

March 30, 2021

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

Re: Tower East Tax Abatement

Dear President Walker-Myers,

I am writing to you in regards to our expiring Tax Abatement Agreement for our Tower East building located at 18 Tower Lane. The Tower East building is part of The Towers at Tower Lane, located in the urban Hill Section of Downtown New Haven. Our Tower East building has 150 units and houses a community of low-income elderly residents. Our current Tax Abatement Agreement (see attachment) was signed on December 31, 1980 and expires 40 years from the date of our certificate of occupancy (see attachment). The agreement provides for an abatement of taxes in an amount equal to the difference between 6% of our gross rent and the full amount of the current annual real estate tax due.

Since the agreement will expire in the coming months, and because maintaining it is critical for us to manage our budget, in an effort to be proactive, The Towers at Tower Lane is respectfully requesting that the current Tax Abatement Agreement be extended for an additional 20 years under the same terms and conditions.

The Tower East building began operations in 1982, while the Tower One building began operations in 1971. Together, The Towers has been proudly serving the residents of New Haven for 50 years. Among those who call our buildings home are elderly from the African-American, Latin and Jewish Communities. Many veterans and their spouses also call our buildings home. All of our Tower East units are subsidized affordable units. The average age among our residents is 86 and the current average annual income is \$16,439.

The Towers offers our residents a wide range of programs to promote and enhance a healthy life: physically, emotionally, socially and spiritually. All of our ancillary programs are paid for through grants and donations. It is only through the private support from the community that we are able to help our seniors gain access to the supportive services they need to thrive. The preventative approach that we offer lengthens the lives of our community's seniors and their independence. Ultimately, our work also positively influences our local health system.

The Towers proudly serves and protects the most vulnerable by ensuring access to affordable assisted living and homecare services on site. Our average length of stay is 5.5 years. Due to the services provided on our site, we



18 Tower Lane
New Haven, CT 06519
Tel (203) 772-1816
Fax (203) 777-5951
www.towerone.org

help our residents avoid premature placement into long-term care facilities, which effectively saves the City of New Haven and the State of Connecticut substantial dollars on an annual basis.

In our neighborhood, we have created safety and jobs. Together with our service providing partners, The Towers directly or indirectly employs approximately 95 people. We strive to be an employer of choice as we offer well above minimum wage and plan to continue as minimum wages adjust.

Throughout the pandemic, The Towers has reimagined the delivery of services, implementing telephonic and televised programming. We have fed every single residents three healthy meals by contactless delivery from our in-house kitchen, regardless of ability to pay. Donations and grants, which have enabled this program, have limited risk to exposure and transmission of COVID-19. Securing PPE for all our staff, private duty aides and residents was no small task. While we have a long road ahead, we will continue to protect the frailest in our community.

As you can see from our June 30, 2020 audited financial statements, The Towers generated income before depreciation expense and debt service of \$298,538. Included in our expenses was \$377,054 in paid real estate taxes to the City of New Haven. Our debt service for last year was \$202,641 and our depreciation expense was \$1,467,112. The Towers operates on a cash flow neutral basis. The requested extension of our existing Tower East Tax Abatement agreement is essential in allowing us to continue our important work uninterrupted. We are proud to serve our residents, families, the City of New Haven and the surrounding community so well these past forty years.

If you require any additional information, please feel free to contact me.

Sincerely,

John Heyder
Chief Financial Officer



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

I. APPLICANT INFORMATION

- A. APPLICATION DATE: 3/30/2021
- B. APPLICANT NAME: The New Haven Jewish Federation Housing Corporation
- C. IF DIFFERENT, OWNER'S NAME: _____
- D. PROJECT NAME: Tower East
- E. PROJECT ADDRESS(S): 18 Tower Lane, New Haven, CT 06519
- F. KEY CONTACT INFORMATION:
- Name: Gus Keach-Longo
- Title: President / CEO
- Address: 18 Tower Lane, New Haven CT
- Phone Number: 203 772-1816
- Email: gus@towerlane.org

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: 150 Total Number of Buildings: 1
- C. Total Number of Affordable Units: 150

- 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.? X Yes 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;
- 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.

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.
- B. Proposed term or duration of the tax exemption is 15 years or 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;
- 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;
- 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.
- F. A construction schedule indicating a certain commencement date which must occur no later than one (1) years from the date of the application.
- G. Copies of all government approvals such as zoning, city plan, etc. granting the Project final site plan approval;
- 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;
- 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.

- 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;
- 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
- 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.

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.
 - 6 copies of application and all required documentation with tabs labeled with appropriate Exhibit identified.
 - Exhibit 1: Project Summary Response. *N/A*
 - Exhibit 2: Organizational Documents including Certificate of Incorporation, Articles of Incorporation, etc.
 - Exhibit 3: Certificate of Good Standing.
 - Exhibit 4: Evidence of site control by the applicant (Deed, Option/Purchase Sale Agreement) if Applicant does not yet have ownership of the property.
 - Exhibit 5: Copy of recorded Affordable or Restrictive Covenants, if applicable.
 - Exhibit 6: Evidence that Property and all real estate owned by principal(s) are current on New Haven taxes.
 - 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 *N/A*

ownership interest obtained in consideration therefore. Documentation of all commitment letters is required.

- Exhibit 8: Three (3) year proforma assumptions for the development. N/A
- 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. N/A
- Exhibit 10: Corporate resolution authorizing the Development to enter into a tax abatement agreement with the City of New Haven.
- Exhibit 11: Attach, any and all, letters of support. N/A
- Exhibit 12: Documentation of any rental subsidies, if applicable.

**New Haven Jewish Community
Council Housing Corporation
d/b/a The Towers at Tower Lane,
formerly Tower One - Tower East
HUD Project No.: 017-11198**

**Financial Statements
(With Supplementary Information)
and Independent Auditor's Reports**

June 30, 2020

New Haven Jewish Community Council Housing Corporation
HUD Project No.: 017-11198

June 30, 2020

Mortgagor's Certification

We hereby certify that we have examined the accompanying financial statements and supplementary data of New Haven Jewish Community Council Housing Corporation and, to the best of our knowledge and belief, the same are complete and accurate.

New Haven Jewish Community Council Housing
Corporation

Jacqueline Koral 9-29-2020
Jacqueline Koral Date
Chair

Lori Brochin 9/29/2020
Lori Brochin Date
Treasurer

Telephone Number: (203) 772-1816

Independent Auditor's Report

To the Board of Directors
New Haven Jewish Community Council Housing Corporation

Report on the Financial Statements

We have audited the accompanying financial statements of New Haven Jewish Community Council Housing Corporation, which comprise the statement of financial position as of June 30, 2020, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Haven Jewish Community Council Housing Corporation as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**New Haven Jewish Community Council Housing Corporation
HUD Project No.: 017-11198**

**Statement of Financial Position
June 30, 2020**

Assets

Current assets	
Cash - operations	\$ 409,005
Tenant accounts receivable	104,914
Allowance for doubtful accounts	(25,965)
Accounts receivable - HUD	88,369
Prepaid expenses	94,173
	<hr/>
Total current assets	670,496
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Deposits held in trust - funded	
Tenant deposits	286,480
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Restricted deposits and funded reserves	
Escrow deposits	2,266,263
Reserve for replacements	3,402,502
Other reserves	127,600
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Total restricted deposits and funded reserves	5,796,365
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Rental property	
Land	191,872
Buildings	41,490,129
Building equipment - portable	70,506
Furnishings	1,890,439
Office furniture and equipment	143,508
Maintenance equipment	126,554
	<hr/>
	43,913,008
Less accumulated depreciation	(19,245,704)
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Total rental property	24,667,304
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Total assets	\$ 31,420,645
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**New Haven Jewish Community Council Housing Corporation
HUD Project No.: 017-11198**

**Statement of Activities
Year Ended June 30, 2020**

Revenue	
Rental	\$ 6,276,448
Vacancies	<u>(257,023)</u>
Net rental revenue	6,019,425
Financial	4,764
Other	<u>404,295</u>
Total revenue	<u>6,428,484</u>
Expenses	
Administrative	1,332,279
Utilities	587,397
Operating and maintenance	2,259,466
Taxes and insurance	1,062,219
Financial (including interest of \$445,132)	476,138
Resident services expenses	<u>412,447</u>
Total cost of operations before depreciation	<u>6,129,946</u>
Income before depreciation	298,538
Depreciation	<u>1,467,112</u>
Change in net assets	(1,168,574)
Net assets without donor restrictions, beginning	<u>19,489,707</u>
Net assets without donor restrictions, end	<u><u>\$ 18,321,133</u></u>

See Notes to Financial Statements.

**New Haven Jewish Community Council Housing Corporation
HUD Project No.: 017-11198**

**Statement of Cash Flows
Year Ended June 30, 2020**

Reconciliation of change in net assets to net cash provided by operating activities	
Change in net assets	<u>\$ (1,168,574)</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation	1,467,112
Amortization of debt issuance costs	6,769
Bad debts	11,981
Changes in asset and liability accounts	
(Increase) decrease in assets	
Tenant accounts receivable	(47,884)
Accounts receivable - other	(38,278)
Prepaid expenses	12,351
Increase (decrease) in liabilities	
Accounts payable	(21,748)
Accrued liabilities	11,216
Accrued interest payable	(595)
Tenant security deposits held in trust	121
Prepaid revenue	4,886
Other adjustments (include detail)	
Miscellaneous current liabilities	<u>47,079</u>
Total adjustments	<u>1,453,010</u>
Net cash provided by operating activities	<u><u>\$ 284,436</u></u>

See Notes to Financial Statements.

New Haven Jewish Community Council Housing Corporation
HUD Project No.: 017-11198

Notes to Financial Statements
June 30, 2020

Impairment of long-lived assets

The Corporation reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Recoverability is measured by a comparison of the carrying amount to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition. If the long-lived asset is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount exceeds the fair value as determined from an appraisal, discounted cash flow analysis or other valuation techniques. There were no impairment losses recognized during 2020.

Rental income

Rental income is recognized as rentals become due. Rental payments received in advance are deferred until earned. All leases between the Corporation and the tenants of the property are operating leases.

Tower One and Tower East receive monthly rent supplements from HUD under separate Housing Assistance Payment contracts. Both contracts were renewed effective September 1, 2017 for a period of 20 years through September 1, 2037. Both contracts also contain an additional renewal provision; seven years for Tower One and five years for Tower East. The Corporation's operations include \$3,208,918 of rent supplement payments received during the year, which represents 50% of total revenue.

The Corporation receives a grant from HUD under a Resident Services Coordinator grant agreement. The grant is awarded on an annual basis. For the year ended June 30, 2020, \$364,175 was recorded as grant revenue.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Income taxes

The Corporation has applied for and received a determination letter from the Internal Revenue Service (the "IRS") to be treated as a tax-exempt entity pursuant to Section 501(c)(3) of the Internal Revenue Code and did not have any unrelated business income for the year ended June 30, 2020. Due to its tax-exempt status, the Corporation is not subject to income taxes. The Corporation is required to file and does file tax returns with the IRS and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and the Corporation has no other tax positions which must be considered for disclosure. Income tax returns filed by the Corporation are subject to examination by the IRS for a period of three years. While no income tax returns are currently being examined by the IRS, tax years since 2016 remain open.

Distributable funds

In accordance with the regulatory agreement, all surplus cash must be deposited in the residual receipts account. There is no surplus cash at June 30, 2020.

New Haven Jewish Community Council Housing Corporation
HUD Project No.: 017-11198

Notes to Financial Statements
June 30, 2020

In June 2020, the FASB issued Accounting Standards Update No. 2020-05 ("ASU 2020-05"), *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842): Effective Dates for Certain Entities*, which provides for the elective deferrals of the effective dates of Topic 606 and Topic 842 for certain entities. The core principle of Topic 606, which replaces most existing revenue recognition guidance with a five-step framework, is that revenue from contracts with customers is recognized in an amount that reflects the consideration to which an entity expects to be entitled in exchange for goods and services. Upon its adoption, Topic 842 replaces existing lease accounting guidance and requires lessees to recognize right of use assets and corresponding lease liabilities for their leases other than those on their balance sheets for all leases, including those classified as operating, except for short-term leases. Lessor accounting under Topic 842 is largely unchanged when compared to existing guidance.

The Corporation has elected to apply the deferrals provided by ASU 2020-05 and, therefore, expects to adopt (i) Topic 606 for annual reporting periods beginning after December 15, 2019 retrospectively with a cumulative effect transition adjustment to opening equity as of the beginning of the period that includes initial adoption of the standard; and (ii) Topic 842 for fiscal years beginning after December 15, 2021 on a modified retrospective basis with a cumulative effect transition adjustment as of the beginning of the period that includes initial adoption of the standard. The Corporation is currently evaluating the potential impacts of adopting Topic 606 and Topic 842 on its financial statements.

Note 3 - Liquidity and availability

The Corporation has \$1,711,941 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of cash of \$409,005, accounts receivable of \$167,318 and restricted deposits and funded reserves of \$595,618. Only amounts related to restricted deposits and funded reserves anticipated to be used more than one year after the statement of financial position date have been excluded from the above amounts.

As regulated by HUD, financial assets of the Corporation are intended to be sufficient to meet its general expenditures, liabilities and other obligations as they become due. Project operations are designed to break-even and not result in either surplus cash or a deficit in surplus cash. Generally, any surplus cash generated, subject to exceptions permitted in certain regulatory agreements, must be deposited into a residual receipts reserve.

The Corporation has approximately \$3.4 million in replacement reserves available to fund capital needs as necessary with HUD approval, and approximately \$1.6 million in other escrow deposits to fund other operating needs.

Note 4 - Mortgage payable

On August 30, 2017, the Corporation entered into a mortgage with KeyBank National Association. The mortgage note, bearing interest at the rate of 3.52% annually, is payable in monthly installments of \$53,467 (including interest) through September 2052. The Tower One and Tower East projects are pledged as collateral for the note. The mortgage is insured by the Federal Housing Administration ("FHA") for 0.25% per annum.

Under agreements with the mortgage lender and FHA, the Corporation is required to make monthly escrow deposits for taxes, insurance and replacement of project assets, and is subject to restrictions as to operating policies, rental charges, operating expenditures and distributions.

New Haven Jewish Community Council Housing Corporation
HUD Project No.: 017-11198

Notes to Financial Statements
June 30, 2020

Note 7 - Expenses by nature and function

The table below presents expenses by both their nature and function during the year ended June 30, 2020:

	Total program services expense	Total supporting services expense (management and general)	Total
Administrative expenses	\$ 1,306,049	\$ 26,230	\$ 1,332,279
Utilities expense	587,397	-	587,397
Operating and maintenance expenses	2,259,466	-	2,259,466
Taxes and insurance	1,062,219	-	1,062,219
Financial expenses	476,138	-	476,138
Nursing home/assisted living/board and care/other elderly care expenses	412,447	-	412,447
Depreciation	1,467,112	-	1,467,112
Total	\$ 7,570,828	\$ 26,230	\$ 7,597,058

All expenses are directly attributable to a specific function.

Note 8 - Related party transactions

The Corporation receives services from companies owned by individuals that are on the Corporation's Board of Directors. For the year ended June 30, 2020, \$171,360 is included in operating and maintenance supplies and \$27,177 is included in security services from these related parties, of which \$30,995 of operating and maintenance supplies remain payable at June 30, 2020.

Towers Foundation, Inc. ("The Foundation") is an affiliate of the Corporation through common Board of Directors' members.

The Foundation processes payments for certain resident services that are reimbursed to the Corporation. The amounts reimbursed were \$31,976 for the year ended June 30, 2020.

The Corporation collects parking revenue from residents for the benefit of the Foundation. The amount of parking revenue collected and transferred to the Foundation during the year ended June 30, 2020 was \$16,820.

The Corporation pays certain expenses on behalf of the Foundation. Expenses reimbursed to the Corporation by the Foundation included \$53,198 for salaries and related expenses during the year ended June 30, 2020.

During the year ended June 30, 2020 the Foundation provided the Corporation \$100,465 to subsidize resident meal costs during the period of COVID-19.

As of June 30, 2020, no amounts were due to or due from the Foundation related to these activities.

New Haven Jewish Community Council Housing Corporation
HUD Project No.: 017-11198

Notes to Financial Statements
June 30, 2020

Note 14 - Concentration of credit risk

The Corporation maintains its cash balances in several accounts in various banks. The cash balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 at each bank. At times, these balances may exceed the federal insurance limits; however, the Corporation has not experienced any losses with respect to its bank balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these cash balances at June 30, 2020.

Note 15 - Statement of cash flows

The following table provides a reconciliation of cash and restricted cash reported within the statement of financial position that sum to the total of the same such amounts in the statement of cash flows:

Cash - operations	\$ 409,005
Deposits held in trust - funded	<u>286,480</u>
 Total cash and restricted cash shown in the statement of cash flows	 <u>\$ 695,485</u>

The amount included in restricted cash consists of security deposits held in trust for the future benefit of tenants upon moving out of the property as required by regulatory authority.

Note 16 - Contingency

In early 2020, an outbreak of a novel strain of coronavirus ("COVID-19") emerged globally. As a result, events have occurred including mandates from federal, state and local authorities leading to an overall decline in economic activity which could result in a loss of lease revenue and other material adverse effects to the Corporation's financial position, change in net assets, and cash flows. The Corporation is not able to reliably estimate the length or severity of this outbreak and the related financial impact.

Note 17 - Subsequent events

Events that occur after the statement of financial position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of financial position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of financial position date require disclosure in the accompanying notes. Management evaluated the activity of the Corporation through September 29, 2020 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

**New Haven Jewish Community Council Housing Corporation
HUD Project No.: 017-11198**

Supplementary Information

**Statement of Financial Position Data
June 30, 2020**

<u>Account No.</u>	<u>Assets</u>		
Current assets			
1120	Cash - operations		\$ 409,005
1130	Tenant accounts receivable	\$ 104,914	
1131	Allowance for doubtful accounts	<u>(25,965)</u>	
1130N	Net tenants accounts receivable		78,949
1135	Accounts receivable - HUD		88,369
1200	Prepaid expenses		<u>94,173</u>
1100T	Total current assets		670,496
Deposits held in trust - funded			
1191	Tenant deposits		286,480
Restricted deposits and funded reserves			
1310	Escrow deposits	2,266,263	
1320	Reserve for replacements	3,402,502	
1330	Other reserves	<u>127,600</u>	
1300T	Total deposits		5,796,365
Rental property			
1410	Land	191,872	
1420	Buildings	41,490,129	
1440	Building equipment - portable	70,506	
1460	Furnishings	1,890,439	
1465	Office furniture and equipment	143,508	
1470	Maintenance equipment	<u>126,554</u>	
1400T	Total fixed assets	43,913,008	
1495	Less accumulated depreciation	<u>(19,245,704)</u>	
1400N	Net fixed assets		<u>24,667,304</u>
1000T	Total assets		<u>\$ 31,420,645</u>

**New Haven Jewish Community Council Housing Corporation
HUD Project No.: 017-11198**

Supplementary Information

**Statement of Activities Data
Year Ended June 30, 2020**

<u>Account No.</u>			
Rental revenue			
5120	Rent revenue - gross potential	\$ 3,067,530	
5121	Tenant assistance payments	<u>3,208,918</u>	
5100T	Total rental revenue		\$ 6,276,448
Vacancies			
5220	Apartments	<u>(257,023)</u>	
5200T	Total vacancies		<u>(257,023)</u>
5152N	Net rental revenue		6,019,425
Financial revenue			
5410	Financial revenue - project operations	2,919	
5440	Revenue from investments - replacement reserve	<u>1,845</u>	
5400T	Total financial revenue		4,764
Other revenue			
5910	Laundry and vending	21,273	
5920	Tenant charges	15,008	
5990	Miscellaneous revenue	<u>368,014</u>	
5900T	Total other revenue		<u>404,295</u>
5000T	Total revenue		<u>6,428,484</u>

**New Haven Jewish Community Council Housing Corporation
HUD Project No.: 017-11198**

Supplementary Information

**Statement of Activities Data
Year Ended June 30, 2020**

<u>Account No.</u>			
Taxes and insurance			
6710	Real estate taxes	377,054	
6711	Payroll taxes	174,310	
6720	Property and liability insurance	117,949	
6722	Workmen's compensation	19,406	
6723	Health insurance and other employee benefits	368,896	
6790	Miscellaneous taxes, licenses, permits and insurance	<u>4,604</u>	
6700T	Total taxes and insurance		1,062,219
Financial expenses			
6820	Interest on first mortgage payable	445,132	
6850	Mortgage insurance premium/service charge	<u>31,006</u>	
6800T	Total financial expenses		476,138
6900	Nursing home/Assisted living/Board and care/Other elderly care expenses		<u>412,447</u>
6000T	Total cost of operations before depreciation		<u>6,129,946</u>
5060T	Income (loss) before depreciation		298,538
Depreciation			
6600	Depreciation expense	<u>1,467,112</u>	
	Total depreciation		<u>1,467,112</u>
5060N	Operating income (loss)		<u>(1,168,574)</u>
	Total expenses		<u>7,597,058</u>
3250	Change in net assets		<u>\$ (1,168,574)</u>

New Haven Jewish Community Council Housing Corporation
HUD Project No.: 017-11198

Supplementary Information

Statement of Changes in Net Assets Data
Year Ended June 30, 2020

<u>Account No.</u>		<u>Total</u>
S1100-050	Net assets	
S1100-060/080	June 30, 2019	\$ 19,489,707
3247/3249	Change in net assets	<u>(1,168,574)</u>
3130	Net assets	
3131/3133	June 30, 2020	<u>\$ 18,321,133</u>

**New Haven Jewish Community Council Housing Corporation
HUD Project No.: 017-11198**

**Supplementary Information
Year Ended June 30, 2020**

Reserve for Replacements

<u>Account No.</u>			
1320P	Balance at June 30, 2019	\$	3,622,085
1320DT	Total monthly deposits		428,500
1320INT	Interest income		1,845
1320WT	Approved withdrawals		<u>(649,928)</u>
1320	Balance at June 30, 2020	<u>\$</u>	<u>3,402,502</u>

New Haven Jewish Community Council Housing Corporation
HUD Project No.: 017-11198

Supplementary Information
Year Ended June 30, 2020

Changes in Fixed Asset Accounts

	Assets			Balance 6/30/20
	Balance 6/30/19	Additions	Deletions	
Land	\$ 191,872	\$ -	\$ -	\$ 191,872
Buildings	41,287,460	202,669	-	41,490,129
Building equipment - portable	70,506	-	-	70,506
Furnishings	1,924,201	16,238	50,000	1,890,439
Office furniture and equipment	115,691	27,817	-	143,508
Maintenance equipment	126,554	-	-	126,554
	<u>\$ 43,716,284</u>	<u>\$ 246,724</u>	<u>\$ 50,000</u>	<u>\$ 43,913,008</u>
Accumulated depreciation	<u>\$ 17,828,592</u>	<u>\$ 1,467,112</u>	<u>\$ 50,000</u>	<u>\$ 19,245,704</u>
Total net book value				<u>\$ 24,667,304</u>

**New Haven Jewish Community Council Housing Corporation
HUD Project No.: 017-11198**

**Supplementary Information
Year Ended June 30, 2020**

Detail of Accounts - Statement of Financial Position

Other Reserves (Account No. 1330)

Federal facilities reserves	<u>\$ 127,600</u>
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Miscellaneous Current Liabilities (Account No. 2190)

Accrued pension	\$ 147,067
Due to State of Connecticut	127,284
Accrued liabilities	60,231
Unearned revenue	<u>5,794</u>
	<u>\$ 340,376</u>

**New Haven Jewish Community Council Housing Corporation
HUD Project No.: 017-11198**

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020**

Federal Grantor/ (Pass-through Grantor)/ Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Housing and Urban Development direct programs Mortgage Insurance Rental Housing	14.134		\$ 12,562,673
Section 8 Housing Assistance Payments Program and Total Section 8 Project-Based Cluster	14.195		3,208,918
Multifamily Housing Service Coordinators	14.191		<u>364,175</u>
Total expenditures of federal awards			<u><u>\$ 16,135,766</u></u>

See Notes to Schedule of Expenditures of Federal Awards.

Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

To the Board of Directors
New Haven Jewish Community Council Housing Corporation

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of New Haven Jewish Community Council Housing Corporation, which comprise the statement of financial position as of June 30, 2020, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 29, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered New Haven Jewish Community Council Housing Corporation's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of New Haven Jewish Community Council Housing Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of New Haven Jewish Community Council Housing Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether New Haven Jewish Community Council Housing Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Independent Auditor's Report on Compliance for Each Major Federal Program
and on Internal Control over Compliance Required by the Uniform Guidance

To the Board of Directors
New Haven Jewish Community Council Housing Corporation

Report on Compliance for Each Major Federal Program

We have audited New Haven Jewish Community Council Housing Corporation's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of New Haven Jewish Community Council Housing Corporation's major federal programs for the year ended June 30, 2020. New Haven Jewish Community Council Housing Corporation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of New Haven Jewish Community Council Housing Corporation's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about New Haven Jewish Community Council Housing Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our qualified and unmodified opinions on compliance for each major federal program. However, our audit does not provide a legal determination of New Haven Jewish Community Council Housing Corporation's compliance.

Basis for Qualified Opinion on Section 8 Housing Assistance Payments Program

As described in the accompanying schedule of findings and questioned costs, New Haven Jewish Community Council Housing Corporation did not comply with requirements regarding CFDA 14.195 Section 8 Housing Assistance Payments Program as described in finding number 2020-001 for tenant eligibility and the maintenance of lease files. Compliance with such requirements is necessary, in our opinion, for New Haven Jewish Community Council Housing Corporation to comply with the requirements applicable to that program.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as Finding 2020-001, that we consider to be a material weakness.

New Haven Jewish Community Council Housing Corporation's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. New Haven Jewish Community Council Housing Corporation's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

CohnReznick LLP

Hartford, Connecticut
September 29, 2020

**New Haven Jewish Community Council Housing Corporation
HUD Project No.: 017-11198**

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2020**

III. Findings and Questioned Costs - Major Federal Award Programs Audit

Department of Housing and Urban Development

Finding No. 2020-001; Section 8 Housing Assistance Payments Program, CFDA 14.195

Statement of Condition

During our testing, we noted 4 instances where the property did not use HUD's Enterprise Income Verification (EIV) system in the process of determining eligibility, which constitutes noncompliance with HUD regulations regarding tenant eligibility and the maintenance of lease files.

Criteria

Tenant lease files are required to be maintained and tenant eligibility determined in accordance with HUD Handbook 4350.3, Occupancy Requirements of Subsidized Multifamily Housing Programs.

Questioned Costs: None

Effect

The procedures for determining eligibility and maintaining tenant lease files were not consistently applied in accordance with HUD Handbook 4350.3, Occupancy Requirements of Subsidized Multifamily Housing Programs. This could result in units being rented to ineligible tenants or errors in the rent subsidies paid by HUD.

Context

Using a statistical sampling method, we selected a sample of 4 tenants out of a total population of 26 tenants in the Section 8 Housing Assistance Payments Program that moved into the property during the year.

Cause

Management's policies with respect to the determination of tenant eligibility and the maintenance of tenant lease files in accordance with HUD Handbook 4350.3, Occupancy Requirements of Subsidized Multifamily Housing Programs, were not consistently followed.

Recommendation

Management should establish procedures and monitor compliance with those procedures to insure that tenant eligibility is correctly determined and that tenant lease files are properly maintained in accordance with the requirements of HUD Handbook 4350.3, Occupancy Requirements of Subsidized Multifamily Housing Programs.

Auditor Noncompliance Code: R - Section 8 program administration

Finding Resolution Status: In progress



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**AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
THE NEW HAVEN JEWISH COMMUNITY COUNCIL HOUSING CORPORATION**

Article 1. The name of the corporation is The New Haven Jewish Community Council Housing Corporation (the "Corporation").

Article 2. The Corporation is organized and shall be operated exclusively for charitable and/or religious purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding provision of any future United States Internal Revenue Law (herein called the "Code"). In furtherance of the foregoing general activities and purposes, the specific activities and purposes to be conducted, promoted and carried out by the Corporation shall be:

- (a) To provide for elderly families and elderly persons on a non-profit basis rental housing and related facilities and services specially designed to meet the physical, social, and psychological needs of the aged and contribute to their health, security, happiness and usefulness in longer living.
- (b) To plan, construct, operate, maintain and improve rental housing and related facilities and services for elderly families and elderly persons.
- (c) To acquire by gift or purchase, holding, sell, convey, assign mortgage, or lease any property, real or personal, necessary or incident to the provision of rental housing and related facilities and services for elderly families and elderly persons.

- (d) To borrow money and to issue evidence of indebtedness in furtherance of any or all of the objects of its business; and to secure loans by mortgage, pledge, or other lien.
- (e) To apply for, obtain and contract with any Federal Agency for a direct loan or loans or other financial aid in the form of mortgage insurance or otherwise for the provision of rental housing and related facilities and services for elderly families and elderly persons.
- (f) To engage in any kind of activity, and to enter into, perform, and carry out contracts of any kind, necessary or in connection with, or incidental to the accomplishment of any one or more of the non-profit purposes of the Corporation.
- (g) To accept gifts, devises or bequests of every nature and description to carry out the above and foregoing purposes.
- (h) except as otherwise herein provided, engage in any lawful act or activity for which a corporation may be formed under the Connecticut Revised Nonstock Corporation Act that is not inconsistent with the express limitations contained in this Amended and Restated Certificate of Incorporation.

Article 3. The Corporation shall be subject to the following additional restrictions and requirements:

- (a) The Corporation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. No substantial part of the activities of the

Corporation shall constitute the carrying on of propaganda or otherwise attempting to influence legislation.

(b) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its officers, directors or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered, to reimburse reasonable expenses incurred, to purchase goods and services at reasonable prices, and to provide programs, services and other benefits, all in furtherance of the exclusively charitable and/or religious purposes of the Corporation set forth in Article 2 hereof, and to make distribution of its assets upon dissolution as provided for in Article 10 hereof.

(c) Notwithstanding any other provision of this Amended and Restated Certificate of Incorporation, the Corporation shall not conduct any other activities not permitted to be conducted by (a) a corporation exempt from federal income tax under section 501(c)(3) of the Code, or (b) a corporation, contributions to which are deductible under section 170(c)(2) of Code.

Article 4. The Corporation is nonprofit and shall not have or issue shares of stock or make distributions.

Article 5. The Corporation shall have no members.

Article 6. The management and control of the Corporation shall be vested in a Board of Directors, consisting of not less than seven directors elected in the manner provided by the Bylaws. The qualifications of the directors together with their terms of office, manner of election, removal, change of number, filling of vacancies and of newly created director positions, powers, duties and liabilities shall, except as otherwise

provided in this Amended and Restated Certificate of Incorporation or by the laws of the State of Connecticut, be as prescribed by the Bylaws. The directors shall elect the regular officers of the Corporation in the manner provided in the Bylaws. The directors and officers shall serve without compensation.

Article 7. Bylaws of the Corporation shall be adopted by the directors and may be amended only as provided therein, provided that such Bylaws and amendments thereto shall not conflict with the provisions of this Amended and Restated Certificate of Incorporation or of the Regulatory Agreement.

Article 8. This Amended and Restated Certificate of Incorporation, except Articles 7 and 10 hereof, may be amended by a vote of two-thirds of the directors of the Corporation at any annual meeting, or at a special meeting called for that purpose.

Article 9. The duration of this Corporation shall be perpetual.

Article 10. In the event of the dissolution, all of the assets of the Corporation shall be transferred and assigned to The Jewish Federation of Greater New Haven, Inc. (the "Federation") or its successor provided that the Federation or its successor, as applicable, is an organization exempt from federal income tax under Section 501(c)(3) of the Code and that is not a private foundation as described in Section 509(a) of the Code, and further provided that any such assets shall be used by the Federation exclusively for the purpose of providing shelter, care and services for elderly persons based on Jewish values and traditions. If the Federation or any successor thereto is not in existence at the time of dissolution of the Corporation, its assets shall be distributed to one or more organizations exempt under Section 501(a) of the Code that are described in Section 501(c)(3) of the Code and is not a private foundation as described in Section 509(a) of

the Code. The Corporation shall (i) be empowered only to engage in activities in furtherance of the above-described exclusively charitable and/or religious purposes, and (ii) not be empowered to engage in activities that would cause the Corporation to cease to be qualified as exempt under Section 501(a) of the Code as described in Section 501(c)(3) of the Code, or that would cause contributions to the Corporation to cease to be deductible under Section 170(c)(2) of the Code.

Article 11. Notwithstanding any other provision of this Amended and Restated Certificate of Incorporation, the directors and officers of the Corporation who are not compensated on either a salary or prorated equivalent basis for services rendered in such capacities shall be immune from civil liability for any act or omission resulting in damage or injury to the full extent provided under Section 52-557m of the Connecticut General Statutes, including any amendments to or substitutions for such Section 52-557m which may be made from time to time.

Article 12.

A. No person who is or was a director of the Corporation shall be personally liable to the Corporation for monetary damages for breach of duty as a director in an amount that exceeds the compensation, if any, received by the director for serving the Corporation during the year of the violation if such breach did not (a) involve a knowing and culpable violation of law by the director, (b) enable the director or an associate, as defined in Section 33-840 of the Connecticut General Statutes, to receive an improper personal economic gain, (c) show a lack of good faith and a conscious disregard for the duty of the director to the Corporation under circumstances in which the director was aware that his or her conduct or omission created an unjustifiable risk of serious injury to

the Corporation, or (d) constitute a sustained and unexcused pattern of inattention that amounted to an abdication of the director's duty to the Corporation. Any lawful repeal or modification of this Article or the adoption of any provision inconsistent herewith by the Board of directors of the Corporation shall not, with respect to a person who is or was a director, adversely affect any limitation of liability, right or protection of such person existing at or prior to the effective date of such repeal, modification or adoption of a provision inconsistent herewith.

B. The limitation of liability of any person who is or was a director provided for in this Article shall not be exclusive of any other limitation or elimination of liability contained in, or which may be provided to any person under, Connecticut law as in effect on the effective date of this Certificate of Incorporation and as thereafter amended.

Article 13. The Corporation shall indemnify, and advance expenses to, its directors, officers, employees, and agents, and their legal representatives, to the maximum extent permitted by the Connecticut Revised Nonstock Corporation Act, as amended and may procure insurance to cover such obligation with or without sharing costs of insurance with those benefited thereby. At any time, the Regulatory Agreement is in effect, this provision shall be subject to the permitted source of payment requirements of Article 14, Section 11.

Article 14. HUD-Required Provisions. Notwithstanding any clause or provision in this Amended and Restated Certificate of Incorporation or the Bylaws of the Corporation to the contrary and so long as the United States Department of Housing and Urban Development ("HUD") or a successor or assign of HUD is the insurer or holder of a loan to the Corporation ("the HUD-insured Loan") secured by the mortgage on Tower

One & Tower East and FHA Project Number 017-11198 in the City of New Haven, County of New Haven and State of Connecticut (the "Project") the following provisions shall apply:

1. If any of the provisions of the organizational documents conflict with the terms of the HUD-insured Note, Security Instrument, or HUD Regulatory Agreement ("HUD Loan Documents"), the provisions of the HUD Loan Documents shall control.

2. No provision required by HUD to be inserted into the organizational documents may be amended without HUD's prior written approval. Additionally, if there is a conflict between any HUD-required provisions inserted into this Amended and Restated Certificate of Incorporation and any other provision of this Amended and Restated Certificate of Incorporation, the terms of the HUD-required provisions will govern; and if there is a conflict between any of the provisions in this Amended and Restated Certificate of Incorporation and any HUD-required provisions of this Amended and Restated Certificate of Incorporation, the HUD-required provisions will govern.

3. Unless otherwise approved in writing by HUD, the Corporation's business and purpose shall consist solely of the acquisition, ownership, operation and maintenance of the Project and the activities incidental thereto. The Corporation shall not engage in any other business or activity. The Project shall be the sole asset of the Corporation, which shall not own any other real estate other than the aforesaid Project.

4. None of the following will have any force or effect without the prior written consent of HUD:

- a. Any amendment that modifies the term of the Corporation's existence;

- b. Any amendment that triggers application of the HUD previous participation certification requirements (as set forth in Form HUD 2530, Previous Participation Certification, or 24 CFR § 200.210, et seq.);
- c. Any amendment that in any way affects the HUD Loan Documents;
- d. Any amendment that would authorize any member, partner, owner, officer or director, other than the one previously authorized by HUD, to bind the Corporation for all matters concerning the Project which require HUD's consent or approval.
- e. A change that is subject to the HUD TPA requirements contained in Chapter 13 of HUD Handbook 4350.1 REV-1; or
- f. Any change in a guarantor of any obligation to HUD (including those obligations arising from violations of the Regulatory Agreement).

5. The Corporation is authorized to execute a Note and Security Instrument in order to secure a loan to be insured by HUD and to execute the Regulatory Agreement and other documents required by the Secretary in connection with the HUD-insured loan.

6. Any incoming member/partner/owner of the Corporation must as a condition of receiving an interest in the Corporation agree to be bound by the HUD Loan Documents and all other documents required in connection with the HUD-insured loan to the same extent and on the same terms as the other member/partners/owners.

7. Upon any dissolution, no title or right to possession and control of the Project, and no right to collect the rents from the Project, shall pass to any person or entity that is not bound by the Regulatory Agreement in a manner satisfactory to HUD.

8. The key principals of the Corporation identified in the Regulatory Agreement are liable in their individual capacities to HUD to the extent set forth in the Regulatory Agreement.

9. The Corporation shall not voluntarily be dissolved or converted to another form of entity without the prior written approval of HUD.

10. The Corporation has designated Jackie Curl as its official representative for all matters concerning the Project that require HUD consent or approval. The signature of this representative will bind the Corporation in all such matters. The Corporation may from time to time appoint a new representative to perform this function, but within three business days of doing so, will provide HUD with written notification of the name, address, and telephone number of its new representative. When a person other than the person identified above has full or partial authority with respect to management of the Project, the Corporation will promptly provide HUD with the name of that person and the nature of that person's management authority.

11. Notwithstanding any provision in this Amended and Restated Certificate of Incorporation to the contrary, any obligation of the Corporation to provide indemnification under this Certificate of Incorporation shall be limited to (i) amounts mandated by state law, if any, (ii) coverage afforded under any liability insurance carried by the Corporation and (iii) available "surplus cash" of the Corporation as defined in the Regulatory Agreement. Until funds from a permitted source for payment of indemnification costs are available for payment, the Corporation shall not (a) pay funds to any members, partners, officers and directors, or (b) pay the deductible on an indemnification policy for any members, partners, officers and directors.

Approved By:



Gustave Keach-Longo, CEO

**THE NEW HAVEN JEWISH COMMUNITY COUNCIL
HOUSING CORPORATION**

AMENDED AND RESTATED BYLAWS

ARTICLE I

THE CORPORATION

The Corporation is a nonstock corporation organized under the Connecticut Revised Nonstock Corporation Act, as amended. The Corporation shall be known as The New Haven Jewish Community Council Housing Corporation d/b/a The Towers at Tower Lane and shall be referred to in these Bylaws as the "Corporation."

ARTICLE II

PURPOSE

The purposes of the Corporation are to provide rental housing and related supportive services that contribute to the basic needs of elderly persons as further set forth in Article 2 of its Amended and Restated Certificate of Incorporation on file in the office of the Secretary of the State of Connecticut. In the event of any conflict between the purposes set forth in these Bylaws and those set forth in the Certificate of Incorporation, the provisions of the Certificate of Incorporation shall prevail.

ARTICLE III

MEMBERSHIP

The Corporation shall have no members.

ARTICLE IV
BOARD OF DIRECTORS

Section 1. Number and Eligibility

(a) The affairs of the Corporation shall be governed by a Board of Directors that shall consist of no less than twelve nor more than twenty-four directors who shall, collectively, be broadly representative of community interest and professional experience. Each director shall make an annual contribution to The Towers Foundation, Inc. and support The Towers events. Each director shall make an annual contribution to The Jewish Federation of Greater New Haven, Inc.

(b) There shall be one class of directors each of whom shall be elected by the Board of Directors. Notwithstanding the foregoing, any director serving by virtue of being a Federation Director or Resident Director at the time of the adoption of these Amended and Restated Bylaws, and any At-Large Director reaching a term limit under the bylaws in effect prior to the adoption of these Amended and Restated Bylaws, shall continue in office until the next Annual Meeting following such adoption.

Section 2. Governing Powers

The Board of Directors shall have all of the powers and duties necessary or appropriate for the administration of the affairs of the Corporation and may do all such acts and things not prohibited by law or by the Certificate of Incorporation or by these Bylaws.

Section 3. Election and Term of Office

(a) Elections. All elections shall be by majority vote of those directors present at a meeting at which a quorum is present. Elections to fill expiring terms or to fill seats caused by an expansion of the board shall take place at a meeting prior to the Annual Meeting. Directors shall take office at the Annual Meeting or, in the case of an election to fill a vacancy, upon their election.

(b) Directors shall be divided as nearly as possible into three groups, such that one-third (or the closest approximation thereof) of the Directors shall be elected by the Board of Directors for three-year terms to fill expiring terms in accordance with Article V, Section 2 following nomination of candidates by the Governance Committee. Directors shall serve no more than three full consecutive three-year terms provided that if a Director is elected to fill a vacancy on the Board, a term of one year or less will not count towards the term limit. In addition, these term limits are extended for a person who serves as Chair during a tenth or eleventh consecutive year on the Board and for an Immediate Past Chair, a person who just finished serving as Chair, during a tenth or later consecutive year on the Board. A Director, after a lapse of one year following said three consecutive full terms (or additional term(s) in the case of the Chair or Immediate Past Chair) is eligible for nomination and election to the Board of Directors.

Section 4. Director's Vacancy

(a) Each Director is under a good faith obligation to remain on the Board of Directors only so long as his or her schedule permits the time required to attend to duties as a Director.

(b) The Governance Committee shall nominate one or more candidates to fill vacancies. Vacancies, due to death, resignation or removal, in any unexpired term of a Director may be filled any time by vote of those Directors present at a duly constituted meeting of the Board. A Director elected to fill a vacancy shall hold office until the next Annual Meeting of the Board of Directors and until his or her successor is elected and qualified.

(c) Any Director may be removed with or without cause at any duly noticed meeting by a majority vote of the entire membership of the Board of Directors. Any Director whose removal has been proposed shall be given an opportunity at the meeting to be heard prior to the vote on removal. Any meeting at which removal will be voted on shall include notice of such proposed action. A person so removed may not be nominated as his or her own successor during the period of his or her original term as Director.

Section 6. Conflict of Interest.

The Corporation shall have a Conflict of Interest Policy which may be amended from time-to-time by the Board of Directors. No Director, or a Related Person to a Director, shall have a Significant Business Relationship with the Corporation, as defined in the Conflict of Interest Policy. Transactions which do not represent a Significant Business Relationship may be approved by the Board of Directors if they are in compliance with Section 33-1127 *et. seq.* of the Connecticut General Statutes, as may be amended from time-to-time, and the Conflict of Interest Policy and to the extent such transaction does not constitute an excess benefit transaction, as defined in Section 4958 of the Internal Revenue Code.

Section 7. Compensation

No compensation shall be paid to Directors or Officers for their services as such. Directors and Officers may be reimbursed for actual expenses incurred by them in the performance of their duties. In addition, upon approval of the Board of Directors and subject to the Conflict of Interest Policy, a Director or Officer may also be compensated for services provided to the Corporation in a capacity other than as Director or Officer.

Section 8. Insurance

The Corporation shall maintain Officers and Directors liability insurance.

