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State of Rhode Island and Providence Plantations

OFFICE OF THE SECRETARY OF STATE

CORPORATIONS DIVISION

100 NORTH MAIN STREET

PROVIDENCE, RI 02903

NON-PROFIT CORPORATION

~~ARTICLES OF INCORPORATION~~

ORIGINAL ARTICLES OF INCORPORATION

The undersigned, acting as incorporator(s) of a corporation under Chapter 7-6 of the General Laws, 1956, as amended, adopt(s) the following Articles of Incorporation for such corporation:

FIRST: The name of the corporation is The Richmond Oak Ridge Association

SECOND: The period of its duration (if perpetual, so state) Perpetual

THIRD: The purpose or purposes for which the corporation is organized are:
A community securing affordable homeownership for future generations.

FOURTH: Provisions (if any) for the regulation of the internal affairs of the corporation, including provisions for the distribution of assets on dissolution or final liquidation, are:

(Note 1)

Attachment 1

REC'D & FILED DEC 6 1993
DEC 6 3 51 PM '93
CORPORATIONS DIVISION
OFFICE OF THE SECRETARY OF STATE
PROVIDENCE, RI 02903

FIFTH: The address of the initial registered office of the corporation is P.O. Box 3718,
1202 Kingstown Road, Peace Dale, Rhode Island 02883 (add Zip Code),
and the name of its initial registered agent at such address is: Raymond A. Mastronunzio

Signature

SIXTH: The number of directors constituting the initial Board of Directors of the corporation is 5,
and the names and addresses of the persons who are to serve as the initial directors are:

<i>Name</i>	<i>Address</i>
Charles Thomas	9 Narrows Lane, Narragansett, RI 02882
Robert Hinckley	20-B Hawksbill Way, Charlestown, RI 02813
Kathi Riley	364 Curtis Corner Rd., (321) Peace Dale, RI 02883
Douglas Stewart	22 Old Mountain Rd, Wakefield, RI 02879
Raymond A. Mastronunzio	P.O. Box 3718, 1202 Kingstown Rd. Peace Dale, RI 02883

SEVENTH: The name and address of each incorporator is:

<i>Name</i>	<i>Address</i>
Charles Thomas	9 Narrows Lane, Narragansett, RI 02882
Robert Hibckley	20-B Hawksbill Way, Charlestown, RI 02813
Kathi Riley	364 Curtis Corner Rd., (321) Peace Dale, RI 02883
Douglas Stewart	22 Old Mountain Rd., Wakefield, RI 02879
Raymond A. Mastronunzio	P.O. Box 3718, 1202 Kingstown Rd., Peace Dale, RI 02883

EIGHTH: Date when corporate existence to begin (not more than 30 days after filing of these articles of incorporation): ~~October 28, 1993~~ December 6, 1993

Dated October 28, 1993

Incorporators must sign

Incorporator(s)

NOTE: 1. If no provision for the regulation of the internal affairs of the corporation or for the distribution of assets on dissolution or final liquidation are to be set forth, insert "None." In an appropriate case provisions relating to members, their qualifications and rights (Section 7-6-15) may be inserted here.

PUBLIC OFFERING STATEMENT EXHIBIT B

BYLAWS

OF

THE RICHMOND OAK RIDGE ASSOCIATION

BYLAWS
OF
The Richmond Oak Ridge Association

ARTICLE I

Introduction

These are the Bylaws of the Oak Ridge Condominium Association, Inc.

ARTICLE II

Executive Board

Section 2.1 - Number and Qualification; Termination of Declarant Control:

(a) The affairs of the Condominium Community and the Association shall be governed by an Executive Board which, until the termination of the period of Declarant control, shall consist of three (3) persons, and following such date shall consist of three persons, the majority of whom, excepting the Directors of the executive Board appointed by Declarant, shall be Unit Owners. If any Unit is owned by a partnership or corporation, any officer, partner or employee of that Unit Owner shall be eligible to serve as a Director. The Directors of the Executive Board shall be elected by the Unit Owners except for those appointed by the Declarant. At any meeting at which Directors are to be elected, the Unit Owners may, by resolution adopt specific procedures for conducting the elections, not inconsistent with these Bylaws or the Corporation Laws of the State of Rhode Island.

(b) The terms of at least one-third (1/3) of the Directors shall expire annually, as established in a resolution of the Directors setting terms.

(c) Section 8.8 of the Declaration shall govern appointment of Directors of the executive Board during the period of Declarant control.

(d) The Executive Board shall elect the officers. The Directors and officers shall take office upon election.

(e) At any time after Unit Owners other than the Declarant are entitled to elect a Director, the Association shall call and give not less than ten (10) nor more than sixty (60) days notice of a meeting of the unit Owners for this purpose. Such meeting may be called and the notice given by any Unit Owner if the Association fails to do so.

The Executive Board may:

(f) Institute, defend or intervene in litigation or administration proceedings in its own name on behalf of itself or on behalf of two or more Unit Owners on matters affecting the Condominium Community;

(g) Make contracts and incur liabilities;

(h) Regulate the use, maintenance, repair, replacement and modification of the Common Elements;

(i) Cause additional improvements to be made as a part of the Common Elements;

(j) Acquire, hold, encumber and convey in its own name any right, title or interest to real property or personal property, but Common Elements may be conveyed or subjected to a security interest only pursuant to Section 34-36.1-3.12 of the Act;

(k) Grant easements, and leases, licenses and concessions for no more than one year, or over the Common Elements;

(l) Impose and receive any payments, fees or charges for the use, rental or operation of the Common Elements, other than Limited Common Elements described in Subsections (2) and (4) of Section 34-36.1-2.02 of the Act, and for services provided to Unit Owners;

(m) Impose charges or interest or both for late payment of assessments and, after Notice and Hearing, levy reasonable fines for violations of the Declaration, Bylaws, Rules and Regulations of the Association;

(n) Impose reasonable charges for the preparation and recordation of amendments to the Declaration, resale certificates required by Section 34-36.1-4.09 of the Act or statements of unpaid assessments;

(o) Provide for the indemnification of its officers and Executive Board and maintain Directors' and Officers' liability insurance;

(p) Assign the Association's right to future income, including the right to receive Common Expense assessments, subject to the limitations set forth in Article XX of the Declaration;

(q) Exercise any other powers conferred by the Declaration or Bylaws;

(r) Exercise all other powers that may be exercised in this state by legal entities of the same type as the Association; and

(s) Exercise any other power necessary and proper for the governance and operation of the Association; and

(t) By resolution, establish committees, permanent and standing, to perform any functions above as specifically delegated in the resolution establishing the committee. Any committee must maintain and publish notice of its actions to Unit Owners and the Executive Board. However, actions taken by a committee may be appealed to the Executive Board by any Unit Owner within forty-five (45) days of publication of such notice, and such committee action must be ratified, modified or rejected by the Executive Board at its next regular meeting.

Section 2.3 - Standard of Care: In the performance of their duties, the officers and Directors of the Executive Board are required to exercise (1) if appointed by the Declarant, the care required of fiduciaries of the Unit Owners and (2) if elected by the Unit Owners, ordinary and reasonable care.

Section 2.4 - Additional Limitations: The Executive Board shall be additionally limited pursuant to Article XXVI of the Declaration.

Section 2.5 - Manager: The Executive Board may employ the Condominium Community, a Manager at a compensation established by the Executive Board, to perform such duties and services as the Executive Board shall authorize. The Executive Board may delegate to the Manager only the powers granted to the Executive Board by these Bylaws under subdivisions (c), (e), (g) and (h) of Section 2.2. Licenses, concessions and contracts may be executed by the Manager pursuant to specific resolutions of the Executive Board, and to fulfill the requirements of the budget.

Section 2.6 - Removal of Directors of the Executive Board. The Unit Owners, by a two-thirds (2/3rds) vote of all persons present and entitled to vote at any meeting of the Unit Owners at which a quorum is present, may remove any Director of the Executive Board with or without cause, other than a Director appointed by the Declarant.

Section 2.7 - Vacancies: Vacancies in the Executive Board caused by any reason other than the removal of a Director by a vote of the Unit Owners, may be filled as follows: At a special meeting of the Executive Board held for that purpose at any time after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum, (a) as to vacancies of Executive Board Directors whom Unit Owners other than the Declarant elected, by a majority of the remaining such Directors, constituting the Executive Board, (b) as to vacancies of Directors whom the Declarant has the right to appoint, by the Declarant. Each person so elected or appointed shall be a Director for the remainder of the term of the Director so replaced.

Section 2.8 - Regular Meeting: The first regular meeting of the Executive Board following each annual meeting of the Unit Owners shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Unit Owners at the meeting at which such Executive Board shall have been elected. No notice shall be necessary to the newly elected Directors in order to legally constitute such meeting, providing a majority of the Directors shall be present thereafter. The Executive Board may set a schedule of additional regular meetings by resolution and no further notice is necessary to constitute such regular meetings.

Section 2.9 - Special Meetings: Special Meetings of the Executive Board may be called by the President or by a majority of the Directors at least three (3) business days' notice to each Director. The notice shall be hand delivered or mailed and shall state the time, place and purposes of the meeting.

Section 2.10 - Location of Meetings: All meetings of the Executive Board shall be held within the Common Ownership Community unless all Directors consent in writing to another location.

