabilitation or construction of the Project;

obtain community and neighborhood approval of the Project;

obtain and maintain on behalf of the Company all insurance coverages that the manager is required to maintain during the Project development period until construction completion;

cause the Project to be rehabilitated or constructed in accordance with the rehabilitation or construction schedule set forth in the projections and maintain all records required to obtain all available tax benefits in connection with such rehabilitation or construction work until construction completion;

adhere to the development budget and the schedule contemplated therein for the development of the Project, in order to achieve the financial projections;

notify the Investor Member in writing of any facts, circumstances, or intended actions by Developer that constitute or would constitute a material deviation from the business plan, financial projections, or budget approved by the Investor Member for the development of the Project;

furnish the Investor Member with monthly and quarterly status reports during the Project development period in accordance with the Operating Agreement;

ensure that all violations of building, zoning, fire, health, environmental, and other codes or laws are corrected during the course of the rehabilitation or construction work until construction completion; and

ensure that all other obligations and responsibilities imposed on the manager under the Operating Agreement with respect to the development of the Project are satisfied.

EXHIBIT C

GUARANTY AGREEMENT

{See attached.}

GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT (this "**Guaranty**") is made as of the 29th day of May, 2020, by **RANDALL M. SALVATORE** (the "**Guarantor**"), in favor of **PEOPLE'S UNITED BANK, NATIONAL ASSOCIATION**, a national banking association (the "**Investor Member**").

RECITALS

WHEREAS, RMS 49 PRINCE STREET LLC (the "**Company**"), was formed as a Connecticut limited liability company, with RMS New Haven II, LLC, a Connecticut limited liability company, as a member (the "**RMS Member**"), Guarantor, as manager, and the Investor Member, as its investor member;

WHEREAS, the business and affairs of the Company is governed by that certain Operating Agreement of the Company, dated as of the date hereof (the "**Operating Agreement**"), by and among RMS Member, Investor Member and Guarantor and the Company has been formed for the purposes of acquiring, rehabilitating or constructing, financing, operating, managing, leasing, and otherwise dealing with the real estate described therein, in significant part as low-income rental housing (the "**Project**"); and

WHEREAS, capitalized terms appearing in this Guaranty and not otherwise defined herein shall have the meanings assigned to such terms in the Operating Agreement; and

WHEREAS, in connection with its role as a member of the Company and the Guarantor's role as manager of the Company, the RMS Member and/or its affiliate(s) will receive a membership interest in the Company, together with certain rights attendant thereto, and certain fees in exchange certain services rendered or to be rendered to the Company in accordance with the Operating Agreement, and the Guarantor, as an indirect owner of RMS Member, will substantially and materially benefit from these transactions; and

WHEREAS, in reliance on the obligations of the RMS Member and the Guarantor to be performed under the Operating Agreement and this Guaranty, the Investor Member is investing substantial equity for an investor member interest in the Company; and

WHEREAS, as a condition to entering into the Operating Agreement, the Investor Member requires the execution and delivery of this Guaranty by Guarantor and RMS Member has requested that Guarantor enter into this Guaranty; and

WHEREAS, the Guarantor acknowledges that the Investor Member are the intended beneficiaries of this Guaranty;

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and as a material inducement to Investor Member to invest in the Company, Guarantor hereby guarantees to Investor Member the prompt and full payment and performance of the Guaranteed Obligations (defined below), upon the following terms and conditions:

1. Guaranty of Payment and Performance. Guarantor hereby unconditionally and irrevocably guarantees to Investor Member the Guarantor's and RMS Member's full, faithful and timely performance of the following obligations of the Guarantor and the RMS Member under the Operating Agreement: (i) Section 6.4.5 of the Operating Agreement (relating to failure of Guarantor and RMS Member to properly maintain bank accounts); and (ii) Section 6.4.6 of the Operating Agreement (Development Completion Guaranty, Operating Deficit Guaranty) (the items in (i) and (ii) being referred to herein collectively as the "**Guaranteed Obligations**"); *provided, however*, that in no event shall the Guaranteed Obligations exceed Seven Million Dollars ($7,000,000) in the aggregate (the "**Maximum Amount**") and, for the avoidance of doubt, the Maximum Amount shall be reduced on a dollar for dollar basis by amounts by paid by Guarantor or RMS Member in respect of the Guaranteed Obligations. The Guaranty of Guarantor as set forth in this Section 1 is a continuing guaranty of payment and not a guaranty of collection.