ARTICLE V

MEETINGS

Section 1. Place of Meetings

Meetings of the Board of Directors shall be held at the principal office or place of business of the Corporation or at such other suitable place as may be designated by the Chair of the Board.

Section 2. Annual Meetings

Annual Meetings shall be held in October of each year at a date and time set by the Chair of the Board or shall be held at such other time within 60 days prior to or after October as the Chair in his/her discretion may determine.

Elections of Directors and Officers shall be held at the meeting prior to the Annual Meetings in accordance with Article IV, Section 3. Installation shall be held at the Annual Meeting. The Board of Directors may transact such other business of the Corporation at that time as may properly come before it.

Section 3. Regular Meetings

At least five regular meetings of the Board of Directors shall be held during each fiscal year.

Section 4. Notice of Meetings

(a) The Secretary shall give notice of the Annual Meeting by mail, electronic transmission, telephone, orally, voice mail, personal delivery or delivery service, such notice to set forth the time and place where the meeting is to be held, to each Director at his or her address, e-mail address, phone or facsimile number as it appears in the records of the Corporation or, if no such address or number appears, at his or her last known place of address, at least seven but not more than thirty days prior to such meeting. The delivery of notices in these manners shall be considered notice served.

(b) The Secretary shall give notice of each regular meeting by mail, electronic transmission, telephone, orally, voice mail, personal delivery or delivery service to each Director at least three days prior to the day named for such meeting, provided that no notice need be given of a regularly scheduled meeting held in accordance with a schedule of meetings distributed to the Board.

Section 5. Special Meetings

The Chair of the Board may call a special meeting of the Board of Directors by giving written notice by mail, electronic transmission, telephone, orally, voice mail, personal delivery, or delivery service to each Director at least one day prior to the day named for such meeting. The notice shall state the time, place and purpose of the meeting. A special meeting of the Board of Directors shall be called by the Chair of the Board or Secretary in like manner and on like notice on the written request of at least seven Directors to the Chair of the Board.

Section 6. Waiver of Notice

Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board without raising an objection shall also be a waiver of notice by him or her of the time and place thereof.

Section 7. Quorum

At all meetings of the Board of Directors, a majority of the total number of Directors then in office shall constitute a quorum. In the event that a quorum is not present any business conducted at such a meeting will be effective upon ratification at the next meeting at which a quorum is present.

Section 8. Participation by Teleconference

A Director may participate at any meeting using any means of communication by which all directors participating may simultaneously hear each other during the meeting. Participation in this fashion shall be deemed attendance at the meeting.

Section 9. Action by Unanimous Consent

Any action by the directors or any committee may be taken without a meeting if a written consent thereto is signed by all the directors or all the members of the applicable committees and filed with the records of the meetings of the directors. Such consent may be received by mail, FAX, email or other electronic means suitable for retention, retrieval, and reproduction by the recipient. Such consent shall be treated for all purposes as a vote at a meeting.

Section 9. Voting

At every meeting of the Board of Directors, each Director present shall have the right to cast one vote on each question or motion. The vote of the majority of those present shall decide any question or motion brought before such meeting, unless the question or motion is one upon which, by law, the Certificate of Incorporation, or these Bylaws, a different vote is required, in which case such express provision shall govern and control.

ARTICLE VI
OFFICERS

Section 1. Designation

The officers shall be the Chair of the Board, President/CEO, Vice-Chair, Secretary, and Treasurer, all of whom shall be elected by the Board of Directors. With the exception of the CEO/President, the officers shall be chosen from among the directors. In addition, the Board of Directors may elect a Chair-Elect.

Section 2. Election of Officers

Elections for officers of the Corporation to fill expiring terms shall be held at meeting prior to the Annual Meeting of the Board of Directors. All Officers shall be elected from the membership of the Board of Directors. No officer shall automatically succeed to any other office. The Board of Directors may appoint such temporary or acting officer or officers as may be necessary during the temporary absence or disability of an officer.

Section 3. Terms and Term limitations.

Officers shall serve for such term as set forth in this Section 3 or until their successors are elected and shall qualify. Officers are subject to such term limitations as further set forth in this Section 3.

(a) The Chair of the Board shall be elected to a two-year term and may be elected to an additional one-year term. No Chair of the Board shall be elected to more than three years in such office.

(b) The President/CEO shall be appointed by the Board and shall serve for the term set forth in his or her contract of employment with the Corporation; provided that in the absence of a contract, her or she may continue to serve until the earlier of the appointment of his or her replacement or his or her removal by the Board.

(c) The Vice-Chair, Secretary, and Treasurer shall each be elected to a one-year term. Each of these officers may be elected to two additional one-year terms, provided they shall not be elected to more than three years in such offices. The Vice-Chair, Secretary or Treasurer may be elected to offices they

have not previously held, without regard to the term limitations set forth in this Section 3, b.

(d) The Chair-Elect, if any, shall be elected to a one-year term, ordinarily coinciding with the Chair's last year in office. A Chair-Elect may serve one additional one-year term.

Section 4. Vacancies

Except as otherwise provided in these Bylaws, in case the office of any officer elected by the Board becomes vacant due to death, resignation or removal, the vacancy may be filled for the unexpired term by action of the sole remaining directors in office, though such remaining directors are less than a quorum, though the number of directors acting is less than a quorum, and though such a majority is less than a quorum or the required minimum number of approving directors.

Section 5. Removal

Any officer may be removed with or without cause at any duly noticed meeting by a vote of the majority of the entire membership of the Board of Directors. Any officer whose removal has been proposed shall be given an opportunity at the meeting to be heard prior to the vote on removal. Any meeting at which removal will be voted on shall include notice of such proposed action.

Section 6. Chair of the Board

The Chair of the Board shall have general supervision over the business of the Corporation, subject to the control of the Board. He or she shall preside at each meeting of the Board, provided however, that the Chair may delegate this duty to another member of the Board of Directors. The Chair of the Board shall be a voting *ex-officio* member of all committees of the Board. In general, the Chair shall perform all duties incident to the office of Chair and as such other duties as may from time to time be assigned by these Bylaws or by the Board.

Section 7. President/CEO

(a) The President/CEO shall be the chief executive and administrative officer of the organization. The President/CEO shall see that all orders and resolutions of the officers and Board of Directors are carried into effect and shall

perform such duties as set forth in the job description and as may be assigned from time to time by these Bylaws or the Board of Directors.

(b) The President/CEO shall not be a member of the Board of Directors. He or she shall be a non-voting *ex officio* member of all committees of the Corporation, and shall attend all committee meetings, except for the Executive Committee and Governance Committee, either in person or through delegation. The Executive Committee may excuse the CEO or his or her delegate from any meeting or portion thereof.

Section 8. Chair-Elect of the Board

The Chair-Elect of the Board, if any, shall assist the Chair of the Board in performing the Chair of the Board's duties as and when requested by the Chair of the Board and shall perform such other duties as are delegated to him or her by the Chair of the Board. The Chair-Elect of the Board shall perform the duties of the Chair of the Board in the event of the Chair of the Board's absence or incapacity.

Section 9. Vice-Chair

The Vice-Chair shall have such powers and perform such duties as may be assigned by the Board of Directors or the Chair. In the absence or disability of the Chair, the Vice-Chair shall have such powers and perform the duties and exercise the powers of the Chair.

Section 10. Secretary

The Secretary shall be responsible for preparing and maintaining custody of minutes of all meetings of the Board of Directors and for authenticating and maintaining the records of the Corporation, and shall give or cause to be given all notices in accordance with these Bylaws or as required by law, and, in general, shall perform all duties customary to the office of secretary and such other duties as the Board of Directors may prescribe. In the absence of the Secretary from any meeting of directors, a temporary secretary designated by the person presiding at the meeting shall perform the duties of the secretary with respect to recording minutes of the meeting.

Section 11. Treasurer

The Treasurer shall, subject to the direction and control of the Board of Directors, have general charge of the financial affairs of the Corporation, shall cause to be kept full and accurate books of account, shall prepare, distribute and retain or cause to be prepared, distributed and retained all reports, records and returns required by law regarding the Corporation's financial status, and have such other powers and perform such other duties as are usually incident to that office and as may be vested in that office by these Bylaws, the Board of Directors or the Chair of the Board.

ARTICLE VII COMMITTEES

Section 1. Board Committees

The Corporation shall have an Executive Committee, a Finance Committee, a Governance Committee and such other Committees which may exercise delegated authority of the Board of Directors to the extent permitted by law and as the Board may determine necessary or advisable. Board Committees shall include such voting and non voting *ex officio* members as set forth in these Bylaws and such other members elected by the Board from their own number as provided for in these Bylaws.

Section 2. Meetings, Notices, and Quorum.

The Executive Committee, Finance Committee, Governance and any other Board Committees shall have the same requirements for conducting business as those set forth Article IV and Article V of these Bylaws entitled respectively "Directors" and "Meeting", except that meetings of the Executive Committee may be held without notice, meetings of the Finance Committee may be held on one day's notice and Committees shall not be required to hold annual meetings.

Section 3. Advisory Committees and Task Forces.

Advisory Committees or Task Forces that do not have delegated powers to act for the Board, may be established by and their members appointed by the Chair of the Board or the Board of Directors. Advisory Committees may include Board members and non Board members and they are not subject to the requirements of Article VII, Section 2 entitled "Meeting, Notice and Quorum". Such additional Advisory Committees or Task Forces may be established as Standing Committees or Ad Hoc Committees.

Section 4. Executive Committee

The Executive Committee shall be a Standing Committee of the Board. consist of the following voting *ex officio members*: the Chair of the Board, Vice Chair, Secretary, Treasurer, and Immediate Past Chair of the Board (provided he or she is a member of the Board of Directors), and no more than two (2) additional members of the Board of Directors who may be nominated by the Governance Committee and elected by the Board of Directors. Any member of the Executive Committee who is not also an officer may be removed by a vote of a majority of the members of the Executive Committee at a committee meeting at which a quorum is present.

Section 5. Powers of the Executive Committee

During the intervals between meetings of the Board of Directors, and subject to such limitations as may be provided by law, the Corporation's Certificate of Incorporation, these Bylaws, or by resolution of the Board of Directors, the Executive Committee shall have and may exercise all the authority of the Board of Directors. The Executive Committee shall make a full report of all actions that it has taken to the next meeting of the Board of Directors.

Section 6. Finance Committee.

(a)The Finance Committee shall be a Standing Committee of the Board. The Finance Committee shall consist of the Treasurer as a voting *ex officio* member and such other additional members of the Board of Directors who may be nominated by the Chair of the Governance Committee and elected by the Board of Directors.

(b)The Finance Committee shall be charged with overall financial monitoring and oversight, preparation and review of the operating budget, review of financial statements and all reports, records and returns required by law regarding the Corporation's financial status, including, but not limited to Forms 990 and other tax filings, and oversight of investments and retirement fund investments.

Section 7. Governance Committee.

(a)The Governance Committee shall be a Standing Committee of the Board. The Governance Committee shall consist of the Immediate Past Chair, if any, and such other members who may be elected by the Board or appointed by the Chair of the Board. The Governance Committee may include Board Members and non Board Members.

(b)The Governance Committee shall establish criteria for Board service and nominate candidates for the Board of Directors, review bylaws and Board policies, review performance of existing Directors, provide orientation for new Directors, and Board development and education.

(c) The Governance Committee may create a subcommittee to advise the Committee on candidates for nomination to the Board. This subcommittee may be comprised of Board members and non Board members.

ARTICLE VIII

AMENDMENTS

Except as otherwise required by law, these Bylaws may be amended at any Annual Meeting or regular meeting of the Board of Directors or at any special meeting called for that purpose, provided that written notice of the general nature of the proposed amendment(s) shall have been given by mail, electronic transmission, personal delivery, or delivery service at least ten days prior to such meeting. Such amendment(s) shall require an affirmative vote of two-thirds of the members of the Board of Directors present and voting, a quorum being present. Such vote shall be taken at a duly constituted meeting of the Board of Directors.

No amendment shall be made which conflicts with the Certificate of Incorporation or the Regulatory Agreement.

ARTICLE IX
FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of July of every year. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors.

ARTICLE X
INDEMNIFICATION

The Corporation shall indemnify, and advance expenses to, its directors, officers, employees, and agents to the maximum extent permitted by the Connecticut Revised Nonstock Corporation Act, as amended and may procure insurance to cover such obligation with or without sharing costs of insurance with those benefited thereby. Notwithstanding the foregoing, if at any time the Corporation is a private foundation, the Corporation shall not indemnify such individuals, procure such insurance or share such premium cost to the extent so doing would constitute an act of self-dealing as defined in Section 4941(d) of the Code. At any time, the Regulatory Agreement is in effect, this provision shall be subject to the permitted source of payment requirements of Article XII, Section 11.

ARTICLE XI
HUD REQUIRED PROVISIONS

Notwithstanding any clause or provision in these Bylaws or the Amended and Restated Certificate of Incorporation of the Corporation to the contrary and so long as the United States Department of Housing and Urban Development ("HUD") or a successor or assign of HUD is the insurer or holder of a loan to the Corporation ("the HUD-insured Loan") secured by the mortgage on Tower One & Tower East and FHA Project Number 017-11198 in the City of New Haven, County of New Haven and State of Connecticut (the "Project") the following provisions shall apply:

1. If any of the provisions of the organizational documents conflict with the terms of the HUD-insured Note, Security Instrument, or HUD Regulatory Agreement ("HUD Loan Documents"), the provisions of the HUD Loan Documents shall control.

2. No provision required by HUD to be inserted into the organizational documents may be amended without HUD's prior written approval. Additionally, if there is a conflict between any HUD-required provisions inserted into these Amended and Restated Bylaws and any other provision of these Amended and Restated Bylaws, the terms of the HUD-required provisions will govern; and if there is a conflict between any of the provisions in these Amended and Restated Bylaws and any HUD-required provisions of these Amended and Restated Bylaws, the HUD-required provisions will govern.

3. Unless otherwise approved in writing by HUD, the Corporation's business and purpose shall consist solely of the acquisition, ownership, operation and maintenance of the Project and the activities incidental thereto. The Corporation shall not engage in any other business or activity. The Project shall be the sole asset of the Corporation, which shall not own any other real estate other than the aforesaid Project.

4. None of the following will have any force or effect without the prior written consent of HUD:

- a. Any amendment that modifies the term of the Corporation's existence;
- b. Any amendment that triggers application of the HUD previous participation certification requirements (as set forth in Form HUD 2530, Previous Participation Certification, or 24 CFR § 200.210, et seq.);
- c. Any amendment that in any way affects the HUD Loan Documents;
- d. Any amendment that would authorize any member, partner, owner, officer or director, other than the one previously authorized by HUD, to bind the Corporation for all matters concerning the Project which require HUD's consent or approval.

- e. A Change that is subject to the HUD TPA requirements contained in Chapter 13 of HUD Handbook 4350.1 REV-1; or
- f. Any change in a guarantor of any obligation to HUD (including those obligations arising from violations of the Regulatory Agreement).

5. The Corporation is authorized to execute a Note and Security Instrument in order to secure a loan to be insured by HUD and to execute the Regulatory Agreement and other documents required by the Secretary in connection with the HUD-insured loan.

6. Any incoming member/partner/owner of the Corporation must as a condition of receiving an interest in the Corporation agree to be bound by the HUD Loan Documents and all other documents required in connection with the HUD-insured loan to the same extent and on the same terms as the other member/partners/owners.

7. Upon any dissolution, no title or right to possession and control of the Project, and no right to collect the rents from the Project, shall pass to any person or entity that is not bound by the Regulatory Agreement in a manner satisfactory to HUD.

8. The key principals of the Corporation identified in the Regulatory Agreement are liable in their individual capacities to HUD to the extent set forth in the Regulatory Agreement.

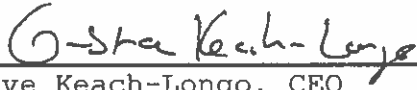
9. The Corporation shall not voluntarily be dissolved or converted to another form of entity without the prior written approval of HUD.

10. The Corporation has designated Jackie Curl as its official representative for all matters concerning the Project that require HUD consent or approval. The signature of this representative will bind the Corporation in all such matters. The Corporation may from time to time appoint a new representative to perform this function, but within three business days of doing so, will provide HUD with written notification of the name, address, and telephone number of its new representative. When a person other than the person identified above has full or partial authority with respect to management of the Project, the Corporation will promptly provide HUD with the name of that person and the nature of that person's management authority.

11. Notwithstanding any provision in these Amended and Restated Bylaws to the contrary, any obligation of the Corporation to

provide indemnification under these Bylaws shall be limited to (i) amounts mandated by state law, if any, (ii) coverage afforded under any liability insurance carried by the Corporation and (iii) available "surplus cash" of the Corporation as defined in the Regulatory Agreement. Until funds from a permitted source for payment of indemnification costs are available for payment, the Corporation shall not (a) pay funds to any members, partners, officers and directors, or (b) pay the deductible on an indemnification policy for any members, partners, officers and directors.

Approved By:



Gustave Keach-Longo, CEO

Approved 09/12/90

Approved 09/4/91

Approved 11/16/94

Approved 01/17/96

Approved 11/15/99

Approved 05/14/03

Approved 01/23/04

Approved 05/09/07

Approved 07/28/17

Approved 07/01/2019

Exhibit 3



STATE OF CONNECTICUT

DEPARTMENT OF REVENUE SERVICES

03/30/2021

TOWER ONE INC
18 TOWER LN

NEW HAVEN, CT 06519-1764

CT Tax Registration #: 6794051001

Status Letter

To Whom It May Concern,

Based on the information currently available, the State of Connecticut, Department of Revenue Services (DRS) records indicate that the entity listed above has filed all of its tax returns and paid all taxes that were reported due.

This status letter is valid until: **04/29/2021**

In providing this letter, DRS is **not** making any representations that it has conducted an audit examination or otherwise concluded that the information reported on the tax return(s) is correct. In the future, DRS may determine that additional tax returns were required or, to the extent allowed by law, make an assessment against the taxpayer and its successors or assigns.

This is not a Tax Clearance Certificate under Connecticut General Statutes §§12-294, 12-424, 12-546, or 12-707.

Sincerely,
Department of Revenue Services

DRS-033 (New 07/16)

Exhibit 4 B

BUILDING INSPECTION AND ENFORCEMENT
City of New Haven
200 Orange Street, New Haven, Connecticut

CERTIFICATE OF USE AND OCCUPANCY

NO. 5661 DATE March 24, 1983

THIS IS TO CERTIFY THAT THE New one (1) story-eight story-thirteen story building
LOCATED AT 18 Tower Lane East IS FOUND TO SUBSTANTIALLY COMPLY

WITH THE PROVISIONS OF THE BUILDING AND/OR ZONING ORDINANCES OF THE CITY OF NEW HAVEN AND THE PURPOSE FOR WHICH THE
BUILDING OR STRUCTURE AS DEFINED IN ARTICLE 2 AND 6 MAY BE USED OR OCCUPIED IN ITS SEVERAL PARTS AS LISTED BELOW:

- (A) USE GROUP Residential (L-2) IN ACCORDANCE WITH PROVISIONS OF ARTICLE 2.
- (B) FIRE GRADING Fire Proof (I-B) AS DEFINED IN ARTICLE 2 AND TABLE 16.
- (C) MAX LIVE LOADS — 1ST: _____ 2ND: _____ 3RD: _____ 4TH: _____ 5TH: _____ 6TH: _____ 8TH: _____ AS PRESCRIBED IN ARTICLE 7.

APPROVED FOR OCCUPANCY One hundred and fifty (150) dwelling units

SPECIAL CONDITION OF BUILDING PERMIT D.P. #90369 issued 1/26/81

Walter Kral
INSPECTED BY
Assistant Building Inspector

Orlando Silvestri
BUILDING OFFICIAL
Orlando Silvestri



TITLE REPORT

OUR FILE NO.: **ST31394**
ISSUED TO: **Wiggin and Dana LLP**
EFFECTIVE DATE: **April 1, 2019 at 5:00 PM**

THIS IS TO CERTIFY that as of the date set forth above and as disclosed by the land records of the City of New Haven, County of New Haven and State of Connecticut, title to the real property known as:

18 Tower Lane, New Haven, Connecticut

as more particularly described in Schedule A attached hereto is vested in:

The New Haven Jewish Community Council Housing Corporation

free and clear of all encumbrances, except as hereinafter set forth:

1. Rights of tenants and parties in possession, if any.
2. Any state of facts, which an accurate survey or personal inspection of the premises would disclose.
3. Any lien, or right to lien, for services, labor or materials previously or hereafter furnished, imposed by law and not shown by the public record.
4. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public record or attaching subsequent to the effective date hereof.
5. Said Premises are subject to building lines, setback lines and veranda lines, if established, and any and all provisions of any statute, ordinance and municipal regulation, including but not limited to Zoning and Planning regulations, Inland-Wetland regulations, Flood Plan Zone regulations, and public and private law affecting said Premises.
6. Riparian and/or littoral rights, beach rights, wharf rights, pier rights, tidal rights and/or any rights in rivers, brooks, streams, lakes, ponds, bays, navigable waters.
7. Inchoate liens not perfected by recording with the Town Clerk and/or errors in indexing of public records.
8. Any unrecorded assessments for public improvements or private association assessments and any unpaid installments or balances thereof.
9. Restrictive covenants, easements, rights of way, encumbrance and agreements affecting the property are set forth herein, any violation thereof, unless such violation appears of record, can only be ascertained by a physical examination of the premises and frequently only by survey.