Section 2.11 - Waiver of Notice: Any Director may waive notice of any meeting in writing. Attendance by a Director at any meeting of the Executive Board shall constitute a waiver of notice. If all the Directors are present at any meeting, no notice shall be required and any business may be transacted at such meeting.

Section 2.12 - Quorum of Board Members: At all meetings of the Executive Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the meeting. If at any meeting there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any adjourned meeting at which a quorum is present any business which might have been transacted at the meeting originally called, may be transacted without further notice.

Section 2.13 - Fidelity Bonds: The Executive Board shall obtain fidelity bonds in an amount which the Executive Board deems reasonable or feasible for all officers, employees and agents of the Association handling or responsible for Association funds. The premiums on the bonds are a Common Expense.

Section 2.14 - Compensation: A Director may receive a fee from the Association for acting as such, as may be set by resolution of the Unit Owners, and reimbursement for necessary expenses actually incurred in connection with his or her duties. Directors acting as officers or employees may also be compensated for such duties.

Section 2.15 - Consent to Corporate Action: If all the Directors or all Directors of a committee established for such purposes, as the case may be, severally or collectively consent in writing to any action taken or to be taken by the Association, and the number of the Directors of the Executive Board or committee constitutes a quorum for such action, such action shall be a valid association action as though it had been authorized at a meeting of the Executive Board or the committee, as the case may be. The Secretary shall file such consents with the minutes of the meetings of the Executive Board.

ARTICLE III

Unit Owners

Section 3.1 - Annual Meeting: Annual meetings shall be held at such time as the Executive Board may designate. At such meeting, the Directors shall be elected by ballot of the Unit Owners, in accordance with the provisions of Article II of the Bylaws. The Unit Owners may transact such other business at such meeting as may properly come before them.

Section 3.2 - Budget Meeting: Meetings to consider the proposed budget shall be called in accordance with Sections 19.4 and 19.5 of the Declaration. The budget may be considered at Annual or Special meetings called for other purposes as well.

Section 3.3 - Place of Meetings: Meetings of the Unit Owners shall be held at such suitable place convenient to the Unit Owners as may be designated by the Executive Board or the President.

Section 3.4 - Special Meetings: Special meetings of the Association may be called by the President, a majority of the Executive Board, or by Unit Owners having twenty (20%) percent of the Votes in the Association.

Section 3.5 - Notice of Meetings: Except for budget meetings, for which notice shall be given in accordance with Sections 19.4 and 19.5 of the Declaration, the Secretary or other officer specified in the Bylaws shall cause notice to be hand delivered or sent prepaid by United States mail to the mailing address of each Unit or to any other mailing address designated in writing by the Unit Owner not less than ten (10) nor more than sixty (60) days in advance of any meeting. The notice of any meeting shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws, any budget changes and any proposal to remove an officer or Director. No action shall be adopted at a meeting except as stated in the notice.

Section 3.6 - Adjournment of Meeting: At any meeting of Unit Owners, a majority of the Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to another time.

Section 3.7 - Order of Business: The order of business at all meetings of the Unit Owners shall be as follows:

- (a) Roll call (or check-in procedure);
- (b) Proof of notice of meeting;
- (c) Reading of minutes of preceding meeting;
- (d) Reports;
- (e) Establish number and term of memberships of the Executive Board (if required and noticed);
- (f) Election of inspectors of election (when required);
- (g) Election of Directors of the Executive Board (when required);
- (h) Ratification of Budget (if required);
- (i) Unfinished business; and
- (j) New business.

Section 3.8 - Voting:

(a) If only one of several owners of a Unit is present at a meeting of the Association, that owner is entitled to cast all the votes allocated to that Unit. If more than one of the owners are present, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the owners. There is majority agreement if any one of the owners cast the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit.

(b) Votes allocated to a Unit may be cast pursuant to a proxy duly executed by a Unit Owner. If a Unit is owned by more than one person, each owner of the Unit may vote or register protest to the casting of Votes by the other owners of the Unit through a duly executed proxy. A Unit Owner may revoke a proxy given pursuant to this section only by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates one (1) year after its date unless it specifies a shorter term.

(c) The Vote of a corporation or business trust may be cast by any officer of such corporation or business trust in the absence of express notice of the designation of a specific person by the Executive Board or Bylaws of the owning corporation or business trust. The Vote of a partnership may be cast by any general partner of the owning partnership in the absence of express notice of the designation of a specific person by the owning partnership. The moderator of the meeting may require reasonable evidence that a person voting on behalf of a corporation, partnership or business trust owner is qualified so to vote.

(d) No votes allocated to a Unit owned by the Association may be cast.

Section 3.9 - Quorum: Except as otherwise provided in these Bylaws, the Unit Owners present in person or by proxy, at any meeting of Unit Owners shall constitute a quorum at all meetings of the Unit Owners.

Section 3.10 - Majority Vote: The Vote of a majority of the Unit Owners present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where in the Declaration or these Bylaws or by law, a higher percentage Vote is required.

Section 3.11 - Waiver of Notice: Any Unit Owner may, at any time, waive notice of any meeting of the Unit Owners in writing, and such waiver shall be deemed equivalent to the receipt of such Notice.

ARTICLE IV

Officers

Section 4.1 - Designation: The principal officers of the Association shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Executive Board. The Executive Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its judgment may be necessary. The President and Vice President, but no other officers, need be Directors of the Executive Board. Any two offices may be held by the same person, except the offices of President and Vice President, and the offices of President and Secretary. The office of Vice President may be vacant.

Section 4.2 - Election of Officers: The Officers of the Association shall be elected annually by the Executive Board at the organization meeting of each new Executive Board and shall hold office at the pleasure of the Executive Board.

Section 4.3 - Removal of Officers: Upon the affirmative Vote of a majority of the Directors of the Executive Board, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Executive Board, or at any special meeting of the Executive Board called for that purpose.

Section 4.4 - President: The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Unit Owners and of the Executive Board. He shall have all of the general powers and duties which are incident to the office of President of a nonstock corporation organized under the Laws of the State of Rhode Island, including but not limited to the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association. He may fulfill the role of Treasurer in the absence of the Treasurer. The President may cause to be prepared and may execute amendments to the Declaration and the Bylaws on behalf of the Association, following authorization by the approval of the particular amendment as applicable.

Section 4.5 - Vice President: The Vice President shall take the place of the President and perform his duties whenever the President is absent or unable to act. If neither the President nor the Vice President is able to act, the Executive Board shall appoint some other Director of the Executive Board to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as may be imposed upon him by the Executive Board or by the President.

Section 4.6 - Secretary: The Secretary shall keep the minutes of all meetings of the Unit Owners and the Executive Board; he shall have charge of such books and papers as the Executive Board may direct; and he shall, in general, perform all the duties incident to the office of Secretary of an association organized under the laws of the State of Rhode Island. The Secretary may cause to be prepared and may execute amendments to the Declaration and the Bylaws on behalf of the Association, following authorization by the approval of the particular amendment as applicable.

Section 4.7 - Treasurer: The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data. He shall be responsible for the deposit of all monies and other valuable effects in such depositories as may from time to time be designated by the Executive Board, and he shall, in general, perform all the duties incident to the office of Treasurer of a nonstock corporation organized under the Laws of the State of Rhode Island. He may endorse on behalf of the Association for collection only, checks, notes and other obligations, and shall deposit the same and all monies in the name of and to the credit of the Association in such banks as the Executive Board may designate. He may have custody of and shall have the

power to endorse for transfer on behalf of the Association stock, securities or other investment instruments owned or controlled by the Association, or as fiduciary for others.

Section 4.8 - Agreements, Contracts, Deeds, Checks, etc: Except as provided in Section 4.4, 4.6, 4.7 and 4.10 of these Bylaws and Section 27.6 of the Declaration, all agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by any officers of the Association or by such other person or persons as may be designated by the Executive Board.

Section 4.9 - Compensation: An officer may receive a fee from the Association for acting as such, as may be set, by resolution of the Unit Owners, and reimbursement for necessary expenses actually incurred in connection with his or her duties.

Section 4.10 - Resale Certificates and Statements of Unpaid Assessments: The Treasurer, Assistant Treasurer, or a Manager employed by the Association, or, in their absence, any officer having access to the books and records of the Association, may prepare, certify, and execute resale certificates in accordance with Section 34-36.1-4.09 of the Act and statements of unpaid assessments in accordance with Section 34-36.1-3.16(h) of the Act.

The Association may charge a reasonable fee for preparing resale certificates and statements of unpaid assessments. The amount of this fee and the time of payment shall be established by resolution of the Executive Board. The Association may refuse to furnish resale certificates and statements of unpaid assessments until the fee is paid. Any unpaid fees may be assessed as a Common Expense against the Unit for which the certificate or statement is furnished.

ARTICLE V

Operation of the Property

Section 5.1 - Abatement and Enjoinment of Violations by Unit Owners: The violation of any of the Rules adopted by the Executive Board or the breach of any provisions of the instruments shall give the Executive Board the right, subject to notice and hearing, except in case of an emergency, in addition to any other rights set forth in these Bylaws:

(a) to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition except for additions or alterations of a permanent nature that may exist therein

contrary to the intent and meaning of the provisions hereof, and the Executive Board shall not thereby be deemed liable for any manner of trespass; or

(b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 5.2 - Fine for Violation: By resolution, following notice and hearing, the Executive Board may levy a fine of up to Twenty-Five (\$25.00) Dollars per day for each day that a violation of the Instruments or Rules persists after such notice and hearing, but such amount shall not exceed that amount necessary to insure compliance with the rule or order of the Executive Board.

