

EXHIBIT A

Settlement Agreement

SETTLEMENT AGREEMENT

This Settlement Agreement (this “**Agreement**”) is made as of July 29, 2016, by and between debtor Park Square West Associates, LLC (the “**Debtor**”) and lender the Connecticut Housing Finance Authority (“**CHFA**”) for good and valuable consideration, including but not limited to, the settlement of various disputes between the parties, CHFA’s consent to the prepayment of the obligations under the Note and the Mortgage (as those terms are defined herein), and Debtor’s agreement to sell the Property (as defined herein) subject to various affordable housing restrictions on the Property.

W I T N E S S E T H:

WHEREAS, Debtor’s predecessor in interest, Park Square West I Limited Partnership (“**PSW I**”), previously received funds from CHFA pursuant to the provisions of the Connecticut General Statutes in the original principal amount of \$26,000,000.00 (the “**Mortgage Loan**”), which Mortgage Loan was evidenced by a promissory note (the “**Note**”) and secured by a mortgage deed dated November 19, 1998 and recorded on November 20, 1998 in Volume 5140 at Page 234 of the Stamford Land Records (the “**Mortgage**”). The Mortgage encumbers certain real property known as “Park Square West Apartments” 81/131 Summer Street a/k/a 100 Summer Street, Stamford, Connecticut, together with all improvements and personal property located thereon and all rents and profits generated thereby (collectively, the “**Property**”).

WHEREAS, as a condition of making the Mortgage Loan, PSW I agreed that the Property would be used and maintained in accordance with the terms of a Declaration and Agreement of Restrictive Covenant (the “**Declaration**”) recorded in Volume 5140 at Page 212 of the Stamford Land Records.

WHEREAS, in connection with the Note and the Mortgage, CHFA and PSW I also entered into a Covenant of Compliance and Regulatory Agreement dated November 19, 1998 and recorded in Volume 5140 at Page 283 of the Stamford Land Records (the “**Regulatory Agreement**”).

WHEREAS, the Regulatory Agreement and the Declaration confirmed PSW I’s commitment to maintain certain affordable housing units at the Property (the “**Affordability Restrictions**”).

WHEREAS, the Note and the Mortgage were amended and modified several times between 1999 and 2009, the last of which are the Eighth Amendment to the Note and the Sixth Modification to the Mortgage. The Note, the Mortgage, the Regulatory Agreement, the Declaration, and any other documents executed in connection with the November 19, 1998 loan transaction between PSW I and CHFA, all as amended and modified from time to time, shall be referred to herein collectively as the “**Loan Documents.**”

WHEREAS, the loan evidenced by the Loan Documents is secured by a valid, enforceable and properly perfected first priority lien on the Property.

WHEREAS, by Warranty Deed dated December 20, 2011, and recorded on January 3, 2012, in Volume 10309 at Page 83 of the Stamford Land Records, PSW I assigned all right, title and interest in and to the Property to the Debtor. In connection with that same transaction and pursuant to an Assumption Agreement, the Debtor assumed all obligations due and owing to CHFA under the Loan Documents, including the Affordability Restrictions.

WHEREAS, CHFA alleges that prior to the commencement of its Chapter 11 Bankruptcy Case, (a) the Debtor had engaged CHFA in negotiations regarding the proposed prepayment of the Note and the Mortgage; (b) in exchange for CHFA’s consent to prepayment of the Note and

the Mortgage, the Debtor had proposed to pay CHFA a Housing Program Maintenance Fee in the amount of \$3.31 million and agreed to extend the Affordability Restrictions beyond the affordability period originally provided in the Loan Documents; (c) CHFA and the Debtor had engaged in negotiations regarding the terms of a Settlement Agreement documenting the proposed prepayment; and (d) the Board of Directors of CHFA had issued a Resolution Regarding the Prepayment of Mortgage Loan and Preservation of Affordable Housing for Park Square West, Stamford Connecticut CHFA Development No. 98-003M (the “**Prepayment Resolution**”) pursuant to which the Board of Directors authorized the Executive Director of CHFA to accept prepayment on the terms referenced above.