Our File No.: ST31394
Property Address: 18 Tower Lane
New Haven, Connecticut

10. Real Estate taxes to the City of New Haven on the list of October 1, 2017, bearing List No. 23800011000400, being Tax Map 238, Block 110, Lot 400, payable July 1, 2018 and January 1, 2019; Note: Property is reported as tax exempt. (as to 18 Tower Lane)

Note: All tax, sewer and assessment information, if any, being provided herein are intended for informational purposes only and provided solely in reliance upon information provided by the city/town tax collector and/or tax assessor. No guarantee is made as to the accuracy of the tax and any other data and they should not be relied upon for any purpose other than general information. Further, subject to Section 12-53a of the Connecticut General Statutes providing that an additional tax assessment may be levied on the subject premises within ten days of the granting of a Certificate of Occupancy.
11. Real estate taxes on the list of October 1, 2018, not yet due and payable.
12. Sewer use charges as may be due and payable to the Greater New Haven Water Pollution Control Authority. (Note: Sewer lien indices not searched. Call (203) 776-3570.)
13. Charges as may be due and payable to the South Central Connecticut Regional Water Authority. Call (203) 562-4020 for information.
14. Right of way, easements, terms, conditions, covenants, restrictions and agreements as set forth in a deed dated March 13, 1969 and recorded in Volume 2372 at Page 295, as may be modified by an Easement Modification Agreement dated May 31, 2001 and recorded in Volume 5865 at Page 329, as may be further modified by a Quit Claim Deed (Release of Portion of Open Space Easement) dated September 3, 2002 and recorded in Volume 6207 at Page 246, and as may be further modified by a Certificate of Completion dated October 3, 2005 and recorded in Volume 7369 at Page 261, all of the New Haven Land Records.
15. Terms, provisions agreements, easements, including an Easement for Open Space, and conditions as set forth in a certain Land Disposition Agreement dated March 13, 1961 and recorded in Volume 23725 at Page 242, as may be modified by a Certificate of Completion dated October 3, 2005 and recorded in Volume 7369 at Page 261, both of the New Haven Land Records.
16. Grant of Easement in favor of the City of New Haven dated July 21, 1972 and recorded in Volume 2435 at Page 193 of the New Haven Land Records.
17. Easement in favor of The United Illuminating Company and the Southern New England Telephone Company dated October 6, 1981 and recorded in Volume 2937 at Page 290 of the New Haven Land Records.
18. Easement in favor of The United Illuminating Company and the Southern New England Telephone Company dated October 19, 1981 and recorded in Volume 2940 at Page 140 of the New Haven Land Records.
19. Easements as show on the map recorded in Map Volume 38, Page 64 in the Office of the New Haven Town Clerk.
20. Easement Modification Agreement dated May 31, 2001 and recorded in Volume 5865 at Page 329 of the New Haven Land Records.



Our File No.: ST31394
Property Address: 18 Tower Lane
New Haven, Connecticut

21. Easement Agreement dated September 27, 2005 and recorded in Volume 7347 at Page 3 of the New Haven Land Records.
22. Declaration of Restrictive Covenants and Extension of Regulator Agreement by the New Haven Jewish Community Council Housing Corporation to the United States Departments of Housing and Urban Development recorded in Volume 6100 at Page 191 of the New Haven Land Records.
23. Declaration of Restrictive Covenants and Extension of Regulator Agreement by the New Haven Jewish Community Council Housing Corporation to the United States Departments of Housing and Urban Development recorded in Volume 6843 at Page 179 of the New Haven Land Records.
24. Declaration of Restrictive Covenants and Extension of Regulator Agreement by the New Haven Jewish Community Council Housing Corporation to the United States Departments of Housing and Urban Development recorded in Volume 7860 at Page 225 of the New Haven Land Records.
25. Declaration of Restrictive Covenants and Extension of Regulator Agreement by the New Haven Jewish Community Council Housing Corporation to the United States Departments of Housing and Urban Development recorded in Volume 7860 at Page 249 of the New Haven Land Records.
26. Declaration of Restrictive Covenants and Extension of Regulator Agreement by the New Haven Jewish Community Council Housing Corporation to the United States Departments of Housing and Urban Development recorded in Volume 7860 at Page 273 of the New Haven Land Records.
27. Declaration of Restrictive Covenants and Extension of Regulator Agreement by the New Haven Jewish Community Council Housing Corporation to the United States Departments of Housing and Urban Development recorded in Volume 8515 at Page 293 of the New Haven Land Records.
28. Declaration of Restrictive Covenants and Extension of Regulator Agreement by the New Haven Jewish Community Council Housing Corporation to the United States Departments of Housing and Urban Development dated August 1, 2017 and recorded in Volume 9126 at Page 269 of the New Haven Land Records.
29. Use Agreement from New Haven Jewish Community Council Housing Corporation to the United States Departments of Housing and Urban Development dated August 1, 2017 and recorded in Volume 9614 at Page 322 of the New Haven Land Records.
30. Blanket Multifamily Mortgage, Assignment of Leases and Rents and Security Agreement from The New Haven Jewish Community Council Housing Corporation to Keybank National Association in the original principal amount of \$12,900,000.00 dated August 1, 2017 and recorded in Volume 9615 at Page 1 of the New Haven Land Records.
31. Blanket Regulatory Agreement for Multifamily Projects from The New Haven Jewish Community Council Housing Corporation to the United States Departments of Housing and Urban Development dated August 1, 2017 and recorded in Volume 9615 at Page 52 of the New Haven Land Records.



Our File No.: ST31394
Property Address: 18 Tower Lane
New Haven, Connecticut

32. Blanket UCC Financing Statement between The New Haven Jewish Community Council Housing Corporation, as debtor, and Keybank National Association, as secured party, recorded August 29, 2017 and recorded in Volume 9615 at Page 91 of the New Haven Land Records.

This Report of Title is issued to **Wiggin and Dana LLP** only, and is not assignable without the prior written consent of Sound Title, LLC.

The information contained in this Report is limited to an examination of the New Haven Land Records commencing **March 13, 1969** (the "Commencement Date") and continuing through and including **April 1, 2019 at 5:00 p.m.** (the "Effective Date"). Any matters recorded on the Land Records prior to the Commencement Date or subsequent to the Effective Date are expressly excluded from this Report.

SOUND TITLE, LLC

By: _____
Andrew R. Sherriff, Jr., Esq.
Counsel & Manager



Our File No.:
Property Address:

ST31394
18 Tower Lane
New Haven, Connecticut

SCHEDULE A

LEGAL DESCRIPTION

ALL THAT CERTAIN piece or parcel of land, together with the buildings and improvements thereon, situated in the City of New Haven, County of New Haven and State of Connecticut, being shown and delineated as **“N.H. J.C.C. Housing Corp. Area=84,5888 S.F. Tower One”** on a certain map entitled, **“ALTA / NSPS Land Title Survey Property Survey Property of New Haven Jewish Federation Housing Corporation & New Haven Jewish Community Council Housing Corporation, Tower Lane, South Frontage Road & Church Street Extension New Haven, Connecticut Scale: 1”=40’ August 28, 1998”**, on file in the Office of the New Haven Town Clerk in Map No. 62-38, Map 1 and 2, reference to such maps being hereby made and had for a more particular description hereof.

TOGETHER WITH such easements, rights of way and conditions as set forth in a deed dated March 13, 1969 and recorded in Volume 2372 at Page 295, as reserved in a deed dated September 29, 1980 and recorded in Volume 2872 at Page 101, and as set forth in a deed dated September 29, 1980 and recorded in Volume 2872 at Page 115, all of the New Haven Land Records.

FUTHER TOGETHER WITH such rights, benefits and/or privileges as set forth in an Easement dated September 25, 2005 and recorded in Volume 7347 at Page 3 of the New Haven Land Records.

TOGETHER WITH such rights, benefits and privileges as may arise in connection with that certain Release of Real Property Taxes by the City of New Haven dated December 31, 1980 and recorded in Volume 2890 at Page 158 of the New Haven Land Records.

Said premises being commonly known as 18 Tower Lane, New Haven, Connecticut (Being Tax Map 23, Block 110, Lot 400)

18 TOWER LA

Location 18 TOWER LA Mblu 238/ 0110/ 00400/ /
 Acct# 238 0110 00400 Owner NEW HAVEN JEWISH COMMUNITY
 Assessment \$4,085,200 Appraisal \$5,836,000
 PID 13549 Building Count 1

Current Value

Appraisal			
Valuation Year	Improvements	Land	Total
2018	\$3,519,800	\$2,316,200	\$5,836,000
Assessment			
Valuation Year	Improvements	Land	Total
2018	\$2,461,860	\$1,621,340	\$4,085,200

Owner of Record

Owner NEW HAVEN JEWISH COMMUNITY Sale Price \$0
 Co-Owner COUNCIL HOUSING CORPORATION Certificate
 Address 18 TOWER LA Book & Page
 NEW HAVEN, CT 06519 Sale Date 03/13/1969

Ownership History

Ownership History				
Owner	Sale Price	Certificate	Book & Page	Sale Date
NEW HAVEN JEWISH COMMUNITY	\$0			03/13/1969

Building Information

Building 1 : Section 1

Year Built: 1969
 Living Area: 132,935
 Replacement Cost: \$16,485,166
 Building Percent 65
 Good:
 Replacement Cost
 Less Depreciation: \$10,715,400

Building Photo

Building Photo

(<http://images.vgsi.com/photos/NewHavenCTPhotos//00105170/26.jpg>)

Building Layout



(<http://images.vgsi.com/photos/NewHavenCTPhotos//Sketches>)

Building Attributes	
Field	Description
STYLE	Apt 8s Hi Rise
MODEL	Commercial
Grade	Very Good
Stories:	21
Occupancy	176
Exterior Wall 1	Pre-cast Concr
Exterior Wall 2	
Roof Structure	Flat
Roof Cover	T&G/Rubber
Interior Wall 1	Minim/Masonry
Interior Wall 2	Drywall/Plaste
Interior Floor 1	Carpet
Interior Floor 2	
Heating Fuel	Gas/Oil
Heating Type	FA/HW/ST
AC Type	Partial
Bldg Use	APT Over12 MDL-94
Total Rooms	176

Total Bedrms	205
Total Baths	205
NBHD Code	
1st Floor Use:	112C
Heat/AC	HEAT/AC PKGS
Frame Type	STEEL
Baths/Plumbing	AVERAGE
Ceiling/Wall	CEIL & WALLS
Rooms/Prtns	AVERAGE
Wall Height	9
% Corn Wall	

Building Sub-Areas (sq ft)			Legend
Code	Description	Gross Area	Living Area
FUS	Finished Upper Story	126,160	119,852
BAS	First Floor	13,083	13,083
CAN	Canopy	1,585	0
FEP	Enclosed Porch	205	0
PTO	Patio	1,326	0
		142,359	132,935

Extra Features

Extra Features					Legend
Code	Description	Size	Value	Bldg #	
SPR1	SPRINKLERS-WET	132935 S.F	\$224,700		1
ELV2	PASS ELEV	21 STOPS	\$423,200		1
ELV2	PASS ELEV	21 STOPS	\$423,200		1
ELV2	PASS ELEV	21 STOPS	\$423,200		1
AC	AIR COND	17483 S.F.	\$41,500		1

Land

Land Use

Use Code	112C
Description	APT Over12 MDL-94
Zone	PDD 15
Neighborhood	1400
Alt Land Appr Category	No

Land Line Valuation

Size (Acres)	1.94
Frontage	1
Depth	0
Assessed Value	\$1,621,340
Appraised Value	\$2,316,200

Outbuildings

Outbuildings						Legend
Code	Description	Sub Code	Sub Description	Size	Value	Bldg #
PAV1	PAVING-ASPHALT			17000 S.F.	\$34,900	1

Valuation History

Appraisal			
Valuation Year	Improvements	Land	Total
2017	\$3,519,800	\$2,316,200	\$5,836,000
2016	\$12,286,100	\$2,125,200	\$14,411,300
2015	\$2,848,700	\$2,361,300	\$5,210,000

Assessment			
Valuation Year	Improvements	Land	Total
2017	\$2,463,860	\$1,621,340	\$4,085,200
2016	\$8,600,270	\$1,487,640	\$10,087,910
2015	\$1,994,090	\$1,652,910	\$3,647,000

TOWER LA

Location TOWER LA **Mblu** 239/ 0110/ 00402/ /
Acct# 239 0110 00402 **Owner** NEW HAVEN JEWISH
 FEDERATION HOUSING CORP
Assessment \$9,203,600 **Appraisal** \$13,148,000
PID 13553 **Building Count** 1

Current Value

Appraisal			
Valuation Year	Improvements	Land	Total
2018	\$9,887,200	\$3,260,800	\$13,148,000
Assessment			
Valuation Year	Improvements	Land	Total
2018	\$6,921,040	\$2,282,560	\$9,203,600

Owner of Record

Owner NEW HAVEN JEWISH FEDERATION HOUSING CORP **Sale Price** \$0
Co-Owner **Certificate**
Address 18 TOWER LA **Book & Page** 2872/ 92
 NEW HAVEN, CT 06519 **Sale Date** 10/01/1980

Ownership History

Ownership History				
Owner	Sale Price	Certificate	Book & Page	Sale Date
NEW HAVEN JEWISH FEDERATION HOUSING CORP	\$0		2872/ 92	10/01/1980

Building Information

Building 1 : Section 1

Year Built: 1981
Living Area: 113,924
Replacement Cost: \$14,854,018
Building Percent 62
Good:
Replacement Cost
Less Depreciation: \$9,209,500

Building Attributes	
Field	Description
STYLE	Apt 8s Hi-Rise
MODEL	Commercial
Grade	Good
Stories:	13
Occupancy	150
Exterior Wall 1	Brick
Exterior Wall 2	Concr/Cinder
Roof Structure	Flat

Building Photo

 Building Photo

(<http://images.vgsi.com/photos/NewHavenCTPhotos//\00\05\55\03.jpg>)

Building Layout

Roof Cover	T&G/Rubber
Interior Wall 1	Drywall/Plaste
Interior Wall 2	
Interior Floor 1	Carpet
Interior Floor 2	
Heating Fuel	Gas/Oil
Heating Type	Hot Water
AC Type	Partial
Bldg Use	APT Over12 MDL-94
Total Rooms	
Total Bedrms	00
Total Baths	0
NBHD Code	
1st Floor Use:	112C
Heat/AC	HEAT/AC SPLIT
Frame Type	REINF. CONCR
Baths/Plumbing	AVERAGE
Ceiling/Wall	CEIL & WALLS
Rooms/Prtns	AVERAGE
Wall Height	9
% Conn Wall	



(<http://images.vgsi.com/photos/NewHavenCTPhotos//Sketches/1>)

Building Sub-Areas (sq ft)			Legend	
Code	Description	Gross Area	Living Area	
FUS	Finished Upper Story	108,560	103,132	
BAS	First Floor	10,792	10,792	
FOP	Open Porch	120	0	
SLB	Slab	6,928	0	
		126,400	113,924	

Extra Features

Extra Features					Legend
Code	Description	Size	Value	Bldg #	
ELV2	PASS ELEV	13 STOPS	\$249,900		1
ELV2	PASS ELEV	8 STOPS	\$153,800		1
SPR2	WET/CONCEALED	113924 S.F.	\$219,000		1
AC	AIR COND	8000 S.F.	\$18,100		1

Land

Land Use

Use Code 112C
Description APT Over12 MDL-94
Zone PDD 15
Neighborhood 1400
Alt Land Appr No
Category

Land Line Valuation

Size (Acres) 2.62
Frontage 1
Depth 0
Assessed Value \$2,282,560
Appraised Value \$3,260,800

Outbuildings

Outbuildings						Legend
Code	Description	Sub Code	Sub Description	Size	Value	Bldg #
PAV1	PAVING-ASPHALT			18000 S.F.	\$36,900	1

Valuation History

Appraisal			
Valuation Year	Improvements	Land	Total
2017	\$9,887,200	\$3,260,800	\$13,148,000

2016	\$9,887,200	\$3,435,100	\$13,322,300
2015	\$10,847,300	\$3,816,700	\$14,664,000

Assessment			
Valuation Year	Improvements	Land	Total
2017	\$6,921,040	\$2,282,560	\$9,203,600
2016	\$6,921,040	\$2,404,570	\$9,325,610
2015	\$7,593,110	\$2,671,690	\$10,264,800

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DOCUMENT CERTIFICATION

Certified to be a true and correct copy of the original
of the following document:

REGULATORY AGREEMENT FOR MULTIFAMILY PROJECTS

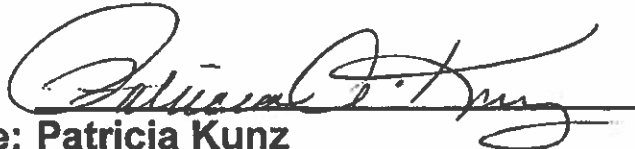
Recorded on August 29, 2017

In the Official Records of
City of New Haven, Connecticut
in Volume 9415, Page 52

Date: August 29, 2017

CHICAGO TITLE INSURANCE COMPANY

By:



Name: Patricia Kunz

Title: Commercial Underwriter

Public Reporting Burden for this collection of information is estimated to average .75 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number. While no assurance of confidentiality is pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information Act request.

Recording Requested by:

Nick.aus R. McKee
Vorys, Sater, Seymour and Pease LLP
301 East Fourth Street, Suite 3500
Cincinnati, OH 45202

After Recording return to:

U.S. Department of Housing and Urban Development
Connecticut Field Office
20 Church Street
Hartford, CT 06103

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
REGULATORY AGREEMENT FOR MULTIFAMILY PROJECTS

UNDER SECTIONS 207, 220, 221(d)(3), 221(d)(4), 223(a)(7), 223(f) and 231 OF THE
NATIONAL HOUSING ACT, AS AMENDED

Replaces HUD- 92465, 92466, FHA-1730, and 1733

Project Name: Tower One & Tower East

HUD Project No.: 017-11198

HAP Contract No.: CT26M000129 and CT262607201

Project Location: New Haven, Connecticut

Lender: KeyBank National Association **Processed under:** MAP TAP

Original Principal Amount of Multifamily Note: \$12,900,600.00

Originally endorsed for insurance under Section 207, pursuant to Section 223(f).

Date of Note: as of August 1, 2017

Residual Receipts Rider: Yes No

**If "yes" is checked, the Surplus Cash provisions of this Agreement are modified by an attached Rider relating to residual receipts account requirements.*

This Agreement is entered into ~~this~~ as of the 1st day of August, 2017, between THE NEW HAVEN JEWISH COMMUNITY COUNCIL HOUSING CORPORATION, a non-stock corporation organized and existing under the laws of Connecticut, whose address is 18 Tower Lane, New Haven, Connecticut 06519, its successors, heirs, and assigns (jointly and severally) (Borrower) and the United States Department of Housing and Urban Development, acting by and through the Secretary, his or her successors, assigns or designates (HUD).

In consideration of, and in exchange for an action by HUD, HUD and Borrower agree to the terms of this Agreement. The HUD action may be one of the following: HUD's endorsement for insurance of the Note, HUD's consent to the transfer of the Mortgaged Property, HUD's sale and conveyance of the Mortgaged Property, or HUD's consent to other actions related to Borrower or to the Mortgaged Property.

Further, Borrower and HUD execute this Agreement in order to comply with the requirements of the National Housing Act, as amended, and the regulations adopted by HUD pursuant thereto. This Agreement shall continue during such period of time as HUD shall be the owner, holder, or insurer of the Note. Upon satisfaction of such Note, this Agreement shall automatically terminate. However, Borrower shall be responsible for any Violations of this Agreement which occurred prior to termination.

Violation of this Agreement may subject Borrower and other signatories hereto to adverse actions. Refer to Article VII below.

AGREEMENTS: Borrower and HUD covenant and agree as follows:

I. DEFINITIONS

1. **DEFINITIONS.** Any capitalized term or word used herein but not defined shall have the meaning given to such term in the Security Instrument between Borrower and Lender or the Note. The following terms, when used in this Agreement (including when used in the above recitals), shall have the following meanings, whether capitalized or not and whether singular or plural, unless, in the context, an incongruity results:

- a. **"Affiliate"** is defined in 24 C.F.R. 200.215, or any successor regulation.
- b. **"Borrower"** means all entities identified as "Borrower" in the first paragraph of the Security Instrument, together with any successors, heirs, and assigns (jointly and severally). "Borrower" shall include any entity taking title to the Mortgaged Property whether or not such entity assumes the Note. Whenever the term "Borrower" is used herein, the same shall be deemed to include the obligor of the debt secured by the Security Instrument and shall also be deemed to be the mortgagor as defined by Program Obligations.
- c. **"Business Day"** is defined in Section 46.

- d. **"Construction Contract"** means the construction contract, approved by HUD, between Borrower and the contractor contracting to perform construction or substantial rehabilitation on the Project.
- e. **"Declaration of Default"** is defined in Section 37.
- f. **"Displaced Persons or Families"** means a person, family or families, displaced from (i) an urban renewal area, (ii) as a result of government action, or (iii) as a result of a major disaster determined by the President pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act.
- g. **"Distribution"** means any disbursement, conveyance or transfer of any portion of the Mortgaged Property, including the segregation of cash or assets for subsequent withdrawal as Surplus Cash, other than in payment of Reasonable Operating Expenses, or any other disbursement, conveyance, or transfer provided for in this Agreement.
- h. **"Elderly Person"** means any person, married or single, who is 62 years of age or older.
- i. **"Fixtures"** means all property or goods that become so related or attached to the Land or the Improvements that an interest arises in them under real property law, whether acquired now or in the future, excluding all tenant owned goods and property, and including but not limited to: machinery, equipment, engines, boilers, incinerators, installed building materials; systems and equipment for the purpose of supplying or distributing heating, cooling, electricity, gas, water, air, or light; antennas, cable, wiring and conduits used in connection with radio, television, computers, security, fire prevention, or fire detection or otherwise used to carry electronic signals; telephone systems and equipment; elevators and related machinery and equipment; fire detection, prevention and extinguishing systems and apparatus; security and access control systems and apparatus; plumbing systems; water heaters, ranges, stoves, microwave ovens, refrigerators, dishwashers, garbage disposals, washers, dryers and other appliances; light fixtures, awnings, storm windows and storm doors; pictures, screens, blinds, shades, curtains and curtain rods; mirrors; cabinets, paneling, rugs and floor and wall coverings; fences, trees and plants; swimming pools; playground and exercise equipment and classroom furnishings and equipment.
- j. **"Goods and Services"** is defined in Section 22.