ARTICLE VI

Indemnification

The Directors of the Executive Board and officers of the Association shall have the liabilities, and be entitled to indemnification, as provided in Rhode Island General Laws, 1956, as amended, (the provisions of which are hereby incorporated by reference and made a part hereof).

ARTICLE VII

Records

Section 7.1 - Records and Audits: The Association shall maintain financial records which shall be maintained and audited in accordance with Article XVIII of the Declaration. The cost of the audit shall be a Common Expense unless otherwise provided in the Documents. The Association shall maintain current copies of the Declaration, Bylaws, Rules and Regulations and Records.

Section 7.2 - Examination: All records maintained by the Association or by the Manager shall be available for examination and copying by any Unit Owner, by any mortgagee of a Unit, or by any of their duly authorized agents or attorneys, at the expense of the person examining the records, during normal business hours and after reasonable notice.

Section 7.3 - Statutory Records: The Association shall keep financial records sufficiently detailed to enable the Association to comply with Sections 34-36.3.18 and 34-36.1-4.09 of the Act as follows:

(a) An account for each Unit which shall designate the name and address of each Unit Owner, the name and address of each mortgagee, who

has given notice to the Association that it holds a mortgage on the Unit, the amount of each Common Expense assessment, the dates on which each assessment comes due, the amounts paid on the account, and the balance due;

(b) An account for each Unit Owner showing any other fees payable by each Unit Owner;

(c) A record of any capital expenditures anticipated by the Association for the current and next succeeding fiscal year;

(d) A record of the amount and an accurate account of the current balance of any reserves for capital expenditures, replacement and emergency repairs;

(e) The current operating budget adopted pursuant to Section 34-36.1-3.15(a) of the Act and ratified pursuant to the procedures of Section 34-36.1-3.03(c);

(f) A record of any unsatisfied judgments against the Association and the existence of any pending suits in which the Association is a defendant;

(g) A record of insurance coverage provided for the benefit of Unit Owners and the Association;

(h) A record of the actual cost, irrespective of discounts and allowances, of the maintenance of the Common Elements;

(i) Annually the Association shall prepare a balance sheet showing the financial condition of the Association as of a date not more than four (4) months prior thereto, and a statement of receipts and disbursements for twelve (12) months prior to that date. The balance sheet and statement shall be kept for at least ten years from such date in the principal office of the Association;

(j) Tax returns for state and federal income taxation;

(k) Minutes of proceedings of the incorporators, Unit Owners, Directors, committees of Directors and waivers of notice.

Section 7.4 - Form Resale Certificate: The Executive Board shall adopt a form resale certificate to satisfy the requirement of Section 34-36.1-4.09 of the Act.

ARTICLE VIII

Miscellaneous

Section 8.1 - Notices: All notices to the Association or the Executive Board shall be delivered to the Office Manager, or if there is no Manager, to the office of the Association, or to such other addresses as the Executive Board may hereafter designate from time to time, by notice in writing to all Unit Owners and to all mortgagees of Units. Except as otherwise provided, all notices to any Unit Owner shall be sent to this address as it appears in the records of the Association. All notices to the mortgagees of Units shall be sent, except where a different manner of notice is specified elsewhere in the Instruments, by registered or certified mail to their respective addresses, as designated by them from time to time, in writing, to the Executive Board. All notices shall be deemed to have been given when mailed, except notices of changes of address which shall be deemed to have been given when received.

Section 8.2 - Fiscal Year: The Executive Board shall establish the fiscal year of the Association.

Section 8.3 - Waiver: No restriction, condition, obligation, or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 8.4 - Office: The principal office of the Association shall be on the Property or at such other place as the Executive Board may from time to time designate.

ARTICLE IX

Amendments to Bylaws

They Bylaws may be amended only pursuant to the provisions of Article XVI of the Declaration.

Certified to be the Bylaws adopted by vote of the Directors the Oak Ridge Condominium Association, Inc.

Dated:

Director

GROUND LEASE

THIS GROUND LEASE made and entered into this _____ day of _____, 19 __, by and between Action Community Land Trust (ACLT), as Lessor, and Oak Ridge Homeowners Condominium Association, as Lessee.

WHEREAS, Action Community Land Trust is a not for profit Corporation under the Rhode Island General Laws and is organized exclusively as a perpetual Corporation for purposes including: development and preservation of decent, affordable housing for low and moderate income people in the Washington County area; the promotion of neighborhood stability and improvement in low-income communities in the Washington County area; and the creation of home ownership opportunities for low and moderate income people, who otherwise would be denied such opportunities because of limited financial resources;

WHEREAS, the goal of ACLT is to stimulate the conveyance of decent, affordable housing among low and moderate income people by providing access for such people to land at affordable prices through the long-term leasing of land under said housing; and

WHEREAS, the leased premises described hereunder have been acquired and are being leased by ACLT in furtherance of these charitable purposes; and

WHEREAS, the Lessee shares the purposes and goals of ACLT and has agreed to enter into this Lease not only to obtain the benefits of decent and affordable housing for themselves, but also to further the non-profit purposes of the Lessor; and

WHEREAS, Lessor and Lessee recognize the special nature of the terms and conditions of the Lease and each of the parties hereto, freely accepts said terms and conditions, including, without limitation, such terms and conditions as might affect the marketability or resale price of any residential structures or other improvements on the leased premises; and

WHEREAS, it is mutually understood and accepted by Lessor and Lessee and CUO that the terms and conditions of this Lease further the parties' shared goal of preserving access to land and the availability of decent, affordable housing and home ownership opportunities for low and moderate income people over an extended period of time and through a succession of owners;

WHEREAS, it is understood that Lessor has obtained federal funds pursuant to the HOME program that has made possible the affordability of the subject premises and that said program mandates resale restrictions on the subject premises and improvements;

WHEREAS, it is understood and agreed that the provisions of this ground lease shall be applicable to all condominium unit owners (CUO) of the project and that the terms and conditions herein shall be incorporated by reference into the Oak Ridge Homeowners Condominium Documents and Deeds of the transfer shall constitute a restriction on the individual condominium units.

NOW THEREFORE, in consideration of the foregoing recitals of mutual promises of the parties hereto, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I: DEMISE OF LEASED PREMISES

1. Premises: The Lessor, in consideration of the rents reserved and the terms, conditions, covenants and agreements herein, does hereby demise and leave unto Lessee, and Lessee does hereby take and hire from Lessor, its successors or assigns, the property to be referred to in this Lease as the Leased Premises. This property is described in Exhibit PREMISES, attached hereto as Exhibit A, and incorporated by reference herein. Lessor has furnished to Lessee a copy of the title report obtained by Lessor for the Premises (or for which the Premises are a part), and Lessee accepts title to the Leased Premises in their condition "as is" as of the execution hereof.

ARTICLE II: DURATION OF LEASE

2.1 PRINCIPAL TERM: The term of this lease shall be 99 years, commencing on the _____ day of _____, 19____, and terminating on the _____ day of _____, 20____, unless terminated sooner as provided herein.

2.2 LESSEE'S OPTION TO EXTEND: Lessee may extend the principal term of this Lease for an additional period of 99 years, subject to all of the provisions of this Lease. Lessee's right to exercise the option to extend is subject to the following conditions: this Lease shall be in effect at the time notice of exercise is given and on the last day of the term; and the Lessee or any CUO shall not then be in default under any provision of this Lease or any loan documents between any CUO and any Permitted Mortgagee. In order to extend the term of this Lease Lessee shall give Lessor written notice, not more than 365 nor less than 180 days before the last day of the current term, irrevocably exercising the option to extend. Each party shall then, at the request of the other, execute a memorandum, in recordable form, acknowledging the fact that the option had been exercised and otherwise complying with the requirements of law for an effective memorandum or notice of lease.

2.3 CHANGE OF LESSOR; LESSEES' RIGHT TO PURCHASE: In the event that ownership of and title to the Land on which the Improvements are located (the "Land") is conveyed by Lessor to any other person or entity, this Lease shall not cease, but shall remain binding and unaffected. However, in the event Lessor desires to sell or convey the Land to any person or entity other than to a non-profit corporation, charitable trust, governmental agency or other similar entity substantially sharing the goals and objectives set forth in the Recitals above and the Land constitutes a separate and distinct lot recognized by municipal zoning ordinance, then the Lessee shall have a right of first refusal to purchase the land at fair market value.

ARTICLE III: USE OF LEASED PREMISES

3.1 RESIDENTIAL USE ONLY: [Lessee] The Condominium Unit Owner (CUO) shall use, and shall cause all occupants thereof to use, the Leased premises and any buildings, structures or other improvements now or in the future thereon (the "Improvements") only for residential purposes and such incidental activities related to residential use as are permitted by state and local Zoning Regulations as amended from time to time. [Lessee] CUO agrees and acknowledges that the foregoing limitations, all other conditions and restrictions contained herein, and any conditions and restrictions set forth in Exhibit RESTRICTIONS (which Exhibit is annexed hereto and incorporated herein by reference), are essential to the fulfillment of the charitable purposes of Lessor and are conditions and restrictions on the use of the Leased Premises intended to run the full term of this Ground Lease.

3.2 RESPONSIBLE USE: Lessee and CUO shall use the Leased Premises in a manner so as not to cause real harm nor create any nuisances, public or private; and shall dispose of any all waste in a safe and sanitary manner.

