

APRIL 11, 2013

SECOND AMENDMENT TO REPORT AND DECISION ON THE ST. BOTOLPH TERRACE APARTMENTS CHAPTER 121A PROJECT FOR THE APPROVAL, UNDER MASSACHUSETTS GENERAL LAWS, CHAPTER 121A AND THE ACTS OF 1960, CHAPTER 652, BOTH AS AMENDED, OF THE TRANSFER OF THE PREVIOUSLY APPROVED AND DEVELOPED ST. BOTOLPH TERRACE APARTMENTS CHAPTER 121A PROJECT, AND CONSENT TO THE FORMATION OF MADISON BOTOLPH LIMITED PARTNERSHIP AS A NEW URBAN REDEVELOPMENT LIMITED PARTNERSHIP PURSUANT TO SAID CHAPTER 121A AND CHAPTER 652 FOR THE PURPOSE OF ACQUIRING AND CARRYING OUT OF SUCH PROJECT

A. Prior Proceedings and Actions. Reference is made to the following:

1. On May 3, 1979, the Boston Redevelopment Authority (the "Authority") voted to adopt a Report and Decision (the "Report and Decision") on a project known as the St. Botolph Terrace Apartments Chapter 121A Project (the "Project"). Such vote was approved by the Mayor (the "Mayor") of the City of Boston on July 19, 1979 and the vote as so approved was filed with the Clerk of the City of Boston (the "City Clerk") on July 26, 1979. The Project is described in Paragraph A.4 below. St. Botolph Terrace Associates, a Massachusetts limited partnership ("SBT Associates"), was designated in the Report and Decision as the Chapter 121A entity to own, operate and manage the Project.

2. On October 16, 1979, a contract required by Section 6A of Chapter 121A of the General Laws (the "Original 6A Contract") was executed between SBT Associates and the City of Boston.

3. In 1979, SBT Associates entered into with the Authority a Regulatory Agreement pursuant to Chapter 121A, Section 18C (the "Original Regulatory Agreement").

4. The Project as constructed consists of nine (9) adjoining townhouse buildings located at numbers 351, 353, 355, 357, 359, 361, 363, 365 and 367 Massachusetts Avenue, at the corner of St. Botolph Street, in the South End neighborhood of Boston, which Project Area is made up of Parcel 7 of the Fenway Urban Renewal Area conveyed by the Authority on December 31, 1979. The Project includes fifty-two dwelling units, all of which are operated as rental housing affordable to lower income elderly persons and families subsidized under the Project's U.S. Department of Housing And Urban Development ("HUD") Section 8 Contract, as well as appurtenant facilities, including commercial/office space and a laundry room.

5. On On July 19, 2007, the Authority Board voted to adopt a First Amendment to the Report and Decision on the Project. Such vote was approved by the Mayor on July 20, 2007 and the vote as so approved was filed with the City Clerk on July 24, 2007 (the "First Amendment"). The First Amendment approved the transfer of the Project from SBT

Associates to NUHousing Corp., a Massachusetts charitable corporation whose sole member is Northeastern University.

6. As required by the First Amendment, on June 12, 2008, NUHousing Corp. entered into a new Regulatory Agreement with the Authority, which Regulatory Agreement replaced and superseded the Original Regulatory Agreement; on September 11, 2008, NUHousing Corp. entered into a First Amendment To and Assumption of the Existing Contract Pursuant to Section 6A of Chapter 121A of the Massachusetts General Laws (the “First Amended 6A Contract”) with the City of Boston Assessing Department.

7. The Report and Decision, as amended by the First Amendment and Second Amendment, shall hereafter collectively be referred to as the “Amended Report and Decision.”

B. Application to Transfer Original Project. NUHousing Corp., and Madison Botolph Limited Partnership, a Massachusetts limited partnership organized under MGL Chapter 109 (“Madison Botolph LP”), filed jointly with the Authority an “Application For Approval To Transfer A Previously Approved Project and Consent to Form A New Urban Redevelopment Limited Partnership Pursuant to M.G.L. Chapter 121A, §18C,” dated as of April 5, 2013 (the “Application”) in order to obtain the Authority’s approval of the acquisition by Madison Botolph LP, of the Project, financing of the Project, approval to act as an urban redevelopment corporation for the purpose of acquiring and carrying the Project and other related matters. The Application and all supplementary material to the Application are hereinafter referred to collectively, as the “Transfer Application”. NUHousing Corp., and Madison Botolph LP are hereinafter collectively referred to as the “Applicant.”