- k. **"HUD"** means the United States Department of Housing and Urban Development acting by and through the Secretary in his capacity as insurer or holder of the Loan under the authority of the National Housing Act, as amended, the Department of Housing and Urban Development Act, as amended, or any other federal law or regulation pertaining to the Loan or the Mortgaged Property.
- l. **"Impositions"** and **"Imposition Deposits"** are defined in the Security Instrument.
- m. **"Improvements"** means the buildings, structures, and alterations now constructed or at any time in the future constructed or placed upon the Land, including any future replacements and additions.
- n. **"Indebtedness"** means the principal, interest on, and all other amounts due at any time under the Note or the Security Instrument, including prepayment premiums, late charges, default interest, and advances to protect the security as provided in the Security Instrument.
- o. **"Land"** means the estate in realty described in Exhibit A.
- p. **"Leases"** means all present and future leases, subleases, licenses, concessions or grants or other possessory interests now or hereafter in force, whether oral or written, covering or affecting the Mortgaged Property, or any portion of the Mortgaged Property (including but not limited to proprietary leases, non-residential leases or occupancy agreements if Borrower is a cooperative housing corporation), and all modifications, extensions or renewals. (Ground leases that create a leasehold interest in the Land and where the Borrower's leasehold is security for the Loan are not included in this definition.)
- q. **"Lender"** means the entity identified as "Lender" in the first paragraph of the Security Instrument, or any subsequent holder of the Note, and whenever the term "Lender" is used herein, the same shall be deemed to include the Obligee, or the Trustee(s) and the Beneficiary of the Security Instrument and shall also be deemed to be the Mortgagee as defined by Program Obligations.
- r. **"Loan"** means the loan initially made by Lender to Borrower, as defined in the Security Instrument.

- s. **“Mortgaged Property”** means all of Borrower's present and future right, title and interest in and to all of the following whether now held or later acquired:
- (1) the Land;
 - (2) the Improvements;
 - (3) the Fixtures;
 - (4) the Personalty;
 - (5) all current and future rights, including air rights, development rights, zoning rights and other similar rights or interests, easements, tenements, rights-of-way, strips and gores of land, streets, alleys, roads, sewer rights, waters, watercourses, and appurtenances related to or benefiting the Land or the Improvements, or both, and all rights-of-way, streets, alleys and roads that may have been or may in the future be vacated;
 - (6) all insurance policies covering the Mortgaged Property, and all proceeds paid or to be paid by any insurer of the Land, the Improvements, the Fixtures, the Personalty or any other part of the Mortgaged Property, whether or not Borrower obtained such insurance policies pursuant to Lender's requirement;
 - (7) all awards, payments and other compensation made or to be made by any Governmental Authority with respect to the Land, the Improvements, the Fixtures, the Personalty or any other part of the Mortgaged Property, including any awards or settlements resulting from condemnation proceedings or the total or partial taking of the Land, the Improvements, the Fixtures, the Personalty or any other part of the Mortgaged Property under the power of eminent domain or otherwise and including any conveyance in lieu thereof;
 - (8) all contracts, options and other agreements for the sale of the Land, the Improvements, the Fixtures, the Personalty or any other part of the Mortgaged Property entered into by Borrower now or in the future, including cash or securities deposited to secure performance by parties of their obligations;
 - (9) all proceeds (cash or non-cash), liquidated claims or other consideration from the conversion, voluntary or involuntary, of any

of the Mortgaged Property and the right to collect such proceeds, liquidated claims or other consideration;

- (10) all Rents and Leases;
- (11) all earnings, royalties, instruments, accounts, accounts receivable, supporting obligations, issues and profits from the Land, the Improvements or any other part of the Mortgaged Property, and all undisbursed proceeds of the Loan and, if Borrower is a cooperative housing corporation, maintenance charges or assessments payable by shareholders or residents;
- (12) all Imposition Deposits;
- (13) all refunds or rebates of Impositions by any Governmental Authority or insurance company (other than refunds applicable to periods before the real property tax year in which the Security Instrument is dated);
- (14) all forfeited tenant security deposits under any Lease;
- (15) all names under or by which any of the above Mortgaged Property may be operated or known, and all trademarks, trade names, and goodwill relating to any of the Mortgaged Property;
- (16) all deposits and/or escrows held by or on behalf of Lender under Collateral Agreements; and
- (17) all awards, payments, settlements or other compensation resulting from litigation involving the Project.

Notwithstanding items numbered (1) through (17) above, Borrower may hold non-project funds in separate, segregated accounts, specifically labeled as non-project funds, which are not part of the Mortgaged Property. These accounts may hold those assets owned or received by Borrower, through equity contributions, gifts, or loan proceeds that were not required by HUD to become part of the Mortgaged Property and were not made a part of the Mortgaged Property by Borrower and funds released from the Mortgaged Property in compliance with Program Obligations (such as Distributions of Surplus Cash, if allowed).

- t. **"Note"** means the Note executed by Borrower described in the Security Instrument, including all schedules, riders, allonges and addenda, as such Note may be amended from time to time.

- u. **"Notice"** is defined in Section 46.
- v. **"Personalty"** means all equipment, inventory, and general intangibles. The definition of **"Personalty"** includes furniture, furnishings, machinery, building materials, appliances, goods, supplies, tools, books, records (whether in written or electronic form), computer equipment (hardware and software) and other tangible or electronically stored personal property (other than Fixtures) that are owned, leased or used by Borrower now or in the future in connection with the ownership, management or operation of the Land or the Improvements or are located on the Land or in the Improvements, and any operating agreements relating to the Land or the Improvements, and any surveys, plans and specifications and contracts for architectural, engineering and construction services relating to the Land or the Improvements, choses in action and all other intangible property and rights relating to the operation of, or used in connection with, the Land or the Improvements, including all certifications, approvals and governmental permits relating to any activities on the Land. Intangibles shall also include all cash and cash escrow funds related to the Project, such as but not limited to: Reserve for Replacement accounts, bank accounts, Residual Receipt accounts, and investments.
- w. **"Principal"** is defined in 24 C.F.R. 200.215, or any successor regulation.
- x. **"Project"** and **"Project Assets"** mean the Mortgaged Property.
- y. **"Program Obligations"** means (1) all applicable statutes and any regulations issued by the Secretary pursuant thereto that apply to the Project, including all amendments to such statutes and regulations, as they become effective, except that changes subject to notice and comment rulemaking shall become effective only upon completion of the rulemaking process, and (2) all current requirements in HUD handbooks and guides, notices, and mortgagee letters that apply to the Project, and all future updates, changes and amendments thereto, as they become effective, except that changes subject to notice and comment rulemaking shall become effective only upon completion of the rulemaking process, and provided that such future updates, changes and amendments shall be applicable to the Project only to the extent that they interpret, clarify and implement terms in this Agreement rather than add or delete provisions from such document. Handbooks, guides, notices, and mortgagee letters are available on HUD's official website:
(<http://www.hud.gov/offices/adm/hudclips/index.cfm> or a successor location to that site).

- z. **"Property Jurisdiction"** is (are) the jurisdiction(s) in which the Land is located.
- aa. **"Reasonable Operating Expenses"** means the reasonable expenses and payments that arise from the purchase of goods or services which are exclusively used for the operation, maintenance, and routine repair of the Project (including all payments and deposits required under this Agreement, the Note, or the Security Instrument), or as otherwise permitted by Program Obligations.
- bb. **"Rents"** means all rents (whether from residential or non-residential space), revenues, issues, profits (including carrying charges, maintenance fees, and other cooperative revenues, and fees received from leasing space on the Mortgaged Property), other income of the Land or the Improvements, gross receipts, receivables, parking fees, laundry and vending machine income and fees and charges for food and other services provided at the Mortgaged Property, whether now due, past due, or to become due, residual receipts, and escrow accounts, however and whenever funded and wherever held.
- cc. **"Reserve for Replacement"** is defined in Section 10.
- dd. **"Security Instrument"** means the Multifamily (Mortgage, Deed of Trust, or other designation as appropriate by Property Jurisdiction), Assignment of Leases and Rents and Security Agreement (HUD-94000M), and any other security for the Indebtedness between Borrower and Lender, and shall be deemed to be the "mortgage" as defined by Program Obligations.
- ee. **"Surplus Cash"** means certain Project cash pursuant to the calculation set forth in Section 13.
- ff. **"State"** includes the several states comprising the United States of America, and Puerto Rico, the District of Columbia, Guam, the Commonwealth of the Northern Marianas, American Samoa, and the U.S. Virgin Islands.
- gg. **"Taxes"** means all taxes, assessments, vault rentals and other charges, if any, general, special or otherwise, including all assessments for schools, public betterments and general or local improvements, that are levied, assessed or imposed by any public authority or quasi-public authority, and that, if not paid, could become a lien on the Land or the Improvements.

- hh. **“Undocumented Expense”** is defined in Section 16.
- ii. **“Violation”** is defined in Section 36.
- jj. **“Waste”** means a failure to keep the Mortgaged Property in decent, safe and sanitary condition and in good repair. During any period in which HUD insures the Loan or holds a security interest on the Mortgaged Property, Waste is committed when, without Lender’s and HUD’s express written consent, Borrower:
- (1) physically changes the Mortgaged Property, whether negligently or intentionally, in a manner that reduces its value;
 - (2) fails to maintain and repair the Mortgaged Property in accordance with Program Obligations;
 - (3) fails to pay before delinquency any Taxes secured by a lien having priority over the Security Instrument;
 - (4) materially fails to comply with covenants in the Note, the Security Instrument or this Regulatory Agreement respecting physical care, maintenance, construction, abandonment, demolition, or insurance against casualty of the Mortgaged Property; or
 - (5) retains possession of Rents to which Lender or its assigns have the right of possession under the terms of the Loan Documents.

II. CONSTRUCTION; REFINANCING

2. [Check the applicable box(es):]

a. **CONSTRUCTION FUNDS.** Borrower shall keep funds of the Mortgaged Property to be used for construction or substantial rehabilitation separate and apart from operating funds of the Mortgaged Property. Funds for construction or substantial rehabilitation are identified in the Building Loan Agreement and/or Construction Contract.

b. **NON-CRITICAL, DEFERRED REPAIR FUNDS.** Borrower shall keep funds of the Mortgaged Property to be used for non-critical repairs separate and apart from operating funds of the Mortgaged Property. Funds for non-critical repairs are identified in the Escrow Agreement for Non-Critical, Deferred Repairs, if applicable.

3. **UNPAID OR OUTSTANDING OBLIGATIONS.** Borrower certifies, upon final or initial/final endorsement of the Note by HUD, Borrower shall have no unpaid obligations in connection with the purchase of the Mortgaged Property, the construction or repair of the Mortgaged Property, or with respect to the Security Instrument, except such unpaid obligations as have the written approval of HUD as to terms, form and amount; and, except for those obligations approved by HUD in writing, the Land shall be paid for in full and is free from any liens or purchase money obligations, or if the Land is subject to a leasehold interest, it must be subject to a HUD approved lease, and it shall be free from any lien. As of the date hereof, Borrower has no knowledge of any liens or encumbrances against the Mortgaged Property that are not reflected as exceptions to coverage in the lender's title policy insuring the Security Instrument accepted by HUD or that are not shown on the UCC search. All contractual obligations of Borrower or on behalf of Borrower with any party shall be fully disclosed to HUD.

4. **LENDER'S CERTIFICATE.** Borrower acknowledges receipt of the Lender's Certificate or the Request for Endorsement of Credit Instrument & Certificate of Lender, Borrower & General Contractor, as applicable. To the extent such document establishes or reflects obligations of Borrower, such provisions are incorporated herein by this reference. Borrower agrees that the fees and expenses enumerated in the applicable document have been fully paid or payment has been provided for as set forth in such document and that all funds deposited with Lender shall be used for the purposes set forth in such document insofar as Borrower has rights and obligations in respect thereto.

5. **CONSTRUCTION COMMENCEMENT/REPAIRS.**

a. [Check the box to the left for Construction/Substantial Rehabilitation transactions.] Borrower certifies that it has not commenced construction or substantial rehabilitation of the Mortgaged Property prior to HUD's initial endorsement of the Note, except that this Section 5a is not applicable if HUD has given prior written approval to an early start of construction, or if this Project is an Insurance Upon Completion or if such work has been disclosed to and approved in writing by HUD. If Borrower has received prior written approval for early start, Borrower shall perform, observe and comply with all Program Obligations for early start prior to initial endorsement, which includes but is not limited to the release of liens in association with the Project, the funding of escrows for change orders, and the payment of an inspection fee.

b. [Check the box to the left for Refinance/Purchase transactions.] Borrower shall complete any non-critical repairs in accordance with the terms of the Firm Commitment. Borrower is in receipt of HUD's written acknowledgment of the satisfactory completion of any non-critical repairs for the Mortgaged Property to the extent such non-critical repairs have been completed. Borrower has provided funds to

complete any remaining repairs, as evidenced by the Escrow Agreement for Non-critical, Deferred Repairs, in accordance with Program Obligations, if applicable.

6. **DRAWINGS AND SPECIFICATIONS.** The Mortgaged Property shall be constructed in accordance with the terms of the Construction Contract as approved by HUD, if any, and with the Drawings and Specifications that have been approved by HUD and deemed attached to the Construction Contract.

7. **REQUIRED PERMITS**

a. [Check the box to the left for Construction/Substantial Rehabilitation transactions.] The Borrower has obtained, or caused to be obtained, all necessary certificates, permits, licenses, qualifications, authorizations, consents and approvals from all necessary Governmental Authorities to own and operate the Project and to carry out all of the transactions required by the Loan Documents and to comply with all applicable federal statutes and regulations of HUD in effect on the date of the Firm Commitment, except for those, if any, which customarily would be obtained at a later date, at an appropriate stage of construction or completion thereof, and which the Borrower shall obtain, or cause to be obtained, in the future. As the construction of the Project progresses, the Borrower will obtain or cause to be obtained, and submit to HUD and Lender all necessary building and other permits required by Governmental Authorities. The Mortgaged Property shall not be available for occupancy by any tenant without the prior written approval of HUD and of all other legal authorities having jurisdiction of the Mortgaged Property.

b. [Check the box to the left for Refinancing/Acquisition transactions.] Borrower has obtained, or caused to be obtained, all necessary certificates, permits, licenses, qualifications, authorizations, consents and approvals from all necessary Governmental Authorities to own and operate the Project, to carry out all of the transactions required by the Loan Documents and to comply with all applicable federal statutes and regulations of HUD in effect on the date of the Firm Commitment. If HUD requires that Borrower execute an Escrow Agreement for Non-Critical, Deferred Repairs in connection with HUD's endorsement for insurance of the Note, the licenses and permits that are in effect as of the date hereof are sufficient to allow any repair of the improvements required pursuant to the terms of the Escrow Agreement for Non-Critical, Deferred Repairs to proceed to completion in the ordinary course.

8. **ACCOUNTING REQUIREMENTS.**

a. [Check the box to the left for Construction/Substantial Rehabilitation transactions.] Borrower shall submit a cost certification to HUD, if and as required by Program Obligations, for all receipts and disbursements during the period set forth therein. The excess of project income over property disbursements, as determined by

HUD, shall be treated as a recovery of construction cost, except as otherwise allowed in Program Obligations.

b. [Check the box to the left for Refinancing/Acquisition transactions.] Borrower shall submit a cost certification to HUD, if and as required by Program Obligations, including all receipts and disbursements relating to repairs required pursuant to the Building Loan Agreement and/or the Escrow Agreement for Non-Critical, Deferred Repairs. Any funds remaining after completion of the repairs shall be treated in accordance with Program Obligations, and pursuant to the Escrow Agreement for Non-Critical Deferred Repairs, if applicable.

III. FINANCIAL MANAGEMENT

9. **PAYMENTS.** Borrower shall make promptly all payments due under the Note, Security Instrument, and this Agreement.

10. **RESERVE FOR REPLACEMENT.** Borrower shall establish and maintain a Reserve for Replacement account for defraying certain costs of replacing major structural elements and mechanical equipment of the Project or for any other purpose.

a. The Reserve for Replacement shall be deposited with Lender or in a safe and responsible depository designated by Lender in accordance with Program Obligations. Such funds shall at all times remain under the control of Lender or Lender's designee and shall be held in accounts insured or guaranteed by a federal agency and in accordance with Program Obligations.

b. Borrower shall deposit a monthly amount of **\$9,020.00**, concurrently with the beginning of payments towards amortization of the Note unless a different date or amount is established by HUD. At least every ten years, starting from the date of initial or initial/final endorsement of the Note, and more frequently at HUD's sole discretion, Borrower shall submit to HUD a written analysis of its use of the Reserve for Replacement during the prior ten years and the projected use of the Reserve for Replacement in accordance with Program Obligations. The amount of the monthly deposit may be increased or decreased from time to time at the written direction of HUD without a recorded amendment to this Agreement.

c. Borrower shall carry the balance in this account on the financial records as a restricted asset. The Reserve for Replacement shall be invested in accordance with Program Obligations, and any interest earned on the investment shall be deposited in the Reserve for Replacement for use by the Project in accordance with this Section 10.

d. Disbursements from the Reserve for Replacement shall only be made after consent, in writing, of HUD, in its sole discretion, or as otherwise approved by HUD

pursuant to Program Obligations. In the event of a Declaration of Default under the terms of the Security Instrument, pursuant to which the Indebtedness has been accelerated, a written notification by HUD to Borrower of a violation of this Agreement or at such other times as determined solely by HUD, HUD may direct the application of the balance in such account to the amount due on the Indebtedness as accelerated or for such other purposes as may be determined solely by HUD.

e. In the case of a transfer of the Mortgaged Property where the Project is already subject to a Security Instrument insured or held by HUD as of the date hereof, and this Agreement is now being executed by Borrower as of the date hereof, the Reserve for Replacement now to be established shall be equal to the amount due to be in such account under this Agreement, and payments hereunder shall begin with the first payment due on the Security Instrument after acquisition, unless some other method of establishing and maintaining the account is approved in writing by HUD.

f. Upon Borrower's full satisfaction of all HUD obligations, including but not limited to those imposed under this Agreement, Borrower shall receive any monies remaining in the Reserve for Replacement.

11. PROPERTY AND OPERATION; ENCUMBRANCES.

a. Borrower shall deposit all Rents and other receipts of the Project in connection with the financing of the Project, including equity or capital contributions required under the Firm Commitment or otherwise advanced for the purpose and as part of the Mortgaged Property, in the name of the Project in a federally insured depository or depositories and in accordance with Program Obligations. (Such required equity or capital contributions shall not include certain syndication proceeds, such as proceeds from Low Income Housing Tax Credit transactions used to repay bridge loans, all as more fully set forth in Program Obligations.) Such funds shall be withdrawn only in accordance with the provisions of this Agreement for Reasonable Operating Expenses of the Project or for Distribution of Surplus Cash or as reimbursement of advances as permitted by Sections 14 and 15 below; or for permitted deposits authorized by this Agreement or for any other reason authorized under this Agreement. Any person or entity receiving Mortgaged Property other than for payment of Reasonable Operating Expenses, authorized Distributions of Surplus Cash, or for any reason authorized under Section 34 of this Agreement, shall immediately deliver such Mortgaged Property to the Project and failing so to do shall hold such Mortgaged Property in trust.

b. Borrower shall not engage in any business or activity, including the operation of any other project, or incur any liability or obligation not in connection with the Project, nor acquire an Affiliate or contract to enter into any affiliation with any party except as otherwise approved by HUD.

c. Borrower shall satisfy or obtain a release of any mechanic's lien, attachment, judgment lien, or any other lien that attaches to the Mortgaged Property or any part thereof.

d. Penalties, including but not limited to delinquent tax penalties and civil money penalties, shall not be paid from the Project.

e. Borrower shall promptly notify HUD of the appointment of any receiver for the Project, the filing of a petition in bankruptcy or insolvency or for reorganization.

f. Borrower shall keep the Mortgaged Property insured at all times in accordance with the Security Instrument and Program Obligations, and Borrower shall notify HUD of all payments received from an insurer.

g. Borrower shall notify HUD of any action or proceeding relating to any condemnation or other taking, or conveyance in lieu thereof, of all or any part of the Mortgaged Property, whether direct or indirect condemnation.

h. Borrower shall notify HUD of any litigation proceeding filed against Borrower or the Project, or any litigation proceeding filed by Borrower.

12. **SECURITY DEPOSITS.** Any funds collected as security deposits shall be kept (a) separate and apart from all other funds of the Project; (b) in interest bearing trust accounts, to the extent required by State or local law; and (c) in an amount which shall at all times equal or exceed the aggregate of all outstanding obligations under said account. Security deposit account interest shall be paid on a pro rata basis to tenants or applied to sums due under their leases upon the termination of their tenancy in the Project. The use of tenant security deposits for Project operations is prohibited unless the tenant has forfeited the deposit.

13. **Surplus Cash.**

a. Borrower must calculate Surplus Cash as of the last day of its fiscal year. Borrower may also, at its election, and if permitted pursuant to Program Obligations, calculate Surplus Cash as of the last day of the sixth month of its fiscal year. Borrower shall submit a report of its Surplus Cash calculations to HUD with its required annual financial reports, pursuant to Program Obligations.

b. Surplus Cash shall equal the sum of:

(i) Project cash and cash equivalents (excluding the Reserve for

- Replacement account and other HUD-required reserves);
- (ii) short-term investments;
 - (iii) project-based Section 8 Housing Assistance Payments earned but not yet received by Borrower; and
 - (iv) any amounts approved for withdrawal but not yet withdrawn from the Reserve for Replacements or any other reserves or escrow accounts;

after deducting:

- (v) all sums due or required to be paid within the calendar month following the date as of which Surplus Cash is calculated under the terms of the Note and Security Instrument (including without limitation principal, interest, mortgage insurance premium deposits, deposits to the Reserve for Replacements and other reserves as may be required by HUD, and tax and insurance escrow deposits);
- (vi) all special funds required to be segregated by this Agreement, the Note, the Security Instrument, or Program Obligations, including tenant security deposits and any other amounts held in trust for tenants; and
- (vii) all other obligations of the Project payable within the next thirty days, unless the obligation is paid subject to available Surplus Cash or subject funds for payment of the obligation are set aside or HUD has approved deferment of payment.

