

## Preservation of Quincy Tower

### CHA/OWNER Agreement

The Parties to this Agreement are The Cambridge Housing Authority ("CHA"), a public body politic and corporate located at 362 Green Street, Cambridge, MA, and BC Quincy Tower LLC ("Owner"), located at Two Center Plaza, Suite 700, Boston, MA.

WHEREAS: Quincy Tower is a 162-unit elderly apartment complex located in the Chinatown section of Boston, MA, made up of 161 one bedroom apartments and a separate unit occupied by maintenance staff;

WHEREAS: The property's financing and affordability restrictions on all 161 of the units through the Section 236 Program are set to expire and a prepayment of the Section 236 mortgage will occur by the end of 2016;

WHEREAS: The prepayment has triggered the issuance of a special allocation of 161 tenant based Enhanced Vouchers ("EVs") by the U.S. Department of Housing and Urban Development ("HUD") for use by income-eligible residents in the property;

WHEREAS: The Owner is committed to preserving the property as an affordable resource for the community, they intend to convert on turnover, these tenant based EVs to Project Based Voucher ("PBV") assistance under CHA's , Expiring Use Preservation Program, an ongoing initiative through CHA's designation as a Moving to Work ("MTW") authority;

WHEREAS: The owner plans to eventually transition all 161 units into a PBV contract;

WHEREAS: the Owner's intention is to undertake \$25 Million in upgrades in the near future and permanently maintain the affordability of the units;

WHEREAS: The owner and the CHA have agreed to enter into a PBV contract for 161 "backup" units in accordance with the CHA's Expiring Use Preservation Program whereby the 161-unit figure will consist of PBVs that will be assigned to units on turnover;

WHEREAS: HUD has awarded the EVs to the CHA and will be utilized under the CHA's Moving to Work ("MTW") Program;

WHEREAS: Initially, CHA must first certify and lease up eligible residents using the EVs and then, on turnover, convert the vacated units to a PBV contract following certain procedures;

Now therefore the parties agree as follows:

**1. Responsibilities of the Owner**

- a. Upon request of CHA, distribute information, notices, or other documents to residents.
- b. Cooperate with the CHA in coordinating, scheduling, and advertising any meetings and/or inspections with residents.
- c. Provide the CHA with space, including Wi-Fi and printer access on site to meet individually with residents for the purpose of performing income certifications and initial lease up.
- d. Provide the CHA with any and all information that the CHA requires in order to carry out CHA responsibilities under this Agreement, and as the administrator of the vouchers
- e. To enter into a twenty-year Housing Assistance Payments (“HAP”) Contract for 161 “standby” PBV vouchers in the property to be accessed as residents with EVs vacate their unit.
- f. To maintain a waiting list for Quincy Tower based on date of application, preferences, and emergency criteria. When a vacancy is anticipated in a PBV unit at Quincy Tower, the owner or manager notifies the CHA’s Leased Housing Department and the Owner or its manager screens such applicants in accordance with its Tenant Selection Plan, approved by the CHA.
- g. To keep the property affordable for the duration of the contract, with a commitment to renew on comparable terms if such a HAP contract is offered, with the goal of keeping the property affordable in perpetuity.

**2. Responsibilities of the CHA**

- a. To meet with each household and to determine whether the household is eligible to receive an EV.
- b. To arrange and pay for an initial HQS inspection for all assisted units.
- f. To enter into a twenty-year HAP Contract for 161 standby vouchers in the property.
  - The standby vouchers will be accessible upon turnover EV units during the life of the initial HAP contract.
- g. To set gross rents at 120% of the HUD approved Boston Fair Market Rents as follows:

Size	2016 FMR	Initial Gross Rent at 120%
1	\$1,372	\$1,646

- h. The CHA will offer to renew the HAP contract for two, five year terms at expiration, provided that the Owner is in compliance with the contract, subject to continuation of its MTW authority (or alternative authority), and availability of funding from HUD.

3. Compensation

The Owner will pay the CHA a onetime fee of \$80,500 (\$500/unit) to cover the costs associated with the certification and lease up of the EVs for the pledge of "backup" vouchers to enable the parties to enter into a PBV contract for 161 units. This fee will be paid simultaneously with the execution of the PBV HAP contract.

4. Cooperation

The parties agree to work cooperatively to mutually fulfill the objectives of this agreement.

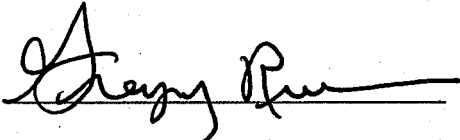
Signed this 21st day of December, 2016.

The Cambridge Housing Authority

BC Quincy Tower LLC

BY: Quincy Tower MM LLC, its Managing Member

By: Beacon Communities Corp., Sole Member



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