C. Authority Action. The Authority is acting hereunder pursuant to General Laws Chapter 121A, as amended and applicable (“Chapter 121A”), specifically Sections 11 and 18C thereof, the Acts of 1960, Chapter 652 (“Chapter 652”), as amended and applicable, specifically Section 13A thereof, and all other applicable sections or provisions of Chapters 121A and 652 and the Authority’s “Rules and Regulations Governing Chapter 121A Projects in the City of Boston”, as amended and applicable (“Rules and Regulations”). Further, the Authority in acting hereunder has considered the Transfer Application and all documents or exhibits filed therewith or attached thereto, and all documents or other materials presented at the Authority’s meeting on April 11, 2013, sufficient in its judgment to enable it to act as hereinafter set forth.

D. Decision. The Authority hereby acts as follows:

1. Approval. The Transfer Application is hereby approved only to the extent provided herein, and subject to certain conditions contained below, and the Amended Report and Decision is amended further only to the extent hereinafter set forth. If there is any conflict or inconsistency between the terms and conditions of the Transfer Application and those of this document (the “Second Amendment to Report and Decision”), those of this Second Amendment to Report and Decision shall apply and govern.

2. Transfer of Project Ownership. The Authority hereby approves the transferring the Project in the following manner: NUHousing Corp. has notified the

Massachusetts Department of Housing and Community Development (“DHCD”) of its intent to sell the Project and DHCD, pursuant to Chapter 40T, has worked with its designated non-profit community based entity, that is, Madison Park Development Corporation (“MPDC”) to acquire the Project and preserve the long-term affordable housing use. As designee of DHCD, MPDC has entered into a Purchase and Sale Agreement with NUHousing Corp., pursuant to which NUHousing Corp. will sell the Project to MPDC, or its nominee, upon the satisfaction of certain conditions set forth in the Purchase and sale Agreement, including approval by the Authority as requested herein. If the conditions of the Purchase and Sale Agreement are met, MPDC will designate Madison Botolph LP to act as MPDC’s nominee to acquire all of NUHousing Corp.’s rights, title, and interests in and to the Project and Project Area. The Authority further approves the formation of the Madison Botolph LP under Chapter 121A and Chapter 652 for the purpose of acquiring and carrying out the Project as hereinafter described. Copies of the Certificate of Limited Partnership and Limited Partnership Agreement (collectively, the “Organizational Documents”) are set forth in the Transfer Application. Any subsequent amendments or restatements to, or of, the Organizational Documents shall be submitted to the Authority promptly after filing with the Secretary of State of The Commonwealth of Massachusetts; provided, however, any such amendments or restatements that substantially and materially alter the provisions of such Organization Documents are subject to prior written approval of the Authority’s Director before filing with the Secretary of State.

Madison Botolph LP is a Massachusetts limited partnership organized under Chapter 109 of the Massachusetts General Laws. The general partner of Madison Botolph LP will be Madison Botolph GP, Inc., a single purpose Massachusetts for-profit corporation organized under M.G.L. Chapter 156D. Lower Roxbury Community Corporation is the Project sponsor and the 100% shareholder of the general partner, and will be the 99% limited partner of Madison Botolph LP. It is anticipated that at the time of the financial closing (further defined below) for the Project, the sponsor will be replaced as limited partner by an investor who will make capital contributions for the purpose of financing the renovations.