WHEREAS, on December 13, 2015, the Original Debtors,¹ with the exception of Tag Forest, LLC (“**Tag**”), each commenced a voluntary case under chapter 11 of title 11 of the United States Code, 11 U.S.C. § 101, et seq. (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the District of Delaware (the “**Court**”). On December 14, 2015, Tag commenced its voluntary case under chapter 11 of the Bankruptcy Code.

WHEREAS, on February 3, 2016, the Additional Debtors,² excluding 88 Hamilton Avenue Associates, LLC (“**88 Hamilton**”), each commenced a voluntary case under chapter 11

¹ The Original Debtors are: Newbury Common Associates, LLC (3783); Seaboard Realty, LLC (6291); 600 Summer Street Stamford Associates, LLC (6739); Seaboard Hotel Member Associates, LLC (8984); Seaboard Hotel LTS Member Associates, LLC (6005); Park Square West Member Associates, LLC (9223); Seaboard Residential, LLC (2990); One Atlantic Member Associates, LLC (4120); 88 Hamilton Avenue Member Associates, LLC (5539); 316 Courtland Avenue Associates, LLC (0290); 300 Main Management, Inc. (6365); 300 Main Street Member Associates, LLC (2334); PSWMA I, LLC (6291); PSWMA II, LLC (6291); and Tag Forest, LLC (8974).

² The Additional Debtors are: Newbury Common Member Associates, LLC (3909); Century Plaza Investor Associates, LLC (1480); Seaboard Hotel Associates, LLC (2281); Seaboard Hotel LTS Associates, LLC (8811); Park Square West Associates, LLC (9781); Clocktower Close Associates, LLC (3154); One Atlantic Investor Associates, LLC (7075); 88 Hamilton Avenue

of the Bankruptcy Code. On February 4, 2016, 88 Hamilton commenced its voluntary case under chapter 11 of the Bankruptcy Code.

WHEREAS, on March 17, 2016, 220 Elm Street II, LLC (collectively with the Original Debtors and the Additional Debtors, the “**Debtors**”) commenced a voluntary case under chapter 11 of the Bankruptcy Code.

WHEREAS, on April 12, 2016, the Court entered its Final Order for Park Square West Associates, LLC (A) Authorizing Use of Cash Collateral, (B) Granting Adequate Protection to Connecticut Housing Finance Authority, Including Monthly Debt Service Payments, and (C) Granting Other Relief (the “**CHFA Final Cash Collateral Order**”).

WHEREAS, the CHFA Final Cash Collateral Order further provided that the Buyer of the Property must agree to be bound by the Affordability Restrictions and must assume all rights, duties, and obligations under the Regulatory Agreement and the Declaration.

WHEREAS, on April 29, 2016, the Court entered its Order (I) Scheduling a Hearing to Consider Approval of the Sale or Sales of the Debtors’ Assets, and the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, (II) Approving Certain Bidding Procedures, Assumption and Assignment Procedures, and the Form and Manner of Notice Thereof, and (III) Granting Related Relief (the “**Sale Procedures Order**”), which included, as Exhibit 1, bidding procedures (the “**Bidding Procedures**”).

WHEREAS, on June 20, 2016, the Debtors conducted an auction for certain of their properties and, at the conclusion of the auction, designated Annemid, LLC or its assignee or designee (“**Annemid**”) as the proposed highest and best bidder for the Property. Under the terms of the proposed transaction pursuant to which Annemid will acquire the Property from the

Associates, LLC (5749); 220 Elm Street I, LLC (7540); and 300 Main Street Associates, LLC (8501).

Debtor's bankruptcy estate, the Debtor proposes to prepay the Note and the Mortgage. However, CHFA asserts that pursuant to Connecticut General Statutes § 8-253a, prepayment of the Note and the Mortgage without CHFA's consent is prohibited.