14. DISTRIBUTIONS. Borrower shall not make or take, or receive and retain, nor allow any Affiliate or Principal to receive or retain any Distribution of assets or any income of any kind of the Project, except from Surplus Cash or in accordance with Program Obligations. Distributions are governed by the following conditions:

a. No Distribution shall be made or taken from borrowed funds. Distributions shall not be taken prior to the completion of the Project. Distributions shall not be taken after HUD has given Notice to Borrower of a Violation under this Agreement or an Event of Default occurs under the Note or Security Instrument. Distributions shall not be taken when a Project is under a forbearance agreement.

b. No Distribution shall be made or taken when either (i) necessary services (utilities, trash removal, security, lawn service or any other services that Borrower is required to provide) are not being provided on a regular basis, which failure Borrower should have known about in the exercise of due care; (ii) notices of physical repairs or deficiencies (including, but not limited to, building code violations) by Governmental

Authorities and/or by HUD have been issued and remain unresolved to the satisfaction of the issuing public body; or (iii) Borrower has been notified by HUD, Lender or a Governmental Authority that physical repairs and/or deficiencies exist and Borrower has not corrected or cured the identified items to HUD's satisfaction. Upon completion of the repairs, HUD may permit a Distribution to be placed in an escrow account until a subsequent inspection has been completed by HUD. If the Project passes a subsequent inspection, HUD may then authorize release of the funds in the escrow account to Borrower. HUD may also permit Distributions when there are minor or contested local code violations on a case-by-case basis.

c. Any Distribution of any funds of the Project not permitted by this Agreement or Program Obligations shall be returned to the appropriate Project account as specified by HUD immediately.

d. Any Distributions shall be made or taken only as permitted by the law of the applicable jurisdiction. Distributions, if taken, must be taken out of the appropriate Project account as specified by HUD within the accounting period immediately following the computation of Surplus Cash, and prior to the Borrower's next calculation of Surplus Cash, pursuant to Section 13 above, and if not taken within the identified period, these funds remain as Mortgaged Property and may only be used as permitted by this Agreement.

e. Equity or capital contributions shall not be reimbursed from Project accounts without the prior written approval of HUD. Borrower advances for Reasonable Operating Expenses shall not be deemed to fall under this subsection but rather shall be treated under Section 15 below.

15. **BORROWER ADVANCES.**

a. **"Borrower Advances"** means any advance of funds or loan to the Project made by Borrower or any Affiliate for whatever reason. Borrower Advances do not include equity or capital contributions whether required in conjunction with the financing of the Project or otherwise. Borrower Advances may only be repaid from Project funds pursuant to this Section 15.

b. Any Borrower Advances must be deposited into the Project's operating account as required by Program Obligations. Interest may accrue on Borrower Advances pursuant to Program Obligations and may only be paid in accordance with this Section 15.

c. Borrower Advances may only be repaid, and interest on Borrower Advances may only be paid:

- (i) with prior written approval from HUD, or
- (ii) if and to the extent that Borrower is permitted to take Distributions, from funds allowable for Distributions, and only at times when Distributions are permitted pursuant to Sections 13 and 14 of this Agreement.

d. Repayments of Borrower Advances, and payments of interest on Borrower Advances, approved by HUD and made pursuant to Section 15(c)(i) shall be considered Reasonable Operating Expenses.

e. Borrower shall require, as a condition of any agreement to repay Borrower Advances, or to pay interest thereon, with any party making such Borrower Advances, that such agreement shall recognize the limitations of this Section 15 and, if all of the conditions of this Section 15 are not met, shall hold the Borrower and the Mortgaged Property harmless for failure to pay.

16. **FINANCIAL ACCOUNTING.** Borrower shall keep the books and accounts of the operation of the Mortgaged Property in accordance with Program Obligations. The books and accounts must be complete, accurate and current at all times. Posting must be made at least monthly to the ledger accounts, and year-end adjusting entries must be posted promptly in accordance with sound accounting principles. Any Undocumented Expense or Distribution shall be an ineligible Project expense, unless otherwise determined in writing by HUD. An "**Undocumented Expense**" is an expense without sufficient documentation that provides reasonable identification of the basis of the expense. Books, accounts and records shall be open and available for inspection by HUD, after reasonable prior notice, during normal office hours, at the Project or another mutually agreeable location.

17. **BOOKS MAINTAINED BY MANAGEMENT AGENTS.** The books and records of the Project maintained by management agents and Affiliates shall be maintained in accordance with Program Obligations and shall be open and available to inspection by HUD, after reasonable prior notice, during normal office hours, at the Project or another mutually agreeable location. Every agreement executed on behalf of the Project with any management agent or Affiliate shall include the provision that the books and records of the Project shall be properly maintained and open to inspection during normal business hours by HUD at the Project or another mutually agreeable location and that upon the termination of an agreement with management agent and/or Affiliates, the books and records of the Project maintained by the management agent and/or Affiliates shall remain with Borrower.

18. ANNUAL FINANCIAL REPORTS.

a. Within ninety (90) days, or such period established in writing by HUD, following the end of each fiscal year, Borrower shall prepare a financial report for the Borrower's fiscal year, or the portion thereof that started with the Borrower's assumption of financial responsibility (or the portion thereof that ended with Borrower's permitted transfer pursuant to a HUD-approved transfer of the Project), based on an examination of the books and records of the Borrower in accordance with generally accepted accounting principles (GAAP) and in such other form and substance as specified by HUD in supplemental guidance, and provide such report to HUD in such form and substance as specified by HUD under the Uniform Financial Reporting Standards at 24 C.F.R. 5.801 (UFRS), or any successor regulations, and Program Obligations.

b. Unless specifically waived or modified by HUD or through Government notice (OMB Circular A-133 or any equally applicable notice), Borrower shall: (i) engage an independent, licensed Certified Public Accountant (CPA) to audit the Borrower's annual financial report and to produce an audit report in accordance with both Generally Accepted Government Auditing Standards (GAGAS) and Generally Accepted Auditing Standards (GAAS); (ii) engage an independent, licensed CPA to perform an agreed-upon procedure, in accordance with the American Institute of Certified Public Accountants (AICPA) Statement on Standards for Attestation Engagements (SSAE) Number 4, to compare the financial data template information submitted electronically by the Borrower to HUD against the annual financial report examined by, and the audit report prepared by, the independent, licensed CPA; and (iii) furnish to HUD the audit report, and any other reports relating to the annual financial report or the audit report as required by Program Obligations, by such means and in such form and substance as specified by HUD under UFRS, or any successor regulations, and Program Obligations.

c. To the extent certain non-profit Borrowers' requirement to submit audited annual financial reports may be waived or modified pursuant to OMB Circular A-133 or any successor notice, no provisions of such notice shall be construed to relieve Borrower of any requirements of this Section 18, except for those requirements specifically waived or modified by such notice.

d. If Borrower fails to perform as required pursuant to this Section 18, HUD may, at its sole election, and in a manner determined by HUD, and without affecting any other provisions of this Agreement, and without first providing notice of violation of this Agreement pursuant to Section 36 of this Agreement, initiate a forensic audit of the Borrower's books, records, and accounts in such a manner as to provide to HUD with as much of the same information that would have been provided had the Borrower not failed to perform as required. Any such audit initiated by HUD does not relieve

Borrower of the requirement to submit to HUD an annual audited financial report as required pursuant to this Agreement.

IV. PROJECT MANAGEMENT

19. PRESERVATION, MANAGEMENT AND MAINTENANCE OF THE MORTGAGED PROPERTY. Borrower (a) shall not commit Waste, (b) shall not abandon the Mortgaged Property, (c) shall restore or repair promptly, in a good and workmanlike manner, any damaged part of the Mortgaged Property to the equivalent of its original condition, or such other condition as HUD may approve in writing, whether or not litigation or insurance proceeds or condemnation awards are available to cover any costs of such restoration or repair, and (d) shall keep the Mortgaged Property in decent, safe, sanitary condition and good repair, including the replacement of Personalty and Fixtures with items of equal or better function and quality, all in accordance with Program Obligations. By executing this Agreement, Borrower agrees and understands that obligations (a) through (d) of this Section 19 are absolute and unconditional and are not limited by any conditions precedent and are not contingent on HUD's performance of any administrative or contractual obligations. Furthermore, HUD is in no way obligated to provide funding or any financial assistance of any kind to Borrower to repair, rehabilitate, maintain, or make improvements to the Mortgaged Property. The Mortgaged Property must also be maintained in reasonable condition for proper audit and subject to examination by HUD at the Project or another mutually agreeable location. In the event all or any of the Improvements shall be destroyed or damaged by fire, by failure of warranty, or other casualty, the money derived from any settlement, judgment, or insurance on the Mortgaged Property shall be applied in accordance with the terms of the Security Instrument. In the event all or any of the Improvements shall be taken by an exercise of the power of eminent domain, all awards of compensation in connection with condemnation for public use of or a taking of any of the Improvements shall be paid in accordance with the Security Instrument.

20. FLOOD HAZARDS. Borrower shall maintain flood insurance if required by the Security Instrument.

21. MANAGEMENT. Borrower shall provide management of the Mortgaged Property in a manner deemed to be acceptable to HUD. At HUD's sole discretion, HUD may require replacement of the management under any circumstances set forth in clause d. of this Section 21 pursuant to Program Obligations, in which case Borrower shall immediately make arrangements for providing management satisfactory to HUD. Borrower shall execute a management agreement or other document outlining procedures for managing or operating the Mortgaged Property. Such agreement or document must comply with Program Obligations. Borrower and management agent (if applicable) shall submit and maintain a current management certification in accordance

with Program Obligations. In addition to the requirements of Section 17 above, all management agreements must contain the following provisions:

- a. HUD's rights and requirements prevail in the event of any conflict with the terms of the management agreement.
- b. The management agreement shall not be assigned without the prior written approval of HUD.
- c. Management fees will be computed and paid in accordance with HUD requirements.
- d. HUD may require Borrower to terminate the management agreement:
 - (1) immediately without penalty if an Event of Default occurs under the Security Instrument, Note, or Regulatory Agreement;
 - (2) upon thirty (30) days written notice to Borrower and management agent, for failure to comply with the provisions of the Management Certification, or for other good cause; or
 - (3) immediately without penalty when HUD takes control of the Mortgaged Property pursuant to its rights under the loan documents as mortgagee in possession.
- e. If Borrower terminates the management agreement pursuant to a request from HUD, the management agent must immediately turn over to Borrower all of the cash, accounts, deposits, investments, and records pertaining to the Mortgaged Property.
- f. Borrower may terminate the management agreement for cause with no more than a thirty (30) day notice period.
- g. The management agreement shall not exempt the management agent from liability for damages, injuries or losses, resulting from the management agent's gross negligence or willful misconduct.

22. CONTRACTS FOR GOODS AND SERVICES. Consistent with Program Obligations, Borrower shall obtain contracts for goods, materials, supplies, and services (**Goods and Services**) at costs, amounts, and terms that do not exceed reasonable and necessary levels and those customarily paid in the vicinity of the Land for Goods and Services received. The purchase price of Goods and Services shall be based on quality, durability and scope of work and shall be made upon the most advantageous terms for the Project operation. Reasonable Operating Expenses do not include

amounts paid for Improvements and/or betterments, unless approved in writing by HUD. Borrower shall keep copies of all written contracts or other instruments that affect the Mortgaged Property, all or any of which may be subject to inspection and examination by HUD at the Project or another mutually agreeable location.

23. **RESPONSIVENESS TO INQUIRIES.** At the request of HUD, Borrower shall promptly furnish operating budgets and occupancy, accounting and other reports (including credit reports) and give specific answers to questions relative to income, assets, liabilities, contracts, operation, and conditions of the Mortgaged Property and the status of the Security Instrument.

24. **TENANT ORGANIZATIONS.** If the Project is subject to 24 C.F.R. 245 Subpart B or any successor regulation covering the rights of tenants to organize, Borrower shall comply with this Section 24. Borrower shall not (a) impede the reasonable efforts of resident tenant organizations to represent their members or the reasonable efforts of tenants to organize, or (b) unreasonably withhold the use of any community room or other available space appropriate for meetings that is part of the Mortgaged Property when requested by: (i) a resident tenant organization in connection with the representational purposes of the organization; or (ii) tenants seeking to organize or to consider collectively any matter pertaining to their living environment, which includes the terms and conditions of their tenancy as well as activities related to housing and community development. Borrower may charge for the use of the Mortgaged Property any fees or costs approved by HUD as may normally be imposed for the use of such facilities or may waive any such fees or costs.

V. ADMISSIONS AND OCCUPANCY

25. **RESIDENTIAL UNITS AND SERVICES.** If the Project is subject to regulation of rent by HUD, Borrower shall make residential units and services of the Project available to eligible tenants at charges not exceeding those established in accordance with a rental schedule approved in writing by HUD.

26. **LEASE TERMS FOR RESIDENTIAL UNITS.** Residential units shall not be rented for a period of less than thirty (30) days or for more than 3 years and shall not be used for transient or hotel purposes. Rental for transient or hotel purposes shall mean: (a) rental for a period of less than thirty (30) days or (b) any rental, if the occupants of the residential units are provided customary hotel services such as room service for food and beverages, maid service, furnishings or laundering of linens, and bellhop service. Residential units in projects with Security Instruments initially endorsed for insurance pursuant to Section 231 of the National Housing Act, as amended, may be rented for a period of more than 3 years.

27. **COMMERCIAL (NON-RESIDENTIAL) LEASES.** No portion of the Mortgaged

Property shall be leased for any commercial purpose or use without receiving HUD's prior written approval as to terms, form and amount, except that for lease renewals or extensions or amendments involving no change in terms or use, rent increases are permitted without HUD approval. Borrower must deliver an executed copy of the commercial Lease to HUD.

28. **SUBLEASES.** All Leases of residential units by Borrower to tenants must also prohibit assignment of the leasehold interest by the tenant without the prior written approval of Borrower. All Leases of residential units by Borrower to tenants must prohibit tenants from entering into any subleases that do not run for at least thirty (30) days and must require that all subleases be approved in advance in writing by Borrower. Leases of residential units must prohibit the tenant from granting the right to occupy the premises for a period of less than thirty (30) days or from furnishing hotel services, as defined in Section 26. Assignment and subleasing of units by other than the tenant thereof without the prior written approval of Borrower shall be prohibited in the Lease. Upon discovery of any unapproved assignment, sublease or occupancy, Borrower shall, to the extent permitted by law, immediately demand cancellation and/or vacation of the premises, as appropriate, and notify HUD thereof.

29. **TENANT SELECTION/OCCUPANCY.**

a. If the Security Instrument is originally a HUD-held purchase money mortgage, or is originally endorsed for insurance under any Section of the National Housing Act, as amended, other than Section 231 units specially designed for use and occupancy of Elderly Persons exclusively, Borrower shall not, in selecting tenants, discriminate against any person or persons by reason of the fact that there are children in the family, unless in accordance with the Fair Housing Act and otherwise approved in writing by HUD.

b. If the Security Instrument is originally endorsed for insurance under Section 221, Borrower shall, in selecting tenants, give to displaced persons or families an absolute preference or priority of occupancy that shall be accomplished as follows: (1) For a period of sixty (60) days from the date of original offering, unless a shorter period of time is approved in writing by HUD, all units shall be held for such preferred applicants, after which time any remaining unrented units may be rented to non-preferred applicants; (2) thereafter, and on a continuing basis, such preferred applicants shall be given preference over non-preferred applicants in their placement on a waiting list to be maintained by Borrower; and (3) through such further provisions agreed to in writing by the parties to this Agreement.

c. At least 75% of the units in a Project insured under Section 231 shall be designed for the use and occupancy of Elderly Persons unless prior written approval is given by HUD for a lesser number of units.

d. All advertising or efforts to rent a project insured under Section 231 shall reflect a bona fide effort of Borrower to obtain occupancy by Elderly Persons.

30. ADDITIONAL OCCUPANCY RESTRICTIONS AND POLICIES: Additional occupancy restrictions imposed in connection with the Loan: None. For informational purposes only, there may be additional occupancy restrictions imposed by other programs (such restrictions are not required under the Loan or Program Obligations).

31. RENTS. If the Project is subject to regulation of rent by HUD, HUD will at any time entertain a written request for a rent increase that is properly supported by substantiating evidence and HUD will, within a reasonable time: (a) approve a rental schedule that is necessary to compensate for any net increase, occurring since the last approved rental schedule, in taxes (other than income taxes) and operating and maintenance costs over which Borrower has no effective control; or (b) deny the increase and state the reasons for its decision.

32. CHARGES FOR SERVICES AND FACILITIES. If the Project is subject to regulation of rent by HUD, Borrower shall only charge to and receive from any tenant such amounts as have the prior written approval of HUD and are mutually agreed upon between Borrower and the tenant for any facilities and/or services not included in the HUD approved rent schedule that may be furnished by, or on behalf of, Borrower to such tenant upon request.

33. PROHIBITION OF CERTAIN FEES. Borrower shall not charge any Project tenant or prospective Project tenant any fees prohibited under Program Obligations; such prohibited fees may include an admission fee, a key fee, or similar payment pursuant to any agreement to furnish residential units or services to persons making such payments.

34. SECURITY DEPOSITS AND OTHER FEES. Borrower shall not require as a condition of occupancy or leasing of any unit in the Project, any consideration or deposit other than the prepayment of the first month's rent plus a security deposit in an amount not in excess of one month's rent to guarantee the performance of the lease terms. Borrower may charge certain application processing fees such as credit check or criminal background fees or pet deposits.

VI. ACTIONS REQUIRING THE PRIOR WRITTEN APPROVAL OF HUD

35. ACTIONS REQUIRING THE PRIOR WRITTEN APPROVAL OF HUD. Borrower shall not without the prior written approval of HUD:

- a. Convey, assign, transfer, pledge, hypothecate, encumber, or otherwise dispose of the Mortgaged Property or any interest therein, or permit the conveyance, assignment, or transfer of any interest in Borrower (if the effect of such conveyance, assignment or transfer is the creation or elimination of a Principal) unless permitted by Program Obligations. Borrower need not obtain the prior written approval of HUD: (i) for a conveyance of the Mortgaged Property at a judicial or non-judicial foreclosure sale under the Security Instrument; (ii) for inclusion of the Mortgaged Property in a bankruptcy estate by operation of law under the United States Bankruptcy Code; (iii) for acquisition of an interest by inheritance or by Court decree; or (iv) for actions permitted under subsection (g) below.
- b. Enter into any contract, agreement or arrangement to borrow funds or finance any purchase or incur any liability, direct or contingent other than for Reasonable Operating Expenses.
- c. Pay out any funds of the Mortgaged Property except as provided in this Agreement and Program Obligations.
- d. Except from permissible withdrawals of Surplus Cash, pay any compensation, including wages or salaries, or incur any obligation to do so, to any officer, director, stockholder, trustee, beneficiary, partner, member, manager (in the case of a Borrower formed as a Limited Liability Company or Limited Liability Corporation), or Principal of Borrower, or to any nominee thereof.
- e. Enter into or change any contract, agreement or arrangement for supervisory or managerial services or Leases for operation of the Project in whole or in part except as permitted under Program Obligations.
- f. Convey, assign or transfer any right to receive the Rents of the Mortgaged Property, except as provided in the Security Instrument.
- g. Remodel, add to, subtract from, construct, reconstruct or demolish any part of the Mortgaged Property, except as required by HUD under Section 19(c) and except that Borrower may, without the prior written approval of HUD, dispose of obsolete or deteriorated Fixtures or Personalty if the same are replaced with like items of the same or greater quality or value and make minor alterations that do not impair the security.
- h. Permit the use of the Mortgaged Property for any other purpose except the use for which it was originally intended, or permit commercial use greater than that originally approved by HUD.
- i. Amend the organizational documents of Borrower in a way that materially modifies the terms of the organization, including, but not limited to: any amendment

that activates the requirement that a HUD previous participation certification be obtained from any additional partner or member; any amendment that would authorize any officer, partner or member other than the officer(s), general partner(s) or the managing member(s) of the corporation, partnership or company or pre-approved successor officer(s), general partner(s) or managing member(s) to bind the corporation, partnership or company for any matters concerning the Project which requires HUD's consent or approval; a change in the officer(s), general partner(s) or managing member(s) or pre-approved successor officer(s), general partner(s) or managing member(s) of the corporation, partnership or company and any proposed changes to the HUD-required provisions included in the organizational documents. Copies of all fully executed amendments to the organizational documents must be provided to HUD within ten (10) days of the effective date of the amendment. If the amendments to the organizational documents are recorded or filed, copies of the recorded or filed documents must be provided to HUD within ten (10) days of receipt by Borrower.

j. Reimburse any party from Mortgaged Property for payment of expenses or costs of the Project or for any purpose except for Reasonable Operating Expenses and in a manner consistent with Section 15.

k. Receive any fee or payment of any kind from any managing agent, employee of the Project or of the managing agent, or other provider of Goods or Services of the Project, except for warranty claims from providers of Goods and Services.

l. Initiate or acquiesce in a change in the zoning classification of the Mortgaged Property that results in any change in permitted use that was in effect at the time of initial/final endorsement.

m. Establish any condominium or cooperative regime with respect to the Mortgaged Property.

n. Materially change any unit configurations or change the number of units in the Mortgaged Property.

VII. ENFORCEMENT

36. **VIOLATION OF AGREEMENT.** The occurrence of any one or more of the following shall constitute a "Violation" under this Agreement:

a. Any failure by Borrower to comply with any of the provisions of this Agreement;

b. Any fraud or material misrepresentation or material omission by Borrower, any of its officers, directors, trustees, general partners, members, managers or

managing agent in connection with (1) any financial statement, rent roll or other report or information provided to HUD or (2) any request for HUD's consent to any proposed action, including a request for disbursement of funds from any restricted account for which HUD's prior written approval is required; and/or

c. The commencement of a forfeiture action or proceeding, whether civil or criminal, which, in HUD's reasonable judgment, could result in a forfeiture of the Mortgaged Property or otherwise materially impair the value of the Mortgaged Property.

