

DOCUMENTATION OF ELIGIBILITY FOR CERTIFICATE OF AFFORDABLE HOUSING COMPLETION

Project Name and Address

Watson Farm

700 Deming Street

South Windsor, CT 06074

Projects Owner's Name and Address

The Metro Realty Group, LTD

6 Executive Drive, Suite 100

Farmington, CT 06032

Person or Entity Responsible for Compliance

The Metro Realty Group, LTD

6 Executive Drive, Suite 100

Farmington, CT 06032

Description of Project: 57 Affordable Elderly Rental Units in four buildings

The Planning and Zoning Commission approved a text amendment on 11/28/2000 that modified Section 4.1.11 Housing for the Elderly that allow elderly housing proposal to be submitted by a proprietary entity in conjunction with the Town Housing Authority.

This project was submitted as a friendly CGS 8-30G and Financed through CHFA

Included in this summary is:

Original approval letter

Declaration and Agreement of Restricted Covenants

Covenant of Compliance and Regulatory Agreement

Rent Rolls - Redacted

Zoning Regulations – Section 4.1.11 Housing for the Elderly and PZC minutes adopting the regulation



Town of South Windsor

1540 SULLIVAN AVENUE • SOUTH WINDSOR, CONN. 06074
AREA CODE 860 / 644-2511

December 27, 2000

CERTIFIED MAIL

Mr. Jeff Sager
The Metro Realty Group, LTD
10 Executive Drive
Farmington, CT 06032

Dear Mr. Sager:

Re: Appl #00-53P, Watson Farm Special Exception and Site Plan

We are pleased to advise you that the Planning & Zoning Commission voted on December 12, 2000 to approve with modifications the above referenced application for a Site Plan of Development and Special Exception to Section 4.1.11 for is for the construction of a 72 unit adult housing project on property located on the northerly side of Deming Street, RR zone as shown on plans prepared by Design Professionals, Inc., Job No. 1270, dated 11/3/00 as revised. This approval is subject to the following modifications:

1. Prior to commencement of any site work, a meeting must be held with Town Staff.
2. No building permit will be issued until the final mylars have been filed in the Town Clerk's office.
3. This application is subject to the conditions of approval of the Inland Wetlands Agency/Conservation Commission, including a bond in the amount of \$20,000 for erosion and sediment control, and a bond in the amount of \$25,000 for the establishment of the stormwater control structures (detention basin and vegetative swale).
4. An as-built plan is required prior to issuance of a Certificate of Occupancy per Section 8.1.10 of the Zoning Regulations.
5. Footing drains are required if the building has a basement.
6. A landscape bond in the amount of \$10,000 is required and must be submitted prior to filing of mylars.
7. All plans used in the field by the developer must bear the stamp and authorized signature of the Town of South Windsor.
8. WPCA approval is required.
9. The building(s) street number must be included on the final plan.
10. Town Engineer's review comments dated December 1, 2000 must be addressed to the Town Engineer's satisfaction.
11. Required restrictive covenants to the South Windsor Housing Authority must be reviewed and approved by the Planning and Zoning Commission and the Town Attorney.
12. Decorative grills are required over wall condenser units.
13. Proposed buffer along the east site boundary (abutting Porter's Share) must be enhanced with additional screening plantings. The Commission accepts the applicants' offer to install supplemental buffer plantings on property of Porters Share.

14. A retaining wall is required along the driveway in close proximity to the north property boundary in order to preserve existing large trees. The large trees to be preserved should be individually identified on the site plan and flagged in the field, with approval from Town staff **prior** to tree cutting. Field changes may be required during construction in order to ensure adequate protection of the large trees.
15. A bypass must be provided on Route 30 at the entrance to the development (subject to ConnDOT approval).
16. The sidewalk must connect more directly to the clubhouse.
17. Buffer planting must be in place prior to issuance of Certificates of Occupancy for the final building. In the event that the final building is completed during non-planting season, the last section of final building CO's will be withheld until planting is complete.
18. A waiver is granted to allow an exception to the standard specifications for the internal roadway profile.

Black and white transparent mylars of Sheets #2 and 3] with the above modifications, together with three blueprint copies of the entire set of plans must be submitted to this Commission within 30 days to be stamped and signed. The letters of approval of this Commission as well as the Inland Wetlands Agency/Conservation Commission must be reproduced on the mylars.

After the mylars have been signed by the Commission, they will be returned to you for filing in the Office of the Town Clerk. After filing these plans, a copy of the receipt must be submitted to the Planning Department. The attached Special Exception form must be completed and filed in the Town Clerk's office. The special exception will take effect upon filing.

Very truly yours,

Walter J. Mealy, Jr.

Walter J. Mealy, Chairman
Planning and Zoning Commission

WJM/dlf

cc: Town Engineer
Chief Building Official
Assessor
Superintendent of Pollution Control
Fire Marshal

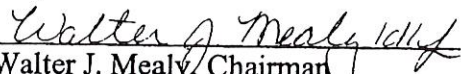
I, Walter J. Mealy, Chairman of the South Windsor Planning & Zoning Commission, hereby certify that on December 12, 2000, the Planning and Zoning Commission granted to Metro Realty Group, LTD a Special Exception to Article 4.1.11 of the Zoning Regulations and Resubdivision to for the construction of a 72 unit adult housing project on property located on the northerly side of Deming Street as shown on plans prepared by Design Professionals, Inc., Project No. 1270, dated 11/3/00 as revised.

Assessor's Map and Parcel Number: Maps #29 & 40 Parcels #7 & 11
More particularly bounded and described as follows: See attached two sheets

OWNER OF RECORD: South Windsor Housing Authority/Edward G. Smith and Audrey E. Smith

Dated at South Windsor, Connecticut this 27th day of December 2000.

In accordance with CGS Section 8-3d


Walter J. Mealy, Chairman
Planning & Zoning Commission

Received for record this _____ day of _____, 19____, at

South Windsor, Connecticut

ATTEST:

TOWN OF SOUTH WINDSOR, a municipal corporation with its offices in the Town of South Windsor, County of Hartford and State of Connecticut, for the consideration of ONE DOLLAR AND OTHER VALUABLE CONSIDERATIONS, does grant to SOUTH WINDSOR HOUSING AUTHORITY, a public body corporate and politic with its offices in the Town of South Windsor, County of Hartford and State of Connecticut, with QUIT CLAIM COVENANTS, a certain piece or parcel of land, situated in the Town of South Windsor, County of Hartford and State of Connecticut, being known as 514 Oakland Road, being more particularly described as follows:

NORTHERLY: by land now or formerly of Walter N. Foster;

EASTERLY: by land now or formerly of Audrey and Edward Smith;

SOUTHERLY: by land now or formerly of Warren R. Thompson and by Oakland Road, in part by each; and

WESTERLY: by land now or formerly of Warren R. Thompson and Foster Street, in part by each.

Signed this 17 day of September, 1997.

Witnessed by:

TOWN OF SOUTH WINDSOR

Barry Gulliano
Barry Gulliano
Gretchen E. Bickford
Gretchen E. Bickford

By Matthew Galligan
Matthew Galligan
Town Manager

STATE OF CONNECTICUT)

) ss: South Windsor September 17, 1997

COUNTY OF HARTFORD)

Personally Appeared, MATTHEW GALLIGAN, Town Manager, as aforesaid, signer of the foregoing Instrument and acknowledged the same to be his free act and deed as such Town Manager and the free act and deed of said municipal corporation, before me.

RECEIVED FOR RECORD 5/22 1998
AT 11:55 am

RECORDED IN SOUTH WINDSOR
LAND RECORDS VOL. 1009 PAGE 29

BY Theresa G. Sandoz TOWN CLERK Assistant

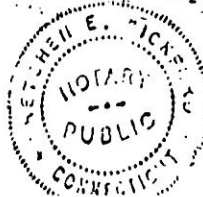
Gretchen E. Bickford
Notary Public
My Commission Expires: 12/31/2001
Commissioner of Superior Court

CONVEYANCE TAX RECEIVED

STATE \$ LOCAL \$ No. X

Gretchen E. Bickford

TOWN CLERK OF SOUTH WINDSOR



QUIT CLAIM DEED - STATUTORY FORM

004728

EDWARD G. SMITH and AUDREY E. SMITH, both of the Town of South Windsor, County of Hartford, and State of Connecticut, for consideration paid, grant to EDWARD G. SMITH and AUDREY E. SMITH, both of the Town of South Windsor, County of Hartford, and State of Connecticut, with QUIT CLAIM COVENANTS,

a certain piece or parcel of land situated on the northeast side of Route 30 in the Town of South Windsor, County of Hartford, and State of Connecticut, and bounded and described as follows:

NORTHEASTERLY by land now or formerly of Walter N. Foster, two hundred (200) feet;
 SOUTHEASTERLY by land now or formerly of Horace C. Porter, seven hundred five (705) feet, more or less;
 SOUTHWESTERLY by Route 30, two hundred (200) feet; and
 NORTHWESTERLY by land now or formerly of Robert V. Watson, seven hundred five (705) feet, more or less.

The southeast corner of the premises herein conveyed is situated four hundred twenty-five (425) feet, more less, northwesterly from the Manchester-South Windsor Town Line, as measured along the said northeast line of said Route 30.

Being the same premises conveyed to the grantors herein by warranty deed of George Smith dated July 3, 1959 and recorded in the South Windsor Land Records. The purpose of this deed is to sever the joint tenancy.

Signed this 7th day of Sep, 1989.

Witnessed by:

Patricia A. Farrell

Judy A. Martocchio

Edward G. Smith

Audrey E. Smith

STATE OF CONNECTICUT)
) ss: South
 COUNTY OF HARTFORD) Windsor

7 1 1989

Personally appeared Edward G. Smith and Audrey E. Smith, signers and sealers of the foregoing instrument, and acknowledged the same to be their free act and deed, before me,

NOTARY PUBLIC

Notary Public

My commission expires 3-31-92
 SOUTH WINDSOR

CONVEYANCE TAX RECEIVED

Grantee's Address:
 700 Deming Street
 South Windsor, CT 06074

RECEIVED FOR RECORD:

DATE SEP 7 1989 TIME 4:05 P.M.

Town Clerk, South Windsor, CT

Assistant Town Clerk

STATES LOCALS NO. X

Marilyn W. Burgen

Town Clerk of South Windsor

WARREN P. JOHNSON ATTORNEY AT LAW
 20 ELIZABETH STREET - WINDSOR, CONNECTICUT 06095 - 701-488-0200 - JUNE 10, 1988

DECLARATION AND AGREEMENT OF RESTRICTIVE COVENANTS

This Declaration and Agreement of Restrictive Covenants (this "Agreement") made and entered into as of the 20th day of May, 2002, by and between **WATSON FARM ASSOCIATES LIMITED PARTNERSHIP**, a limited partnership organized and existing under the laws of the State of Connecticut, with an office and principal place of business at 6 Executive Drive, Farmington, Connecticut 06032 (the "Declarant"), and the **CONNECTICUT HOUSING FINANCE AUTHORITY**, a body politic and corporate constituting a public instrumentality and political subdivision of the State of Connecticut, having its office and principal place of business at 999 West Street, Rocky Hill, Connecticut 06067 (the "Authority"),

W I T N E S S E T H:

WHEREAS, the Declarant, as owner in fee simple of the property described in **Exhibit A** attached hereto and made a part hereof (the "Property"), has applied to the Authority for a first mortgage loan in the amount of up to THREE MILLION TWO HUNDRED THOUSAND AND 00/100 (\$3,200,000.00) DOLLARS (the "Mortgage Loan") to aid the Declarant in financing the acquisition and construction on the Property of a multifamily rental housing development for persons of low and moderate income, pursuant to the provisions (i) of the Connecticut Housing Finance Authority Act, Chapter 134 of the Connecticut General Statutes, as amended (the "Act") and (ii) of the Internal Revenue Code of 1986, as amended, (the "Code") and the regulations promulgated thereunder, as amended (the "Regulations");

WHEREAS, the Property is known as WATSON FARM located at 700 Deming Street, South Windsor, Connecticut 06074, and is identified as Authority Development No. 01-007M;

WHEREAS, Declarant acknowledges that: (i) the Authority is providing the Mortgage Loan to the Declarant to finance the Development in furtherance of its corporate purposes under the Act, and (ii) the accomplishment of such purposes is dependent in part upon compliance by the Declarant with the restrictive covenants set forth herein;

WHEREAS, Declarant acknowledges the resulting beneficial interest of the Authority in the Development and acknowledges that Declarant's ownership and operation of the Development are in furtherance of the discharge of a public trust;

WHEREAS, the Authority, as a condition of its willingness to make the Mortgage Loan, requires that the Declarant, by entering into the restrictions, terms, conditions and covenants set forth below, consent to be regulated and restricted by the Authority in the management and operation of the Development as herein provided and as provided by the Mortgage Loan Documents (as defined below), the Act, the Code, the Regulations, and any rules, regulations, policies, and Procedures of the Authority; and

WHEREAS, Declarant is willing to execute and abide by this Agreement as a condition of obtaining the Mortgage Loan and receiving continuing benefits under the Act, the Code and the Regulations.

NOW, THEREFORE, in consideration of the Mortgage Loan, and of the mutual promises and covenants hereinafter contained, the parties hereto hereby agree as follows:

1. PROPERTY

This Agreement affects the Property which is described in **Exhibit A** attached hereto.