3. Cost of Project; Approved Acquisition, Financing and Renovations. The total cost of the acquisition of the Project is estimated to be approximately \$18,850,000.00, as set forth in Paragraph 2(b) of the Transfer Application and Acquisition Cost and Financing paragraph of the Authority Board memorandum. The approximately \$18,850,000.00 amount includes \$13,400,000.00 payable to NUHousing Corp. and \$5,450,000.00 for the assignment of rights from MPDC to Madison Botolph LP. Sources for financing include the following: a \$10,600,000.00 acquisition mortgage loan from Eastern Bank; a \$3,000,000.00 acquisition mortgage loan from Community Economic Development Assistance Corporation; approximately \$250,000.00 in equity provided by Madison Botolph LP; and \$5,450,000.00 by purchase money note to MPDC (collectively, the “Acquisition Financing”). Within approximately two years of closing of the acquisition financing, Madison Botolph LP intends to finance renovations and provide permanent financing. Permanent financing is anticipated to include tax-exempt bond mortgage loan financing, and equity investments from one or more investors who will become investor limited partners(s) and subordinate financing from MPDC or a related party (collectively, the “Permanent Financing”). The Permanent Financing shall be subject to further review and approval by the Authority. The Acquisition Financing and Permanent Financing is collectively referred to as the “Financial Closing.” In connection with such Financial Closing, Madison Botolph LP will engage in a renovation program as needed including exterior brick

pointing, exterior doors and window replacement, as well as interior renovations. The renovation program shall be subject to design review and approval by Authority staff.

4. Use Restrictions. Madison Botolph LP shall continue to use, operate and maintain the Project as fifty-two (52) units of rental housing affordable to lower income elderly persons and families and subsidized under the Project's existing Section 8 Contract for the period of approximately four years beginning as of the scheduled expiration date of the Project's Chapter 121A status on or about July 26, 2019, and extending through and including the scheduled expiration date of the Project's existing Section 8 Contract on or about August 28, 2023. In addition, in connection with the Financial Closing for the Project, Madison Botolph LP intends to seek from HUD a new Section 8 Contract, which would replace the existing Section 8 Contract and which would be for a 20-year term (such new Section 8 Contract may be required under the Low Income Housing Tax Credit program). The Authority requires that Madison Botolph LP identify the Authority as a third party beneficiary entitled to enforce affordable housing restrictions in any recorded encumbrance or other regulatory agreement(s) that Madison Botolph LP enters into in connection with a new Section 8 Contract, or in connection with the Low Income Housing Tax Credit program for the Project, or any other agreement entered into with DHCD that addresses the requirement for the long-term use of the Project as affordable housing per DHCD's administration of the M.G.L. Chapter 40T regulations.

5. Governmental Approvals. Madison Botolph LP shall file with the Authority contemporaneously with their issuance or execution, copies of any approvals of any other governmental entity, city, state or federal, that may be required.

6. Changes to Original Report and Decision. To enable the transfer of the project from NUHousing Corp to Madison Botolph LP, the Authority approves the following specific changes to the Report and Decision:

a. ***The Project.*** The Project will consist of

(i) The existing fifty-two (52) residential rental units in nine (9) adjoining townhouses located at 351, 353, 355, 357, 359, 361, 363, 365, and 367 Massachusetts Avenue, at the corner of St. Botolph Street, in the South End neighborhood of Boston, Massachusetts.

(ii) The Project includes appurtenant facilities, including commercial/office space and a laundry room.

b. ***The Project Area.*** The Project Area will consist of the original Project Area as conveyed to SBT Associates pursuant to a certain Land Disposition Agreement dated December 31, 1979 between SBT Associates and the Authority, and improved by SBT Associates. Madison Botolph LP will be the fee owner of the Project and Project Area.

c. ***Cost of the Project; Financing.*** The cost of the acquisition of the Project will be as set forth in Paragraph D.3 above.

d. ***Minimum Standards.*** The Owner shall cause the Project to conform to all requirements imposed by HUD and the providers of rental or other subsidies for

the Project. In addition, Madison Botolph LP shall cause the Project to conform to the minimum standards for financing, construction, maintenance and management of such Project as set forth and approved in the Report and Decision, as amended by the First Amendment to Report and Decision and this Second Amendment to Report and Decision. Notwithstanding anything to the contrary of such minimum standards, following the closing of the transfer approved herein, any additional financing or refinancing for the Project, including the Permanent Financing defined in paragraph D.3, may not be implemented without the prior approval from the Authority.