WHEREAS, certain disputes have arisen as to the proposed prepayment of the Note and the Mortgage and as to the Buyer's obligation to assume all rights, duties, and obligations under the Regulatory Agreement and the Declaration, including the Affordability Restrictions.

WHEREAS, in an effort to avoid the expense, uncertainty and delay inherent in litigation, the Debtor and CHFA have agreed to resolve their disputes pursuant to the terms, conditions, and restrictions contained in this Agreement, which each believes is fair and which CHFA believes is consistent with and serves the public housing policy of the State of Connecticut and the mandates and requirements imposed upon CHFA.

NOW THEREFORE, the Debtor and CHFA covenant and agree as follows

Section I – Transfer of the Property

(a) CHFA will consent to the transfer of ownership of the Property to Annemid upon entry of an Order from the Bankruptcy Court, in form agreeable to CHFA, approving the sale of the Property to Annemid that contains the following conditions (with any modifications to such conditions as may be agreed to by CHFA, the Debtor, and Annemid) (such order, the “**Approved Sale Order**”):

(i) Annemid shall complete and submit the following to CHFA: (A) an application in the form previously provided to Annemid by CHFA; (B) a form management contract; (C) a preliminary business and capital expenditure plan for operation of the Property; and (D) a summary of the identity and capital structures of Annemid and Annemid's management agent for the Property;

(ii) Annemid shall acquire the Property subject to the Declaration and the Regulatory Agreement and shall execute, deliver and record an Amended, Restated and Consolidated Declaration and Agreement of Restrictive Covenants and Covenant of Compliance and Regulatory Agreement (the “**Amended and Restated Agreement**”), in a form agreeable to CHFA;

(iii) Any assignee or designee of Annemid shall assume in writing the Amended and Restated Agreement and shall acknowledge its senior priority; and

(iv) Annemid shall submit to CHFA adequate assurances that Annemid and its management agent for the Property will comply with the terms of the Amended and Restated Agreement.

(b) CHFA shall provide reasonable support, briefing and forms to Annemid and its management agent so as to reasonably assure Annemid’s ability to comply with the Amended and Restated Agreement.

Section II – Payment of the Mortgage Loan

(a) CHFA will consent to the prepayment of the Mortgage Loan pursuant to Conn. Gen. Stat. § 8-253a provided the Debtor satisfies all of the terms of this Settlement Agreement.

(b) The Debtor agrees to comply with the terms of the Approved Sale Order.

(c) In consideration of the concessions, compromises, and collaboration of and between the Debtor and CHFA, and after an examination of the facts and documents relating thereto, the Debtor agrees to and shall prepay the Mortgage in full, including but not limited to unpaid principal, accrued contract interest, accrued late fees, accrued default interest and reasonable legal fees and expenses, all as delineated on **Schedule A**, as due and owing as of August 15, 2016 (subject to adjustment in the event the closing of the sale of the Property occurs

prior to or after August 15, 2016), along with the sum of \$250,000.00 as a “Housing Program Maintenance Fee”, in lieu of any prepayment fee or penalty and in compromise of any other amounts due under the Loan Documents that are not set forth on **Schedule A**. CHFA, in its full and absolute discretion, shall earmark the Housing Program Maintenance Fee for other affordable housing projects in Fairfield County. The Debtor shall make the payment by tendering good funds to CHFA, via wire transfer, on the date of the closing and transfer of title to Annemid (the “**Closing**”), in accordance with the Approved Sale Order.

Section III – The Closing

(a) At Closing, the Debtor shall deliver to Annemid all sums due for the residential tenant security deposits along with an accounting thereof of any interest and the identity of the tenant designees. PSW shall simultaneously deliver to CHFA and the Connecticut Commissioner of Banking the accounting and designee disclosure. PSW shall provide notice of the sale of the Park Square West Property to the tenants and shall confirm to CHFA that it has provided such notice.