2. DEFINITIONS

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

- a. "Apartment Mix" means the apartment mix for the Qualified Units, as follows:

Area Median Income	25% or Less	50% or Less	60% or Less
1 Bedroom	3	6	9
2 Bedroom			39

- b. "Approved Plans" means the plans, drawings and specifications described to the Authority's Board of Directors in the Resolution adopted June 27, 2001, as amended and accepted by the Authority;
- c. "Compliance Period" means with respect to any building, the period of fifteen (15) taxable years beginning with the first (1st) taxable year of the credit period as defined in Section 42 (i) (1) of the Code with respect thereto;
- d. "Development" means all real and personal property and all assets of whatever nature or wherever situate, used in or owned by the business conducted on the Property, which business is to provide rental housing accommodations for persons of low and moderate income and other facilities incidental thereto. Declarant shall make no change in the nature, size (including number of units) or location of the Development from that which was shown on the Approved Plans;
- e. "Extended Use Period" with respect to a building means the period (i) beginning on the first (1st) day in the Compliance Period in which such building is part of a qualified low-income housing project, and (ii) ending on the date which is forty-five (45) years after the close of the Compliance Period;
- f. "Fiscal Year" means the calendar year or any other period agreed to in writing by the parties hereto as the fiscal year for the Declarant;
- g. "HUD" means the United States Department of Housing and Urban Development or any federal successor thereto;
- h. "Income Limitation" means 25 percent, 50 percent or 60 percent of area median gross income, as the case may be, adjusted for family size, within the meaning of the Code and the Regulations. For this purpose, income is determined as defined at 24 CFR 813.106 (1987);
- i. "Mortgage Loan" means the \$3,200,000.00 interest bearing obligation evidenced by a promissory note of even date herewith from Mortgagor to the Authority (the "Authority Note") and secured by a mortgage deed (the "Authority Mortgage") which Authority Mortgage shall constitute a first lien on the Development;
- j. "Mortgage Loan Documents" means, collectively, the Authority Note, the Authority Mortgage, Security Agreement, the Covenant of Compliance and Regulatory Agreement, the Collateral Assignment of Leases and Rentals, Building Loan Agreement and this Agreement, all of even date herewith, along with the Authority's Mortgage Loan Commitment Letter dated February 5, 2002, as amended, and all other documents executed by Mortgagor in connection with the Mortgage Loan;
- k. "Qualified Person(s)" means elderly (age 62 or older) members of the general public who, at the time each such individual or family first occupies a unit in the Development have annual income as set out in Section 3.f.1;
- l. "Qualified Rent" means an annual gross rental not greater than thirty percent (30%) of the annual Income Limitation applicable for such unit for each Qualified Person, in accordance with the Statute, the Code and the Regulations; pursuant to

Section 42 of the Code, the maximum rental limits applicable to Qualified Units shall be revised by a percentage equal to any percentage change in Area Median Income. Qualified Rent does not include any payment under Section 8 or any comparable rental assistance program (with respect to such Qualified Units or occupants thereof) and any equivalent rental payment under Section 515 of the Housing Act of 1949 or fee for a supportive service as defined by the Code, but shall include any utility allowance applicable pursuant to the Code, after taking into account such determinations under such Section 8;

- m. "Qualified Unit" means a residential unit at the Development occupied, or available for occupancy, by a Qualified Person(s) at the Qualified Rent;
- n. "Section 42 Income Limitation" means 60 percent of area median gross income adjusted for family size, within the meaning of the Code and Regulations. For this purpose, income is determined as defined under HUD regulations at 24 CFR 813-106 (1987).
- o. "State" means the State of Connecticut.

3. RESTRICTION ON USE OF THE DEVELOPMENT

The Declarant hereby covenants and represents to the Authority as follows:

- a. The Development - The Development shall consist of the facilities described in the Approved Plans and shall be located on the Property;
- b. Components of Development - The Development shall consist of a building or buildings or structure and facilities functionally related and subordinated thereto, owned by the same person(s) for tax purposes, all located on a single tract of land and financed under a common plan of finance, and
 - 1. each containing one or more similar units, having separate and complete facilities for living, sleeping, eating, cooking, and sanitation for a single person or a family, and facilities which are functionally related and subordinate to such units; and
 - 2. all of the residential units of which shall be rented or available on a non-transient basis for rental to members of the general public, shall be suitable for residential occupancy, and shall comply with all State and local health, safety and building codes.
- c. The Declarant shall proceed with due diligence to promptly complete construction of the Development in accordance with the Approved Plans.
- d. Change in Development - The Declarant shall make no change in the nature, size (including number of residential units) or location of the Development from that which was shown on the Approved Plans, as modified to date, without the prior written consent of the Authority.
- e. Continuous Rental Restriction - The Declarant on a continuous basis shall maintain all of the units in the Development either as rented or available for rental to members of the general public during the Qualified Project Period, the Compliance Period and the Extended Use Period.
- f. Qualified Low-Income Housing Project Restriction
 - 1. Declarant hereby covenants and agrees to comply with the requirements for qualified residential rental projects, the requirements for obtaining low-income housing tax credits under Section 42 of the Code with respect to the Development during the Compliance Period and its obligations under the Extended Low-Income Housing Commitment entered into between

Declarant and the Authority pursuant to Section 42(h)(6) of the Code and incorporated herein by reference.]

During the Compliance Period and the Extended Use Period, each residential unit in the Development shall be rented or available for rental on a continuous basis to members of the general public on other than a transient basis, and fifty-seven UNITS (57) of said Qualified Units (the "Qualified Units") shall be both rent-restricted and occupied by individuals whose annual income is 25, 50 or 60 PERCENT or less of the area median gross income adjusted for family size, in accordance with the following:

- (a) The Qualified Units will be leased, or vacant and available for lease:
 - (i) only to Qualified Persons, in accordance with the Apartment Mix;
 - (ii) at a rental not greater than 30 PERCENT of the Income Limitation for such unit in accordance with Section 42(g)(2) of the Code;
 - (b) The maximum rents that can be charged for such units shall be uniform for each particular housing unit size (e.g., one bedroom units, two bedroom units) regardless of the number of persons residing in such unit;
 - (c) At the discretion of the U.S. Secretary of the Treasury, the maximum income levels may deviate from the area median income to reflect current or future policy on income limits with respect to areas with unusually low family income or high housing cost relative to family income consistent with HUD's determination under Section 8;
 - (d) The Development shall have at least fifty-seven (57) Qualified Units; The Qualified Units shall remain Qualified Units during the Extended Use Period.
2. Income and area median gross income shall be determined in a manner consistent with determinations of lower income families under Section 8, adjusted for family size, as determined by HUD; and
 3. The Development shall meet the above requirements no later than the close of the first year of the credit period as defined in Section 42(f) (1) of the Code, except as otherwise provided and permitted under subsection (g)(3) of Section 42 of the Code.
 4. After initial occupancy by Qualified Persons but upon again becoming vacant, a unit shall be treated as occupied by Qualified Persons until occupied, other than for a temporary period by another occupant, at which time the character of the unit shall be redetermined by the new occupant's income. In no event shall a temporary period exceed thirty (30) days. A unit occupied by an individual or family who, at the commencement of occupancy, was a Qualified Person shall be treated as occupied by a Qualified Person during such individual's or family's tenancy in such unit, until such individual's or family's income exceeds 140 percent of the Section 42 Income Limitation at the time of the most recent Determination (as described below). Once an individual's or family's income exceeds 140 percent of the Section 42 Income Limitation, the unit occupied by such individual or family (an "Overincome Tenant") shall continue to be treated as occupied by a Qualified Person unless, after such Determination but before the next Determination, any residential unit of comparable or smaller size is occupied by a new resident who does not meet the Income Limitation originally applicable to the Over Income Tenant, in accordance with the Apartment Mix.

5. Qualified Rent does not include any payment under Section 8 or any comparable rental assistance program (with respect to such Qualified Units or occupants thereof) and any equivalent rental payment under Section 515 of the Housing Act of 1949 or fee for a supportive service as defined by the Code, but shall include any utility allowance determined by the Secretary of the Treasury after taking into account such determinations under such Section 8.
 6. As required by the Authority, the Declarant shall make a determination (the "Determination") on the basis of current income of whether the income of an individual or family residing in a unit of the Development exceeds the applicable Income Limitation. Annually the Declarant shall certify compliance with the applicable Income Limitation to the Authority and the U.S. Secretary of the Treasury, if required (at such times and in such manner as the Authority and Secretary shall each prescribe).
 7. Declarant shall furnish to the Authority, on at least an annual basis, or on some other basis as determined by the Authority to be required by the Code and the Regulations, such information as the Authority shall require, including (i) any compliance forms now or hereafter required to be filed with the U.S. Secretary of the Treasury or the Authority, and (ii) a form entitled "Compliance Monitoring: Owner's Annual Certification" attached hereto as **Exhibit B**, and to maintain on file Tenant Income Certifications, in the form attached hereto as **Exhibit C**, tenant lists, lease applications, copies of any compliance forms filed with the Secretary of the Treasury or Internal Revenue Service, and a waiting list, in order to permit verification that the covenants set forth herein are being satisfied by the Declarant. Declarant shall take such action as the Authority shall from time to time deem necessary to comply with the covenants herein or to correct or cure any failure of the Declarant to comply with the covenants herein. Declarant shall use tenant lease forms acceptable to the Authority, or, if there are no written leases, written and signed certifications of tenants so as to be able to determine tenant qualifications or take such other corrective action as is necessary to comply with the covenants herein or to correct or cure any failure of the Declarant to comply with the covenants herein. Such leases or certifications shall provide that (i) each tenant certify as to the accuracy of statements made in the Tenant Income Certification, (ii) agree that individual or family income and other eligibility requirements shall be deemed substantial and material obligations of his/her tenancy, (iii) comply with all requests for information with respect thereto from the Declarant or the Authority, and (iv) failure to provide accurate information on the Tenant Income Certification or refusal to comply with a request for information with respect thereto shall be a violation of a substantial obligation of his/her tenancy.
- g. The Development shall be residential rental housing within the meaning of the Act, the Code and Regulations, and shall be used for the benefit of those members of the general public of low and moderate income upon certain terms and conditions set out below.
1. During the Compliance Period and the Extended Use Period, the Declarant shall set aside the Qualified Units in the Development for individuals or families who are Qualified Persons at the Qualified Rent, as determined by the Authority. Thereafter, for a period of not less than thirty (30) years beyond the term of the Mortgage Loan, Declarant shall lease, at the Qualified Rent, or sell or lease said units in the Development in such a manner that said units shall be leased or sold, or held vacant and available for lease or sale, only to individuals or families who are Qualified Persons, as determined by the Authority, or its successor. Such continuing restriction for said period shall operate as follows:

- (i) If all or any part of the Development is sold, transferred or otherwise conveyed to any other individual, party or entity other than the Declarant, such conveyance shall be made by deed subject to an affirmative covenant running with the land, which covenant shall bind the grantee of such deed, and all successors, assigns, and heirs thereof, to the restrictions contained in this Agreement. In the event that such affirmative covenant is omitted from any such deed of conveyance, then such affirmative covenant shall be deemed to have been included and shall run with the land described on Exhibit A as if it had been contained in such deed. The covenant and restrictions shall be binding to the fullest extent permitted by law and equity, for the benefit of, in favor of and enforceable by the Authority, or any of its successors, or their successors and assigns as their interest may appear; and
- (ii) If the Development shall at any time during the Extended Use Period be converted to a common interest community by the Declarant or any grantee as aforesaid, such conversion shall include in the declaration of common interest community an affirmative covenant running with the land and such common interest community shall be subject to the terms and conditions of this Agreement, which shall bind the common interest community association, the common interest community unit owner and their respective successors and assigns, to the restrictions contained in this Agreement. Said covenant shall also require that all units in the common interest community shall be sold, or held vacant for sale, only to individuals or families who are Qualified Persons, as determined by the Authority or its successor(s) at the time of such sale. The covenant shall be binding upon the common interest community association, its successors and its assigns to the fullest extent permitted by law and equity, for the benefit of, in favor of and enforceable by the Authority, or any of its successors and assigns as their interests may appear; said declaration of common interest community shall require that all units that are to be sold or available for sale to individuals or families who are Qualified Persons shall also be subject to the further restriction that no reconveyance of any such unit(s) shall be made unless and until the seller of such unit receives a certification in recordable form acceptable to the Authority or its successors or assigns that the prospective purchaser(s) is(are) an individual who is a Qualified Person. The Authority or its successors or assigns shall designate a party to issue such a certification and shall notify the common interest community, from time to time, of the identity of such party.

A unit may not be conveyed pursuant to a time-sharing plan as defined in Chapter 734b of the Connecticut General Statutes.

- 2. In the event of substantial destruction or condemnation of the Development, as determined by the Authority in its sole discretion, which destruction is not rebuilt or corrected for any reason, then the Declarant shall have the right to request, and the Authority may, so long as it has not delivered any applicable insurance proceeds to the Declarant, release and waive the Declarant and the Property from the terms, restrictions and conditions contained herein. Upon such destruction or condemnation, the Authority, or its successors, or its assigns, shall execute appropriate documents for the Declarant, its successors or assigns to record on the land records for the city or town where the Development is located rescinding the restrictions contained herein, if the Authority, in its sole discretion, elects to so release and waive the Declarant and Property from the terms, restrictions and conditions contained herein. If the Authority delivers said insurance proceeds to the Declarant, and the Declarant is required to repair or reconstruct the Development pursuant to the terms of the Authority

Mortgage, then this Agreement and the restrictions and covenants contained herein shall remain in full force and effect.

3. As required by the Authority, in every Fiscal Year during the longest of the Compliance Period and the Extended Use Period or until the Authority Mortgage has been released, Declarant shall deliver to the Authority, in a form accepted by the Authority, a certificate setting forth the percentage of units at the Development occupied by individuals or families who are Qualified Persons. The Authority shall have the right to observe the Declarant's records regarding tenants and tenant selection policy for the Development at any time, and to request and receive any information, documentation, or other confirmation that Declarant's tenant selection policy complies with the requirements of the Authority.
4. To the extent necessary to comply with the Act, the Authority's Procedures, including, but not limited to, the Qualified Allocation Plan and Application Process Procedures, the Code and the Regulations, the Authority shall have the right to take any and all actions which it deems appropriate, to rent any unleased or vacant dwelling unit in the Development (if the Development is used for rental units), including without limitation thereof the right to the appointment of a receiver to enter upon and take possession of the Property, to enter into tenant leases, to collect all rents, revenues, issues, income, products and profits thereof and apply the same as the court may direct or to seek any remedy available or necessary for the enforcement of the covenants and restrictions herein. The receiver shall have the rights and powers permitted under the laws of the State and such other powers as the court making such appointment shall confer.

4. APPLICABLE PERIOD

This Agreement shall continue in full force and effect throughout the longest of the applicable periods to enable the Authority and its successors and assigns to enforce compliance by Declarant with the covenants, terms and conditions of the Mortgage Loan and of this Agreement. The covenants and restrictions of the Declarant herein set forth are intended to be and shall be considered covenants which run with the land and shall bind all subsequent owners of such land, except to the extent herein provided. The Authority and the Declarant hereby declare their understanding and intent that the burden of the covenants set forth herein touch and concern the land by enhancing and increasing the enjoyment and use of the Development by low and moderate income persons, the intended beneficiaries of such covenants. The covenants of the Declarant set forth herein are enforceable by the Authority as a contract beneficiary whether or not the Declarant is or remains indebted to the Authority, except to the extent herein provided.

5. CONTROLLING EFFECT

Declarant warrants to the Authority that it shall not execute other declarations or agreements with provisions contradictory, 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 herein and shall supersede any other requirements in conflict therewith.