3.3 RESPONSIBLE FOR OTHERS: [Lessee] CUO shall be responsible for the proper use of the Leased Premises by members of Lessee's family, their friends or visitors, or anyone else using the property with their consent, and shall make them aware of the spirit, intent and appropriate terms of this Lease. Pursuant to HOME Program regulations [Lessee] CUO is not permitted to sublease the subject premises during the first fifteen (15) years of this Lease or for so long as the Secretary of HUD is the holder or insurer of any mortgage on the subject premises, whichever is longer.

3.4 OCCUPANCY: [Lessee] CUO shall occupy the Lease Premises as their principal residence, which is defined as the dwelling where the mortgagor maintains (or will maintain his or her permanent place of abode, and typically spends (or will spend) the majority of the calendar year. A person may have only one principal residence at a time. Occupancy by CUO's children or other family members or dependents shall be deemed occupancy by CUO. Failure of the [Lessee] CUO to occupy the Leased Premises as required by this paragraph shall not be grounds to terminate the lease, but shall entitle Lessor to exercise the option to purchase as provided for under Article 9.5 below.

3.5 INSPECTION: Lessor may inspect any portion of the Leased Premises at reasonable time and in any reasonable manner, upon at least forty-eight (48) hours notice to [Lessee] CUO.

3.6 LESSEE'S RIGHT TO PEACEFUL ENJOYMENT: [Lessee] CUO has the right to undisturbed enjoyment of the Leased Premises, and Lessor has no desire or intention to interfere with the personal lives, associations, expressions, or actions of [Lessee] C.U.O. subject to the terms, covenants, conditions, provisions, restrictions, or reservations of this Lease.

3.7 CONDITION OF LEASED PREMISES: [Lessee] and CUO agree that [Lessee] and CUO shall maintain the Leased Premises and Improvements in good, safe, and habitable condition in all respects, and in full compliance with all applicable laws, ordinances, rules and regulations of any governmental authority with jurisdiction.

ARTICLE IV: LEASE FEE

4.1 In consideration of the possession, continued use and occupancy of the Leased Premises, Lessee shall pay to Lessor a monthly lease fee, as follows, and subject to adjustment as hereinafter provided:

- (a) a land use fee of \$200; plus
- (b) an administrative fee of \$100; plus
- (c) one-twelfth (1/12) of the annual insurance premiums for liability insurance as Lessor may from time to time carry with respect to the Leased Premises; plus
- (d) if taxes on the land or Improvements are assessed directly against Lessor, Lessee shall pay its share as an additional Lease Fee as provided in Article V, Section 5.1.

4.2 CALCULATION AND ADJUSTMENT OF LEASE FEE: The lease fee may be adjusted once annually, effective October 1, each and every year following the third year from date of closing. Notice will be given to Lessees as to any changes to the lease fee no later than 30 days prior to the effective date of the change. Changes to specific components (as outlined in Article 4.1 are above) of the lease fee shall be adjusted as follows:

Items 4.1 (a) may be adjusted at Lessor's discretion, but in no event may there be an increase in these items exceeding 2% over the prior year's assessment, and in no event may the total lease fee exceed 12% of original HUD Assessment or \$1,600 per month.

Item 4.1 (b) may be adjusted at Lessors' discretion but in no event may there be an increase exceeding 15% of the prior year's assessment or \$25.00 whichever is the lesser.

For Items 4.1 c & d, Lessor shall use the actual cost amounts for said components when available and best good faith estimate when the cost amounts are not available.

(a) In the case of a foreclosure pursuant to Article 9.9 where the resale restriction has been waived, the Lessor reserves the right to adjust the lease fee to reflect the market value of the land. The annual lease fee shall not exceed twelve percent (12%) of the site value.

4.3 PAYMENT OF LEASE FEE: The Lease Fee shall be payable at Lessor's principal address on the first day of each month of each year of the term hereof. In the event this Lease Agreement commences between any of the aforesaid payment dates, a pro-rata

portion of such balance of the Lease Fee shall be paid for such month at the time of the execution hereof plus the next month's lease fee in advance.

4.4 REDUCTION, DELAY, OR WAIVER OF LEASE FEE: At its sole discretion, the Lessor may reduce, delay, or waive entirely the Lease Fee at any time in consideration of the personal hardship or incapacity of a Unit Owner, or their general ability to pay. The intent of this section is to foster occupancy by the [Lessee] CUO despite the occurrence of unforeseeable financial and personal hardship if that is reasonably possible.

ARTICLE V: TAXES AND ASSESSMENTS

5.1 LESSEE'S RESPONSIBILITY FOR TAXES AND ASSESSMENTS ON IMPROVEMENTS: Lessee shall be responsible for all taxes and assessments, including water and sewer, no matter how designated, that relate to land and the Improvements located on the Leased Premises. Lessee shall pay promptly when due such taxes and assessments directly to the taxing authority or approved mortgagee as set forth in mortgage documents. Lessee shall also pay, when due, all service bills, utilities charges, including water and sewer, or other governmental assessments charged against the Leased Premises, as directed by Lessor. Upon the release of the permitted mortgage or if the mortgagee fails to escrow any tax or if taxes are billed directly to Lessor, the Lessor shall have the right to include the taxes due on the land and the Improvements as part of the lease fee as follows:

One-twelfth (1/12) of (i) the annual real estate taxes per month attributable to the Improvements and (ii) the annual real estate taxes per month attributable to the leased land and (iii) any other municipal charges whatsoever applicable to the ownership or use of the Land or Improvements.

5.2 LESSEE'S RIGHT TO CONTEST: Upon written request, Lessee shall have the right to cause Lessor to contest the amount or validity of any tax or assessment for which Lessee is responsible pursuant to 5.1 above if said contest cannot be made in lessee's name only. Lessee may institute such proceedings as Lessee considers necessary. Lessor shall, upon written request by Lessee, join in any such proceedings if Lessee shall reasonably determine that it shall be necessary or convenient for Lessor to so join in order for Lessee to prosecute such proceedings. If Lessor determines it is to the benefit of the Lessor and Lessee, Lessor is empowered to bring an appeal on behalf of itself and Lessees. All costs and expenses of such proceedings shall be paid by Lessee.

5.3 PAYMENTS IN EVENT OF DELINQUENCY: In the event that Lessee fails to pay the taxes or assessments as required above, Lessor shall have the right to increase Lease Fee payments in such amounts so that the total sum collected will offset the cost of any delinquent and current taxes on land or improvements located on the Leased Premises, and make such payments in a timely manner.

5.4 PROOF OF COMPLIANCE: In the month following such payment, each party will furnish evidence satisfactory to the other documenting the payment of all taxes, assessments, and charges, as required by the provisions of this Lease. A photocopy of a paid receipt for such charges showing payment prior to the due date thereof shall be the usual method of furnishing such evidence.

ARTICLE VI: IMPROVEMENTS

6.1 OWNERSHIP: It is expressly understood and agreed that any and all Improvements and fixtures purchased by the Lessee or CUO or constructed, placed, or maintained by the [Lessee] CUO upon any part of the Leased Premises at any time during the term of this Lease, shall be and remain property of the Lessee or CUO. Title to such Improvements and fixtures shall be and remain vested in the Lessee or CUO. It is expressly agreed that said improvements may not be severed from the leased premises without the express written permission of the Lessor. Lessee and CUO acknowledge that Lessee's exercise of the rights of ownership is subject, however, to the provisions hereof, in particular Article IX below, regarding the disposition of Improvements by the Lessee or CUO and the Lessor's option to purchase the Improvements.

6.2 PURCHASE OF IMPROVEMENTS BY LESSEE: Lessor has sold and conveyed the Improvements now located on the Leased Premises and described in the Deed, recorded immediately prior hereto.

6.3 CONSTRUCTION AND ALTERATION: Any construction in connection with an existing or new Improvement is subject to the following conditions: (a) all costs shall be borne and paid for by the Lessee; (b) All construction shall be performed in a worker like manner and shall comply with all applicable laws, ordinances and regulations, including the requirements of local and state public health authorities; (c) all construction must be consistent with the permitted uses set forth in Article III; (d) all construction must not be unreasonably hazardous; (e) no in-ground pools will be permitted; (f) all construction shall comply with local lot coverage and setback requirements and if the leased Premises are part of a larger parcel, local setback and lot coverage requirements shall apply to the leased premises with respect to the survey lines delineated for the leased parcel of land in the same manner as if said leased parcel were a locally designated lot.

6.4 PROHIBITION OF LIENS: No lien for services, labor or materials resulting from Lessee's capital improvements shall attach to the Lessor's title to the Leased Premises or to any other lands owned by the Lessor. The Lessee shall not suffer or permit any vendor's, mechanic's, laborer's, or materialman's statutory or similar lien to be filed against the Premises, or any improvements thereon. Lessee shall within 60 days after notice of the filing thereof, cause the same to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or as otherwise permitted by law. If Lessee shall fail to cause such lien to be discharged within the period aforesaid, then, in addition to any other right or remedy of Lessor, Lessor, may, but shall not be obligated to, discharge the same by paying the amount in question. Lessee, in good faith and at Lessee's expense, may contest the validity of any such asserted lien, provided

Lessee has furnished a bond in an amount set by statute or otherwise sufficient to release the Leased Premises from such lien. Any amounts paid by Lessor hereunder shall be deemed to be an additional Lease Fee payable by Lessee upon demand.