(b) In connection with the Closing, the Debtor shall cause the payment of all outstanding real and personal property taxes related to the Property.

(c) In connection with the Closing, and assuming that the Debtor has paid the Mortgage Loan in full as provided herein and in the Approved Sale Order, CHFA shall cause to be prepared and delivered to the Debtor releases and/or terminations of the Mortgage, the Collateral Assignment of Leases and Rentals, the Building Loan Agreement and the Security Agreement recorded in the Stamford Land Records and any related financing statements, all as are customary, reasonable and necessary to effectuate the Closing.

(d) All funds being held by CHFA in any reserve(s) pursuant to the Loan Documents shall continue to be held by CHFA in a segregated account, and such funds shall be frozen pending further order of the Bankruptcy Court as to the disposition of such funds, excluding any such funds held for taxes and insurance which may, at CHFA's discretion, be applied against such expenses upon notice to the Debtor.

Section IV – Releases of Claims/Reservation of Rights

Except with respect to the covenants and agreements contained herein, in the Regulatory Agreement, in the Declaration and in the Amended and Restated Agreement, any provisions set forth in the Loan Documents that expressly survive any release or termination, any indemnities or hold harmless agreements contained in the Mortgage or related Loan Documents in favor of CHFA or its agents related to environmental conditions of the Property or other loss, injury or damage, including the incurrence of legal fees and expenses, and the provisions of any prior orders of the Bankruptcy Court in favor of CHFA, the parties shall exchange Releases in the form attached hereto as **Schedule B**.

Section IV – Miscellaneous

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

(b) Construction: This Agreement has been fully and vigorously negotiated by the parties hereto, with the assistance of able legal counsel, and no term or provision shall be construed against CHFA or the Debtor as original drafter hereof.

(c) Bankruptcy Court Approval: This Agreement and the settlement memorialized herein are subject to approval by the Bankruptcy Court in accordance with Federal Rule of Bankruptcy Procedure 9019. In the event the Bankruptcy Court does not approve the settlement,

or if the Closing does not occur, then any settlement will be null and void and the Parties shall be returned to their original positions, without prejudice to either side.

(d) Dispute Resolution: The parties hereby agree that any disputes hereunder shall be heard and decided by the Bankruptcy Court. THE PARTIES HEREBY, KNOWINGLY AND UPON ADVICE OF LEGAL COUNSEL, IRREVOCABLY WAIVE AND RELINQUISH ANY AND ALL RIGHT TO ANY TRIAL BY JURY ON ANY ISSUE RELATED HERETO.

(e) Notices: Any and all notices to be given pursuant to the Agreement shall be in writing and shall be deemed given when mailed by certified or registered mail, return receipt requested, to the parties hereto at the addresses set forth below, or such other place as a party may from time to time designate in writing. CHFA, and the Debtor may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent,

To CHFA: Connecticut Housing Finance Authority
999 West Street
Rocky Hill, CT 06067
Attn: Executive Director

With a copy to: Day Pitney LLP
Attn: Joshua W. Cohen and Rosemary Ayers
One Audubon Street
New Haven, CT 06511

To Debtor: Park Square West Associates LLC
Attn: Marc Beilinson
1 Atlantic Street
Stamford, CT 06901

With a copy to: Young Conaway Stargatt & Taylor, LLP
Attn: Robert S. Brady, Sean T. Greecher and Ryan M. Bartley
1000 North King Street
Rodney Square
Wilmington, DE 19801

(f) Integration/Superseding Effect: This Agreement embodies the full and complete agreement of the parties, and supersedes any and all prior agreements between the parties related to the subject matter hereof.

(g) Governing Law: The internal laws of the State of Connecticut, excluding its conflicts of law provisions, shall govern this Agreement.

- BALANCE OF THIS PAGE IS INTENTIONALLY LEFT BLANK -

IN WITNESS WHEREOF, the Debtor hereto has set its hand and seal the day and year first written above.