6. BINDING EFFECT

This Agreement shall be binding upon the parties hereto and their respective successors and assigns, as their interests may appear, except that a foreclosing mortgagee, other foreclosing lien holder, or other owner of the equity, a trustee in bankruptcy or heir of any owner shall be exempt from the Declarant's covenants contained in this Agreement, until such time as the foreclosed upon property, or property held by a trustee in bankruptcy, or property taken by devise, is sold, leased or otherwise conveyed, at which time such sale, lease, or conveyance shall be subject to the covenants and restrictions herein.

7. SURVIVAL

The covenants of the Declarant set forth herein shall survive a sale, transfer, or other disposition of all or part of, or any interest in, the Development by the Declarant, but shall cease to apply to the Development in the event of involuntary noncompliance caused by fire or other casualty, even though compensated by insurance, government seizure, requisition, change in a federal law or an action of a State or federal government which prevents the Authority from enforcing the requirements herein. The covenants of the Declarant shall also survive a foreclosure if, as a result of such event, at any time during the Extended Use Period the Declarant or a related person (as defined in Section 1.103-10 (e) of the Regulations) obtains an ownership interest in the Development.

8. SUBSEQUENT ACTIONS

Declarant shall file or record such documents and take such other steps as are necessary in order to ensure that the requirements and restrictions of this Agreement shall be binding upon all owners and/or lessees of the Development.

9. TRANSFERS

Declarant shall include the requirements and restrictions contained in this Agreement in any instrument(s) assigning or transferring any interest in the Development to another person so that such transferee has notice of, and is bound by, such restrictions, and to obtain the agreement from any transferee to be bound by and comply with the requirements set forth in this Agreement. Declarant shall also provide a copy of such instrument(s) to the Authority promptly.

10. REMEDIES

Upon the occurrence of an Event of Default, as defined in the Mortgage, the Authority shall have the right to accelerate the Mortgage Loan (if the Declarant is then indebted to the Authority), to pursue its remedies under the Mortgage Loan Documents, to maintain an action or actions in law or in equity against the Declarant, to recover the damages incurred by the Authority from such failure, to require the Declarant (through injunctive relief or specific performance) to comply with the provisions and covenants set forth herein, and to immediately (at the expense of Declarant) cure any failure to comply with the covenants set forth herein.

11. CODE REQUIREMENTS

The Declarant acknowledges that this Agreement is based, in part, upon the Code and the Regulations as they exist on the date hereof and that the Code and the Regulations may be subsequently modified or interpreted by the Federal government or the courts in a manner which the Authority believes is inconsistent with the covenants set forth herein. The Declarant shall comply with any additional covenant(s) and restriction(s) which the Authority believes, upon advice of counsel to the Authority, is or are necessary to comply with the Code and the Regulations and which is or are communicated in writing to the Declarant, even though such covenant(s) or restriction(s) is(are) not a part of this Agreement as originally executed; provided, however, that if counsel for the Declarant disagrees with the advice of counsel for the Authority, Declarant shall have the right at its own expense to proceed with obtaining a favorable ruling from the Internal Revenue Service or such court interpretation which Declarant deems advisable and in its best interest, and the Authority shall cooperate fully with Declarant in this connection, so long as Declarant bears the Authority's expenses in obtaining such ruling or decision. In such event, such additional covenant or restriction shall be considered a material part of this Agreement as if it had been originally included herein.

12. RECORDING

The Declarant shall cause this Agreement and all amendments and supplements hereto and thereto, to be recorded and filed in the conveyance and real property records of the town in which the Property is located and in such other places as the Authority may reasonably request. The Declarant shall pay all fees and charges incurred in connection with any such recording.

13. COMPLIANCE MONITORING

Declarant hereby covenants and agrees to execute, file, and provide any and all information, documentation, or verification required by the federal government or the Authority regarding the covenants and agreements contained herein. Declarant shall pay the Authority's fees as from time to time determined by the Authority for its compliance monitoring duties.

14. INVALIDITY

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

15. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Connecticut, except to the extent superseded by Federal law.

16. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, when taken together, shall constitute the same Agreement.

17. NOTICES

Unless otherwise provided for herein, all notices and communications required or permitted hereunder shall be sent to the respective parties' addresses on page 1 hereof, in writing, and shall be deemed to have been duly given (a) when sent, if sent by registered or certified mail (return receipt requested, postage prepaid), (b) when delivered, if delivered personally, (c) when transmitted, if sent by facsimile and a confirmation of transmission is produced by the sending machine, or (d) when sent, if sent by overnight mail or overnight courier, in each case with a copy (which shall not constitute notice) to the Authority's General Counsel at the above address.

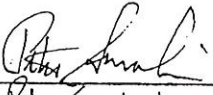
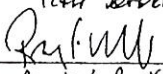
Any notice of any kind sent hereunder to any party shall simultaneously be sent to each and every other party hereto. Any notice required hereunder may be waived in writing by the party entitled to receive such notice. Failure or delay in delivering copies of any notice, demand, request, consent, acceptance, declaration or other communication within any corporation or firm to the persons designated to receive copies shall in no way adversely affect the effectiveness of such notice, demand, request, consent, acceptance, declaration or other communication.

False statements made herein are punishable under the penalty for false statement set out in C.G.S. Section 53a-157b.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals as of the day and year first above written.

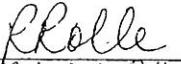
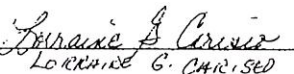
Signed, Sealed and Delivered
in the Presence of:

WATSON FARM ASSOCIATES
LIMITED PARTNERSHIP
BY: WATSON FARM GP, LLC


Peter Zerkow

RANDY P. KABANOFF

BY: 
Geoffrey W. Sager
Managing Member

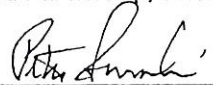
CONNECTICUT HOUSING
FINANCE AUTHORITY


Rebekah Rolle

LORRAINE G. CARISEO

BY: 
Gary E. King
President - Executive Director

STATE OF CONNECTICUT)
) ss: ROCKY HILL May 20 , 2002
COUNTY OF HARTFORD)

Personally appeared, Geoffrey W. Sager, Managing Member of WATSON FARM GP, LLC, General Partner of WATSON FARM ASSOCIATES LIMITED PARTNERSHIP, a Connecticut Limited Partnership, as aforesaid Signer and Sealer of the foregoing Instrument and acknowledged the same to be his free act and deed as Managing Member of WATSON FARM GP, LLC, General Partner of WATSON FARM ASSOCIATES LIMITED PARTNERSHIP, and that said instrument was signed on behalf of and with the authority of said Limited Partnership, before me.


Commissioner of the Superior Court
Notary Public

STATE OF CONNECTICUT)
) ss: ROCKY HILL May 17 , 2002
COUNTY OF HARTFORD)

Personally appeared, GARY E. KING, President-Executive Director of the CONNECTICUT HOUSING FINANCE AUTHORITY, duly authorized as aforesaid Signer and Sealer of the foregoing Instrument and acknowledged the same to be his free act and deed and the free act and deed of said Authority, on behalf of said Authority, before me. .

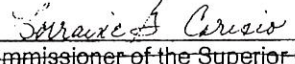

Commissioner of the Superior Court
Notary Public
LORRAINE G. CARISEO
NOTARY PUBLIC
MY COMMISSION EXPIRES MAR. 31, 2007


EXHIBIT A

A certain piece or parcel of land situated in the Town of South Windsor, County of Hartford and State of Connecticut shown on a map or plan entitled "Perimeter Survey ALTA/ACSM Survey Resurvey Prepared For: Watson Farm Deming Street South Windsor, Connecticut Date: 5/7/02, Revised to 5/8/02 scale 1 inch = 40 ft., prepared by Design Professionals, Inc.", which map or plan is to be filed in the office of the South Windsor Town Clerk and which piece or parcel of land is more particularly described as follows:

Beginning at a CHD monument on the north side of Deming Street; thence S 69° -10'-44" E along the north side of Deming Street, a distance of 66.91 feet to an iron pin; thence N 18°- 32'- 21" E, along property now or formerly of Porter's Share, a distance of 711.14 feet to a point; thence N 66°- 02'- 22" W, along property now or formerly of Walter G. & Evelyn L. Foster, a distance of 200.00 feet to a concrete monument; thence N 65°- 56'- 25" W, along property now or formerly of said Walter G. & Evelyn L. Foster, a distance of 496.28 feet to a point; thence S 05°- 32'- 02" E, along property now or formerly of South Windsor Housing Authority, a distance of 843.34 feet to a point; thence S 70°- 25'- 15" E, along the northerly side of Deming Street, a distance of 282.27 feet to a CHD monument being the point and place of beginning.

STATE OF CONNECTICUT)
) ss: ROCKY HILL May 17, 2002
COUNTY OF HARTFORD)

Personally appeared, GARY E. KING, President-Executive Director of the CONNECTICUT HOUSING FINANCE AUTHORITY, duly authorized as aforesaid Signer and Sealer of the foregoing Instrument and acknowledged the same to be his free act and deed and the free act and deed of said Authority, on behalf of said Authority, before me.



Commissioner of the Superior Court
Notary Public

LORRAINE G. CARISEO
NOTARY PUBLIC
MY COMMISSION EXPIRES MAR. 31, 2007

COVENANT OF COMPLIANCE AND REGULATORY AGREEMENT

This Covenant of Compliance And Regulatory Agreement (the "Agreement") made and entered into as of the 20th day of May, 2002 by and between **WATSON FARM ASSOCIATES LIMITED PARTNERSHIP**, a limited partnership organized and existing under the laws of the State of Connecticut, with an office and principal place of business at 6 Executive Drive, Farmington, Connecticut 06032 (the "Mortgagor" or "Declarant") and the **CONNECTICUT HOUSING FINANCE AUTHORITY**, a body politic and corporate constituting a public instrumentality and political subdivision of the State of Connecticut, having its office and principal place of business at 999 West Street, Rocky Hill, Connecticut 06067 (the "Authority" or "Mortgagee"),

WITNESSETH:

WHEREAS, the Mortgagor, as owner in fee simple of the property described in **Exhibit A**, attached hereto and made a part hereof (the "Property"), has applied to the Authority for a first mortgage loan in the amount of up to THREE MILLION TWO HUNDRED THOUSAND AND 00/100 (\$3,200,000.00) DOLLARS (the "Mortgage Loan") to aid the Mortgagor in financing on the Property a multifamily rental housing development known as WATSON FARM for persons of low and moderate income, pursuant to the provisions of the Connecticut Housing Finance Authority Act, Chapter 134 of the Connecticut General Statutes, Revision of 1958, as amended, ("Act") and of the Internal Revenue Code of 1986 as amended (the "Code") and Regulations promulgated thereunder, as amended (the "Regulations"), identified as Authority Development No. 01-007M; and

WHEREAS, the Authority is unwilling to make the Mortgage Loan unless the Mortgagor shall be regulated in the manner set forth herein, and the Mortgagor is willing to execute and abide by this Agreement as a condition of obtaining the Mortgage Loan and receiving continuing benefits under the Act, the Code and the Regulations; and

WHEREAS, the Authority as a condition of its willingness to make said Mortgage Loan requires that the Mortgagor shall, by entering into the terms, conditions and covenants set forth below, consent to be regulated and restricted by the Authority in the management and operation of the Development as herein provided and as provided by the Act, the Code and the Regulations, and any rules, regulations, policies, and Procedures of the Authority, now in effect or in effect in the future.

NOW THEREFORE, in consideration of the mutual promises and covenants hereinafter contained, the parties hereto hereby agree as follows:

1. PROPERTY

This Agreement affects the Property.

2. DEFINITIONS

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

- a. "Actual Cash Equity" means Mortgagor's cash equity in the Development, as verified by independent cost certification acceptable to the Authority, performed by an entity accepted by the Authority;
- b. "Agreement" means this Covenant of Compliance and Regulatory Agreement by and between Mortgagor and the Authority concerning the Development;

- c. "Apartment Mix" means the apartment mix for the Qualified Units, as follows:

Area Median Income	25% or Less	50% or Less	60% or Less
1 Bedroom	3	6	9
2 Bedroom			39

- d. "Approved Plans" means the plans, drawings and specifications described to the Authority's Board of Directors in the Resolution adopted June 27, 2001, as amended and accepted by the Authority;
- e. "Commitment Letter" means the Mortgage Loan commitment letter executed by and between the Mortgagor and the Authority, dated February 5, 2002, as amended;
- f. "Compliance Period" means with respect to any building, the period of fifteen (15) taxable years beginning with the first (1st) taxable year of the credit period with respect thereto, as defined in Section 42(i) (1) of the Code;
- g. "Construction Contract" means the general construction contract dated November 1, 2001, between Mortgagor and the Metro Construction Company, 6 Executive Drive, Farmington, CT 06092, relating to the Development;
- h. "Declaration" means the Declaration and Agreement of Restrictive Covenants between Mortgagor and the Authority of even date herewith;
- i. "Default" means an Event of Default as defined in the Authority Mortgage (as hereinafter defined) and declared by the Authority in a written notice to the Mortgagor which is not corrected to the Authority's satisfaction after written notice and within the time allowed by the Authority Mortgage, or such further time as may be allowed by the Authority;
- j. "Development" means the facilities described in the drawings, plans and specifications submitted to the Authority and in the presentation to and resolution of the Board of Directors of the Authority on June 27, 2001 and located on the Property;
- k. "Development Operations Account" means the account established pursuant to Paragraph 6 of this Agreement into which all Gross Revenues (as hereinafter defined) are deposited;
- l. "Distribution" means any withdrawal or taking of cash or any assets of the Mortgagor, including the segregation of cash or assets for subsequent withdrawal within the limitations of Paragraph 8 hereof, and excluding payments for Operating Expenses (as hereinafter defined) and for deposits to the Reserve for Replacements (as hereinafter defined) and any additional interest owed the Authority under the Authority Note (as hereinafter defined);
- m. "Extended Use Period" with respect to a building means the period (i) beginning on the first (1st) day in the Compliance Period on which such building is part of a qualified low-income housing project, and (ii) ending on the date which is forty-five (45) years after the close of the Compliance Period;
- n. "Fiscal Year" means the calendar year or any other period agreed to in writing by the parties hereto as the fiscal year for the Mortgagor;
- o. "Gross Revenues" means, with respect to a particular period of time, all amounts received by the Mortgagor during such period from rents and revenues or any other source (not including capital contributions by

partners) in connection with and arising out of the operation of the Property and the Development;