Notwithstanding anything in this Guaranty to the contrary, this Guaranty shall terminate and be of no further force or effect upon the occurrence of the Termination Conditions. For the purposes hereof, "**Termination Conditions**" means (i) the Project has attained Construction Completion (as defined in the Operating Agreement), (ii) completed Form 8609 for the Project has been submitted to CHFA, (iii) all reserves that are required to be funded under the Operating Agreement have been funded to the level required pursuant to the terms of the Operating Agreement, (iv) at least 90% of the Residential Units have been occupied for a period of three (3) consecutive months, and (v) Investor Member has determined, in its reasonable discretion, that each of the conditions in items (i) through (iv) above have been satisfied. Guarantor or RMS Member may submit a request to Investor at any time after Construction Completion to make a determination under this paragraph that the Termination Conditions have been satisfied. Any such determination by Investor Member shall be made promptly and may not be unreasonably conditioned, withheld or delayed.

2. Primary Liability of Guarantor.

(a) This Guaranty is an absolute, irrevocable and unconditional guaranty of payment and performance. Guarantor shall be liable for the payment and performance of the Guaranteed Obligations, as set forth in this Guaranty, as a primary obligor. This Guaranty shall be effective as a waiver of, and Guarantor hereby expressly waives, any and all rights to which Guarantor may otherwise have been entitled under any suretyship laws in effect from time to time.

(b) In the Event of Default by Guarantor or RMS Member in payment or performance of the Guaranteed Obligations, or any part thereof, when such payment or performance becomes due, Guarantor shall, on demand and without presentment, protest, notice of protest, further notice of nonpayment or of dishonor or of default or nonperformance, or any other notice whatsoever, without any notice having been given to Guarantor previous to such demand of the acceptance by Investor Member of this Guaranty, and without any notice having been given to Guarantor previous to such demand of the creating or incurring of such obligation to perform, all such notices being hereby waived by Guarantor, pay the amount due thereon to Investor Member or perform or observe the agreement, covenant, term or condition, as the case may be, and it shall not be necessary for Investor Member, in order to enforce such payment or performance by Guarantor, first to institute suit or pursue or exhaust any rights or remedies against

RMS Member or others liable on such obligation or for such performance, or to enforce any rights against any security that shall ever have been given to secure such obligation or performance, if any, or to join RMS Member or any others liable for the payment or performance of the Guaranteed Obligations or any part thereof in any action to enforce this Guaranty, or to resort to any other means of obtaining payment or performance of the Guaranteed Obligations.

(c) Suit may be brought or demand may be made against all parties who have signed this Guaranty or any other guaranty covering all or any part of the Guaranteed Obligations, or against any one or more of them, separately or together, without impairing the rights of Investor Member against any party hereto. Any time that Investor Member is entitled to exercise its rights or remedies hereunder, it may in its discretion elect to demand payment and/or performance. If Investor Member elects to demand performance, it shall at all times thereafter have the right to demand payment until all of the Guaranteed Obligations have been paid and performed in full. If Investor Member elects to demand payment, it shall at all times thereafter have the right to demand performance until all of the Guaranteed Obligations have been paid and performed in full.

3. Certain Agreements and Waivers by Guarantor.

(a) Guarantor hereby agrees that neither Investor Member's rights or remedies nor Guarantor's obligations under the terms of this Guaranty shall be released, diminished, impaired, reduced or affected by any one or more of the following events, actions, facts, or circumstances, and the liability of Guarantor under this Guaranty shall be absolute and unconditional irrespective of:

(i) any limitation of liability or recourse in the Operating Agreement or arising under any law;

(ii) the taking or accepting of any other security or guaranty for, or right of recourse with respect to, any or all of the Guaranteed Obligations;

(iii) any release, surrender, abandonment, exchange, alteration, sale or other disposition, subordination, deterioration, waste, failure to protect or preserve, impairment, or loss of, or any failure to create or perfect any lien or security interest, if applicable, with respect to, or any other dealings with, any collateral or security at any time existing or purported, believed or expected to exist in connection with any or all of the Guaranteed Obligations, including any impairment of Guarantor's recourse against any person or collateral, if any;

(iv) whether express or by operation of law, any partial release of the liability of Guarantor hereunder (except for the modification/reduction which may occur pursuant to Section 1 above), or if one or more other guaranties are now or hereafter obtained by Investor Member covering all or any part of the Guaranteed Obligations, any complete or partial release of any one or more of such guarantors under any such other guaranty, or any complete or partial release of RMS Member or any other party liable, directly or indirectly, for the payment or performance of any or all of the Guaranteed Obligations;

(v) the death, insolvency, bankruptcy, disability, dissolution, liquidation, termination, receivership, reorganization, merger, consolidation, change of form, structure or ownership, sale of all assets, or lack of corporate, partnership or other power of

Guarantor or RMS Member or any other party at any time liable for the payment or performance of any or all of the Guaranteed Obligations;