37. DECLARATION OF DEFAULT.

a. Upon a Violation, HUD may give written Notice, pursuant to Section 46, of the Violation to Borrower, addressed to the addresses stated in this Agreement, or such other addresses as may subsequently, upon appropriate written Notice to HUD, be designated by Borrower as its legal business address. If, after receiving written Notice of a Violation, that Violation is not corrected to the satisfaction of HUD either within thirty (30) days after the date Notice is mailed, or within such shorter or longer time set forth in said Notice, HUD may declare a default (Declaration of Default) under this Agreement without further Notice. Alternatively, in order to protect the health and safety of the tenants, HUD may declare a default at any time during the existence of a Violation without providing prior written Notice of the Violation.

b. Upon any Declaration of Default HUD may:

- (i) If HUD holds the Note, declare the whole of said Indebtedness immediately due and payable and then proceed with the foreclosure of the Security Instrument;
- (ii) If said Note is not held by HUD, notify the holder of the Note of such default and require the holder to declare a default under the Note and Security Instrument, and the holder, after receiving such Notice and demand, may declare the whole Indebtedness due and payable and thereupon proceed with foreclosure of the Security Instrument or assignment of the Note and Security Instrument to HUD as provided in Program Obligations. Upon assignment of the Note and Security Instrument to HUD, HUD may then proceed with the foreclosure of the Security Instrument;
- (iii) Collect all Rents and charges in connection with the operation of the Project and use such collections to pay Borrower's obligations under this Agreement and under the Note and Security Instrument and the necessary expenses of preserving and operating the Mortgaged Property;

- (iv) Take possession of the Mortgaged Property, bring any action necessary to enforce any rights of Borrower growing out of the Mortgaged Property's operation, and maintain the Mortgaged Property in decent, safe, and sanitary condition and good repair;
- (v) Apply to any court, state or federal, for specific performance of this Agreement, for an injunction against any Violations of this Agreement, for the appointment of a receiver to take over and operate the Project in accordance with this terms of the Agreement, or for such other relief as may be appropriate, as the injury to HUD arising from a default under any of the terms of this Agreement would be irreparable and the amount of damage would be difficult to ascertain; and,
- (vi) Collect reasonable attorney fees related to enforcing Borrower's compliance with this Agreement.

38. **FORBEARANCE NO WAIVER.** Any forbearance by HUD in exercising any right or remedy under this Agreement or otherwise afforded by applicable law shall not be a waiver of or preclude the exercise of any right or remedy.

39. **MEASURE OF DAMAGES.** The damage to HUD as a result of Borrower's breach of duties and obligations under this Agreement shall be, in the case of failure to maintain the Mortgaged Property as required by this Agreement, the cost of the repairs required to return the Project to decent, safe and sanitary condition and good repair. This contractual provision shall not abrogate or limit any other remedy or measure of damages available to HUD under any civil, criminal or common law.

VIII. MISCELLANEOUS

40. COMPLIANCE WITH LAWS.

a. Borrower shall comply with all applicable: laws; ordinances; regulations; requirements of any Governmental Authority; lawful covenants and agreements (including the Security Instrument) recorded against the Mortgaged Property; and Program Obligations including lead-based paint maintenance requirements of 24 C.F.R. Part 35, subpart G, and any successor regulations; including but not limited to those of the foregoing pertaining to: health and safety; construction of improvements on the Mortgaged Property; fair housing; civil rights; zoning and land use; Leases; and maintenance and disposition of tenant security deposits; and, with respect to all of the foregoing, all subsequent amendments, revisions, promulgations or enactments. Borrower shall at all times maintain records sufficient to demonstrate compliance with

the provisions of this Section 40. Borrower shall take appropriate measures to prevent, and shall not engage in or knowingly permit, any illegal activities at the Mortgaged Property, including those that could endanger tenants or visitors, result in damage to the Mortgaged Property, result in forfeiture of the Mortgaged Property, or otherwise impair the lien created by the Security Instrument or Lender's interest in the Mortgaged Property. Borrower represents and warrants to HUD that no portion of the Mortgaged Property has been or shall be purchased with the proceeds of any illegal activity.

b. HUD shall be entitled to invoke any remedies available by law to redress any breach or to compel compliance by Borrower with these requirements, including any remedies available hereunder.

41. **BINDING EFFECT.** This Agreement shall bind, and the benefits shall inure to, Borrower, its heirs, legal representative, executors, administrators, successors in office or interest, and assigns, and to HUD and HUD's successors, so long as the Contract of Insurance continues in effect, and during such further time as HUD shall be the Lender, holder, coinsurer, or reinsurer of the Security Instrument, or obligated to reinsure the Security Instrument.

42. **PARAMOUNT RIGHTS AND OBLIGATIONS.** Borrower warrants that it has not, and shall not, execute any other agreement with provisions contradictory of, or in opposition to, the provisions hereof, and that, in any event, the requirements of this Agreement are paramount and controlling as to the rights and obligations set forth and supersede any other requirements in conflict therewith.

43. **SEVERABILITY.** The invalidity of any clause, part, or provision of this Agreement shall not affect the validity of the remaining portions hereof.

44. **RULES OF CONSTRUCTION.** The captions and headings of the Sections of this Regulatory Agreement are for convenience only and shall be disregarded in construing this Regulatory Agreement. Any reference in this Regulatory Agreement to an "Exhibit" or a "Section" shall, unless otherwise explicitly provided, be construed as referring, respectively, to an Exhibit attached to this Regulatory Agreement or to a Section of this Regulatory Agreement. All Exhibits attached to or referred to in this Regulatory Agreement are incorporated by reference into this Regulatory Agreement. Use of the singular in this Regulatory Agreement includes the plural and use of the plural includes the singular. As used in this Regulatory Agreement, the term, "including" means "including, but not limited to." In this Regulatory Agreement, where the context may so require, feminine or masculine pronouns or adjectives shall be substituted for those of the neuter gender, and vice versa.

45. **PRESENT ASSIGNMENT.** Borrower irrevocably and unconditionally assigns, pledges, mortgages and transfers to HUD its rights to the Rents, charges, fees, carrying

charges, Project accounts, security deposits, and other revenues and receipts of whatsoever sort that it may receive or be entitled to receive from the operation of the Mortgaged Property, subject to the assignment of Rents in the Security Instrument. Until a default is declared under this Agreement, a revocable license is granted to Borrower to collect and retain such Rents, charges, fees, carrying charges, Project accounts, security deposits, and other revenues and receipts, but upon a Declaration of Default under this Agreement or under the Security Instrument, this revocable license is automatically terminated.

46. NOTICE.

a. All notices, demands and other communications ("**Notice**") under or concerning this Agreement shall be in writing. A courtesy copy of any Notice given by Borrower or HUD shall be sent simultaneously to Lender. Each Notice shall be addressed to the intended recipients at their respective addresses set forth below, and shall be deemed given on the earliest to occur of (i) the date when the Notice is received by the addressee; (ii) the first or second Business Day after the Notice is delivered to a recognized overnight courier service, with arrangements made for payment of charges for next or second Business Day delivery, respectively; or (iii) the third Business Day after the Notice is deposited in the United States mail with postage prepaid, certified mail, return receipt requested. As used in this Section 46, the term "**Business Day**" means any day other than a Saturday or a Sunday, a federal holiday or holiday in the state where the Project is located or other day on which the federal government or the government of the state where the Project is located is not open for business. When not specifically designated as a Business Day, the term "day" shall refer to a calendar day.

b. Any party to this Agreement and Lender may change the address to which Notices intended for it are to be directed by means of Notice given to the other party in accordance with this Section 46. Each party agrees that it shall not refuse or reject delivery of any Notice given in accordance with this Section 46, that it shall acknowledge, in writing, the receipt of any Notice upon request by the other party and that any Notice rejected or refused by it shall be deemed for purposes of this Section 46 to have been received by the rejecting party on the date so refused or rejected, as conclusively established by the records of the U.S. Postal Service or the courier service.

BORROWER: The New Haven Jewish Community Council Housing Corporation
18 Tower Lane
New Haven, Connecticut 06519

HUD: U.S. Department of Housing and Urban Development
Connecticut Field Office
20 Church Street
Hartford, CT 06103

LENDER: KeyBank National Association
8115 Preston Road, Suite 800
Dallas, Texas 75225

47. **CONFLICTS PROVISION.** Borrower shall comply with the requirements set forth in this Agreement as well as any other agreement Borrower enters into with HUD. However, if a conflict exists between this Agreement and any other HUD agreement executed by Borrower, the agreement which imposes the more restrictive requirements on Borrower shall control.

48. **THIRD PARTY BENEFICIARY.** Borrower agrees that it is not a third-party beneficiary to the Contract of Insurance between HUD and Lender, as more fully set forth in 24 C.F.R. Part 207, Subpart B.

49. **EXPLANATION OF ROLES.** HUD is not providing a loan to the Borrower. HUD operates insurance programs under the provisions of the National Housing Act. HUD, through the Federal Housing Administration (FHA) provides insurance to private and public lenders which it has approved as financially responsible against loss on mortgages financing multifamily projects. The mortgage insurance is a contract between the approved lender and HUD. These are the only two parties to the FHA insurance contract, the approved mortgage lender and HUD. The approved lender is the only party that is intended to benefit from the contract of mortgage insurance. While borrowers and other program participants may incidentally benefit in some manner from the insured mortgage financing that the approved lender provides, all other program participants are deemed not to be third party beneficiaries of the insurance contract. Thus, program participants have no rights and should not have any expectations in regard to decisions made or actions taken by HUD under the mortgage lender's contract of mortgage insurance, including but not limited to accepting a loan as eligible for insurance or paying a claim.

SECTION IX. NON RECOURSE

50. **NONRECOURSE DEBT.** The addendum ("Section 50 Addendum") attached hereto is incorporated herein by this reference.

IN WITNESS WHEREOF, the parties hereto have set their hands ~~and seals~~ on the date first herein above written.

Each signatory below hereby certifies that each of their statements and representations contained in this Agreement and all their supporting documentation thereto are true, accurate, and complete and that each signatory has read and understands the terms of this Agreement. This Agreement has been made, presented, and delivered for the purpose of influencing an official action of HUD in insuring the Loan, and may be relied upon by HUD as a true statement of the facts contained therein.

NOTICE: THIS DOCUMENT MUST HAVE A LEGAL DESCRIPTION ATTACHED AND BOTH THIS DOCUMENT AND THE SECTION 50 ADDENDUM MUST BE EXECUTED WITH ALL FORMALITIES REQUIRED FOR RECORDING A DEED TO REAL ESTATE (i.e., NOTARY/ACKNOWLEDGEMENT, SEAL, WITNESS OR OTHER APPROPRIATE FORMALITIES).

[Counterpart Signature pages follow]

COUNTERPART SIGNATURE PAGE TO
REGULATORY AGREEMENT
Tower One & Tower East
FHA Project No. 017-11198

BORROWER
THE NEW HAVEN JEWISH COMMUNITY
COUNCIL HOUSING CORPORATION,
a Connecticut non-stock corporation

WITNESS:

Nicole D Merritt

Print Name: Nicole D Merritt

By: Jackie Curl
Jackie Curl
Interim President and Chief
Executive Officer

WITNESS:

Nicole Campbell

Print Name: Nicole Campbell

STATE OF CONNECTICUT
COUNTY OF New Haven ~~HARTFORD~~

)
) ss: New Haven
)

On this 25 day of August, 2017, before me personally appeared Jackie Curl, known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person or the entity on behalf of which the person acted, executed the instrument.

Karen Puleo
Commissioner of Superior Court
Notary Public

Warning

Any person who knowingly presents a false, fictitious, or fraudulent statement or claim in a matter within the jurisdiction of the U.S. Department of Housing and Urban Development is subject to criminal penalties, civil liability, and administrative sanctions.

COUNTERPART SIGNATURE PAGE TO
REGULATORY AGREEMENT
Tower One & Tower East
FHA Project No. 017-11198

U.S. Department of Housing and Urban
Development, acting by and through the
Secretary of Housing and Urban Development,
acting by and through the Federal Housing
Commissioner

WITNESS:

Amy B. Veilleux

Print Name: Amy B. Veilleux

BY: [Signature]
Authorized Agent

WITNESS:

Noel Miller

Print Name: Noel Miller

STATE OF Connecticut
COUNTY OF Hartford

The foregoing instrument was acknowledged before me this 28th day of August, 2017, by Richard Pauperty, as Authorized Agent of the U.S. Department of Housing and Urban Development, on behalf of the department.

WITNESS my hand and official seal

[SEAL]

Amy B. Veilleux
Notary Public

AMY B. VEILLEUX
NOTARY PUBLIC
MY COMMISSION EXPIRES 2/28/2022

**EXHIBIT A
LEGAL DESCRIPTION**

**PARCEL ONE: 18 Tower Lane, New Haven CT
(PARCEL ID: 238 0110 00400)**

All that certain piece or parcel of land, together with all buildings and improvements thereon, situated in the City of New Haven, County of New Haven, State of Connecticut as shown on map entitled "ALTA/ACSM Land Title Survey, Property of New Haven Jewish Federation Housing Corporation & New Haven Jewish Community Council Housing Corporation, Tower Lane, South Frontage Road & Church Street Extension, New Haven, Connecticut, Scale: 1" =40', dated August 28, 1998, revised to September 15, 2005, bounded and described as follows:

Beginning at the westernmost corner of herein described parcel, said corner being on the northeasterly street line of Tower Lane, 26.92 feet distant southeast from a monument when measured along the arc of the curve of the street line; Thence: North 27 degrees 00 minutes 00 seconds East along land now or formerly of New Haven Jewish Federation Housing Corporation, also known as Tower East, a distance of 74.11 feet;

Thence: South 54 degrees 26 minutes 27 seconds East along land now or formerly of New Haven Jewish Federation Housing Corporation, also known as Tower East, a distance of 101.13 feet;

Thence: North 35 degrees 33 minutes 37 seconds East along land now or formerly of New Haven Jewish Federation Housing Corporation, also known as Tower East, along the building face in part, a distance of 9.75 feet;

Thence: South 54 degrees 26 minutes 23 seconds East along land now or formerly of New Haven Jewish Federation Housing Corporation, also known as Tower East, along the building face, a distance of 1.00 foot;

Thence: North 80 degrees 33 minutes 37 seconds East along land now or formerly of New Haven Jewish Federation Housing Corporation, also known as Tower East, along the face of the building, along the building face, a distance of 19.68 feet;

Thence: North 35 degrees 33 minutes 37 seconds East along land now or formerly of New Haven Jewish Federation Housing Corporation, also known as Tower East, along the building face, a distance of 1.00 foot;

Thence: South 54 degrees 26 minutes 23 seconds East along land now or formerly of New Haven Jewish Federation Housing Corporation, also known as Tower East, along the building face in part, a distance of 60.00 feet;

Thence: North 35 degrees 33 minutes 37 seconds East along land now or formerly of New Haven Jewish Federation Housing Corporation, also known as Tower East, a distance of 90.42 feet;

Thence: South 56 degrees 30 minutes 00 seconds East along land now or formerly of New Haven Jewish Federation Housing Corporation, also known as Tower East, a distance of 94.75 feet;

Thence: southeasterly along the arc of a curve to the right which has a radius of 84.00 feet along land now or formerly of New Haven Jewish Federation Housing Corporation, also known as Tower East, a distance of 74.82 feet;

Thence: South 05 degrees 28 minutes 05 seconds East along land now or formerly of New Haven Jewish Federation Housing Corporation, also known as Tower East, a distance of 210.85 feet to a monument;

Thence: South 80 degrees 41 minutes 09 seconds West along land now or formerly of the City of New Haven, a distance of 114.00 feet to a monument;

Thence: South 09 degrees 18 minutes 51 seconds East along land now or formerly of the City of New Haven, a distance of 67.00 feet;

Thence: South 80 degrees 41 minutes 09 seconds West along land now or formerly of the City of New Haven, a distance of 67.00 feet;

Thence: North 09 degrees 18 minutes 51 seconds West along land now or formerly of the City of New Haven, a distance of 21.00 feet to a P.K. nail;

Thence: South 80 degrees 41 minutes 09 seconds West along land now or formerly of the City of New Haven, a distance of 34.00 feet;

Thence: North 09 degrees 18 minutes 51 seconds West along land now or formerly of New Haven Greek Community, Inc., a distance of 46.00 feet;

Thence: North 80 degrees 41 minutes 09 seconds East along the southern terminus of Tower Lane, a distance of 5.00 feet;

Thence: North 09 degrees 18 minutes 51 seconds West along the easterly street line of Tower Lane, a distance of 106.85 feet to an iron pin;

Thence: northwesterly along the arc of a curve to the left which has a radius of 256.00 feet along the northeasterly street line of Tower Lane, a distance of 261.05 feet to the point and place of beginning.

TOGETHER WITH easements and rights of way as set forth in the Quit Claim Deed from the City of New Haven to the New Haven Jewish Community Council Housing Corporation dated March 13, 1969 and recorded in Volume 2372 at page 295; as reserved in the deed from the Haven Jewish Community Council Housing Corporation to New Haven Jewish Federation Housing Corporation dated September 29, 1980 and recorded in Volume 2872 at Page 101; and as set forth in a deed from New Haven Jewish Federation Housing Corporation to the New Haven Jewish Community Council Housing Corporation dated September 29, 1980 and recorded in Volume 2872 at Page 115; all of the New Haven Land Records.

TOGETHER WITH an Easement from New Haven Jewish Federation Housing Corporation dated September 25, 2005 and recorded in Volume 7347 at page 3 of the New Haven Land Records.

PARCEL TWO: Tower Lane, New Haven, CT
(PARCEL ID: 239 0110 00402)

All that certain piece or parcel of land, together with all buildings and improvements thereon, situated in the City of New Haven, County of New Haven, State of Connecticut

as shown on map entitled "ALTA/ACSM Land Title Survey, Property of New Haven Jewish Federation Housing Corporation & New Haven Jewish Community Council Housing Corporation, Tower Lane, South Frontage Road & Church Street Extension, New Haven, Connecticut, Scale: 1" =40', dated August 28, 1998, revised to September 15, 2005, bounded and described as follows:

Beginning at the southeasterly corner of herein described parcel, said corner being shown and/or depicted as a drill hole (D.H.) on the westerly street line of South Frontage Road;

Thence: South 80 degrees 41 minutes 09 seconds West along land now or formerly of the City of New Haven, a distance of 84.62 feet to a monument;

Thence: North 05 degrees 28 minutes 05 seconds West along land now or formerly of New Haven Jewish Community Council Housing Corporation, also known as Tower One, a distance of 210.85 feet;

Thence: northwesterly along the arc of a curve to the left which has a radius of 84.00 feet along land now or formerly of New Haven Jewish Community Council Housing Corporation, also known as Tower One, a distance of 74.82 feet; Thence: North 56 degrees 30 minutes 00 seconds West along land now or formerly of New Haven Jewish Community Council Housing Corporation, also known as Tower One, a distance of 94.75 feet;

Thence: South 35 degrees 33 minutes 37 seconds West along land now or formerly of New Haven Jewish Community Council Housing Corporation, also known as Tower One, a distance of 90.42 feet;

Thence: North 54 degrees 26 minutes 23 seconds West along land now or formerly of New Haven Jewish Community Council Housing Corporation, also known as Tower One, along the building face in part, a distance of 60.00 feet; Thence: South 35 degrees 33 minutes 37 seconds West along land now or formerly of New Haven Jewish Community Council Housing Corporation, also known as Tower One, along the building face, a distance of 1.00 foot;

Thence: South 80 degrees 33 minutes 37 seconds West along land now or formerly of New Haven Jewish Community Council Housing Corporation, also known as Tower One, along the building face in part, a distance of 19.68 feet; Thence: North 54 degrees 26 minutes 23 seconds West along land now or formerly of New Haven Jewish Community Council Housing Corporation, also known as Tower One, along the building face, a distance of 1.00 foot;

Thence: South 35 degrees 33 minutes 37 seconds West along land now or formerly of New Haven Jewish Community Council Housing Corporation, also known as Tower One, along the building face, a distance of 9.75 feet;

Thence: North 54 degrees 26 minutes 27 seconds West along land now or formerly of New Haven Jewish Community Council Housing Corporation, also known as Tower One, a distance of 101.13 feet;

Thence: South 27 degrees 00 minutes 00 seconds West along land now or formerly of New Haven Jewish Community Council Housing Corporation, also known as Tower One, a distance of 74.11 feet;

Thence: northwesterly along the arc of a curve to the left which has a radius of 256.00 feet along the northeasterly street line of Tower Lane, a distance of 26.92 feet to a monument;

Thence: North 73 degrees 45 minutes 00 seconds West along the northeasterly street line of Tower Lane, a distance of 71.70 feet to a monument;

Thence: northerly along the arc of a curve to the right which has a radius of 6.00 feet along the northeast intersection of Church Street Extension and Tower Lane, a distance of 9.83 feet;

Thence: northeasterly along the arc of a curve to the right which has a radius of 601.00 feet along the southeasterly street line of Church Street Extension, a distance of 213.45 feet to an iron pin;

Thence: northeasterly along the arc of a curve to the right which has a radius of 155.42 feet along the southeast intersection of Church Street Extension and South Frontage Road, a distance of 132.08 feet to an iron pin;

Thence: southeasterly along the arc of a curve to the right which has a radius of 100.00 feet along the southwesterly street line of South Frontage Road, a distance of 55.77 feet to an iron pin;

Thence: South 58 degrees 58 minutes 02 seconds East along the southwesterly street line of South Frontage Road, a distance of 106.59 feet to an iron pin;

Thence: southerly along the arc of a curve to the right which has a radius of 370.00 feet along the southwesterly street line of South Frontage Road, a distance of 345.36 feet to an iron pin;

Thence: South 05 degrees 29 minutes 16 seconds East along the westerly street line of South Frontage Road, a distance of 178.08 feet to the point and place of beginning.