- p. "HUD" means the United States Department of Housing and Urban Development or any federal successor thereto;
- q. "Income Limitation" means 25 percent, 50 percent or 60 percent of area median gross income, as the case may be, adjusted for family size, within the meaning of the Code and Regulations. For this purpose, income is determined as defined under HUD regulations at 24 CFR 813.106 (1987);
- r. "Mortgage Loan" means the \$3,200,000.00 DOLLARS interest bearing obligation evidenced by a promissory note of even date herewith from Mortgagor to the Authority (the "Authority Note") and secured by a mortgage deed (the "Authority Mortgage") which Authority Mortgage shall constitute a first lien on the Development;
- s. "Mortgage Loan Documents" means, collectively, the Authority Note, the Authority Mortgage, Security Agreement, Declaration, Collateral Assignment of Leases and Rentals, Building Loan Agreement and this Agreement, all of even date herewith, along with the Commitment Letter, and all other documents executed by Mortgagor in connection with the Mortgage Loan;
- t. "Operating Expense(s)" means any expense(s) incurred by the Mortgagor and accepted by the Authority which are reasonable and necessary for the sound operation and maintenance of the Property and the Development, including but not limited to: regularly scheduled payments required under the Mortgage Loan, real estate taxes, payments in lieu of taxes, insurance premiums, utilities, fuel, management fees, repairs and other maintenance costs, trash and snow removal expenses, and any other similar expense required by or contemplated under the terms of this Agreement, but not including any additional interest payable from Cash Flow (as defined in the Authority Note);
- u. "Qualified Person(s)" means elderly (age 62 or older) members of the general public who, at the time each such individual or family first occupies a unit in the Development have annual income as set out in Section 2c.;
- v. "Qualified Rent" means an annual gross rental not greater than 30 percent of the annual Income Limitation applicable for such unit for each Qualified Person, in accordance with the Act, the Code and the Regulations; pursuant to Section 42 of the Code, the maximum rental limits applicable to Qualified Units shall be revised by a percentage equal to any percentage change in Area Median Income. Qualified Rent does not include any payment under Section 8 or any comparable rental assistance program (with respect to such Qualified Units or occupants thereof) and any equivalent rental payment under Section 515 of the Housing Act of 1949 or fee for a supportive service as defined by the Code, but shall include any utility allowance applicable pursuant to the Code, after taking into account such determinations under such Section 8;
- w. "Qualified Unit(s)" means a residential unit(s) at the Development occupied, or available for occupancy, by a Qualified Person(s) at the Qualified Rent;
- x. "Reserve for Replacements" or "Reserve Fund" means the account established by the Mortgagor pursuant to Paragraph 7d of this Agreement;
- y. "Residual Receipts" - see Paragraph 10i;
- z. "Section 42 Income Limitation" means 60 percent of area median gross income, adjusted for family size, within the meaning of the Code and

Regulations. For this purpose, income is determined as defined under HUD regulations at 24 CFR 813-106 (1987).

- aa. "State" means the State of Connecticut; and
- bb. "Surplus Cash" means funds remaining at the close of a Fiscal Year after:
 - (1) The payment of:
 - (a) All sums due or currently required to be paid under the terms of the Authority Mortgage or the Authority Note;
 - (b) All amounts required to be deposited in the Reserve for Replacements; and
 - (c) All obligations of the Development other than the Mortgage Loan (including those due and/or payable within thirty (30) days after the end of a Fiscal Year, unless funds for payment are set aside or payment deferral has been accepted by the Authority); and
 - (2) The segregation and recording of:
 - (a) An amount equal to the aggregate of all special funds required to be maintained by the Mortgagor;
 - (b) The outstanding liability for tenant security deposits; and
 - (c) All capital (equity) contributions by partners.

3. USE OF THE DEVELOPMENT

The Declarant hereby covenants and represents to the Authority as follows:

- a. The Development - The Development shall consist of the facilities described in the Approved Plans and shall be located on the Property.
- b. Components of Development - The Development shall consist of a building or buildings or structure or several proximate and interrelated buildings or structures owned by the same person(s) for tax purposes, located on a single tract of land and financed under a common plan of finance, and facilities functionally related and subordinated thereto:
 - 1. each building or structure containing one or more similarly constructed units, having separate and complete facilities for living, sleeping, eating, cooking, and sanitation for a single person or a family, and facilities which are functionally related and subordinate to such units; and
 - 2. all of the residential units of which shall be rented or available on a non-transient basis for rental to members of the general public, shall be suitable for residential occupancy, and shall comply with all State and local health, safety and building codes.
- c. Completion - The Declarant shall proceed promptly and with due diligence to complete the Development.
- d. Change in Development - The Declarant shall make no change in the nature, size (including number of residential units) or location of the Development from that which was shown on the Approved Plans, as modified to date, without the prior written consent of the Authority.

- e. Market Rate Units – There will be fifteen (15) market rate apartments, six (6) one bedroom units and nine (9) two-bedroom units. Market rate units shall be rented only in accordance with the Authority's Market Rate Management Procedures and to individuals or families with no more than 150% area median gross income not adjusted for family size.
- f. Continuous Rental Restriction - The Declarant shall, on a continuous basis, maintain fifty-seven (57) units in the Development as rented or available for rental to members of the general public during the Compliance Period and the Extended Use Period.
- g. Low and Moderate Income Restriction
 - 1. During the term of the Authority Mortgage, the Compliance Period and the Extended Use Period, fifty-seven (57) of the units in the Development shall be Qualified Units in accordance with the Apartment Mix.

All calculations of income and area median gross income shall be determined in a manner consistent with determinations of lower income families under Section 8 of the United States Housing Act of 1937, as amended.

2. After initial occupancy by Qualified Persons but upon again becoming vacant, a unit shall be treated as occupied by Qualified Persons until occupied, other than for a temporary period by another occupant, at which time the character of the unit shall be redetermined by the new occupant's income. In no event shall a temporary period exceed thirty (30) days. A unit occupied by an individual or family who, at the commencement of occupancy, was a Qualified Person shall be treated as occupied by a Qualified Person during such individual's or family's tenancy in such unit, until such individual's or family's income exceeds 140 percent of the Section 42 Income Limitation at the time of the most recent Determination (as described below). Once an individual's or family's income exceeds 140 percent of the Section 42 Income Limitation, the unit occupied by such individual or family (an "Overincome Tenant") shall continue to be treated as occupied by a Qualified Person unless, after such Determination but before the next Determination, any residential unit of comparable or smaller size is occupied by a new resident who does not meet the Income Limitation originally applicable to the Over Income Tenant, in accordance with the Apartment Mix.

3. As required by the Authority, the Declarant shall make a determination on the basis of current income (the "Determination") of whether the income of an individual or family residing in a unit of the Development exceeds the then applicable Income Limitation. As required by the Authority, the Declarant shall certify compliance with the Low and Moderate Income Restriction (as defined below) to the Authority and to the U.S. Secretary of the Treasury, if required (at such times and in such manner as the Secretary shall prescribe).

4. The Declarant shall furnish to the Authority, on at least an annual basis or on some other basis as determined by the Authority to be required by the Act, the Code and the Regulations, such information as the Authority shall require, including any compliance forms required to be filed with the U.S. Secretary of the Treasury or the Authority, including the "Compliance Monitoring: Owner's Annual Certification", attached hereto as **Exhibit B**, and to maintain on file Tenant Income Certifications, in the form attached hereto as **Exhibit C** (or such other form as may be accepted by the Authority, in order to permit verification that the covenants set forth herein are being satisfied by the Declarant and to take such action as the Authority shall deem necessary to comply with the covenants herein or to correct or cure any failure of the Declarant to comply with the covenants herein. The

Declarant shall use tenant lease forms acceptable to the Authority, or, if there are no written leases, written and signed certifications of tenants so as to be able to determine the qualifications of the tenant or take such other corrective action as is necessary to comply with the covenants herein or to correct or cure any failure of the Declarant to comply with the covenants herein. Such leases or certifications shall contain clauses wherein each tenant certifies as to the accuracy of statements made in the Tenant Income Certification and agrees that family income and other eligibility requirements shall be deemed substantial and material obligations of his or her tenancy, that he or she shall comply with all requests for information with respect thereto from the Declarant or the Authority, and that failure to provide accurate information on the Tenant Income Certification or refusal to comply with a request for information with respect thereto shall be deemed a violation of a substantial and material obligation of his or her tenancy for which termination of the tenancy shall be a remedy.

The various terms, restrictions and conditions of this subparagraph collectively constitute the "Low and Moderate Income Restriction."

- h. Use - Declarant understands and agrees that the Development shall be used only for multifamily residential rental housing within the meaning of the Act, the Code and the Regulations, as amended, used for the benefit of those members of the general public of low and moderate income upon certain terms and conditions. Declarant hereby covenants and represents to the Authority as follows:
1. During the Compliance Period and the Extended Use Period, the Mortgagor shall set aside fifty-seven (57) of the units (the "Qualified Units") for Qualified Persons at the Qualified Rent.
 2. The Qualified Units shall remain subject to the Low and Moderate Income Restriction, for a period of thirty (30) years beyond the term of the Mortgage Loan.
 3. The covenants and representations of the Mortgagor contained herein shall survive any sale, transfer, or other disposition of all or any portion of the Property or the Development by the Mortgagor or the repayment of the Mortgage Loan, and shall be binding upon the Mortgagor's successors and assigns, but may be waived by the Authority in its sole discretion upon the event of involuntary noncompliance caused by fire, seizure, requisition, foreclosure, change in a Federal law or an action of a Federal agency which prevents the Authority from enforcing the requirements hereof, or condemnation or similar event. Notwithstanding the foregoing sentence, the covenants and representations of the Mortgagor herein shall survive a foreclosure, transfer of title by deed in lieu of foreclosure or similar event if, at any time during the Compliance Period, the Mortgagor or a related party (as defined in Section 1.103-10(e) of the Regulations) obtains an ownership interest in the Development for Federal tax purposes.
 4. In the event that the Development shall at any time be converted to a common interest community, such conversion shall include in the declaration of common interest community an affirmative covenant running with the land, and such common interest community shall be subject to the terms and conditions of this Agreement, which covenant shall bind the common interest community association, the common interest community unit owner and their respective successors and assigns, to the restrictions contained in this Agreement. Said covenant shall also require that no fewer than the number of units required, which units shall be designated and identified in the said declaration of common interest community either by unit number or other description, shall be sold, or held vacant for sale, only to individuals or families who are of low income, as determined by the

Authority or its successors at the time of such sale. The covenant shall be binding upon the common interest community association, its successors and assigns to the fullest extent permitted by law and equity, for the benefit of, in favor of and enforceable by the Authority, or its successors and assigns as their interests may appear; and said declaration of common interest community shall require that all units that are to be sold or available for sale to Qualified Persons, shall also be subject to the further restriction that no reconveyance of any such units shall be made unless and until the seller of such unit receives a certification in recordable form acceptable to the Authority or its successors or its nominee that the prospective purchaser is a Qualified Person at the time of the proposed conveyance. The Authority or its successors or nominee shall designate a party to issue such a certification of low income and shall notify the common interest community, from time to time, of the identity of such party.

No unit in the Development may be conveyed pursuant to a time-sharing plan as defined in Chapter 734b of the Connecticut General Statutes.

5. In the event of a partial destruction or condemnation of the Development which is not substantial, as determined by the Authority in its sole discretion, and if such destruction or condemnation is not repaired or corrected to the satisfaction of the Authority, then the remaining units in the Development shall be allocated, on the same basis described above, to Qualified Persons. If the Development is not rebuilt or corrected for any reason after substantial destruction or condemnation of the Development, as determined by the Authority in its sole discretion, then the Declarant shall have the right to request, and the Authority shall, so long as any applicable insurance proceeds have not been delivered to the Declarant, release and waive the Declarant and the Property from the terms, restrictions and conditions contained herein. Upon such destruction or condemnation, the Authority, or its successor(s) or nominee, shall execute appropriate documents for the Declarant, its successors or assigns to record on the land records for the city or town where the Development is located rescinding the restrictions contained herein, if the Authority elects to so release and waive the Declarant and the Property from the terms, restrictions and conditions contained herein. In the event that the Authority delivers the said insurance proceeds to the Declarant, and the Declarant is required to repair or reconstruct the Development pursuant to the terms of the Mortgage Loan, then the restrictions and covenants herein shall remain in full force and effect.

6. As required by the Authority, in every Fiscal Year during the Compliance Period and the Extended Use Period or until the Authority Mortgage has been released, whichever period is longer, the Declarant shall deliver to the Authority, in a form accepted by the Authority, a certified schedule of units occupied by Qualified Persons. The Authority shall have the right to observe the Property and the Development and review the Declarant's records regarding tenants and tenant selection policy at any time, and to request and receive any information, documentation, or other confirmation that Declarant's tenant selection policy complies with the requirements of the Authority.

7. To the extent necessary to comply with the Act, the Code and the Regulations, and the Authority's Procedures, including but not limited to the Qualified Allocation Plan and Application Process Procedures, the Authority shall have the right to take any and all actions which it deems appropriate, to rent any unleased or vacant dwelling unit in the Development (if the Development is used for rental units), including without limitation thereof the right to the appointment of a receiver to enter upon and take possession of the Property and the Development, to enter into tenant leases, to collect all rents, revenues, issues, income, products and profits thereof and apply the same as the court may direct or to seek any remedy available or necessary

for the enforcement of the covenants and restrictions herein. The receiver shall have the rights and powers permitted under the laws of the State and such other powers as the court making such appointment shall confer.

8. This Agreement shall continue in full force and effect for the applicable period to enable the Authority, its successors and assigns, to enforce compliance by Mortgagor with the covenants, terms and conditions therein and of this Agreement. The covenants herein set forth shall be deemed to run with the land and shall bind the Mortgagor and its successors and assigns, notwithstanding that the Mortgage Loan may not continue in effect.

- i. Low-Income Housing Tax Credit Restrictive Covenant - Declarant shall comply with Section 42 of the Code regarding the low-income housing tax credit, including but not limited to, the Compliance Period, Extended Use Period and the Extended Low-Income Housing Commitment executed by Declarant and the Authority, which is incorporated herein by reference.
- j. Audit - The Development and all equipment, buildings, plans, offices, apparatus, devices, books, contracts, records, documents and other papers relating thereto shall at all times be maintained in reasonable condition for proper audit and shall be subject to examination, observation and copying upon prior notice at any reasonable time by the Authority or by its authorized representative.
- k. Maintenance - Mortgagor shall maintain the Development in a decent, safe, and sanitary condition and in a good state of repair as determined by the Authority in its sole discretion.