(vi) any neglect, lack of diligence, delay, omission, failure, or refusal of Investor Member to take or prosecute (or in taking or prosecuting) any action for the collection or enforcement of any of the Guaranteed Obligations, or to exercise (or in exercising) any other right or power with respect to any security therefor, if any, or to take or prosecute (or in taking or prosecuting) any action in connection with the Operating Agreement, or any failure to sell or otherwise dispose of in a commercially reasonable manner any collateral securing any or all of the Guaranteed Obligations, if any;

(vii) the existence of any claim, set-off, or other right that Guarantor may at any time have against RMS Member, Investor Member, or any other person, whether or not arising in connection with this Guaranty or the Operating Agreement;

(viii) the unenforceability of all or any part of the Guaranteed Obligations against Guarantor or RMS Member, whether because the Guaranteed Obligations exceed the amount permitted by law or violate any usury law, or because the act of creating the Guaranteed Obligations, or any part thereof, is ultra vires, or because the officers or Persons creating same acted in excess of their authority, or because of a lack of validity or enforceability of or defect or deficiency in any of the Operating Agreement, or because RMS Member's obligation ceases to exist by operation of law, it being agreed that Guarantor shall remain liable hereon regardless of whether RMS Member or any other Person be found not liable on the Guaranteed Obligations, or any part thereof, for any reason (and regardless of any joinder of RMS Member or any other party in any action to obtain payment or performance of any or all of the Guaranteed Obligations); or

(ix) any order, ruling or plan of reorganization emanating from proceedings under Title 11 of the United States Code with respect to RMS Member or any other Person, including any extension, reduction, composition, or other alteration of the Guaranteed Obligations, whether or not consented to by Investor Member.

(b) In the event any payment by RMS Member or any other Person to Investor Member is held to constitute a preference, fraudulent transfer or other voidable payment under any bankruptcy, insolvency or similar law, or if for any other reason Investor Member is required to refund such payment or pay the amount thereof to any other party, such payment by RMS Member or any other party to Investor Member shall not constitute a release of Guarantor from any liability hereunder, and this Guaranty shall continue to be effective or shall be reinstated (notwithstanding any prior release, surrender or discharge by Investor Member of this Guaranty or of Guarantor), as the case may be, with respect to, and this Guaranty shall apply to, any and all amounts so refunded by Investor Member or paid by Investor Member to another Person (which amounts shall constitute part of the Guaranteed Obligations), and any interest paid by Investor Member and any attorneys' fees, costs and expenses paid or incurred by Investor Member in connection with any such event. It is the intent of Guarantor and Investor Member that the obligations and liabilities of Guarantor hereunder are absolute and unconditional under any and all circumstances and that until the Guaranteed Obligations are fully and finally paid and performed, and not subject to refund or disgorgement, the obligations and liabilities of Guarantor hereunder shall not be discharged or

released, in whole or in part, by any act or occurrence that might, but for the provisions of this Guaranty, be deemed a legal or equitable discharge or release of a guarantor.

4. Subordination. If, for any reason whatsoever, RMS Member is now or hereafter becomes indebted to Guarantor:

(a) such indebtedness and all interest thereon and all liens, security interests and rights now or hereafter existing with respect to property of RMS Member securing same shall, at all times, be subordinate in all respects to the Guaranteed Obligations and to all liens, security interests and rights now or hereafter existing to secure the Guaranteed Obligations;

(b) Guarantor shall not be entitled to enforce or receive payment, directly or indirectly, of any such indebtedness of RMS Member to Guarantor until the Guaranteed Obligations have been fully and finally paid and performed;

(c) Guarantor hereby assigns and grants to Investor Member a security interest in all such indebtedness and security therefor, if any, of RMS Member to Guarantor now existing or hereafter arising, including any dividends and payments pursuant to debtor relief or insolvency proceedings referred to below. In the event of receivership, bankruptcy, reorganization, arrangement or other debtor relief or insolvency proceedings involving RMS Member as debtor, Investor Member shall have the right to prove its claim in any such proceeding so as to establish its rights hereunder and shall have the right to receive directly from the receiver, trustee or other custodian (whether or not an Event of Default shall have occurred or be continuing under the Operating Agreement), dividends and payments that are payable upon any obligation of RMS Member to Guarantor now existing or hereafter arising, and to have all benefits of any security therefor, until the Guaranteed Obligations have been fully and finally paid and performed. If, notwithstanding the foregoing provisions, Guarantor should receive any payment, claim or distribution that is prohibited as provided above in this Section 4, Guarantor shall pay the same to Investor Member immediately, Guarantor hereby agreeing that it shall receive the payment, claim or distribution in trust for Investor Member and shall have absolutely no dominion over the same except to pay it immediately to Investor Member; and