6.5 MAINTENANCE: Lessee shall at Lessee's sole expense, maintain the Leased Premises and Improvements in accordance with all applicable laws, rules, ordinances, orders and regulations of all governmental agencies and entities with jurisdiction and all insurance companies insuring all or any part of the Leased Premises or Improvements. Lessor shall not be required to furnish any services or facilities, including but not limited to heat, electricity, air conditioning or water, or to make any repairs to the Leased Premises or Improvements, and Lessee hereby assumes the full and sole responsibility for furnishing all services or facilities.

6.6 DISPOSITION OF IMPROVEMENTS UPON EXPIRATION OF LEASE TERM: Upon the expiration of the term hereof or sooner terminated in accordance with this Lease, Ground Lessee shall yield up and surrender the Improvements together with the Leased Premises to the Lessor. The Improvements shall thereupon revert in Title to Lessor subject to existing mortgages.

ARTICLE VII FINANCING

7.1 PERMITTED MORTGAGES ONLY: Lessee or condominium unit owner (CUO) shall not mortgage, pledge or encumber the Improvements or any portion thereof or interest therein except through a Permitted Mortgage. For the purposes of this Lease, a "Permitted Mortgage" shall be a mortgage:

- i. which shall run in favor of either (a) a so called "institutional lender" such as, but not limited to, a federal, state, or local housing finance agency, a bank (including savings and loan association, an insurance company, a pension and/or profit-sharing fund or trust, or any combination of the foregoing), the policies and procedures of which institutional lender are subject to direct governmental supervision,) or b) a "community loan fund," and which has a first lien on the Improvements. The holder of a permitted mortgage, including HUD, shall be deemed a permitted mortgagee.
- ii. which shall provide among other things, that in the event of a default in any of the mortgagees obligations thereunder, the holder thereof shall notify Lessor of such fact and Lessor shall have the right (but shall not have the obligation) within 120 days after its receipt of such notice, to cure such default in the mortgagor's name and on mortgagor's behalf, provided that current payments due the holder during such 120 day period (or such lesser time period as may have been required to cure such default) are made to the holder.

- iii. which shall provide, among other things, that if after such cure period the Permitted Mortgagee intends to accelerate the Note secured by such Permitted Mortgage or initiate foreclosure proceedings under the Permitted Mortgage, all in accordance with this Section 7.1, the Permitted Mortgagee shall first notify Lessor of its intention to do so and Lessor shall have the right but not the obligation, upon notifying the Permitted Mortgagee within thirty (30) days of receipt of said notice from Permitted Mortgagee, to pay off the indebtedness secured by the Permitted Mortgage and to acquire the interest of Permitted Mortgagee in and to the Improvements.
- iv. Notwithstanding the notice requirements set forth above in Sections 7.1 ii & iii, if HUD is the holder of the mortgage, HUD shall be under no obligation to provide the notices required thereunder. However, HUD will provide Lessor an opportunity to cure or pay off the indebtedness if HUD is provided a notice from Lessor of its intention to do so within the time frames and under the conditions set forth in the above said Sections.

7.2 Not less than ten (10) days prior to the date on which [Lessee] CUO shall request Lessor's consent to a mortgage, [Lessee] CUO shall furnish to Lessor true and correct copies of each and every document and instrument to be executed in connection with the transaction represented by such mortgage, and, notwithstanding anything to the contrary contained herein, Lessor shall not be required to consent to such mortgage unless:

- i. the mortgage so submitted shall be a Permitted Mortgage;
- ii. at the time of such submission and at the time proposed by [Lessee] CUO for the execution of such documents, no default shall then be outstanding under this Lease;
- iii. such Permitted Mortgage and related documentation shall contain no provisions other than provisions generally contained in mortgages used for similar transactions in the State of Rhode Island by institutional mortgagees;
- iv. such Permitted Mortgage and related documentation shall contain no provisions which shall or could be construed as rendering Lessor or any subsequent holder of the Lessor's interest in and to this Lease, or their respective heirs, executors, successors or assigns, personally liable for the payment of the debt evidenced by such note and Permitted Mortgage or any part thereof;
- v. such Permitted Mortgage and related documentation shall contain provisions to the effect that the holder of the Permitted Mortgage shall not look to Lessor, but will look solely to [Lessee] CUO, the Leasehold Estate, Improvements, or such other buildings and improvements which may from time to time exist on the Premises of the payment of the debt secured

thereby or any part thereof. It is the intention of the parties hereto that Lessor shall consent to such Permitted Mortgage for the sole and exclusive purpose of allowing [Lessee] CUO to obtain financing for the acquisition construction or rehabilitation of the Improvements without any liability on the part of the Lessor for any deficiency judgment;

- vi. such Permitted Mortgage and related documentation provides that in the event any part of the Improvements is taken in condemnation or by right of eminent domain, the proceeds of the award shall be paid over by the holder of the Permitted Mortgage in accordance with the provisions of ARTICLE VIII hereof;
- vii. such Permitted Mortgage and related documentation provides that nothing contained in the Permitted Mortgage or such related documentation shall obligate Lessor to execute an assignment of the rent payable by the Lessee to Lessor under the terms of this Lease.

7.3 Any Permitted Mortgagee shall have the right, but not the obligation, without requirement of consent by the Lessor to:

- i. cure any default under this Lease, and to perform any obligation required hereunder, and any such cure of performance by Permitted Mortgagee shall be effective as if the same had been undertaken and performed by [Lessee] CUO; and
- ii. acquire and convey, assign, transfer and exercise any right, remedy or privilege granted to [Lessee] CUO by this Lease or otherwise by law, subject to the provisions, if any, in said Permitted Mortgage limiting any exercise of any such right, remedy or privilege; and
- iii. rely upon and enforce any provisions of this Lease to the extent that such provisions are for the benefit of a Permitted Mortgagee.

A Permitted Mortgagee shall have the right to correct the [Lessee's] CUO default within 120 days from the Permitted Mortgagee's receipt of a notice to terminate this lease or such further time as may be necessary to complete the foreclosure.

A Permitted Mortgagee shall not, as a condition to the exercise of its rights hereunder, be required to assume personal liability for the payment and performance of the obligations of the [Lessee] CUO hereunder. Any such payment or performance or other act by Permitted Mortgagee hereunder shall not be construed as an agreement by Permitted Mortgagee to assume such personal liability except to the extent Permitted Mortgagee actually takes possession of the Improvements and the Leasehold Estate or collects fees or rentals from [Lessee] CUO; provided, however, that in the event the Permitted Mortgagee transfers the Improvements to a purchaser of the same (other than permitted Mortgagee at any judicial or statutory foreclosure sale or trustee's sale of Tenant's interest hereunder) any such transferee shall be required to enter into a written agreement assuming such personal past due and future liability, and upon any

assumption, the Permitted Mortgagee shall automatically be released from personal liability thereunder.

7.4 Any amendments to this Lease shall be subject to the written approval of Permitted Mortgagee, and the insurer of that permitted mortgage, which approval shall not be unreasonably withheld or delayed. The passage of thirty (30) days after submittal to Permitted Mortgagee or HUD of such requested amendments without approval or disapproval by Permitted Mortgagee shall be deemed approval thereof.

7.5 The Lessor shall have no right to cancel this Lease if the Permitted Mortgagee has commenced foreclosure and is diligently pursuing the same.

7.6 Notwithstanding anything contained in this Lease to the contrary, in the event of foreclosure by a Permitted Mortgagee or the delivery of a deed to a Permitted Mortgagee in lieu of foreclosure, at the election of the Permitted Mortgagee:

- i. the provisions of Article III, Section 3.4 and 3.5 shall be suspended during the period of mortgagee's ownership.

7.7 The provisions set forth in this Article VII shall be binding upon and inure to the benefit of the successors, assigns and personal representatives of Lessor, Lessee, any C.U.O. and Permitted Mortgagee.

7.8 Whenever in this Article notice is to be given to Permitted Mortgagee, such notice shall be given in the manner set forth in Article XIII, Section 13.1 of this Lease to the Permitted Mortgagee at the address given by the Permitted Mortgagee to Lessor by written notice to Lessor sent in the manner set forth in Article XIII, Section 13.1 of this Lease.

7.9 [Lessee] CUO shall pay to Lessor on demand at Lessor's option, as additional lease fee hereunder, all fees, costs and expenses, including, without limitation, reasonable attorneys fees, incurred by Lessor in connection with any Permitted Mortgage.

7.10 The ownership of both the fee simple title and the Leasehold Estate by the same owner will not effect a merger of such estates while either estate is encumbered by a mortgage, without the written consent of the mortgagee.

ARTICLE VIII: LIABILITY, INSURANCE, DAMAGE AND DESTRUCTION, EMINENT DOMAIN

8.1 **LESSEES' LIABILITY:** Lessee and CUO assume responsibility and liability, to any and all persons and authorities, related to its possession, occupancy and use of the Leased Premises.

8.2 INDEMNIFICATION OF LESSOR: Lessor shall not be liable, and Lessee and CUO shall defend, indemnify and hold Lessor harmless against all liability and claims of liability, for damage or injury to person or property on the Leased Premises from any cause. Lessee and CUO waives all claims against Lessor for damage or injury to person or property on or about the leased Premises arising, or asserted to have arisen, on or about the Leased premises from any cause whatsoever. Notwithstanding the foregoing two sentences, Lessor shall remain fully liable (and Lessee shall not indemnify and defend Lessor against nor waive such claims of liability) for damage or injury due to the negligent or intentional acts or omission of Lessor or Lessor's agents or employees.