4. PROJECT MANAGEMENT

Mortgagor shall provide for the professional management of the Property and the Development in a manner acceptable to the Authority, in its sole discretion, shall employ a property manager (the "Management Agent"), and shall develop a Management Plan acceptable to the Authority. Any management agreement with the Management Agent entered into by Mortgagor involving the Property and the Development shall be accepted in writing in advance by the Authority and contain a provision that it is subject to termination, without penalty and with or without cause, upon written request by the Authority. Any notice of termination shall be addressed to Mortgagor and shall incorporate by reference the terms of this Agreement.

Upon receipt of such notice, Mortgagor shall terminate the said management agreement within a period of not more than thirty (30) days and shall make immediate alternative arrangements reasonably satisfactory to the Authority for continuing proper management of the Development.

If Mortgagor fails to so terminate and appoint a new Management Agent reasonably satisfactory to the Authority within said thirty (30) days, then the Authority shall designate a new Management Agent and Mortgagor shall execute the management agreement acceptable to the Authority. If the Mortgagor self-manages the Property and the Development, then the Authority may reasonably require Mortgagor to enter into a management agreement with an independent Management Agent at a rate and on terms and conditions accepted by the Authority. Mortgagor hereby constitutes and appoints the Authority its true and lawful attorney-in-fact, coupled with an interest, with full power of substitution for such purpose. Mortgagor hereby empowers said attorney-in-fact to execute a management agreement with a Management Agent acceptable to the Authority and to do any and every act which Mortgagor might do on its own behalf under such management agreement, as owner of the Development. This power of attorney may not be revoked during the term of this Agreement.

5. PAYMENT RESTRICTION FOR SERVICES, ETC.

Payment for services, supplies or materials relating to the Property and the Development shall not exceed the amount ordinarily paid for such services, supplies or materials in the area where the services are rendered or the supplies or materials are furnished.

6. DEVELOPMENT OPERATIONS ACCOUNT

Mortgagor shall deposit Gross Revenues with a depository in the State accepted by the Authority, in a Development Operations Account. The Authority shall at all times be advised of the name and number of each account and the bank or financial institution in which such account is maintained. Funds shall be disbursed from the Development Operations Account, to the extent available, as follows:

- a. first, for all Operating Expenses;
- b. second, for required deposits to the Reserve for Replacements;
- c. third, to additional interest under the Authority Note;
- c. fourth, to the extent of Surplus Cash, for Distributions pursuant to Paragraph 8 l(1) of this Agreement; and
- d. fifth, with the prior written acceptance of the Authority, for amenities or design modifications to the Development which:
 - (1) are necessary or desirable for the marketing of the Development;
 - (2) reduce maintenance or replacement costs over a substantial portion of the term of the Mortgage Loan;
 - (3) benefit a substantial portion of the residents of the Development by providing necessary or desirable social services that shall improve the health, education, opportunity, security and general welfare of such residents; or
 - (4) make an important contribution to the livability of the Development.

7. DEPOSITS

Mortgagor shall pay, deposit or deliver the following to the Authority at the date hereof or as set out below:

- a. A non-refundable commitment fee, FORTY-EIGHT THOUSAND AND 00/100 (\$48,000.00) DOLLARS, which commitment fee is in full consideration for the making of the commitment by the Authority and the reservation of the Mortgage Loan for the term of the Commitment Letter and which sum shall be deemed earned by the Authority when paid.
- b. A good faith and working capital deposit in the amount of ONE HUNDRED SEVENTY-FIVE THOUSAND THREE HUNDRED AND 00/100 (\$175,300.00) DOLLARS or in the form of an irrevocable and unconditional letter of credit in form and content and issued by a financial institution satisfactory to the Authority, which shall name the Authority as the sole beneficiary thereof. This deposit shall be governed by the Good Faith and Working Capital Escrow and Deposit Agreement of even date, which is incorporated herein by reference.
- c. Assurance of completion of the work at the Development in the form of an irrevocable and unconditional letter of credit, in form and content and issued by a financial institution satisfactory to the Authority, which shall be delivered in the amount of ONE MILLION FIVE HUNDRED EIGHTY-FOUR THOUSAND THREE HUNDRED AND 00/100 (\$1,584,300.00) DOLLARS or 100% Payment and Performance Bonds ("Bonds").
- d. Beginning with the commencement of amortization of the principal amount of the Mortgage Loan, a Reserve for Replacements of THREE HUNDRED

SEVENTY AND 00/100 (\$370.00) DOLLARS per unit per year, payable monthly, unless a different rate or amount is accepted or directed in writing by the Authority or unless forbearance of payment is authorized by the Authority in writing. The Reserve Fund plus any interest or other earnings thereon, whether in the form of a cash deposit or reinvestment in obligations of, or fully guaranteed by, the United States of America or an agency thereof or the State, shall at all times be under the sole control of the Authority, and shall be subject to annual adjustment. The Authority shall permit disbursements from the Reserve Fund only for the purpose of effecting replacement of structural elements and mechanical equipment of the Development or for improvements thereto. Such disbursements shall only be made upon the written direction or consent of the Authority. Upon the occurrence of an Event of Default (as defined in the Authority Mortgage), the Authority may apply or authorize the application of the balance in the Reserve Fund to the amount due on the Mortgage Loan, or at its option, may elect to maintain the Reserve Fund for its established purposes. The Authority shall have no liability for deficiencies in the Reserve for Replacements or the Development Operations Account arising from Mortgagor's failure to timely or adequately fund deposits therein.

- e. A tax escrow as set out in the Authority Mortgage.
- f. Any reasonable costs, fees and expenses, including, but not limited to, Authority's attorney's fees arising in preparation for the Initial Closing or Final Closing of the Mortgage Loan.

8. CERTAIN ACTS PROHIBITED

Mortgagor shall not, without the prior written acceptance of the Authority:

- a. Sell, convey (including transition, conveyance or transfer to a limited liability company), assign, transfer, lease (except for apartment leases on the form lease accepted by the Authority) or further encumber any interest in or any part of the Property, nor shall a voluntary sale, pledge or other transfer of any beneficial interest in Mortgagor be effected, provided that the sale of limited partnership interests and substitution of general partners upon the death or disability of a general partner, in accordance with Mortgagor's partnership agreement, or as otherwise permitted under Section 1.07 of the Authority Mortgage, and as accepted by the Authority, shall not be deemed to constitute a sale, conveyance, assignment or transfer for purposes of this paragraph;
- b. Assign, pledge, transfer, dispose of or encumber any personal property of the Property or the Development, including rents, or pay out any funds, except for Operating Expenses and necessary repairs;
- c. Convey, assign, pledge, or transfer any right to receive the rents and/or profits from the Property or the Development;
- d. Remodel, add to, reconstruct, demolish or damage any part of the Development after the issuance of permanent certificates of occupancy, or subtract from any real or personal property of the Development;
- e. Engage, except for natural persons, in any other business or activity, including the operation of any other housing development, or incur any liability or obligation not connected with the Development;
- f. Require, as a condition of the occupancy or leasing of any unit in the Development, 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 two (2) months' rent, as permitted by law, to guarantee the tenant's performance of the lease. Any funds collected as security deposits shall be

maintained separate and apart from all other funds of the Development in a trust account with a federally insured depository within the State, accepted in writing by the Authority, the amount of which shall at all times equal or exceed the aggregate of all outstanding security deposit obligations of the Development. If interest is earned on said trust account, it shall be transferred, as earned, into the Development Operations Account, except as otherwise required by law;

- g. Permit the use of the dwelling accommodations of the Development for any purpose except as residential rental dwelling units;
- h. Other than as permitted by the Authority, incur any liability, direct or contingent, other than for current Operating Expenses, exclusive of the Mortgage Loan and any deferred Developer Fee (as may be set out in the Commitment Letter);
- i. Pay any compensation, including wages or salaries, or incur any obligations to the Mortgagor's staff or any officers, directors, stockholders, trustees, partners, beneficiaries under a trust, or to any of their nominees;
- j. Enter into any contract or contracts for supervisory or managerial services;
- k. Invest or deposit any funds from the Development in any property (real, personal or mixed), except obligations of, or fully guaranteed or secured as to principal by, the United States of America, or any agency thereof, the State, or obligations thereof, or deposit such funds in a depository not acceptable to the Authority;
- l. Make, receive or retain any Distribution except on the following conditions, provided that no Distribution shall occur without the prior written acceptance of an authorized officer of the Authority:
 - (1) All Distributions shall be made only after the end of each Fiscal Year and subsequent to audited financial statements accepted by the Authority. All Distributions in any one Fiscal Year shall be limited to 10 percent of the Mortgagor's Actual Cash Equity and be allowed only after the Authority, in its sole discretion, determines that the Development and operation thereof meet the following criteria to its satisfaction:
 - A. Management - The Development shall be operated in a manner consistent with Authority's standards as described in the management plan accepted by the Authority.
 - B. Financial Condition - The Development shall be operated in a financial manner which allows the Mortgagor to pay all the obligations, fund all reserves as required and demonstrate an ability to be consistent in this manner throughout the Fiscal Year.
 - C. Physical Condition - The Development shall be maintained in good physical condition as demonstrated by the Authority's physical observation. The Development shall not have any physical impediments which shall require financing from sources other than the Reserve for Replacements.
 - D. Low-Moderate Income - No Distribution shall cause rents to be raised on any Qualified Unit to a level which would prohibit the rental of the unit to Qualified Persons at the Qualified Rent. Rents shall be established to meet the objectives described in this Agreement.

- E. Market Conditions - Distributions shall be a function of market conditions. Market conditions shall be considered in establishing rental schedules.
 - F. The right to Distributions shall be cumulative and payable from Surplus Cash, if any, at the end of successive Fiscal Years subsequent to Authority acceptance of audited financial statements for such Fiscal Years.
- (2) Distributions shall not be made from proceeds of the Mortgage Loan prior to the completion of work at the Development in accordance with the Construction Contract and the Approved Plans or when there is any Event of Default (as defined in the Authority Mortgage);
 - (3) Distribution of any funds arising out of the operation of the Development, to a party not entitled to receive such funds hereunder, shall be held in trust by said party separate and apart from any other funds; and
 - (4) No Distribution shall be made until all outstanding notices or requirements for proper maintenance and operation of the Development have been complied with.
 - (5) Nothing in this Agreement or in any other Mortgage Loan Document shall be deemed to prohibit or restrict payments to Mortgagor's partners of any cash that has been contributed to Mortgagor by the partners, including without limitation, credit reduction payments, Recapture Amount or Credit Reallocation Amount made by the Partnership or the General Partner pursuant to Sections 5.1B(iv), 10.1A or 10.1C of the Second Amended and Restated Agreement of Limited Partnership of the Mortgagor. No prior written approval of the Authority shall be required for any such payments, except that if such funds are advanced from Gross Revenues they may only be advanced from annual Surplus Cash, as defined in this Agreement and set forth in the annual audited Financial Statement and line 13c, Form HUD 93486 (8/95) "Computation of Surplus Cash, Distributions, and Residual Receipts" (see attached) which Surplus Cash has been acknowledged and approved by the Authority.
- m. Terminate, assign or transfer any right to manage the Development (except in accordance with the provisions of this Agreement or the Management Agreement);
 - n. Make a loan of any funds from the Development to any person or entity;
 - o. Incur any liability or obligation in connection with the Development, contingent or otherwise, with the exception of current Operating Expenses and for the indebtedness evidenced by the Authority Note, or other financing(s) accepted by the Authority; or incur any liability or obligation whatsoever that is secured in whole or in part by any interest in or lien or encumbrances on the Development, or funds of the Development; or
 - p. Require tenants to pay any mandatory charges for additional services or facilities.

9. REPORTING REQUIREMENTS

- a. Unless another period for reporting is specified by the Authority in writing, Mortgagor shall furnish the Authority with occupancy reports and reports of income, expenses, accounts receivable and accounts payable on a quarterly basis. Mortgagor shall pay such penalty as may be imposed by

the Authority in the event of failure to comply with this requirement. Such reports shall be provided no later than the 15th day of each month. Mortgagor shall also provide such additional information as the Authority may reasonably request from time to time relative to the ownership, operation and maintenance of the Property and the Development.

- b. Within sixty (60) days following the close of each Fiscal Year, Mortgagor shall furnish the Authority with a complete annual financial report prepared and certified by a certified public accountant for the Development based upon an examination of the books and records of the Mortgagor, containing a detailed, itemized statement of Gross Revenues, Operating Expenses, Surplus Cash, Distributions, and all other income and expenditures, prepared and certified to be in accordance with the Procedures and standards accepted by the Authority and in conformity with generally accepted accounting principles applied on a consistent basis, and further certified by the Mortgagor or its duly authorized agent.
- c. Annually, not later than sixty (60) days before the beginning of each Fiscal Year, Mortgagor shall submit to the Authority an itemized budget of Gross Revenues, Operating Expenses, Surplus Cash and Distributions for the following Fiscal Year. Such budget shall be accompanied by supporting documentation requested by the Authority. Upon acceptance by the Authority, such budget shall be the Development's budget for the ensuing Fiscal Year.
- d. All records, accounts, books, tenant lists, applicant waiting lists, documents, and contracts relating to the Development shall at all times be kept separate and identifiable from those of any other business of the Mortgagor which is unrelated to the Development and shall be maintained within the State, as required by the Authority from time to time, in a reasonable condition for proper audit and subject to examination during business hours by representatives of the Authority.

10. ESTABLISHMENT OF RENTS - QUALIFICATIONS OF TENANTS

Mortgagor further covenants and agrees that:

- a. With the prior written acceptance of the Authority, Mortgagor shall establish and maintain for each dwelling unit at the Development a rental charge which shall satisfy the requirements of the Act, the Code, the Regulations, and this Agreement, and provide income to the Development sufficient for the payment of principal, interest, fees and charges to the Authority under the Authority Mortgage and Authority Note.
- b. On forms accepted by the Authority, Mortgagor shall obtain a certification of income from each prospective tenant, prior to execution of a lease and admission to the Development as a tenant.
- c. Mortgagor shall obtain written evidence substantiating the information given on the tenants' certifications of income in a manner prescribed by the Authority and shall maintain on file for the Authority's review a copy of such evidence. Mortgagor agrees that no person has been accepted or shall be accepted for occupancy of a Qualified Unit, nor shall any person be permitted to occupy any Qualified Unit in the Development or any portion thereof, without such person's application for occupancy having first been reviewed by or on behalf of the Authority, except that no such lease acceptance or submission shall be required with regard to leases of one dwelling unit within the Property for terms not in excess of one (1) year unless requested in writing by Mortgagee subject to the requirements of Section 42 of the Code.