(d) Guarantor shall promptly upon request of Investor Member from time to time execute such documents and perform such acts as Investor Member may require to evidence and perfect its interest and to permit or facilitate exercise of its rights under this Section 4, including, but not limited to, execution and delivery of financing statements, proofs of claim, further assignments and security agreements, and delivery to Investor Member of any promissory notes or other instruments evidencing indebtedness of RMS Member to Guarantor. All promissory notes, accounts receivable ledgers or other evidences, now or hereafter held by Guarantor, of obligations of RMs Member to Guarantor shall contain a specific written notice thereon that the indebtedness evidenced thereby is subordinated under and is subject to the terms of this Guaranty. Notwithstanding the foregoing, prior to an event of default under the Operating Agreement nothing herein shall prevent payment of debt of RMS Member to Guarantor using excess cash flow from the Property provided payment of such debt will not place RMS Member in default of any of its obligations under the Operating Agreement.

5. Investor Member Assigns. This Guaranty is for the benefit of Investor Member and Investor Member's successors and assigns as permitted by the Operating Agreement, and in the event of a permitted assignment of the Guaranteed Obligations, or any part thereof, the rights and benefits hereunder, to the extent applicable to the Guaranteed Obligations so assigned, may be transferred with such Guaranteed Obligations. Subject to the terms of the Operating Agreement, Guarantor waives notice of any transfer or assignment of the Guaranteed Obligations, or any part thereof, and agrees that failure to give notice will not affect the liabilities of Guarantor hereunder

6. Binding Effect. This Guaranty is binding not only on Guarantor, but also on Guarantor's heirs, executors, administrators, personal representatives, successors and assigns. Upon the death of Guarantor, if Guarantor is a natural person, this Guaranty shall continue against Guarantor's estate as to all of the Guaranteed Obligations, including that portion incurred or arising after the death of Guarantor and shall be provable in full against Guarantor's estate, whether or not the Guaranteed Obligations are then due and payable.

7. Governing Law; Forum. This Guaranty, and its validity, enforcement, and interpretation, shall for all purposes be governed by and construed in accordance with the laws of the State of Connecticut and applicable United States federal law, and is intended to be performed in accordance with, and only to the extent permitted by, such laws. All obligations of Guarantor hereunder are payable and performable at the place or places where the Guaranteed Obligations are payable and performable. Guarantor hereby irrevocably submits generally and unconditionally for Guarantor and in respect of Guarantor's property to the jurisdiction of any state court, or any United States federal court, sitting in the State of Connecticut and to the jurisdiction of any state or United States federal court sitting in the state in which any of the Property is located, over any suit, action or proceeding arising out of or relating to this Guaranty or the Guaranteed Obligations. Guarantor hereby irrevocably waives, to the fullest extent permitted by law, any objection that Guarantor may now or hereafter have to the laying of venue in any such court and any claim that any such court is an inconvenient forum. Guarantor hereby agrees and consents that, in addition to any methods of service of process provided for under applicable law, all service of process in any such suit, action or proceeding in any state court, or any United States federal court, sitting in the State of Connecticut may be made by certified or registered mail, return receipt requested, directed to Guarantor at its address stated in Section 14, or at a subsequent address of which Investor Member received actual notice from Guarantor in accordance with said Section, and service so made shall be complete five (5) days after the same shall have been so mailed. Nothing herein shall affect the right of Investor Member to serve process in any manner permitted by law or limit the right of Investor Member to bring proceedings against Guarantor in any other court or jurisdiction.

8. Invalidity of Certain Provisions. If any provision of this Guaranty or the application thereof to any Person or circumstance shall, for any reason and to any extent, be declared to be invalid or unenforceable, neither the remaining provisions of this Guaranty nor the application of such provision to any other Person or circumstance shall be affected thereby, and the remaining provisions of this Guaranty, or the applicability of such provision to other Persons or circumstances, as applicable, shall remain in effect and be enforceable to the maximum extent permitted by applicable law.

9. Attorneys' Fees and Costs of Collection. Guarantor shall pay on demand all reasonable attorneys' fees, paralegals' fees, and all other costs and expenses incurred by Investor Member in the enforcement of or preservation of Investor Member's rights under this Guaranty (including all fees incurred in connection with arbitration). Guarantor's obligations and liabilities under this Section 10 shall survive any payment or discharge in full of the Guaranteed Obligations.

10. Payments. All sums payable under this Guaranty shall be paid in lawful money of the United States of America that at the time of payment is legal tender for the payment of public and private debts.