Said parcel is benefited by a portion of the "Common Right of Way" described in Section 209 of the Land Disposition Agreement among the City Of New Haven, The New Haven Redevelopment Agency and The New Haven Jewish Community Council Housing Corporation dated March 13, 1969 and recorded March 13, 1969 in Volume 2372, Pages 242-294 of the New Haven Land Records, as reserved in the deed from the City Of New Haven to The New Haven Jewish Community Council Housing Corporation dated March 13, 1969 and recorded March 13, 1969 in Volume 2372, Pages 295-300 of said Land Records and granted in the deed from the City Of New Haven to The New Haven Jewish Federation Housing Corporation dated September 29, 1980 and recorded October 1, 1980 in Volume 2872, Pages 91-97 of said Land Records. The right of way was modified by virtue of the deed from New Haven Jewish Community Council Housing Corporation to New Haven Jewish Federation Housing Corporation dated September 29, 1980 and recorded October 1, 1980 in Volume 2872, Pages 101 -103 of said Land Records.

SECTION 50 ADDENDUM

The Loan is nonrecourse. Each individual/entity (each, a "Section 50 party") as identified below and in the "Firm Commitment" (which means the commitment for insurance of advances or commitment for insurance upon completion issued to Lender by HUD under which the debt evidenced by the Note is to be insured pursuant to a Section of the Act, dated May 18, 2017, and any amendments thereto):

1. The New Haven Jewish Community Council Housing Corporation
(Individual/Entity Name)

2. _____
(Individual/Entity Name)

does not assume personal liability for payments due under the Note and Security Instrument, or for the payments to the Reserve for Replacements, or for matters not under its control, provided that each Section 50 Party shall be personally liable under this Agreement only with respect to the matters hereinafter stated; namely: (a) for funds or property of the Project coming into its hands which, by the provisions hereof, it is not entitled to retain; (b) for authorizing the conveyance, assignment, transfer, pledge, encumbrance, or other disposition of the Mortgaged Property or any interest therein in violation of Section 35(a) of the Regulatory Agreement to which this addendum is attached ("Regulatory Agreement") without the prior written approval of HUD; and (c) for its own acts and deeds, or acts and deeds of others, which it has authorized in violation of the provisions of this Section 50 Addendum. The obligations of each Section 50 Party shall survive any foreclosure proceeding, any foreclosure sale, any delivery of any deed in lieu of foreclosure, any termination of the Regulatory Agreement, or any release of record of the Security Instrument.

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SIGNATURE PAGE TO SECTION 50 ADDENDUM

THE NEW HAVEN JEWISH COMMUNITY
COUNCIL HOUSING CORPORATION,
a Connecticut non-stock corporation

WITNESS:

Ariel Schneider

Print Name: Ariel Schneider

By: Jackie Curl
Jackie Curl
Interim President and Chief
Executive Officer

WITNESS:

Tania Butler

Print Name: Tania Butler

STATE OF CONNECTICUT
New Haven
COUNTY OF HARTFORD

)
) ss: New Haven
)

On this 20th day of August, 2017, before me personally appeared Jackie Curl, known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person or the entity on behalf of which the person acted, executed the instrument.

Karen Purjes
Commissioner of Superior Court
Notary Public



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TAX BILLS

TAXPAYER INFORMATION

Bill #	2019-1-0013628 (REAL ESTATE)	Gross Assessment	9,203,600
Unique ID	239 0110 00402	Exemptions	0
District		Net Assessment	9,203,600
Name	NEW HAVEN JEWISH FEDERATION HOUSING CORP	Town Mill Rate	43.88
Care Of			
Address			
Property Location	TOWER LA		
MBL	239 0110 00402	Town Benefit	0.00
Volume & Page		Elderly Benefit (C)	0.00

BILL INFORMATION AS OF 02/05/2021

Instalment	Due Date	Town	District	Other	Total Due
#1	07/01/2020	\$201,926.99	\$0.00		Tax/Princ/Bint Due \$0.00
#2	01/01/2021	\$201,926.99			Interest Due \$0.00
#3					Lien Due \$0.00
#4					Fee Due \$0.00
Adjustment		\$-192,368.38	\$0.00	\$0.00	Total Due Now \$0.00
Total		\$211,485.60	\$0.00	\$0.00	
Total payments as of 02/05/2021		\$211,485.60			

PAY DATE	TYPE	TAX/PRINCIPAL	INTEREST	LIEN	FEE	TOTAL
01/15/2021	PAY	\$105,742.80	\$0.00	\$0.00	\$0.00	\$105,742.80
07/31/2020	PAY	\$105,742.80	\$0.00	\$0.00	\$0.00	\$105,742.80

Total Payments made to taxes in 2020: **\$105,742.80**

This is not a tax form, contact your financial advisor for information regarding tax reporting.

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**BOARD RESOLUTION
OF
New Haven Jewish Community Council Housing Corporation**

WHEREAS, the Board of Directors of the New Haven Jewish Community Council Housing Corporation (doing business as and referred to herein as “The Towers at Tower Lane”) met on February 25, 2021;

WHEREAS, The Towers at Tower Lane has an existing Tax Abatement Agreement with The City of New Haven, signed on December 31, 1980 and expiring on March 24, 2023; and

WHEREAS, The Towers at Tower Lane desires to extend their Tax Abatement Agreement or enter a new Tax Abatement with The City of New Haven for the property described in the Tax Abatement Application.

THEREFORE BE IT RESOLVED, that the Board of Directors authorizes entering into a Tax Abatement Agreement with the City of New Haven.

THEREFORE BE IT FURTHER RESOLVED, that the Board of Directors authorizes the designees listed below to apply for, negotiate, and execute a Tax Abatement Agreement or extension in customary form with The City of New Haven regarding either a new Tax Abatement Agreement or an extension of the existing Tax Abatement Agreement.

The Towers at Tower Lane designees:

Mr. Gus Keach-Longo, its Chief Executive Officer

Mr. John Heyder, its Chief Financial Officer

Adopted as of the 25th day of February 2021.

/s/Linda L. Randell _____
Secretary

Exhibit 12 A

**Demographic statistics
Tower East**

Report created on calendar date: 02/05/2021 (property date: 02/01/2021)

As Of: 02/01/2021
Resident Status: Current resident

Category	Count	Percentage	Category	Count	Percentage
Total Number of Units:	150	100.00%	Current Occupants/Leases:	141	94.00%
Number of Occupied Units:	141	94.00%			
Occupants/Demographics:	151	100.00%			
Male	41	27.15%			
Female	110	72.85%			
Single	1	0.66%			
Married	6	3.97%			
Divorced	0	0.00%			
Separated	0	0.00%			
Widow/Widower	2	1.32%			
Occupant Status:			Ethnicity:		
Adult co-head of household	8	5.19%	Hispanic or Latino	10	6.49%
Head of household	141	91.56%	Not-Hispanic or Latino	125	81.17%
Spouse	5	3.25%	Member did not specify	19	12.34%
Total	154	100.00%	Total	154	100.00%
Occupation:			Citizenship:		
Not applicable	19	100.00%	United States	9	100.00%
Total	19	100.00%	Total	9	100.00%
Age Range:					
Under 18	0	0.00%			
18 - 21	0	0.00%			
22 - 25	0	0.00%			
26 - 29	0	0.00%			
30 - 33	0	0.00%			
34 - 37	0	0.00%			
38 - 41	0	0.00%			
42 - 45	0	0.00%			
46 - 49	0	0.00%			
50 - 53	0	0.00%			
54 - 57	0	0.00%			
58 - 61	1	0.66%			
62 - 65	6	3.97%			
66 - 69	23	15.23%			
70 - 73	27	17.88%			
74 - 77	12	7.95%			
78 - 81	20	13.25%			
82 - 85	18	11.92%			
86 - 89	16	10.60%			
90 - 93	16	10.60%			
94 - 97	9	5.96%			
98 - 99	0	0.00%			
Over 99	3	1.99%			
Unknown	0	0.00%			
Total	151	100.00%			

Category	Count	Percentage	Category	Count	Percentage
Individual income:			Household income:		
Below 10,000	151	100.00%	Below 10,000	141	100.00%
10,000 - 16,000	0	0%	10,000 - 16,000	0	0%
16,001 - 21,000	0	0%	16,001 - 21,000	0	0%
21,001 - 26,000	0	0%	21,001 - 26,000	0	0%
26,001 - 31,000	0	0%	26,001 - 31,000	0	0%
31,001 - 36,000	0	0%	31,001 - 36,000	0	0%
36,001 - 41,000	0	0%	36,001 - 41,000	0	0%
41,001 - 46,000	0	0%	41,001 - 46,000	0	0%
46,001 - 51,000	0	0%			
51,001 - 56,000	0	0%			

Exhibit 12 B

HAP Payment Distribution

HAP Month : 03/01/2021

Section 8 - CT262607201		Tenant assistance	
Unit Number	Head of Household	Original HAP Amount	Amount Distributed
0151	McCRAy, LOIS, R	\$1,755.00	\$1,755.00
0152	JACKSON, BEATRICE	\$1,669.00	\$1,669.00
0153	LEVY, ARMON	\$1,918.00	\$1,918.00
0154	RICHARDSON, LILLIAN, M	\$1,700.00	\$1,700.00
0155	KALISZ, PATRICE, E	\$1,795.00	\$1,795.00
0156	ONLEY, CATHERINE, D	\$1,723.00	\$1,723.00
0157	ALLEN, JANICE, C	\$1,801.00	\$1,801.00
0158	CLOMON, ESTHERLEEN	\$1,844.00	\$1,844.00
0159	FELDMAN, ELAINE	\$2,250.00	\$2,250.00
0160	Powell, Margaret, I	\$1,564.00	\$1,564.00
0161	KASINAK, RITA, M	\$1,717.00	\$1,717.00
0162	JONES, CLARISSA, V.	\$1,874.00	\$1,874.00
0163	LEWIS, PAUL, ERIC	\$1,795.00	\$1,795.00
0164	Bennett, Toni, M	\$1,679.00	\$1,679.00
0165	HALEY, PATRICIA, MARIE	\$1,760.00	\$1,760.00
0251	ETKIND, ISABEL, LYNN	\$1,801.00	\$1,801.00
0252	TSITARIDIS, STEPHANIA, G	\$1,478.00	\$1,478.00
0253	Hillman, Micheal, J.	\$1,765.00	\$1,765.00
0254	CAMPAGNUOLO, MARY, ELLEN	\$1,679.00	\$1,679.00
0255	MARONEY, JOHN, P.	\$1,645.00	\$1,645.00
0256	RODRIGUEZ, ANGELA, M	\$1,717.00	\$1,717.00
0257	GREEN, CANDIS, K	\$1,465.00	\$1,465.00
0258	HAMPTON, VIRGINIA, L	\$1,671.00	\$1,671.00
0259	ANNUNZIATA, REGINA, J	\$1,868.00	\$1,868.00
0260	GIAIMO, JOSEPH, V	\$1,491.00	\$1,491.00
0261	SERRANO, REINA, IRIS	\$1,805.00	\$1,805.00
0262	WILLIS, SANDRA	\$1,546.00	\$1,546.00
0263	BERGER, THELMA, T	\$1,641.00	\$1,641.00
0264	RUIZ, ROSALIA	\$1,741.00	\$1,741.00
0265	RANDALL, EVELYN	\$1,472.00	\$1,472.00
0351	COHEN, SUE, A	\$1,452.00	\$1,452.00
0352	WHITON, BARBARA, C	\$1,720.00	\$1,720.00
0353	ORTIZ, CARMEN, L	\$1,750.00	\$1,750.00
0354	GANASSI, IAN, L	\$1,512.00	\$1,512.00
0355	SANCHEZ, GLORIA, E	\$1,795.00	\$1,795.00
0356	WEINSTEIN, CAROLE, G.	\$1,558.00	\$1,558.00
0357	REDIKER, STEPHEN, M.	\$1,596.00	\$1,596.00
0358	SCHALL, YVONNE, B.	\$1,680.00	\$1,680.00
0359	IRELAND, JOSEPH, W	\$1,806.00	\$1,806.00
0360	VALLASI, GEORGE, A.	\$3,363.00	\$3,363.00
0361	MCGRATH, JOAN, I	\$1,540.00	\$1,540.00
0362	Flowers, Leslie	\$1,631.00	\$1,631.00

HAP Payment Distribution

HAP Month : 03/01/2021

Section 8 - CT262607201		Tenant assistance	
Unit Number	Head of Household	Original HAP Amount	Amount Distributed
0364	KLEYMAN, KREYNIA	\$1,801.00	\$1,801.00
0365	NACLERIO, SANDRA, B	\$1,481.00	\$1,481.00
0451	SINGLETON, BARBARA, ANN	\$1,510.00	\$1,510.00
0452	JONES, NOREEN	\$1,457.00	\$1,457.00
0453	TOLSON, ETHEL, B	(\$2,289.00)	(\$2,289.00)
0454	KLATZKIN, ALAN, W	\$1,792.00	\$1,792.00
0455	SHIFFRIN, RUTH	\$1,626.00	\$1,626.00
0456	SCARLETT, CYNTHIA	\$1,694.00	\$1,694.00
0458	HADDAD, ANNA	\$1,551.00	\$1,551.00
0459	BROMFIELD, DORRIS	\$2,152.00	\$2,152.00
0460	CATNOTT, EUANNIE, L	\$1,861.00	\$1,861.00
0461	GIBSON, LORENE, L	\$1,928.00	\$1,928.00
0462	STURM, LORRAINE, R	\$1,590.00	\$1,590.00
0463	HOROWITZ, SYLVIA	\$1,512.00	\$1,512.00
0464	SMOLEN, RIVA, T	\$1,455.00	\$1,455.00
0465	DANKO, ROSE, MARIE	\$1,647.00	\$1,647.00
0551	SMITH, DENISE, G	\$1,526.00	\$1,526.00
0552	RINGWOOD, HARRIET, AMELIA	\$1,844.00	\$1,844.00
0553	GROSS, MIRIAM	\$1,872.00	\$1,872.00
0554	WEINSTEIN, JOEL, MARK	\$1,798.00	\$1,798.00
0555	ROBINSON, PATRICIA, D	(\$2,204.00)	(\$2,204.00)
0556	HUBBARD, FRED, V	\$1,627.00	\$1,627.00
0557	HOWARD, EASTER, J	\$1,409.00	\$1,409.00
0558	BABBS, ERNEST, GEAN	\$1,600.00	\$1,600.00
0559	AL ANI, ABDULADHEM, M	\$2,077.00	\$2,077.00
0560	ESDAILE, DOROTHY, G	\$1,483.00	\$1,483.00
0561	DAVIS, JESSIE, M.	\$1,654.00	\$1,654.00
0562	OSIRUS, VIOLETTE	\$1,723.00	\$1,723.00
0563	Schroeder, Frederick	\$1,648.00	\$1,648.00
0564	GRIESING, SHIRLEY, A	\$1,580.00	\$1,580.00
0565	TILLMAN, CATHERINE, I	\$1,642.00	\$1,642.00
0651	UGOLIK, ELEANOR	\$1,608.00	\$1,608.00
0652	KOGAN, IOSIF, S	\$1,801.00	\$1,801.00
0653	TWITTY, CAROLYN, E	\$1,380.00	\$1,380.00
0654	KRASNOW, RONALD, R	\$1,795.00	\$1,795.00
0655	HARVIN, ARLENE, M	\$1,582.00	\$1,582.00
0656	GLADYS, GOLDBAUM, F	\$1,394.00	\$1,394.00
0657	WALLER, TOMMY, LEE	\$1,384.00	\$1,384.00
0658	ALLEYNE, DELORES, M	\$1,662.00	\$1,662.00
0659	NEYSHTADT, BORIS	\$2,076.00	\$2,076.00
0660	HOLLEY, SADIE, S	\$1,363.00	\$1,565.00
0661	KETAINECK, LILLIAN	\$1,641.00	\$1,641.00
0662	BOULWARE, SHIRLEY, C	\$1,130.00	\$1,130.00

HAP Payment Distribution

HAP Month : 03/01/2021

Section 8 - CT262607201		Tenant assistance	
Unit Number	Head of Household	Original HAP Amount	Amount Distributed
0663	FARBER, YELIZAVETA	\$1,798.00	\$1,798.00
0664	TEITELMAN, CHARLOTTE, C	\$1,626.00	\$1,626.00
0665	GREENE, GENEVIEVE, M	\$1,539.00	\$1,539.00
0751	BRANCH, ALBERT, ELSWORTH	\$1,798.00	\$1,798.00
0752	NOTI, BARBARA, TOBY	\$1,410.00	\$1,410.00
0753	EVANS, JAMES, E	\$1,664.00	\$1,664.00
0754	BAZAN, DAVID, PAUL	\$1,624.00	\$1,624.00
0755	GREGG, BONNIE, M	\$1,779.00	\$1,779.00
0756	JORDAN-SHAROG, LISA	\$1,641.00	\$1,641.00
0757	GUZOWSKI, BARBARA, R	\$1,640.00	\$1,640.00
0758	SILBER, STEVEN	\$1,463.00	\$1,463.00
0759	GRAY, NELSON	\$1,302.00	\$1,302.00
0760	HANKIN, MICHAEL, I.	\$1,602.00	\$1,602.00
0761	Davidson, Norma	\$1,491.00	\$1,491.00
0762	COTTON, ANITA, F	\$1,704.00	\$1,704.00
0763	BASILICATO, JR, CHARLES, A	\$1,850.00	\$1,850.00
0764	Delmonico, JOAN, Henrietta	\$1,560.00	\$1,560.00
0765	NATHMAN, RICHARD, NORRIS	(\$2,592.00)	(\$2,592.00)
0851	LEWIS, ACQUETTA, E	\$1,458.00	\$1,458.00
0852	PADRO, LIDIA, E	\$1,693.00	\$1,693.00
0853	GREGG, RILEY, LEE	\$1,340.00	\$1,340.00
0854	HIGHSMITH, CARLIS	\$1,519.00	\$1,519.00
0855	MARDER, GERALD, MARK	\$1,488.00	\$1,488.00
0856	PINKARD, DORA	\$1,537.00	\$1,537.00
0857	MORRISON, BETTYE, W	\$1,641.00	\$1,641.00
0858	KERBEL, RICHARD, BARRY	\$1,694.00	\$1,694.00
0859	LOPES, KATHERINE, A	\$1,804.00	\$1,804.00
0951	BRUN, DEBRA, L.	\$3,398.00	\$3,398.00
0952	ZABALA, CANDELARIO	\$1,795.00	\$1,795.00
0953	ZACARELLI, PATRICIA, ANN	\$1,541.00	\$1,541.00
0954	SHAPIRO, GLORIA, M	\$1,802.00	\$1,802.00
0955	GALIETTE#, DOLORES	\$1,572.00	\$1,572.00
0956	SALOMON, ANN, I	\$1,316.00	\$1,316.00
0957	ZANDERS, ROSE, R	\$1,714.00	\$1,714.00
0958	ROBINSON, STANLEY, LEON	\$1,771.00	\$1,771.00
0959	RICHARDSON, ROSA, LEE	(\$2,793.00)	(\$2,793.00)
1051	SHEEHY, KEVIN, B	\$1,551.00	\$1,551.00
1052	DAGUILH, MARIE, P	\$1,709.00	\$1,709.00
1053	MOORE, CATHERINE, S	\$1,401.00	\$1,401.00
1054	MAYZLINA, FANYA	\$1,783.00	\$1,783.00
1056	BOLIVAR, MARIE, R	\$2,001.00	\$2,001.00
1057	VOLLANO, SARAH	(\$2,374.00)	(\$2,374.00)
1058	ATKINSON, CHARLES, N	\$1,603.00	\$1,603.00

HAP Payment Distribution

HAP Month : 03/01/2021

Section 8 - CT262607201		Tenant assistance	
Unit Number	Head of Household	Original HAP Amount	Amount Distributed
1059	BENTON, ELIZABETH	\$1,781.00	\$1,781.00
1151	NOEL, MELANIE	\$1,801.00	\$1,801.00
1152	BURNS, ROSINA, L	\$1,646.00	\$1,646.00
1153	ARLINE, EMMA, J	\$1,304.00	\$1,304.00
1154	SHEVLIN, ROBIN, ANN	\$1,961.00	\$1,961.00
1155	QUICK, VIOLA, EARNESTINE	\$1,825.00	\$1,825.00
1156	MCKAY, JOHN	\$2,678.00	\$2,678.00
1157	DILLON, PRISCILLA, F	\$1,359.00	\$1,359.00
1159	SAYBALL, ARLENE, M	\$1,832.00	\$1,832.00
1251	SOODTUNYARATANA, SANDRA	\$1,825.00	\$1,825.00
1252	LIU, MEI	\$1,869.00	\$1,869.00
1253	COOPER, RUTH	\$1,662.00	\$1,662.00
1254	PARKER, SHIRLEY, M	\$1,660.00	\$1,660.00
1255	MANSFIELD, EARL, E	\$1,764.00	\$1,764.00
1256	COTTO, MYRNA, E	\$1,774.00	\$1,774.00
1257	WATKINS, RICHETTA, M	\$1,479.00	\$1,479.00
1258	ABRAMS, HAROLD, L	\$1,710.00	\$1,710.00
1259	PRESCOD, ERROL, T	\$1,415.00	\$1,415.00

HAP Payment Distribution

HAP Month :

		Section 8 - CT262607201	Summary
		Amount Requested	Amount Received
146	Households billed		
Total		\$226,103.00	
146	Households paid		
Total			\$226,305.00
0	Manual adjustments billed		
Total			
0	Manual adjustments paid		
Total			
0	Special claims billed		
Total			
0	Special claims paid		
Total			
0	Repayment agreements billed		
Total			
0	Repayment agreements paid		
Total			
Totals		\$226,103.00	\$226,305.00