- d. Mortgagor shall require all tenants to execute a lease in the form prescribed or accepted by the Authority.
 - (1) In the case of Qualified Units, Mortgagor shall require the execution of a lease which shall provide for an annual certification of income by the tenant and for termination of the lease and eviction of an individual or family for violation of the eligibility requirements, as constituting material non-compliance under the lease. Said lease form shall also prohibit the assignment of the lease or subleasing of the unit to persons other than those accepted by the Mortgagor as meeting the eligibility requirements.
 - (2) No unit in the Development shall be rented for a term of less than one (1) year nor more than two (2) years without the Authority's prior acceptance.
- e. No changes shall be made in the rental charges accepted by the Authority, except as may be adjusted in the annual budget accepted in writing by the Authority.
- f. Mortgagor shall not permit a tenant to rent more than one (1) residential dwelling unit at any given time without the prior written acceptance of the Authority.
- g. Mortgagor shall obtain prior written acceptance of the Authority for: (1) all documents used in renting the dwelling units and any commercial facilities including but not limited to lease forms and applications; (2) all advertising and other public information regarding the Development; and (3) all procedures and standards to be utilized regarding acceptance or rejection of prospective tenants.
- h. Mortgagor shall grant to the Authority the right to execute leases on behalf of the Mortgagor from time to time for all fifty-seven (57) Qualified Units in the Development with Qualified Persons, upon the sole determination by the Authority that the exercise of this right is necessary to preserve compliance with the Code regarding low income housing tax credits allocated to the Development. In that event, the Authority shall be deemed an agent for the Mortgagor and shall deposit Gross Revenues into the Development Operations Account.
- i. Any Surplus Cash remaining after Distributions permitted under Paragraph 8.I.(1) above and payment in full of payments due under the Authority Note, shall be considered "Residual Receipts" and shall be paid to and held by the Authority and deposited in an interest-bearing account accepted by and in the name of the Authority. The Authority or its successor or assign shall own and maintain sole ownership and control of funds deposited in the Residual Receipts account at all times. Residual Receipts shall be disbursed only on the direction of the Authority, which shall have the power and authority to direct that the Residual Receipts, or any part thereof, be used for such purpose as it may determine to benefit the Development.
- j. All rents received by the Mortgagor in excess of the maximum rents permitted or in excess of Qualified Rents shall be paid over by Mortgagor to the Authority.
- k. Mortgagor shall comply with the Authority's insurance requirements as set out in the Authority Mortgage.

11. NONDISCRIMINATION

Mortgagor shall comply with all requirements imposed by Title VIII of the Civil Rights Act of 1968, Title VI of the Civil Rights Act of 1964, and Executive Order 11063, to

the end that in accordance with the Act, the Code and the Regulations, and said Executive Order, no person in the United States shall, on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sexual orientation, or sex, be refused or denied housing, or otherwise subjected to discrimination. In addition, Mortgagor shall comply with all State and local laws prohibiting discrimination in housing, including without limitation, laws prohibiting discrimination on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sexual orientation, sex, or any other classification(s) protected by state or local law. Without limiting the generality of the foregoing, Mortgagor shall not restrict occupancy or rental of dwelling units in the Development by reason of the fact that a prospective tenant's household includes children (except for senior citizen housing as may be allowed under applicable law). Failure or refusal to comply with any such provisions, within any cure period that may be provided by law, shall constitute basis for the Authority to take any corrective action it may deem necessary including, but not limited to, declaring an Event of Default under the Authority Mortgage, the rejection of future applications for mortgage loans and the refusal to enter into future contracts of any kind with which the Mortgagor or its shareholders, members, partners, trustees or beneficiaries are in any way identified.

Mortgagor shall not discriminate against tenants or applicants who are recipients of Federal rent subsidies pursuant to Section 8 of the United States Housing Act of 1937, as amended, or any successor subsidy program.

12. ASSIGNMENT OF RENTS AND INCOME

As security for the payments due under this Agreement, for the Reserve for Replacements and for the other obligations under the Mortgage Loan, Mortgagor hereby assigns and pledges to the Authority, its rights to the rents, profits, income and charges of whatever sort which it may receive or be entitled to receive in connection with the operation of the Property and the Development. Unless an Event of Default has occurred, permission is granted to Mortgagor to collect and retain such rents, profits, income, and other payments.

13. BANKRUPTCY - REORGANIZATION

Mortgagor shall not file any petition in bankruptcy or for reorganization or recomposition, or make any assignment for the benefit of creditors or to a trustee for creditors or permit an adjudication in bankruptcy, the taking possession of the Property or any part thereof by a receiver, or the seizure and sale of the Property or any part thereof under judicial process or pursuant to any power of sale. Failure to have such adverse action set aside within sixty (60) days shall constitute an Event of Default under this Agreement and under the Authority Mortgage.

14. LITIGATION AGAINST MORTGAGOR

Mortgagor agrees promptly to notify the Authority in writing of any suits by or against Mortgagor, the Authority or the Development. No litigation seeking the recovery of a sum in excess of \$5,000.00 nor any action for specific performance or other equitable relief shall be instituted nor shall any claim for a sum in excess of \$5,000.00 or suit for specific performance be settled or compromised by Mortgagor unless prior written consent thereto has been obtained from the Authority. Such consent may be subject to such terms and conditions as the Authority may, in its sole discretion, prescribe.

15. COMPLIANCE WITH STATUTORY REQUIREMENTS

In order to comply with the Act, the Code and the Regulations and applicable statutes and regulations, Mortgagor agrees that, throughout the period as set forth in Paragraph 3, all of the Qualified Units in the Development shall be rented to Qualified Persons at a rental not in excess of Qualified Rent. Mortgagor shall comply with all State and federal laws and requirements, and the Authority's policies and Procedures. In addition and without limitation thereto, Mortgagor shall agree to the Apartment Mix and shall provide a marketing plan acceptable to the Authority.

- a. Prior to completion of the construction work at the Development, the Mortgagor shall advertise the availability of apartment units in manners reasonably calculated to reach Qualified Persons. All advertisements shall be accepted in writing by the Authority prior to placement with any of the media. The Mortgagor shall verify the income of each applicant for a Qualified Unit.
- b. Mortgagor agrees that on and after the date of notification by the Authority to Mortgagor with respect to the availability of subsidy funds, it shall not reject an applicant for a rental who, except for lack of adequate income, is acceptable as a tenant. Mortgagor shall submit the application of such prospective tenant to the Authority for consideration by the Authority of the granting of a subsidy to such a prospective tenant during the term of the lease. The Authority may submit to Mortgagor the names of applicants for occupancy as tenants, and Mortgagor shall review the application(s) and interview such prospective tenants.
- c. Following initial occupancy, Qualified Units vacated by Qualified Persons shall be rented only to other Qualified Persons in order to maintain the Apartment Mix. Mortgagor may modify the allocation and distribution of Qualified Units so reserved only with the prior written permission of the Authority. Any such modification shall be carried out so that at all times, the Qualified Units shall be occupied by (or previously occupied by and available for rental solely to) Qualified Persons.
- d. Mortgagor represents and warrants that at all times its acts in connection with the Development have complied with and shall continue to comply with all applicable provisions of federal, state and local laws, and all agreements with the Authority and any other public entities concerning the Development as amended from time-to-time. The Mortgagor also represents to the Authority that professional advice is available to the Mortgagor for the purpose of enabling the Mortgagor to be aware of, and to comply with, said laws, policies, procedures and agreements. The Mortgagor shall indemnify the Authority against any loss incurred by the Authority as a result of the Mortgagor's failure to comply therewith.
- e. Mortgagor acknowledges the existence of federal, state and local laws regarding handicapped accessibility and the relocation of persons displaced by the Development. Mortgagor agrees that the Mortgagor, and not the Authority, is responsible for complying with such laws, as they may apply to the Development.

16. CONTRADICTORY REQUIREMENTS

Mortgagor warrants that it has not, and shall not, execute other agreements with provisions contradictory, or in opposition to the provisions hereof, and that in any event the requirements of this Agreement are paramount and controlling and shall supersede any other requirements in conflict therewith except as provided below. Notwithstanding the foregoing, Mortgagor acknowledges that a purpose of this Agreement is to compel and document compliance with provisions of the Act, the Code and the Regulations applicable to Qualified Residential Rental Projects, and to the extent that any provision hereof is now or shall become in conflict with any such provision of the Act, the Code and the Regulations, such provision of the Act, the Code and the Regulations shall prevail.

Mortgagor shall comply with all provisions of the Code and Regulations applicable to Qualified Residential Rental Projects, whether or not such provisions are specifically set forth herein. Mortgagor further acknowledges that the representations and covenants set forth herein are based upon the Code and Regulations in their present form, and that both may be amended and the interpretations of their respective provisions may be changed or clarified in a manner inconsistent with the provisions hereof.

Mortgagor shall use its best efforts to take such actions, or to refrain from taking such actions, as are authorized by law and as may be necessary for the Development to continue to constitute a Qualified Residential Rental Project as may be required by the Code or Regulations as either may be amended or as the interpretation of their respective provisions may be changed or clarified.

17. FURTHER ACTION AND ASSURANCES

Mortgagor shall do, execute, acknowledge and deliver, at its sole cost and expense, such further acts, instruments or documentation as the Authority may reasonably require from time to time to better assure, transfer and confirm unto the Authority the rights now or hereafter intended to be granted to the Authority under this Agreement.

18. PARTNERSHIP REQUIREMENTS

- a. No amendments shall be made to the Mortgagor's partnership agreement and such partnership agreement shall not be terminated without the Authority's prior written acceptance other than amendments that merely reflect transfers of the limited partner's interest made in accordance with the Mortgagee's Partnership agreement;
- b. In the event of the dissolution or other change in the partnership, Mortgagor's business shall be continued by the partners individually until a successor structure is formed and accepted by the Authority; and
- c. No general partner shall voluntarily withdraw from the Mortgagor's partnership without the Authority's prior written acceptance.

19. PERSONAL LIABILITY

Mortgagor shall remain personally liable only as set forth in the Authority Mortgage.

20. REMEDIES

a. Upon violation of any of the provisions of this Agreement by Mortgagor, the Authority may give written notice thereof to Mortgagor by registered or certified mail addressed to the address stated in this Agreement, or such other address(es) as may subsequently be supplied by appropriate written notice to the Authority. If such violation is not corrected to the satisfaction of the Authority within thirty (30) days after the date such notice is mailed or within such further time as the Authority in its sole discretion may permit, the Authority without further notice, may declare that an Event of Default has occurred. Upon such default, the Authority may resort to one, all or any combination of the following courses of action:

- i. declare the whole of the indebtedness under the Authority Note immediately due and payable and proceed with the foreclosure of the Authority Mortgage;
- ii. collect or cause to be collected all rents and charges in connection with the operation of the Property and the Development and use such collections or cause such collections to be used to pay such Mortgagor's obligations under this Agreement and under the Authority Mortgage and the necessary expenses of preserving and operating the Development;
- iii. take possession of the Property and the Development, bring any action necessary to enforce any rights of Mortgagor growing out of the operation of the Property and the Development, and operate the Property and the Development in accordance with the terms of this Agreement and in compliance with the requirements of the Authority Mortgage;

- iv. apply to any court for specific performance of this Agreement, for an injunction against any violation of this Agreement, for the appointment of a receiver to take over and operate the Property and the Development in accordance with the terms of this Agreement, or for such other relief as may be appropriate, since the injury to the Authority arising from a default under any of the terms of this Agreement would be irreparable and the amount of damages would be difficult to ascertain; and

- v. seek any other remedy permitted under the Mortgage Loan Documents.

b. Any action(s) taken by the Authority shall be cumulative and concurrent and may be pursued independently, singly, successively, together or otherwise, at such time and in such order as the Authority may determine in its sole discretion, to the fullest extent permitted by law, without impairing or otherwise affecting the other rights and remedies of the Authority permitted by law, equity or contract or as set forth herein or in the Mortgage Loan Documents.

21. CONTINUING EFFECT

The parties agree that this Agreement shall continue in full force and effect throughout the applicable period in Paragraph 3 hereof to the extent necessary to comply with the Act, the Code and the Regulations and to enable the Authority, its successors and its assigns to enforce compliance by Mortgagor with the covenants, terms and conditions therein and of this Agreement. The covenants herein set forth shall be deemed to run with the Property and the same shall bind the Mortgagor and its successors and assigns, notwithstanding that the Mortgage Loan may not continue in effect.

22. NOTICES

Unless otherwise provided for herein, all notices and communications required or permitted hereunder shall be sent to the addresses on page 1 hereof, in writing, and shall be deemed to have been duly given (a) when sent, if sent by registered or certified mail (return receipt requested, postage prepaid), (b) when delivered, if delivered personally, (c) when transmitted, if sent by facsimile and a confirmation of transmission is produced by the sending machine, or (d) when sent, if sent by overnight mail or overnight courier, in each case with a copy (which shall not constitute notice) to the Authority's General Counsel at the above address.

Any notice of any kind sent hereunder to any party shall simultaneously be sent to each and every other party hereto. Any notice required hereunder may be waived in writing by the party entitled to receive such notice. Failure or delay in delivering copies of any notice, demand, request, consent, acceptance, declaration or other communication within any corporation or firm to the persons designated to receive copies shall in no way adversely affect the effectiveness of such notice, demand, request, consent, acceptance, declaration or other communication.

23. GOVERNING LAW

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

24. VALIDITY

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

25. AMENDMENTS

This Agreement cannot be altered, amended, modified or discharged orally and no executory agreement shall be effective to modify or discharge it in whole or in part, unless in writing and signed by the party against which enforcement is sought.

26. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, when taken together, shall constitute the same Agreement.

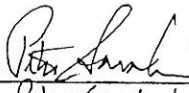
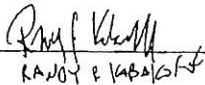
27. FALSE STATEMENTS


False statements made herein are punishable under the penalty for false statement set out in C.G.S. Section 53a-157b.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals as of the day and year first above written.