11. Controlling Agreement. It is not the intention of Investor Member or Guarantor to obligate Guarantor to pay interest in excess of that lawfully permitted to be paid by Guarantor under applicable law. Should it be determined that any portion of the Guaranteed Obligations or any other amount payable by Guarantor under this Guaranty constitutes interest in excess of the maximum amount of interest that Guarantor, in Guarantor's capacity as guarantor, may lawfully be required to pay under applicable law, the obligation of Guarantor to pay such interest shall automatically be limited to the payment thereof in the maximum amount so permitted under applicable law. The provisions of this Section 11 shall override and control all other provisions of this Guaranty and of any other agreement between Guarantor and Investor Member.

12. Representations, Warranties, and Covenants of Guarantor. Guarantor hereby represents, warrants, and covenants that (a) Guarantor will derive substantial benefit, directly or indirectly, from the making of the investment to Company and from the making of this Guaranty by Guarantor; (b) this Guaranty is valid and binding upon and enforceable against Guarantor; (c) Guarantor is not, and the execution, delivery and performance by Guarantor of this Guaranty will not cause Guarantor to be, in violation of or in default with respect to any law or in default (or at risk of acceleration of indebtedness) under any agreement or restriction by which Guarantor is bound or affected; (d) Guarantor has full power and authority to enter into and perform this Guaranty; (e) there is no litigation pending or, to the knowledge of Guarantor, threatened before or by any tribunal against or affecting Guarantor; (f) all financial statements and information heretofore furnished to Investor Member by Guarantor do, and all financial statements and information hereafter furnished to Investor Member by Guarantor will, fully and accurately present the condition (financial or otherwise) of Guarantor as of their dates and the results of Guarantor's operations for the periods therein specified, and, since the date of the most recent financial statements of Guarantor heretofore furnished to Investor Member, no material adverse change has occurred in the financial condition of Guarantor, nor has Guarantor incurred any material liability, direct or indirect, fixed or contingent; (g) after giving effect to this Guaranty, Guarantor is solvent, is not engaged or about to engage in business or a transaction for which the property of Guarantor is an unreasonably small capital, and does not intend to incur or believe that it will incur debts that will be beyond its ability to pay as such debts mature; (h) Investor Member has no duty at any time to investigate or inform Guarantor of the financial or business condition or affairs of RMS Member or any change therein, and Guarantor will keep fully appraised of RMS Member's financial and business condition; (i) Guarantor acknowledges and agrees that Guarantor may be required to pay and perform the Guaranteed Obligations in full without assistance or support from the RMS Member or any other Person; and (j) Guarantor has read and fully understands the provisions contained in the Operating Agreement. Guarantor's representations, warranties and covenants are a material inducement to Investor Member to invest in the Company and shall survive the

execution hereof and any bankruptcy, foreclosure, transfer of security or other event affecting RMS Member, Guarantor, any other party, or any security for all or any part of the Guaranteed Obligations.

13. Notices. Unless specifically provided otherwise, any notice for purposes of this Guaranty shall be made in writing and be delivered in the manner and by the methods permitted in the Operating Agreement, to the addresses of each party as set forth in the Operating Agreement or to such other address as may have been previously designated by the intended recipient by notice given in accordance with this Section. This Section 13 shall not be construed in any way to affect or impair any waiver of notice or demand provided in this Guaranty or in the Operating Agreement or to require giving notice or demand to or upon any Person in any situation or for any reason.

14. Cumulative Rights. The exercise by Investor Member of any right or remedy hereunder or under the Operating Agreement, or at law or in equity, shall not preclude the concurrent or subsequent exercise of any other right or remedy. Investor Member shall have all rights, remedies and recourses afforded to Investor Member by reason of this Guaranty or the Operating Agreement or by law or equity or otherwise, and the same (a) shall be cumulative and concurrent, (b) may be pursued separately, successively or concurrently against Guarantor or others obligated for the Guaranteed Obligations, or any part thereof, or against any one or more of them, or against any security or otherwise, at the sole discretion of Investor Member, (c) may be exercised as often as occasion therefor shall arise, it being agreed by Guarantor that the exercise of, discontinuance of the exercise of or failure to exercise any of such rights, remedies, or recourses shall in no event be construed as a waiver or release thereof or of any other right, remedy, or recourse, and (d) are intended to be, and shall be, nonexclusive. No waiver of any default on the part of Guarantor or of any breach of any of the provisions of this Guaranty or of any other document shall be considered a waiver of any other or subsequent default or breach, and no delay or omission in exercising or enforcing the rights and powers granted herein or in any other document shall be construed as a waiver of such rights and powers, and no exercise or enforcement of any rights or powers hereunder or under any other document shall be held to exhaust such rights and powers, and every such right and power may be exercised from time to time. The granting of any consent, approval or waiver by Investor Member shall be limited to the specific instance and purpose therefor and shall not constitute consent or approval in any other instance or for any other purpose. No notice to or demand on Guarantor in any case shall of itself entitle Guarantor to any other or further notice or demand in similar or other circumstances. No provision of this Guaranty or any right, remedy or recourse of Investor Member with respect hereto, or any default or breach, can be waived, nor can this Guaranty or Guarantor be released or discharged in any way or to any extent, except specifically in each case by a writing intended for that purpose (and which refers specifically to this Guaranty) executed, and delivered to Guarantor, by Investor Member.