Signed, Sealed and Delivered

WITNESS

WITNESS

STATE OF _____)

) ss:

COUNTY OF _____)

On this ____ day of _____, 2016, personally appeared before the undersigned _____, _____ of _____, known to me to be the person described in the foregoing instrument, and acknowledged that she/he executed the same in the capacity therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand.

Notary Public
My Commission Expires:

IN WITNESS WHEREOF, CHFA hereto has set its hand and seal the day and year first written above.

Signed, Sealed and Delivered

WITNESS

WITNESS

STATE OF CONNECTICUT)
)
COUNTY OF HARTFORD)

ss:

On this ____ day of _____, 2016, personally appeared before the undersigned _____, _____ of _____, known to me to be the person described in the foregoing instrument, and acknowledged that she/he executed the same in the capacity therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand.

Commissioner of the Superior Court
Notary Public
My Commission Expires:

SCHEDULE A

CONNECTICUT HOUSING FINANCE AUTHORITY PAYOFF CALCULATION
SALE OF PARK SQUARE WEST PROPERTY

Subject to those amounts that are estimated and will require true up in connection with the closing of any sale, following is the calculation of the amount required to pay Connecticut Housing Finance Authority (“CHFA”) in full on account of its secured claim against Park Square West Associates, LLC as of August 15, 2016:

Payoff Calculation:

Principal:	\$22,014,242.34
Accrued Contract Interest:	\$ 3,592,024.68
Accrued Default Interest:	\$ 1,658,047.75
Accrued Late Charges:	\$ 183,561.55
Consent/Housing Maintenance Fee:	\$ 250,000.00 ³
Attorneys’ Fees and Costs:	<u>\$ 625,000.00⁴</u>
Total:	\$28,322,876.32

Per Diem Interest (Combined Contract and Default):

\$5,638.90

Escrows as of June 30, 2016:

Good Faith and Working Capital Escrow:	\$271,523.03
Replacement Reserve Escrow:	\$422,245.72

³ This amount represents a compromise from the prepetition agreement between the Debtor, Park Square West Associates, LLC, and CHFA pursuant to which the Debtor agreed to pay CHFA \$3,310,000.00 as a Housing Program Maintenance Fee in connection with the proposed prepayment of CHFA’s secured debt as part of a refinancing transaction. CHFA’s consent to the proposed disposition of the Park Square West Property is required pursuant to Conn. Gen. Stat. § 8-253a, various contracts between the Debtor and CHFA and Connecticut state public policy.

⁴ This amount is an estimate based upon the actual fees and expenses incurred through July 25, 2016, in the total amount of \$568,725.39. To the extent the actual fees and expenses incurred through the date of the closing are greater or lesser than the estimated amount set forth above, CHFA and the Debtor will adjust the payoff amount accordingly.

SCHEDULE B

RELEASE

KNOW YE that Park Square West Associates, LLC, a Delaware limited liability company (“PSW” or the “Releasor”), for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby fully, finally and irrevocably release, remise and forever discharge, for its respective members, officers, directors, employees, agents, attorneys, affiliates, heirs, personal representatives, successors and assigns, of and from all manner of action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, damages, judgments, executions, claims and demands whatsoever in law or in equity, KNOWN OR UNKNOWN, which against Connecticut Housing Finance Authority (“CHFA”), its officers, directors, managers, agents, employees and attorneys (the “Releasees”) the Releasor has, had or ever will have arising out of, or in connection with each and all of the following:

- (a) CHFA’s payment of any and all reserves, escrows and accounts held by CHFA to ____;
- (b) the granting, administration, collection or enforcement of a Promissory Note in the principal amount of \$26,000,000.00 (the “Note”), a Mortgage Deed and related rights in favor of CHFA against PSW as owner of a project known as Park Square West Apartments 81/131 Summer Street a/k/a 101 Summer Street, Stamford, Connecticut (the “Property”),
- (c) any and all matters related to the calculation, collection and enforcement of CHFA’s Housing Program Maintenance Fee payable by PSW to CHFA upon CHFA’s consent to the transfer of the Property and the prepayment of the Note; and
- (d) any and all claims, disputes, contentions or grievances which were or could have been asserted by the Releasor in or in connection with the Chapter 11 bankruptcy proceeding of PSW.