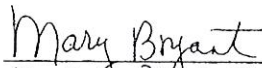
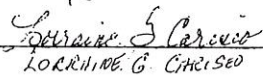
Signed, Sealed and Delivered
in the Presence of:


WATSON FARM ASSOCIATES
LIMITED PARTNERSHIP
BY: WATSON FARM GP, LLC


Peter Sager

Randy E. Kabalet

BY: 
Geoffrey W. Sager
Managing Member

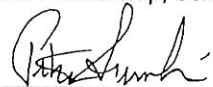
CONNECTICUT HOUSING
FINANCE AUTHORITY


MARY BRYANT

LORRAINE G. CHRISED

BY: 
Gary E. King
President - Executive Director

STATE OF CONNECTICUT)
) ss: ROCKY HILL May 20, 2002
COUNTY OF HARTFORD)

Personally appeared, Geoffrey W. Sager, Managing Member of WATSON FARM GP, LLC, General Partner of WATSON FARM ASSOCIATES LIMITED PARTNERSHIP, a Connecticut Limited Partnership, as aforesaid Signer and Sealer of the foregoing Instrument and acknowledged the same to be his free act and deed as Managing Member of WATSON FARM GP, LLC, General Partner of WATSON FARM ASSOCIATES LIMITED PARTNERSHIP, and that said instrument was signed on behalf of and with the authority of said Limited Partnership, before me.


Commissioner of the Superior Court
Notary Public Peter Sager

As of Date: 12-31-2019

Property: WP Watson Farm Associates LP

Unit	Class	Status	Date Available	# of Bdrms	# of Baths	Previous Rent (Vacant Units)	Monthly Rent	Other Mthly Charges	Annual Rent	Lease ID	Actual (A)/ Intended (Original) Move-In Date Lease End
01	55+	OCCUPIED	N/A	2.0			1,079.00		12,948.00	WF-01-	06-01-2011 A 05-31-2019
	PRIMARY TENANT ID:										
02	55+	OCCUPIED	N/A	1.0			736.00		8,832.00	WF-02-	07-01-2016 A 06-30-2019
	PRIMARY TENANT ID:										
03	55+	OCCUPIED	N/A	1.0			903.00		10,836.00	WF-03-	07-12-2012 A 06-30-2019
	PRIMARY TENANT ID:										
04	55+	OCCUPIED	N/A	2.0			1,074.00		12,888.00	WF-04-	03-15-2008 A 02-28-2020
	PRIMARY TENANT ID:										
05	55+	OCCUPIED	N/A	2.0			1,054.00		12,648.00	WF-05-	02-20-2003 A 01-31-2020
	PRIMARY TENANT ID:										
06	55+	OCCUPIED	N/A	2.0			1,027.00		12,324.00	WF-06-	11-01-2015 A 10-31-2019
	PRIMARY TENANT ID:										
07	55+	OCCUPIED	N/A	2.0			1,550.00		18,600.00	WF-07-	11-15-2018 A 11-14-2019
	PRIMARY TENANT ID:										
08	55+	OCCUPIED	N/A	1.0			1,300.00		15,600.00	WF-08-	10-01-2018 A 09-30-2019
	PRIMARY TENANT ID:										
09	55+	OCCUPIED	N/A	2.0			1,525.00		18,300.00	WF-09-	03-30-2003 A 03-31-2020
	PRIMARY TENANT ID:										
10	55+	OCCUPIED	N/A	2.0			1,590.00		19,080.00	WF-10-	08-12-2017 A 08-11-2019
	PRIMARY TENANT ID:										
11	55+	OCCUPIED	N/A	2.0			1,079.00		12,948.00	WF-11-	03-16-2012 A 02-28-2020
	PRIMARY TENANT ID:										
12	55+	VACANT	11-01-2018	2.0		1,069.00			12,828.00		
13	55+	OCCUPIED	N/A	2.0			1,084.00		13,008.00	WF-13-	09-01-2015 A 08-31-2019
	PRIMARY TENANT ID:										
14	55+	OCCUPIED	N/A	2.0			1,084.00		13,008.00	WF-14-	10-06-2010 A 09-30-2019
	PRIMARY TENANT ID:										

As of Date: 12-31-2018

Property: WF Watson Farm Associates LP

Unit	Class	Status	Date Available	# of Bdrms	# of Baths	Previous Rent (Vacant Units)	Monthly Rent	Other Mthly Charges	Annual Rent	Lease ID	Actual (A) / Intended (I) Move-In Date	Intended (Original) Lease End
15	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,084.00		13,008.00	WF-15-	09-01-2016 A	08-31-2019
16	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,084.00		13,008.00	WF-16	04-01-2014 A	03-31-2020
17	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	1.0			1,290.00		15,480.00	WF-17-	06-01-2013 A	05-31-2019
18	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,084.00		13,008.00	WF-18-	10-01-2011 A	09-30-2019
19	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,084.00		13,008.00	WF-19-	10-16-2014 A	09-30-2019
20	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,045.00		12,540.00	WF-20-	12-19-2002 A	11-30-2019
21	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,084.00		13,008.00	WF-21-	12-20-2002 A	11-30-2019
22	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,054.00		12,648.00	WF-22-	01-23-2003 A	12-31-2019
23	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,054.00		12,648.00	WF-23-	01-23-2003 A	12-31-2019
24	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,475.00		17,700.00	WF-24-	03-15-2009 A	02-28-2020
25	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,084.00		13,008.00	WF-25-	01-23-2003 A	06-30-2019
26	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	1.0			1,300.00		15,600.00	WF-26-	11-01-2018 A	10-31-2019
27	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,475.00		17,700.00	WF-27-	01-23-2003 A	01-31-2020

Property: WF Watson Farm Associates LP

Unit	Class	Status	Date Available	# of Bdrms	# of Baths	Previous Rent (Vacant Units)	Monthly Rent	Other Mthly Charges	Annual Rent	Lease ID	Actual (A)/ Intended (I) Move-In Date	Intended (Original) Lease End
28	55+	OCCUPIED	N/A	2.0			1,054.00		12,648.00	WF-28-	02-01-2013	A 01-31-2020
	PRIMARY TENANT ID:											
29	55+	OCCUPIED	N/A	2.0			1,090.00		13,080.00	WF-29-	06-15-2018	A 06-14-2019
	PRIMARY TENANT ID:											
30	55+	OCCUPIED	N/A	2.0			1,054.00		12,648.00	WF-30-	01-23-2003	A 12-31-2018
	PRIMARY TENANT ID:											
31	55+	OCCUPIED	N/A	2.0			1,082.00		12,984.00	WF-31-	10-01-2010	A 09-30-2019
	PRIMARY TENANT ID:											
32	55+	OCCUPIED	N/A	1.0			400.00		4,800.00	WF-32-	03-20-2003	A 06-30-2019
	PRIMARY TENANT ID:											
33	55+	OCCUPIED	N/A	2.0			1,084.00		13,008.00	WF-33-	05-01-2014	A 04-30-2019
	PRIMARY TENANT ID:											
34	55+	OCCUPIED	N/A	2.0			1,030.00		12,360.00	WF-34-	03-01-2015	A 02-28-2020
	PRIMARY TENANT ID:											
35	55+	OCCUPIED	N/A	1.0			731.00		8,772.00	WF-35-	04-08-2003	A 02-28-2020
	PRIMARY TENANT ID:											
36	55+	OCCUPIED	N/A	1.0			1,290.00		15,480.00	WF-36-	09-09-2013	A 08-31-2019
	PRIMARY TENANT ID:											
37	55+	OCCUPIED	N/A	2.0			1,084.00		13,008.00	WF-37-	12-01-2014	A 11-30-2019
	PRIMARY TENANT ID:											
38	55+	OCCUPIED	N/A	2.0			1,090.00		13,080.00	WF-38-	08-15-2018	A 08-14-2019
	PRIMARY TENANT ID:											
39	55+	OCCUPIED	N/A	2.0			1,090.00		13,080.00	WF-39-	04-01-2018	A 03-31-2020
	PRIMARY TENANT ID:											
40	55+	OCCUPIED	N/A	2.0			1,600.00		19,200.00	WF-40-	06-20-2018	A 06-19-2019
	PRIMARY TENANT ID:											

As of Date: 12-31-2018

Property: NF Watson Farm Associates LP

Unit	Class	Status	Date Available	# of Bdrms	# of Baths	Previous Rent (Vacant Units)	Monthly Rent	Other Mthly Charges	Annual Rent	Lease ID	Actual(A)/ Intended (I) Move-In Date	Intended (Original) Lease End
41	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	1.0			1,290.00		15,480.00	WF-41-	03-20-2003	A 03-31-2020
42	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,475.00		17,700.00	WF-42-	03-01-2005	A 02-28-2020
43	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,090.00		13,080.00	WF-43-	10-01-2018	A 09-30-2019
44	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,084.00		13,008.00	WF-44-	10-15-2017	A 10-14-2019
45	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,054.00	400.00	12,648.00	WF-45-	08-01-2010	A 07-31-2019
46	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	1.0			1,275.00		15,300.00	WF-46-	01-01-2018	A 12-31-2019
47	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	1.0			736.00		8,832.00	WF-47-	12-01-2013	A 11-30-2019
48	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,045.00		12,540.00	WF-48-	07-01-2004	A 06-30-2019
49	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,035.00		12,420.00	WF-49-	03-01-2007	A 02-28-2020
50	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	1.0			306.00		3,672.00	WF-50-	06-01-2013	A 05-31-2019
51	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,059.00		12,708.00	WF-51-	06-01-2013	A 07-31-2019
52	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			925.00		11,100.00	WF-52-	04-01-2011	A 03-31-2020

As of Date: 12-31-2018

Property: WP Watson Farm Associates LP

Unit	Class	Status	Date Available	# of Bdrms	# of Baths	Previous Rent (Vacant Units)	Monthly Rent	Other Mthly Charges	Annual Rent	Lease ID	Actual (A) / Intended (I) Move-In Date	Intended (Original) Lease End
53	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	1.0			908.00		10,896.00	WF-53-	07-01-2015 A	06-30-2019
54	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	1.0			908.00		10,896.00	WF-54-	02-20-2003 A	01-31-2020
55	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	1.0			908.00		10,896.00	WF-55-	04-01-2009 A	03-31-2020
56	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	1.0			736.00		8,832.00	WF-56-	04-01-2009 A	03-31-2020
57	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,084.00		13,008.00	WF-57-	12-22-2015 A	11-30-2019
58	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,084.00		13,008.00	WF-58-	05-01-2015 A	04-30-2019
59	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	1.0			306.00		3,672.00	WF-59-	10-01-2011 A	09-30-2019
60	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,090.00		13,080.00	WF-60-	04-14-2017 A	03-31-2020
61	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,044.00		12,528.00	WF-61-	12-19-2002 A	11-30-2019
62	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	1.0			736.00		8,832.00	WF-62-	02-01-2010 A	01-31-2020
63	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	1.0			736.00		8,832.00	WF-63-	04-01-2004 A	03-31-2020
64	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	1.0			908.00		10,896.00	WF-64-	10-01-2012 A	09-30-2019

As of Date: 12-31-2018

Property: WF Watson Farm Associates LP

Unit	Class	Status	Date Available	# of Bdrms	# of Baths	Previous Rent (Vacant Units)	Monthly Rent	Other Mthly Charges	Annual Rent	Lease ID	Actual (A) / Intended (Original) Move-In Date Lease End
65	55+ PRIMARY TENANT ID:	OCCUPIED	N/A				736.00		8,832.00	WF-65-	02-15-2012 A 01-31-2020
66	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,090.00		13,080.00	WF-66-	03-01-2018 A 02-28-2020
67	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,084.00		13,008.00	WF-67-	06-07-2012 A 05-31-2019
68	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	1.0			736.00		8,832.00	WF-68-	08-12-2011 A 07-31-2019
69	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,084.00		13,008.00	WF-69-	10-01-2017 A 09-30-2019
70	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	2.0			1,055.00		12,660.00	WF-70-	04-15-2016 A 03-31-2020
71	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	1.0			736.00		8,832.00	WF-71-	03-04-2011 A 02-28-2020
72	55+ PRIMARY TENANT ID:	OCCUPIED	N/A	1.0			908.00		10,896.00	WF-72-	11-01-2014 A 10-31-2019
Property WF Summary Totals:											

Total Previous Rent For Vacant Units: 1,069.00
 Total Monthly Rent For Occupied Units: 74,212.00
 Total Other Monthly Charges For Occupied Units: 400.00-

Total Annual Rent For All Units: 903,372.00

Total # of Occupied Units: 71
 Total # of Vacant Units: 1
 Total # of Units: 72

Occupied Unit Pct: 98.6 %

Amendments to Section 4.1.11, Housing for the Elderly, 11-28-2000

Section 4.1.11 is deleted and the following is hereby substituted:

- 4.1.11 Housing for the Elderly: The purpose of this special use is to provide housing particularly suited to the needs of the elderly citizens; such use to be located in reasonable proximity to such shopping and services as are required by elderly persons; such use to be designed to provide a pleasant environment for habitation; and such use shall be in conformity with the general framework and intent of the Town Plan of Conservation and Development for South Windsor.
1. Procedure: Application for this use may be filed only by the Public Housing Authority of South Windsor individually or in conjunction with a proprietary entity.
 - a. The Commission shall be guided by the requirements of this section where reporting on the mandatory referral for acquisition of the housing sites under the General Statutes of Connecticut.
 - b. The Public Housing Authority individually or in conjunction with such proprietary entity, shall submit to the Commission a site development plan in accordance with Section 4.13 of these regulations and such plan must be approved prior to the issuance of a building permit.
 2. General Requirements:
 - a. Location. The site shall be on Town-owned property or on premises approved by the Public Housing Authority with restrictive covenants guaranteeing appearance and property maintenance approved by the Public Housing Authority and the Commission. The covenant must be filed on the land records and must be in effect as long as the property is zoned for elderly housing.
 - b. Area and Density Requirements
 1. A minimum size of 2 acres is required.
 2. Maximum density for a development shall be 10 units/acre multiplied by the net buildable acreage of the parcel. All calculations of proposed density must appear on the Site Plan of Development, and are arrived at by multiplying the requested density by the net buildable acreage (see Section I, Definitions).
 - c. Project/Units Cap.

The maximum number of units in any development shall be 75 units. The cumulative total number of units in all developments cannot exceed 75 units.
 - c. Yard, Frontage and Buffer Requirements.

The site shall have a minimum of 200 feet of frontage on a public street. The minimum frontage requirement may be reduced by one foot for every 2 feet by which the development's front yard setback is increased; provided, however, that the frontage is not reduced to less than 100 feet. Where the

increased setback/reduced frontage provision is used, no pavement/parking areas/impervious areas shall be allowed within the additional setback area.