15. Term of Guaranty. This Guaranty shall continue in effect until all the Guaranteed Obligations are fully and finally paid, performed, and discharged, except that, and notwithstanding any return of this Guaranty to Guarantor, this Guaranty shall continue in effect (i) with respect to any of the Guaranteed Obligations that survive the discharge of the Guaranteed Obligations, (ii) with respect to all obligations and liabilities of Guarantor under Section 10, and (iii) as provided in Section 3(b).

16. [Reserved]

17. [Reserved].

18. Subrogation. Notwithstanding anything to the contrary contained herein, until the Guaranteed Obligations have been paid and performed in full, Guarantor irrevocably waives any present or future right to which Guarantor is or becomes entitled to be subrogated to Investor Member's rights against RMS Member or to seek contribution, reimbursement, indemnification, or the like from RMS Member on account of this Guaranty or to assert any other claim or right of action against RMS Member on account of, arising under, or relating to this Guaranty.

19. Further Assurances. Guarantor at Guarantor's expense will promptly execute and deliver to Investor Member upon Investor Member's request all such other and further documents, agreements, and instruments in compliance with or accomplishment of the agreements of Guarantor under this Guaranty.

20. No Fiduciary Relationship. The relationship between Investor Member and Guarantor is solely that of Investor Member and guarantor. Investor Member has no fiduciary or other special relationship with or duty to Guarantor and none is created hereby or may be inferred from any course of dealing or act or omission of Investor Member.

21. Interpretation. The term "**Investor Member**" shall be deemed to include any Person who becomes a "Substituted Investor Member" pursuant to Section 9.1 of the Operating Agreement. Whenever the context of any provisions hereof shall require it, words in the singular shall include the plural, words in the plural shall include the singular, and pronouns of any gender shall include the other genders. Captions and headings in the Guaranty are for convenience only and shall not affect the construction of the Guaranty. All references in this Guaranty to Schedules, Articles, Sections, Subsections, paragraphs and subparagraphs refer to the respective subdivisions of this Guaranty, unless such reference specifically identifies another document. The terms "**herein**", "**hereof**", "**hereto**", "**hereunder**" and similar terms refer to this Guaranty and not to any particular Section or subsection of this Guaranty. The terms "**include**" and "**including**" shall be interpreted as if followed by the words "**without limitation**". All references in this Guaranty to sums denominated in dollars or with the symbol "**$**" refer to the lawful currency of the United States of America, unless such reference specifically identifies another currency. For purposes of the Agreement, "**Person**" or "**Persons**" shall include firms, associations, partnerships (including limited partnerships), joint ventures, trusts, corporations, limited liability companies, and other legal entities, including governmental bodies, agencies, or instrumentalities, as well as natural persons.

22. Time of Essence. Time shall be of the essence in this Guaranty with respect to all of Guarantor's obligations hereunder.

23. Entire Agreement. This Guaranty embodies the entire agreement between Investor Member and Guarantor with respect to the guaranty by Guarantor of the Guaranteed Obligations. This Guaranty supersedes all prior agreements and understandings, if any, with respect to guaranty by Guarantor of the Guaranteed Obligations. No condition or conditions precedent to the effectiveness of this Guaranty exist. This Guaranty shall be effective upon execution by Guarantor and delivery to Investor Member. This Guaranty may not be modified, amended or superseded except in a writing signed by Investor Member and Guarantor referencing this Guaranty

Agreement by its date and specifically identifying the portions hereof that are to be modified, amended or superseded.