For the avoidance of doubt, nothing herein shall constitute a release of any rights or obligations under the Settlement Agreement dated as of July ____, 2016 by and between PSW and CHFA and any orders entered in favor of CHFA in connection with PSW’s Chapter 11 Bankruptcy Proceeding.

Dated at _____, _____, this ____ day of _____, 2016.

RELEASOR:
PARK SQUARE WEST ASSOCIATES, LLC

By: _____
Name:
Title:

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2016, by _____, _____ of Park Square West Associates, LLC, a Delaware limited liability company, on behalf of said limited liability company.

Notary Public
My Commission Expires:

EXHIBIT B

Prepayment Resolution

Adopted: October 29, 2015

Minutes
Connecticut Housing Finance Authority
Board of Directors' Meeting No. 536
September 24, 2015

Directors Present: Evonne Klein, Chairperson of CHFA Board and Commissioner of the Department of Housing
Meghan Lowney, Vice Chairperson of CHFA Board
Michael Cicchetti (by phone)
Heidi DeWyngaert (by phone)
Kathleen Dorgan
Nuala Droney
Anne Foley, Chairperson of the Mortgage Committee, representing Benjamin Barnes, Secretary, State Office of Policy and Management
Richard Orr
Jorge Perez, State Banking Commissioner
Jared Schmitt
Carla Weil

Directors Absent: Catherine LaMarr, representing Denise Nappier, State Treasurer
Catherine Smith, Commissioner of the Department of Economic and Community Development
Alicia Woodsby

Ms. Klein, noting a presence of a quorum, called the meeting of the Connecticut Housing Finance Authority ("CHFA") to order at 9:38 a.m. in the Boardroom of CHFA, 999 West Street, Rocky Hill, Connecticut. Ms. Klein asked for public comments and there were none.

Ms. Klein asked Board members who are interested in serving on the Qualified Allocation Plan Task Force to contact Mary Bryant. She reported that the Department of Housing and CHFA will be entering into a Memorandum of Understanding to hire three durational employees to help with the coordinated access networking efforts to prevent and end homelessness in Connecticut.

Mr. Kilduff, Executive Director, reported that staff will be developing the fiscal year 2016 budget for initial presentation to the Board in October. He asked Board members to provide him with input on priorities, the layout, etc. The Board asked staff to show the connection between the proposed budget and intended impacts or anticipated outcomes. Staff will provide the Board with the proposed schedule of meetings to discuss the budget.

Mr. Taib, Vice President—Finance, discussed the recommendation to authorize the prepayment of the loan and preservation of affordable housing for Park Square West, a 143 unit mid-rise multifamily development located in Stamford. He explained CHFA's involvement with the development and circumstances that lead to the recommendation to authorize the prepayment of the loan. Mr. Taib reviewed the proposed terms and conditions of the prepayment, noting that one of the conditions is that the affordability restrictions would remain beyond the affordability period, to the maximum amount of time permitted by law; and the Declaration of Restrictive Covenants will be amended accordingly and recorded on the land records. In response to a

question, Mr. Taib noted that the Housing Program Maintenance Fee takes into consideration the present value difference of the co-first mortgage loans.