8.3 PAYMENT BY LESSOR: In the event the Lessor shall be required to pay any sum whatsoever which is the Lessee's [or CUO's] responsibility or liability, the Lessee shall reimburse the Lessor therefore and for reasonable expenses caused thereby on demand by Lessor.

8.4 INSURANCE:

- (a) Insurance Coverage of Premises: Lessee shall, at Lessee's sole expense, keep all Improvements continuously insured against loss or damage by fire and the extended coverage hazards for the full replacement value of such Improvements. See Addendum.
- (b) Bodily Injury Liability Insurance: Lessee shall, at Lessee's sole expense, maintain continuously in effect bodily injury liability insurance covering the Leased Premises and its appurtenances in the amount of One Million Dollars \$1,000,000 for injury to or death of any one person, and One Million Dollars (\$1,000,000) for injury to or death of any number of persons in one occurrence, and property damage liability insurance in the amount of One Million Dollars (\$1,000,000). The dollar amount of each such coverage shall be reviewed at least every 2 years from the date hereof, or upon Lessor's demand with 30 day notice to Lessee, to determine if adjustments in coverage are appropriate in light of inflationary or other cost trends. If appropriate such adjustments in coverage shall be made by Lessee. Such insurance shall specifically insure Lessee against all liability assumed hereunder, as well as all liability imposed by Law, and shall also insure Lessor as an additional insured so as to create the same liability on the part of insurer as though separate policies had been written for Lessor and Lessee.
- (c) Lessee shall provide Lessor with copies of all policies and renewals thereof as provided for in subsection (b) above only. All policies shall also contain endorsements providing that they shall not be canceled, reduced in amount or coverage, or otherwise modified by the insurance carrier involved without not less than thirty (30) days prior written notice being given to Lessor. Lessor shall be entitled to participate in the settlement or adjustment of any losses covered by such policies of insurance.

- (d) If Lessee's mortgage is held or insured by HUD, to the extent the requirements of this Section (Section 8.4) are inconsistent with HUD requirements, HUD requirements will control.

8.5 DAMAGE OR DESTRUCTION: In the event of fire or other casualty to any Improvements, Lessee shall forthwith commence, and thereafter diligently and continuously prosecute to completion, the repair of such damage and restoration of such Improvements to a condition substantially similar to their condition immediately prior to such damage. All such repairs and restoration shall be completed as promptly as possible. Lessee shall also promptly take all steps necessary to assure that the Leased Premises shall be and remain safe and the damaged Improvements not constitute a hazard or danger to persons or property from the time of the fire or other casualty.

In no event shall the Lease Fee be suspended or abated, unless Lessor, in its sole discretion decides to do so in consideration of the personal hardship or incapacity of the Lessee. The intent of this section is to foster occupancy by Lessee despite the occurrence of unforeseeable financial and personal hardship. In the case of extreme hardship the Lessor reserves to itself at its sole discretion, the right to suspend or modify the provisions of this Article.

If the mortgage on the subject premises is held or insured by HUD, to the extent the requirements in this section (Section 8.5) are inconsistent with HUD requirements, HUD requirements will control.

8.6 EMINENT DOMAIN AND PUBLIC DEDICATION: In the event of:

I. A taking of the entire Leased Premises by reason of eminent domain or other action of public authority prior to the expiration of the term of this Lease, this Lease shall forthwith terminate and the entire amount of any award(s) paid shall be allocated as follows:

- (a) As a first charge against said award(s), there shall be paid therefrom to the then holders of the Permitted Mortgage(s) the amount required to pay and discharge the same in full.
- (b) The balance, if any, of said award(s) shall be allocated between Lessee and Lessor according to the same proportion as that of the relative values of:
 - (i) the Improvements as encumbered by this Lease and otherwise to (ii) the total value of all the land, Improvements and other property taken, less the value of said Improvements. If a dispute arises in connection with this allocation, the entire matter shall be submitted to arbitration as provided in this Lease.
- (c) [Lessee] shall receive any relocation payments payable by a condemning authority to a tenant in the normal course.

II. A taking (as aforesaid) of less than the entire Leased Premises, then the proceeds paid or payable by reason of such taking shall be allocated as follows:

- (a) First, if the then holder or holders of Permitted Mortgage(s) shall require that the balance of the proceeds be applied against the mortgage indebtedness, that application shall be made.
- (b) Second, if the Improvements may reasonably be restored to a residential use consistent with this Lease, the Lessor may in its discretion allocate same or all of the proceeds to enable Lessee to repair and restore that which may remain thereof.
- (c) Any remainder after the use of such proceeds as set forth in (a) or (b) above, shall be paid over in accordance with an allocation made as provided above in part I(b) of this Section.

Any and all proceedings brought by Lessee in connection with the claim or claims for damages as a result of any taking referred to in this Section shall be conducted by and at the sole expense of the Lessee. If any provision of law now or hereafter in effect shall require that said proceedings be brought by or in the name Lessor, Lessor shall join in such proceedings or permit the same to be brought in its name. Lessor covenants and agrees to do any and all acts and to execute any and all documents which may be required to enable Lessee to maintain such proceedings. If Lessor shall incur any cost or expenses in connection with such proceedings, Lessor shall be entitled to reimbursement for the reasonable amount thereof and same shall likewise constitute a first charge against any award after payment to Permitted Mortgagee as herein before provided.

8.7 SOLE REMEDY: The remedies specified in 8.6 shall constitute Lessee's sole remedy in this event and shall not give rise to any cause of action by Lessee against Lessor for damages.

8.8 INSURED MORTGAGE: Notwithstanding the requirements set forth in Sections 8.6 and 8.7 above, where the mortgage on the subject premises is held or insured by HUD, to the extent that HUD requirements conflict with the above sections, HUD requirements will control.

ARTICLE IX TRANSFER, SALE, OR DISPOSITION OF IMPROVEMENTS

9.1 INTENT AND ACKNOWLEDGMENT: The terms and conditions of this Article have been freely accepted by the parties, each with the independent and informed advice of legal counsel. The provisions and restrictions contained herein exist to further the mutual purposes and goals of Lessor and Lessee set forth herein to create and preserve access to land, decent and affordable housing and homeownership opportunities for low- and moderate-income people who are often denied such opportunities for lack of financial resources. In addition, certain provisions and

restrictions are mandated by the HOME Program, which has provided funds to Lessor for its purchase of the subject premises. It is the express understanding and intent of the parties that the terms and conditions hereof will enhance the marketability of any Improvements on the Leased Premises by making them affordable to low- and moderate-income families who, absent such provisions, would be unable to afford them. It is expressly agreed that this paragraph is merely a statement of intent and does not create any additional rights in the favor of the Lessee or CUO Lessor.

9.2 TRANSFER TO LOW OR MODERATE INCOME PERSONS : Subject to the provisions of this Article, [Lessee or] any CUO may sell, transfer, or otherwise dispose of the Improvements directly to anyone whose household qualifies as a Low and Moderate Income household, as defined in Section 9.2a , and will use the property as their principle residence as defined in Section 3.4. For the period of fifteen (15) years from the execution of this Lease or for the term of Lessee's mortgage if FHA insured, whichever is longer. [Lessee or] CUO may only sell or transfer the Improvements to a member of a qualified low and moderate income household. [Lessee or] CUO shall not make such sale, transfer or other disposition directly to any other person or entity without following the procedure set forth below, except in the case of a sale, transfer or other disposition to a Permitted Mortgagee in lieu of foreclosure.

9.2a DEFINITION OF LOW AND MODERATE INCOME HOUSEHOLDS: Low and Moderate income households shall be defined as households that have gross family income at or below 80% of the area median income as established from time to time by the U.S. Department of Housing and Urban Development.

9.2b TRANSFER OF THE LEASEHOLD: [Lessee] CUO shall, upon transfer, sale or disposition of the Improvements, assign to the purchaser or other transferee all [Lessee's] CUO interest in this Lease without additional compensation.

9.3 NOTICE TO LESSOR: Except in the case of a sale, transfer or other disposition to a Permitted Mortgagee in lieu of foreclosure, in the event [Lessee or] CUO contemplates sale, transfer or disposition of the Improvements to a third party then the sales price for any such sale, transfer or disposition shall be governed by the provisions of Section 9.7, the following conditions will also apply:

- (a) if [Lessee or] CUO intends a direct sale or other transfer to a member of a qualified low- or moderate-income household, then not less than sixty (60) days prior to the contemplated closing thereof, the [Lessee or] CUO shall give Lessor notice thereof, and the name and address of the qualified low or moderate income purchaser or transferee. [Lessee or] CUO shall include with such notice the following or comparable items: (1) the tax return of the transferee or buyer for the immediately preceding year; (2) a current verification of transferee's or buyer's employment as well as that of other adult household members; (3) the pay stubs of the transferee or buyer and other adult household members for the three months immediately preceding the month in which notice is given to the Lessor. No assignment, sale, transfer or other disposition shall be effective unless and until (a) such notice and accompanying documentation are received by

Lessor as aforesaid, and (b) (i) Lessor confirms in writing within sixty (60) days of receipt that such transferee or buyer qualifies as a Low or Moderate income household or (ii) Lessor fails to respond in writing within sixty (60) days of its receipt of such notice, and the contents of such notice are true and complete as specified herein, in which case such failure on the part of Lessor shall be deemed to constitute confirmation of such status:

- (b) If [Lessee or] CUO has no specific qualified purchaser committed to purchase the Unit, then [Lessee] CUO shall give Lessor and Lessee notice that such Unit will be offered for sale, which notice shall contain a detailed listing of the terms and conditions of such intended sale. Within thirty (30) days of Lessor's receipt of the appraisal conducted pursuant to Section 9.6a, Lessor shall either:
- (i) exercise its option to purchase on the terms and within the time period set forth in Sections 9.5, 9.6, and 9.7 below; or
 - (ii) locate an interested purchaser and obtain from such purchaser a binding commitment, subject to typical contingencies, to purchase from the Lessee; or
 - (iii) notify the Lessee or CUO that such party is free to sell the Improvements in the open market (a) during the first fifteen (15) years of this Agreement or the term of Lessee's mortgage if FHA insured, whichever is longer, to any party whose household qualifies as low and moderate income as defined in Section 9.2a above, and thereafter to any party (b) at the then applicable Purchase Option Price (as defined below); subject to all the terms and conditions of the existing lease.