24. <u>**WAIVER OF JURY TRIAL**</u>. **GUARANTOR AND INVESTOR MEMBER (BY ACCEPTANCE OF THIS GUARANTY) MUTUALLY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO WHICH GUARANTOR AND INVESTOR MEMBER MAY BE PARTIES, ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY PERTAINING TO, THIS GUARANTY OR THE OPERATING AGREEMENT. IT IS AGREED AND UNDERSTOOD THAT THIS WAIVER CONSTITUTES A WAIVER OF TRIAL BY JURY OF ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTION OR PROCEEDINGS, INCLUDING CLAIMS AGAINST PARTIES WHO ARE NOT PARTIES TO THIS GUARANTY. THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY MADE BY GUARANTOR AND INVESTOR MEMBER AND GUARANTOR HEREBY REPRESENTS THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY INDIVIDUAL TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. GUARANTOR FURTHER REPRESENTS AND WARRANTS THAT IT HAS BEEN REPRESENTED IN THE SIGNING OF THIS GUARANTY AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, OR HAS HAD THE OPPORTUNITY TO BE REPRESENTED BY INDEPENDENT LEGAL COUNSEL SELECTED OF ITS OWN FREE WILL, AND THAT I HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.**

25. <u>Financial Statements and Financial Covenants</u>. Guarantor represents and warrants to Investor Member that (i) except as noted above, the financial statements of Guarantor previously submitted to the Investor Member are true, complete and correct in all material respects, disclose all actual and contingent liabilities, and fairly present the financial condition of Guarantor, and do not contain any untrue statement of a material fact or omit to state a fact material to the financial statements submitted or this Guaranty and (ii) no material adverse change has occurred in the financial statements from the dates thereof until the date hereof. Guarantor shall furnish to Investor Member the financial statements required to be provided by the Guarantor pursuant to the terms of the Operating Agreement.

IN WITNESS WHEREOF, the Guarantor has caused this Guaranty to be duly executed as of the date first written above.

Address for Notices:

____
____
____

GUARANTOR:

____
RANDALL M. SALVATORE

Address of Guarantor:
75 Camp Avenue
Stamford, CT 06907

STATE OF __________)
) ss.
COUNTY OF __________)

I HEREBY CERTIFY that on this ____ day of __________, 20 ___, before me, a Notary Public in and for said State, personally appeared ____________, known or identified to me to be the __________, a __________, and acknowledged to me that as such (s)he executed said instrument as his/her own act and deed and as the act and deed of said entity.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal, the day and year first above written.

____
Notary Public
My commission expires on ____________

Section IVA, Exhibit 2 – Certificate of Organization

FILING #0006738573 PG 01 OF 02 VOL B-02632
FILED 01/31/2020 03:00 PM PAGE 01742
SECRETARY OF THE STATE
CONNECTICUT SECRETARY OF THE STATE

SECRETARY OF THE STATE OF CONNECTICUT

MAILING ADDRESS: BUSINESS SERVICES DIVISION, CONNECTICUT SECRETARY OF THE STATE, P.O. BOX 150470, HARTFORD, CT 06115-0470
DELIVERY ADDRESS: BUSINESS SERVICES DIVISION, CONNECTICUT SECRETARY OF THE STATE, 30 TRINITY STREET, HARTFORD, CT 06106
PHONE: 860-509-6003 WEBSITE: www.concord-sots.ct.gov

CERTIFICATE OF ORGANIZATION
LIMITED LIABILITY COMPANY – DOMESTIC

FILING FEE: $120
MAKE CHECKS PAYABLE TO "SECRETARY OF THE STATE"

C.G.S. §34-247

USE INK. COMPLETE ALL SECTIONS. PRINT OR TYPE. ATTACH 8½ X 11 SHEETS IF NECESSARY

FILING PARTY *(CONFIRMATION WILL BE SENT TO THIS ADDRESS):*
NAME: Wofsey, Rosen, Kweskin & Kuriansky, LLP/Steven D. Grushkin, Esq.
MAILING ADDRESS: 600 Summer Street
CITY: Stamford
STATE: CT ZIP: 06901

1. NAME OF LIMITED LIABILITY COMPANY - REQUIRED: *(MUST INCLUDE BUSINESS DESIGNATION I.E. L.L.C., LLC)*
RMS 49 PRINCE STREET LLC

2. PRINCIPAL OFFICE ADDRESS - REQUIRED *(NO P.O. BOX) - PROVIDE FULL ADDRESS*
STREET: 1 Landmark Square, Suite 220
CITY: Stamford
STATE: CT ZIP: 06901

3. MAILING ADDRESS - REQUIRED *PROVIDE FULL ADDRESS. - P.O. BOX IS ACCEPTABLE*
STREET OR P.O. BOX: 1 Landmark Square, Suite 220
CITY: Stamford
STATE: CT ZIP: 06901

4. APPOINTMENT OF REGISTERED AGENT - REQUIRED *(COMPLETE A OR B NOT BOTH)*
☑ A. IF AGENT IS AN INDIVIDUAL:
Randall M. Salvatore
PRINT OR TYPE NAME
X [signature]
SIGNATURE ACCEPTING APPOINTMENT:

BUSINESS ADDRESS - REQUIRED *(P.O. BOX NOT ACCEPTABLE) IF NONE, MUST CHECK "NONE"*
☐ CHECK IF NONE
STREET: 1 Landmark Square, Suite 220
CITY: Stamford
STATE: CT ZIP: 06901