Minimum yards (applicable to the parcel perimeter) shall be fifty (50) feet front yard, and ten (10) feet side and rear yards. Required buffers may at the discretion of the Commission be coterminous with the yards, provided the combined yards and buffer are no less than 25 feet in width, site conditions support such (e.g., site is contiguous to open space, permanent buffers and/or mature vegetation), and large trees are saved or planted within the buffer (6" minimum caliper on deciduous trees, 15 feet minimum height on coniferous trees, spaced no more than every 30 feet, or at a somewhat greater distance if more appropriate given the species). Buffers may contain separations between trees in order to preserve vistas for unit occupants, where applicable. Minimum setback between dwellings shall be 20 feet.

Minimum setbacks between accessory buildings (such as storage sheds or garages) and buildings containing dwelling units shall be consistent with good design relative to fire safety, emergency access, function, and aesthetics, as approved by the Commission. The setbacks shall vary depending upon the height of the buildings and the placement of windows on the side of the buildings in question.

- e. Building size. In calculating space requirements for elderly occupancy, the following areas shall be considered minimum:

Occupancy (persons)	1	2	2 or more***
Description	Efficiency	1 BR	2 BR
Room Count*	3	3 ½	4 ½
Area Square Feet**	350	460	570

*Room count for living, dining and kitchen is 2 ½.

**These areas do not include circulation and public facilities outside the unit or spaces for heating equipment. Storage areas are calculated as a part of the minimum area requirement.

***Special occupancy, covering situations such as two single related persons, two-person families whose physical condition requires separate sleeping accommodations, and single persons requiring sleep-in companions or care assistants.

- f. Parking and Access.

1. At least 1 parking space for each 4 dwelling units shall be provided, however, at the discretion of the Planning and Zoning Commission, this may be increased up to 1 parking space for each dwelling unit.
2. The location and arrangement of access shall be consistent with public safety and shall provide no undue hindrance to the safety of existing or proposed streets.

- g. Improvements.
 - 1. Utilities, streets and related improvements shall generally conform to Town procedures and standards; however, 24 feet pavement width is acceptable, and other standards may be reduced or waived in order to reduce development costs, provided there is no objection of the Town Engineer. All utilities shall be underground. All dumpsters must be on concrete pads and screened.
 - 2. Sidewalks. Sidewalks shall be provided for internal circulation within the project and connection to the street frontage. Sidewalks shall be constructed to the specifications of the Town of South Windsor.
- h. Recreation. Recreation area or areas shall be provided for the use of the residents. The recreation area or areas shall be designed for the special needs of elderly persons. Such uses as walking trails, sitting areas and a community room are examples of recreation areas.
- i. Signage must conform to the requirements of Section 17, Signs.
- j. Impervious coverage limited to 40%.

Adopted by the Planning and Zoning Commission on November 28, 2000.

TOWN OF SOUTH WINDSOR

PLANNING & ZONING COMMISSION

MINUTES

-1-

NOVEMBER 28, 2000

MEMBERS PRESENT: Walter Mealy, Louise Evans, Sue Larsen, Kevin McCann, Tim Wentzell, Patricia Porter

ALTERNATES PRESENT: Doug Manion arrived at 7:42, Roger Cottle, Patrick Kennedy sat for Marshall Montana

STAFF PRESENT: Michele Lipe, Assistant Director of Planning

REGULAR MEETING

Chairman Mealy called the meeting to order at 7:30 p.m. There was no public participation.

ITEM: New Business

1. Appl 00-48P, Metro Realty Group, LTD, regulation amendment to Section 4.1.11 of the Zoning Regulations to allow elderly housing by a proprietary entity in conjunction with the Public Housing Authority; and other revisions

Michele Lipe reviewed the application for the commission.

Concern was voiced with respect to the Housing Authority losing its authority over the project once mortgage approval is granted and the number of units. A 75-unit cap was suggested for both the size of the project and the number of units allowed under this regulation. The density of units per acre and units per building allowed was also discussed. It was agreed that 10 units per acre would be allowed.

M. Lipe questioned if the commission wanted to use the same wording for this amendment as is used in the SRD description. The commission thought this would be a good idea.

Manion suggested that the deed restriction wording be modified. McCann agreed stating that this is important especially since the Housing Authority does lose control after the loan has been met.

Kennedy opposed the idea saying he didn't think PZC should be addressing the deed restriction at this time but rather at the time the site plan application is presented.

McCann disagreed saying he believes it is important to do the deed restriction now especially if authority the Housing Authority ends after paid up. The commission agreed.

TOWN OF SOUTH WINDSOR

PLANNING & ZONING COMMISSION

MINUTES

-2-

NOVEMBER 28, 2000

Since this is the first proposed amendment of this type, the commission would like to use this application as a gauge for future applications of this type.

Motion to approve with modifications was made by Commissioner Wentzell and seconded by Commissioner Larsen.

Amendments to Section 4.1.11, Housing for the Elderly, 11-28-2000
Section 4.1.11 is deleted and the following is hereby substituted:

4.1.11 Housing for the Elderly: The purpose of this special use is to provide housing particularly suited to the needs of the elderly citizens; such use to be located in reasonable proximity to such shopping and services as are required by elderly persons; such use to be designed to provide a pleasant environment for habitation; and such use shall be in conformity with the general framework and intent of the Town Plan of Conservation and Development for South Windsor.

1. Procedure: Application for this use may be filed only by the Public Housing Authority of South Windsor individually or in conjunction with a proprietary entity.
 - a. The Commission shall be guided by the requirements of this section where reporting on the mandatory referral for acquisition of the housing sites under the General Statutes of Connecticut.
 - b. The Public Housing Authority individually or in conjunction with such proprietary entity, shall submit to the Commission a site development plan in accordance with Section 4.13 of these regulations and such plan must be approved prior to the issuance of a building permit.
2. General Requirements:
 - a. Location. The site shall be on Town-owned property or on premises approved by the Public Housing Authority with restrictive covenants guaranteeing appearance and property maintenance approved by the Public Housing Authority and the Commission. The covenant must be filed on the land records and must be in effect as long as the property is zoned for elderly housing.
 - b. Area and Density Requirements
 1. A minimum size of 2 acres is required.
 2. Maximum density for a development shall be 10 units/acre multiplied by the net buildable acreage of the parcel. All calculations of proposed density must appear on the Site Plan of Development, and are arrived at by multiplying the requested density by the net buildable acreage (see Section I, Definitions).
 - c. Project/Units Cap.

TOWN OF SOUTH WINDSOR

PLANNING & ZONING COMMISSION

MINUTES

-3-

NOVEMBER 28, 2000

The maximum number of units in any development shall be 75 units. The maximum number of units in all developments is capped at 75 units.

c. Yard, Frontage and Buffer Requirements.

The site shall have a minimum of 200 feet of frontage on a public street. The minimum frontage requirement may be reduced by one foot for every 2 feet by which the development's front yard setback is increased; provided, however, that the frontage is not reduced to less than 100 feet. Where the increased setback/reduced frontage provision is used, no pavement/parking areas/impervious areas shall be allowed within the additional setback area.

Minimum yards (applicable to the parcel perimeter) shall be fifty (50) feet front yard, and ten (10) feet side and rear yards. Required buffers may at the discretion of the Commission be coterminous with the yards, provided the combined yards and buffer are no less than 25 feet in width, site conditions support such (e.g., site is contiguous to open space, permanent buffers and/or mature vegetation), and large trees are saved or planted within the buffer (6" minimum caliper on deciduous trees, 15 feet minimum height on coniferous trees, spaced no more than every 30 feet, or at a somewhat greater distance if more appropriate given the species). Buffers may contain separations between trees in order to preserve vistas for unit occupants, where applicable. Minimum setback between dwellings shall be 20 feet.

Minimum setbacks between accessory buildings (such as storage sheds or garages) and buildings containing dwelling units shall be consistent with good design relative to fire safety, emergency access, function, and aesthetics, as approved by the Commission. The setbacks shall vary depending upon the height of the buildings and the placement of windows on the side of the buildings in question.

e. Building size. In calculating space requirements for elderly occupancy, the following areas shall be considered minimum:

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Occupancy (persons)	1	2	2 or more***
Description	Efficiency	1 BR	2 BR
Room Count*	3	3 ½	4 ½
Area Square Feet**	350	460	570

*Room count for living, dining and kitchen is 2 ½.

**These areas do not include circulation and public facilities outside the unit or spaces for heating equipment. Storage areas are calculated as a part of the minimum area requirement.

***Special occupancy, covering situations such as two single related persons, two-person families whose physical condition requires separate sleeping accommodations, and single persons requiring sleep-in companions or care assistants.

f. Parking and Access.

1. At least 1 parking space for each 4 dwelling units shall be provided, however, at the discretion of the Planning and Zoning Commission, this may be increased up to 1 parking space for each dwelling unit.
2. The location and arrangement of access shall be consistent with public safety and shall provide no undue hindrance to the safety of existing or proposed streets.

g. Improvements.

1. Utilities, streets and related improvements shall generally conform to Town procedures and standards; however, 24 feet pavement width is acceptable, and other standards may be reduced or waived in order to reduce development costs, provided there is no objection of the Town Engineer. All utilities shall be underground. All dumpsters must be on concrete pads and screened.
2. Sidewalks. Sidewalks shall be provided for internal circulation within the project and connection to the street frontage. Sidewalks shall be constructed to the specifications of the Town of South Windsor.

h. Recreation. Recreation area or areas shall be provided for the use of the residents. The recreation area or areas shall be designed for the special needs of elderly persons. Such uses as walking trails, sitting areas and a community room are examples of recreation areas.

i. Signage must conform to the requirements of Section 17, Signs.

j. Impervious coverage limited to 40%.

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The motion passed, and the vote was unanimous.

Manion arrived at 7:40 p.m. He had previously disqualified himself from this application.

1. Appl 00-51P, East Hartford Sand & Gravel Special Exception to Article 6.1.3.2 to allow sales of building materials at 1440 John Fitch Boulevard, I zone

Mealy voiced concern with allowing "building materials" to be used in the approval. He thought a more specific wording should be used since "building materials" could encompass many items the commission does not want brought in and sold at the site.

Evans noted that items should be limited to what is specifically mined on the site and nothing should be allowed brought in to the site and sold.

Kennedy disagreed saying building material, per se, are not a problem, but the wording should be more specifically defined.

The commission agreed.

Motion to approve with only sales of materials mined on site was made by Commissioner Wentzell and seconded by Commissioner Larsen.

1. No building permit will be issued until the final mylars have been filed in the Town Clerk's office.
2. An as-built plan is required prior to issuance of a Certificate of Occupancy per Section 8.1.10 of the Zoning Regulations.
3. All plans used in the field by the developer must bear the stamp and authorized signature of the Town of South Windsor.
4. Engineering comments of 10/20/00 must be addressed.
5. The four corners of the lease area must be delineated in the field.
6. This approval is for: sand, gravel, soil and other unprocessed materials mined from the earth. These materials must be mined on site.

The motion passed, and the vote was unanimous.

Manion arrived at 7:40 p.m. He had previously disqualified himself from this application.

3. By-Laws Review

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No commission comments.

4. Capitol Sweeping Services – Change Order request

A discussion ensued on used equipment that is being stored and sold outside Capitol Sweeping.

Lipe suggested that staff inform Capitol Sweeping that concern regarding the outdoor storage and sales was addressed at a PZC meeting. Capitol Sweeping should take note and institute changes needed.

Motion to approve the change order was made by Commissioner Wentzell and seconded by Commissioner Evans. The motion passed, and the vote was unanimous.

5. Felt Road, 8-24 Referral

Attorney Hal Cummings explained the reasoning behind the referral. They are proposing the town abandon the portion of Felt Rd. known as a "paper road". His clients, the Cloutiers, are planning on submitting a site plan application for a rear lot utilizing this piece. Access to the proposed rear lot would be via a driveway that would run through the center of this piece.

Jeanine Jankowski, Jonathan Lane, an abutter to the Cloutiers, voiced concern that a current drainage problem will be exacerbated if the rear lot and drive is allowed. The Jankowskis have been informed that if the drainage problem does get worse they would be responsible for any costs associated with repairing it. She is also concerned with the proposed split of the 50ft. row into two 25ft. halves because the proposed driveway would infringe on her property.

Chairman Mealy informed Ms. Jankowski the drainage issue could be addressed at the Public Hearing for the rear lot and she should voice her concerns then. The commission's only objective tonight is to accept or reject the Town Council's referral.

Motion to approve the abandonment of the "paper" road between Palmer Dr. and Foster St. as outlined by the Town Council was made by Commissioner Kennedy and seconded by Commissioner Evans.

McCann noted the following should be made known to the Town Council:

1. The current drainage problem;
2. the dollar amount needed to provide solutions to the drainage issue;
3. any comments by the PZC should not be deemed as a rear lot approval of any access over any parcels affected
4. the Town should consider precluded uses for non-vehicular traffic.

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The motion passed, and the vote was unanimous.

6. Veterans Memorial Park, 8-24 Referral

The Commission approved, by consensus, the Resolution re Veterans Memorial Park Referendum Question for the appropriation of \$3,100,000 as outlined by the Town Council.

7. Lean Physique Sign request

Mealy read into the record the letter sent by owner, John Yobst, regarding signage. The commission noted that additional signage may be permitted, but he would need to work things out with his landlord.

8. Wheeler Estates request for two model homes

Wentzell commented that the applicant was required to come back before the commission with a plan showing sidewalks at the site. The commission decided to postpone the model home request until such plan is presented.

ITEM: Miscellaneous

1. Holiday Party

Chairman Mealy informed the commissioners that the budget allows for \$1,000 to be used for the annual PZC holiday party. A tentative date of December 19, 2000, was given. Invitations will be mailed as soon as a restaurant is established.

7. Fung kitchenette

It was decided that this will be handled through staff and Mr. Fung should sign an affidavit indicating the kitchen will be used for personal purposes.

8. Temple Landscaping

The Temple is addressing landscaping concerns at the site at this time. Lipe informed the commission that they have 5 years to complete required landscaping at the site.

9. ADRC appointment

Mealy suggested the commission approve Charles Regulbuto as a new alternate to the ADRC. Mr. Regulbuto will replace Patricia Case. The commissioners approved the appointment.

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10. Lighting Subcommittee

Larsen informed the commission that this subcommittee has met once and will be meeting again to discuss glare and brightness. She will keep the commission updated. ITEM: Adjournment

Motion to adjourn the meeting at 9 p.m. was made by Commissioner Evans and seconded by Commissioner McCann. The motion passed, and the vote was unanimous.

Respectfully Submitted,

Deborah Favreau
Recording Secretary