9.4 TRANSFER TO LESSEE'S HEIRS: Upon receipt of notice from the executor of the decedent [Lessee's] CUO's estate within ninety (90) days of the death of the [Lessee (or the) last surviving Co-owner of a Unit [Lessor] said estate shall, unless for good cause shown, agree to the transfer of Improvements to one or more of the following, for similar residential purposes, upon the same conditions:

- (a) the spouse of the [Lessee; or] CUO, or
- (b) the child or children of the [Lessee or] CUO; or
- (c) any other person or persons who are heirs, legatees or devisees of the [Lessee or] CUO and meet the definition of Low and Moderate income set forth in Section 9.2a.

In consenting to the transfer, Lessor shall act according to the expressed wishes, if any, of the [Lessee] deceased CUO to the extent consistent with the Lease.

9.5 LESSORS' OPTION TO PURCHASE: Upon notice in accordance with Section 9.3 above, or violation of Article III, Section 3.4, Lessor shall have the exclusive option to purchase said Improvements at the then appraised value of the Improvements. By having the purchase option set at the appraised value of the Improvements only, without reference to the value of the land or the value of the leasehold, such option is designed to ensure the affordability to succeeding Low- and Moderate-income families.

9.6 PERIOD FOR EXERCISE: Lessor must notify Lessee and CUO of its election to purchase within thirty (30) of receipt of the appraisal and must exercise the foregoing option to purchase within sixty (60) days of its receipt of the appraisal, or its option will expire.

9.6a APPRAISAL: Upon notice by [Lessee to Lessor or] CUO to Lessor pursuant to Section 9.3, the parties shall undertake to agree upon a mutually acceptable licensed, professional property appraiser to conduct a market valuation of the subject land and improvements. The appraisal shall establish a valuation as if the land and Improvements were held in fee simple and without resale restriction, and shall set forth the portion of the valuation attributable to the land and the portion of the valuation attributable to the Improvements. The cost of the appraisal shall be borne by the [Lessee or] CUO.

9.7a LESSOR'S OPTION TO PURCHASE IMPROVEMENTS: The terms and conditions of this Article have been freely accepted by the parties each with the independent and informed advice of legal counsel. The preemptive option contained herein exists solely in the furtherance of the goal of perpetual occupancy of the Leased Premises by and resale among low- and moderate-income families. It is the express intent of the parties that the terms and conditions of said option will enhance the marketability of any improvements in the leased premises either through removal and re-erection or sale at an affordable price to another low or moderate income family.

9.7b OPTION PRICE: Whenever [Lessee or] CUO desires to sell the Improvements, [Lessee or] CUO shall notify the Lessor in accordance with Article IX, Section 9.3 of this Lease Agreement. A market valuation of all improvements presently located on the Leasehold Premises shall be performed in accordance with Section 9.6a above. Lessor shall have the option to purchase said Improvements for the appraised value. [Lessee(s)] CUO freely agree that this option price constitutes a fair return to them and/or their successors for the opportunity to enter the local homeownership marketplace which, prior to execution of this Lease Agreement, remained foreclosed to them as a matter of limited financial resources.

9.7c SALE TO OTHER THAN LESSOR: If [Lessee or] CUO intends to sell the Improvements to a party other than Lessor, the sale price must be the lower of:

A) The appraised value of the Improvements as set forth above, but not in excess of the current 203(b) limits for single family property, or

B) At a price such that the monthly housing costs of the purchasing party do not exceed 30% of 75% of median monthly income for the household size of the purchaser's household. This restriction shall be applicable for a period of fifteen (15) years from the

date of inception of this Lease or the term of an FHA insured mortgage whichever is longer. Monthly housing costs is defined as the amount required for monthly payment of the mortgage principal and interest, taxes and insurance.

9.8 RIGHT OF FIRST REFUSAL IN LIEU OF OPTION: If the provisions of the option set forth herein shall, for any reason, become unenforceable, Lessor shall, nevertheless, have a right of first refusal to purchase the improvements at the highest documented bona fide purchase price offer made to [Lessee] CUO. Such right shall be exercised by Lessor within forty-five (45) days of the receipt by Lessor of a notice of such bona fide offer.

9.9 WAIVER OF RESALE RESTRICTIONS IN THE CASE OF FORECLOSURE: Notwithstanding any provisions in this Agreement to the contrary, Article IX shall terminate and have no further force and effect upon the occurrence of one of the following events:

- (a) Title to [Lessee's or] CUO's interest and Equity of Redemption is acquired by a Holder of a Permitted Mortgage, the U.S. Department of Housing and Urban Development (HUD), or another party upon foreclosure of a mortgage insured by HUD.
- (b) Title to the [Lessee's] CUO interest and Equity of Redemption is acquired by a Holder of Permitted Mortgage or HUD by deed or assignment in lieu of foreclosure of a HUD insured mortgage.
- (c) A mortgage insured by HUD is assigned to HUD.
- (d) The HOME restrictions must be revived after a termination in accordance with the preceding paragraph in the event the owner of record prior to such termination, or any entity which includes such owner or with which such owner has or had family or business ties, obtains an interest in the property.

ARTICLE X: ASSIGNMENT AND SUBLEASE

Except as otherwise provided in Article VII regarding the Permitted Mortgages and Article IX, regarding transfers, Lessee or CUO shall not; assign, sublease, sell or otherwise convey any of Lessee's or CUO's rights under this Lease without the prior written consent of the Lessor. Lessee and CUO agree that Lessor shall have broad and full discretion to withhold such consent in order to further the mutual purposes and goals set forth herein.

ARTICLE XI: DEFAULT

11.1 EVENTS OF DEFAULT: It shall be an Event of Default if:

- a) Lessee shall fail to pay the Lease Fee or other charges for which provision is made herein within thirty (30) days after Lessor has sent to Lessee notice of such default and such default is not cured by any Permitted

Mortgagee within one hundred twenty days (120) days after a subsequent notice from Lessor to such Permitted Mortgagee of Lessee's failure to cure such default within the initial 30-day grace period. However, if Lessee shall make a good faith partial payment of the Lease Fee during such initial 30 day grace period, then such period shall be extended one additional 30 day period, or

- b) Lessee, or CUO or any person or entity taking or asserting an interest acquired by or through Lessee, shall fail to perform or observe any other term or condition in this lease, and such failure is not cured by lessee or CUO or a Permitted Mortgagee or other person or entity within one hundred twenty days (120) after notice thereof from Lessor to Lessee and such Permitted Mortgagee. However, in the case where the Lessee or CUO or Permitted Mortgagee has commenced to cure such default within said one hundred twenty (120) day period and is continuing such cure with all reasonable due diligence but cannot by the exercise of due diligence cure such default within such period, such period may be extended for an additional period of thirty (30) days to complete the cure of default.
- c) In the event HUD is the HOLDER or insurer of any mortgage on the property, notice of and an opportunity to cure any default will be given to HUD prior to the termination of the Lease. The time to effectuate said cure shall be as set forth in paragraph (b) herein.

In any of said cases and upon the expiration of any applicable cure period, Lessor may immediately or at any time thereafter, initiate summary proceedings or any other appropriate legal proceedings against Lessee or CUO for possession of the Leased Premises. Pursuant to such proceedings without demand or notice, Lessor may enter into and upon the Leased Premises or any part thereof in the name of the whole and repossess the same, and expel Lessee or CUO and those claiming through or under lessee or CUO and remove its or their effects without being guilty of any manner of trespass, and without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant. Upon entry as aforesaid, Lessor shall have the right, by suitable notice to Lessee, and CUO forthwith to terminate this Lease.