CONNECTICUT RESIDENCE ADDRESS - REQUIRED *(P.O. BOX NOT ACCEPTABLE)*
STREET: 1135 Ponus Ridge
CITY: New Canaan
STATE: CT ZIP: 06840

CONNECTICUT MAILING ADDRESS - REQUIRED: *(P.O. BOX ACCEPTABLE)*
STREET OR P.O. BOX: 1 Landmark Square, Suite 220
CITY: Stamford
STATE: CT ZIP: 06901

FILING #0006738573 PG 02 OF 02 VOL B-02632
FILED 01/31/2020 03:00 PM PAGE 01743
SECRETARY OF THE STATE
CONNECTICUT SECRETARY OF THE STATE

Note: DO NOT COMPLETE 4B IF AGENT APPOINTED IN 4A.

☐ B. IF AGENT IS A BUSINESS:

PRINT OR TYPE NAME OF BUSINESS AS IT APPEARS ON OUR RECORDS

X
SIGNATURE ACCEPTING APPOINTMENT ON BEHALF OF AGENT

PRINT NAME & TITLE OF PERSON SIGNING ON BEHALF OF AGENT

CONNECTICUT BUSINESS ADDRESS - REQUIRED (P.O. BOX UNACCEPTABLE)		CONNECTICUT MAILING ADDRESS - REQUIRED (P.O. BOX ACCEPTABLE)	
STREET:		STREET OR P.O. BOX:	
CITY:		CITY:	
STATE:	ZIP:	STATE:	ZIP:

5. MANAGER OR MEMBER INFORMATION - *REQUIRED*
(MUST LIST AT LEAST ONE MEMBER OR MANAGER OF THE LLC) (ATTACH 8 ½ X 11 SHEETS IF NECESSARY)

FULL NAME	TITLE	BUSINESS ADDRESS (NO P.O. BOX)	RESIDENCE ADDRESS (NO P.O. BOX)
Randall M. Salvatore	☐ MEMBER ☑ MANAGER	☐ CHECK IF NONE 1 Landmark Square, Suite 220, Stamford, CT 06901	1135 Ponus Ridge, New Canaan, CT 06840
	☐ MEMBER ☐ MANAGER	☐ CHECK IF NONE	

6. ENTITY EMAIL ADDRESS - REQUIRED: (IF NONE, MUST STATE "NONE") *DO NOT LEAVE BLANK*
Randy@rms-companies.com

7. EXECUTION - REQUIRED: *(SUBJECT TO PENALTY OF FALSE STATEMENT)*

DATE (MM/DD/YYYY): 01/31/2020

NAME OF ORGANIZER (PRINT/TYPE) (THE LLC CANNOT BE ITS OWN ORGANIZER)	SIGNATURE
Randall M. Salvatore	X

AN ANNUAL REPORT WILL BE DUE YEARLY IN THE FOLLOWING YEAR THAT THE ENTITY WAS FORMED/REGISTERED BETWEEN JANUARY 1ST AND MARCH 31ST AND CAN BE EASILY FILED ONLINE @ WWW.CONCORD-SOTS.CT.GOV.

CONTACT YOUR TAX ADVISOR OR THE TAXPAYER SERVICE CENTER AT THE DEPARTMENT OF REVENUE SERVICES AS TO ANY POTENTIAL TAX LIABILITY RELATING TO YOUR BUSINESS, INCLUDING QUESTIONS ABOUT THE BUSINESS ENTITY TAX. TAX PAYER SERVICE CENTER: (860) 297-5962 OR @ WWW.CT.GOV/DRS.

Rev. 4/2016

STATE OF CONNECTICUT
OFFICE OF THE SECRETARY OF THE STATE } SS. HARTFORD

I hereby certify that this is a true copy of record in this Office.
In Testimony whereof, I have hereunto set my hand and affixed the Seal of said State, at Hartford, this 3rd day of February A.D. 2020

[signature]

SECRETARY OF THE STATE

Section IVA, Exhibit 3 –
Certificate of Good Standing

Office of the Secretary of the State of Connecticut

I, the Connecticut Secretary of the State, and keeper of the seal thereof, DO HEREBY CERTIFY, that articles of organization for

RMS 49 PRINCE STREET LLC

a domestic limited liability company, were filed in this office on January 31, 2020.

Articles of dissolution have not been filed, and so far as indicated by the records of this office such limited liability company is in existence.

Secretary of the State

Date Issued: February 25, 2020

Business ID: 1334819 Standard Certificate Number: 2020088367001

Note: To verify this certificate, visit the web site http://www.concord.sots.ct.gov