7. General Findings and Determinations. The Authority hereby finds and determines that: (a) the transfer of the original Project, as approved in this Second Amendment to the Report and Decision, does not constitute a “fundamental change” in accordance with Chapter 652, Section 13A; (b) the Madison Botolph LP, based upon the Transfer Application, has the requisite ability to perform the obligations and carry out the duties imposed under Chapters 121A and 652; (c) except to the extent inconsistent with or contrary to the provisions of this Second Amendment to the Report and Decision, all of the findings, determinations, approvals and consents contained in the Amended Report and Decision, including those zoning deviations granted therein, are hereby ratified and confirmed in all respects; and (d) any procedural or other requirements of applicable statutes and rules and regulations, which may not have been compiled with regarding the Transfer Application or the Authority’s proceedings in connection therewith, are hereby waived.

8. Rules and Regulations. Notwithstanding the minimum standards for financing, construction, maintenance and management of the Project or any other rules and regulations set forth or referenced in this Second Amendment to Report and Decision to the contrary, the Authority hereby additionally imposes as rules and regulations on the Project and requires, in connection with the closing on the transfer of the Project to Madison Botolph LP, that Madison Botolph LP, shall: (a) enter into with the Authority a new Regulatory Agreement under Chapter 121A, Section 18C, with such modifications thereto as are acceptable to the Authority’s Director, that shall supersede and replace the Regulatory Agreement described in paragraph A.6 above; and (b) enter into with the City of Boston a new or further amended 6A Contract under Chapter 121A, Section 6A, the terms and conditions of which must be acceptable to the Commissioner of Assessing of the City, that shall supersede and replace the First Amended 6A Contract.

9. Report and Decision. All provisions of the Amended Report and Decision not specifically amended, revised by or inconsistent with, this Second Amendment to the Report and Decision, shall remain in full force and effect.

E. Further Aspects of Second Amendment. Notwithstanding the approval of this Second Amendment to Report and Decision by the Mayor and the filing of the same with the City Clerk, this Second Amendment to Report and Decision shall not be effective to any extent or in any respect until the last date of the following occurs: new Regulatory Agreement and the new 6A Contract required by paragraph D.8 hereof are fully executed.

For all the reasons set forth in the foregoing Paragraphs A through D of this Second Amendment to Report and Decision, the Authority hereby approves the transfer of the Project pursuant to Chapter 121A in the manner described in the Transfer Application and approved

herein and subject to the terms of this Second Amendment to Report and Decision, and without limiting the generality of the foregoing, makes and grants the following determination, agreements, findings and approvals in addition to those set forth above:

10. The Authority specifically waives any requirements of the Authority's Rules and Regulations that this Application is not in conformity with, and makes all other findings under Chapter 121A to permit the Project to proceed in accordance with the Transfer Application, to the extent approved by this Second Amendment to Report and Decision.

11. The Authority agrees that (i) neither the Applicant nor any of their respective partners, venturers, trustees, beneficiaries, shareholders, officers, directors, employers or agents or any of their respective successors and assigns (including, without limitation, mortgagees) or any person or entity directly or indirectly holding any interest in any of the foregoing, shall have any personal liability hereunder or under any agreement or undertaking related hereto specifically set out herein or in any agreements entered into as required hereby; (ii) all of the provisions hereof shall be binding upon and inure to the benefit of the Applicant and its successors and assigns; and (iii) whenever in the future any notice, agreement, consent or any other action is required of the Applicant hereunder, the same shall be treated as authorized and sufficient if given or taken by the Applicant hereunder, the same shall be treated as authorized and sufficient if given or taken by the Applicant or its successors or assigns.

F. Authorization to Execute Documents. The Authority's Director is hereby authorized to execute, in the name and on behalf of the Authority, any and all agreements, instruments or documents required or authorized by this Second Amendment to the Report and Decision and any estoppel certificate or like instruments to and for governmental bodies, lenders or other interested parties, at this discretion, that confirm matters covered by this Second Amendment to the Report and Decision.

G. Severability. In the event any provisions of this Second Amendment to the Report and Decision shall be held to be invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions thereof, or of the original Report and Decision.