11.2 NEW LEASE and CUO TO PERMITTED MORTGAGEE: If this Lease shall be terminated for any reason, or in the event of the rejection or disaffirmance of the Lease pursuant to bankruptcy law or other law affecting creditors' rights, Lessor will enter into a new lease of the Leased Premises with the Permitted Mortgagee (or with any party designated by the Permitted Mortgagee, subject to Lessor's approval, which approval shall not be unreasonably withheld, no more than thirty (30) days after the request of the Permitted Mortgagee. Such lease shall be for the remainder of the term of the Lease, effective as of the date of such termination, rejection or disaffirmance, and upon all the terms and provisions contained in the Lease. However, the Permitted Mortgagee shall make a written request to Lessor for such new lease within sixty (60) days after the effective date of such termination, rejection or disaffirmance, as the case may be, and such written request shall be accompanied by a copy of such new lease, duly executed and acknowledged by the Permitted Mortgagee or the party designated by the

Permitted Mortgagee to be the Lessee thereunder, and the Permitted Mortgagee shall have cured all defaults under the Lease which can be cured by the payment of money. Any new lease made pursuant to this Section shall have the same priority with respect of other interests in the Premises as the Lease. The provisions of this Section shall survive the termination, rejection or disaffirmance of the Lease and shall continue in full effect thereafter to the same extent as if this Section were independent and an independent contract made by Lessor, Lessee, CUO and the Permitted Mortgagee.

11.3 LESSOR'S DEFAULT: Lessor shall in no event be in default in the performance of any of Lessor's obligations hereunder unless and until Lessor shall have failed to perform such obligation within thirty (30) days, or such additional time as is reasonably required to correct any such default, after notice by Lessee to Lessor properly specifying wherein Lessor has failed to perform any such obligation.

11.4 NO SURRENDER: During the period a Permitted Mortgage is in place, the Lessor shall not accept a voluntary surrender of the Lease without the prior written consent of the Permitted Mortgagee.

ARTICLE XII: ARBITRATION

12.1 ARBITRATION PROCESS: Should any grievance or dispute arise between Lessor and Lessee concerning the terms of this Lease which cannot be resolved by normal interaction, the following arbitration procedure shall be used:

Lessor or Lessee shall notify the other by written notice of its intent to pursue arbitration pursuant to this Article unless the disputed matter can be resolved within fifteen (15) days. If the dispute is not resolved within said time period, either party may notify the other of its selection of a disinterested arbitrator. Within fifteen (15) days of receipt of this written notice, the other party may by written notice to the initiator of the arbitration process appoint a disinterested arbitrator of its own choice. These two arbitrators shall select a third arbitrator of their own choice. If the other party fails to timely name an arbitrator in response to the receiving of the written notice from the initiator, the disinterested arbitrator selected by the initiating party shall hear and determine the matter.

The arbitrator or arbitrators shall hold a hearing within thirty (30) days after the selection of the third arbitrator. At the hearing Lessor and Lessee and ~~and interested~~ CUO shall have an opportunity to present evidence and question witnesses in the presence of each other.

As soon as reasonably possible, and in no event later than fifteen (15) days after the hearing, the arbitration panel shall make a written report to Lessor and Lessee of its findings and decisions. The arbitrators shall decide the dispute or claim in accordance with this lease, and the substantive law of the State of Rhode Island. The decisions and awards of the majority of the arbitration panel shall be binding and final between the Lessor and Lessee.

12.2 ARBITRATION BEFORE LEGAL ACTION: Both parties agree to submit any disputes concerning their respective rights and duties under the terms of this Lease to arbitration, as provided above, and expressly waive their right to a civil trial, except as herein provided. Judgment upon the arbitral award may be entered in any court having jurisdiction over the parties or the Leased Premises. Notwithstanding the foregoing, arbitration shall not be required prior to filing suit or taking other legal action based upon an Event of Default under Sections 11.1 (a) or 11.1 (c) hereof, and no arbitration shall be required prior to Lessor filing suit due to an Event of Default under Section 11.1(b) unless prior to Lessor filing suit, Lessee has initiated the arbitration process.

12.3 COSTS: Each party shall bear its own costs, if any, in any arbitration pursuant to this Article; provided, however, that the arbitration panel shall have the power to award all or a portion of costs against a party found to have pursued the grievance or dispute in bad faith or for undue delay.

ARTICLE XIII: GENERAL PROVISIONS

13.1 NOTICES: Whenever this lease requires either party to give notice to the other, the notice shall be given in writing and delivered in person or mailed, by certified or registered mail, return receipt requested, to the party at the address set forth below, or such other address designated by the like written notice:

If to Lessor:

Action Community Land Trust
P.O. Box 3718
Peace Dale, RI 02883

With a copy to:

Michael Cozzolino
16 High Street
Westerly, RI 02891

If to Lessee:

(Name of Lessee)

Oak Ridge Homeowners Condominium Association

All notices, demands and requests shall be effective upon being deposited in the United States Mail or in the case of personal delivery, upon actual receipt.

13.2 NO BROKERAGE: In no event shall the Lessee subject Lessor's interest or the Lessor to the payment of a real estate brokerage commission.

13.3 INVALID PROVISIONS: If any clause, Article, paragraph, or Subparagraph of this Lease shall be unenforceable or invalid, such material shall be read out of this Lease and shall not affect the validity of any other clause, Article, Paragraph or Subparagraph, or give rise to any cause of action of either party to this Lease against the other, and the remainder of this Lease shall be valid and enforced to the fullest extent permitted by law.

13.4 **WAIVER:** The waiver by Lessor of, or the failure of Lessor to take action with respect to, any breach of any term, covenant, condition, provision, restriction, or reservation herein contained, shall not be deemed to be a waiver of such term, covenant, condition, provision, restriction, or reservation of subsequent breach of same or of any other term, covenant, condition, provision, restriction, or reservation herein contained. Lessor may grant waivers in the terms of this Lease, but such must be in writing and signed by the Lessor before being effective.

The subsequent acceptance of Lease Fee payments hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant, condition, provision, restriction, or reservation of this Lease, other than the failure of Lessee to pay the particular lease fee so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such lease fee payment.

13.5 **LESSOR'S RIGHT TO PROSECUTE OR DEFEND:** Lessor shall have the right, but shall be under no duty or obligation, to prosecute or defend, in its own or the Lessee's name, any actions or proceedings appropriate or necessary to the protection of its title to, and Lessee's or CUO occupancy, use, and possession of or interest in the Leased Premises. Whenever requested by Lessor, Lessee and CUO shall give Lessor all reasonable aid in any such action or proceeding.

13.6 **CONSTRUCTION:** Whenever in this Lease a pronoun is used, it shall be construed to represent either the singular or the plural, masculine or feminine as the case shall demand.

13.7 **CAPTIONS AND TABLE OF CONTENTS:** The captions and table of contents appearing in this Lease are for convenience only, and are not a part of this Lease and do not in any way limit or amplify the term, covenant, condition, provision, restriction, or reservation of this Lease.

13.8 PARTIES BOUND

- a) This Lease sets forth the entire agreement between the parties hereto with respect to the leasing of the Land ; is binding upon and inures to the benefit of the parties hereto and, in accordance with the provisions hereof, their respective successors in interest, heirs and assigns. This Lease may be altered or amended only by written notice executed by the parties hereto or their legal representatives or, in accordance with the provisions hereof, their respective successors in interest.

13.9 **GOVERNING LAW:** This Lease shall be interpreted in accordance with and governed by the laws of the State of Rhode Island. The language in all parts of this Lease shall be, in all cases, construed according to its fair meaning and not strictly for or against Lessor or Lessee.

13.10 **RECORDING OF LEASE:** It is the intention of the parties that either a master lease or notice of lease be recorded in the municipal Land Evidence Records, and that if a master lease is recorded, its provisions may be incorporated in a short-form lease.

13.11 THIS AGREEMENT is being executed in at least two counterparts, each of which shall be considered a duplicate original with one original to Action Community Land Trust to be placed on file at its office at 1202 Kingstown Rd., Peace Dale and one original to the herein named Lessee.

13.12 SAVING CLAUSE: If for any reason the term of this lease, or any renewal thereof, or any substantive provision thereof, shall be found to be unenforceable, illegal or violative of public policy, this lease shall automatically be amended to conform to the applicable decision, and each party hereto expressly agrees to execute any amendment necessary to effectuate the goals and purposes of this lease.

IN WITNESS WHEREOF, the parties have executed this Lease at _____ on the day and year first above written.

Action Community Land Trust

Witness

BY: _____
ITS DULY AUTHORIZED AGENT

Witness

Witness

LESSEE - Oak Ridge Homeowners
Condominium Assoc.

Witness

BY: _____
ITS DULY AUTHORIZED AGENCY

STATE OF RHODE ISLAND

COUNTY OF WASHINGTON

On this the ____ day of _____, 19____, before me personally appeared the above named officer _____ to me known and known by me to be the party executing the foregoing instrument, and acknowledged said instrument by _____ executed as _____ free act and deed and the free act and deed of said corporation.

STATE OF RHODE ISLAND

COUNTY OF WASHINGTON

On this the ____ day of _____, 19____, before me personally appeared the above named _____ to me known and known by me to be the part _____ executing the foregoing instrument, and acknowledged said instrument by _____

ADDENDUM A

ADDITIONAL FHA REQUIREMENTS

1. In the event that an FHA insured mortgage is assigned to HUD or HUD takes title to the property by foreclosure or deed in lieu of foreclosure, the following Articles and Sections, where in conflict with HUD requirements, shall be deemed to have terminated:

Article III, Sections 3.1 and 3.4
Article VI, Section 6.3
Article VII, Sections 7.1 ii [iii] -iv
Article VII, Section 7.2 [ii iv]
Article VII, Section 7.3
Article X
Article XII

IN WITNESS WHEREOF, the parties have executed this lease at _____
on the day and year first above written.

Action Community Land Trust

BY:

ITS DULY AUTHORIZED AGENCY

Witness

Witness

Witness

Witness

Lessee

Lessee