Upon a motion made by Mr. Perez, seconded by Mr. Cicchetti, the Board members voted in favor of adopting the following resolution regarding the prepayment of the mortgage loan and preservation of affordable housing for Park Square West, Stamford (Ms. Klein abstained from the vote, noting a potential perceived conflict of interest):

RESOLUTION REGARDING THE PREPAYMENT
OF MORTGAGE LOAN AND PRESERVATION OF AFFORDABLE HOUSING
FOR PARK SQUARE WEST, STAMFORD, CONNECTICUT
CHFA DEVELOPMENT NO. 98-003M

WHEREAS, in March, 1998, the Connecticut Housing Finance Authority (the "Authority") approved financing in the amount of \$26,000,000 (the "Loan") for Park Square West, a 143 unit multifamily mid-rise property in Stamford, Connecticut (the "Development") owned by Park Square West I Limited Partnership, with Corcoran Jennison as the general partner; and

WHEREAS, in 2011, the Development was acquired by Park Square West Associates, LLC, affiliated with Seaboard Realty, LLC, John DeMenna, Jr. principal (the "Mortgagor"), and the Authority approved a restructure of the outstanding principal balance of the Loan, including an interest only period and re-amortization; and

WHEREAS, the Loan will mature March 1, 2036 at which time the Mortgagor's obligations to the Authority will cease; and

WHEREAS, the Mortgagor has requested permission to prepay the Loan in accordance with terms and conditions as provided herein; and

WHEREAS, the Authority desires to allow prepayment of the Loan upon terms and conditions for preservation of affordable housing as stated herein, and as described in the attached memorandum from Hazim Taib, dated September 24, 2015.

NOW THEREFORE, be it resolved by the Board of Directors of the Connecticut Housing Finance Authority as follows:

Section 1. Prepayment of the Loan to Park Square West Associates LLC is hereby authorized upon the following conditions for preservation of affordable housing being met by the Mortgagor:

a. Prepayment of CHFA loans to include but not limited to, unpaid accrued interest, late fees and charges; and

b. Maintain the Restricted Units beyond the affordability period as determined by the Authority; and

c. Amend the existing Declaration of Restrictive Covenants to include but not be limited to, language on survivability, senior priority on the land records, inspection, reporting and remedy mechanism; and

d. Payment of Housing Program Maintenance Fee estimated to be \$3.31 million, to be available for housing initiatives in Stamford or other areas; and

e. Such other requirements for the benefit of affordable housing, as may be determined by the Authority.

Section 2. The Executive Director is hereby authorized to accept prepayment of the Loan and to execute all required documents and releases to effectuate the prepayment as provided herein upon terms and conditions contained herein as he determines to be in the best interest of the Authority, provided the transaction is completed to the satisfaction of the Authority on or before December 31, 2015 unless further extended by the Executive Director upon payment of an extension or other fees as may be required.

Mr. Voccio, Assistant Director, Multifamily, reviewed the recommendation to approve a first-mortgage construction to permanent loan from Investment Trust Account proceeds to the Hamden Housing Authority for Hamden Village, a 110-unit state-sponsored housing development located in Hamden. He discussed the background of the development and the results of the evaluation performed by an outside firm to assess the physical, financial and operational needs of the development. Mr. Voccio reviewed the proposed terms and conditions of the loan.

Upon a motion made by Ms. Foley, seconded by Ms. Weil, the Board members voted unanimously in favor of adopting the following resolution regarding the financing of Hamden Village, Hamden:

**RESOLUTION REGARDING FINANCING OF
HAMDEN VILLAGE, HAMDEN, CONNECTICUT**

WHEREAS, pursuant to an Agreement Regarding Transfer of Resources effective April 9, 2003, by and between the State of Connecticut Department of Economic and Community Development (“DECD”) and the Connecticut Housing Finance Authority (the “Authority”), the Authority acquired the interest of DECD in property of the Hamden Housing Authority (the “Proposed Mortgagor”) known as Hamden Village, 110 units located in Hamden, Connecticut, (the “Development”); and

WHEREAS, the Proposed Mortgagor is proceeding in a manner satisfactory to the Authority; and

WHEREAS, the Authority desires to provide financing as set forth herein and described in the attached memorandum from Joe Voccio and Maura Hayden-Walker dated September 24, 2015.

NOW THEREFORE, be it resolved by the Board of Directors of the Connecticut

Housing Finance Authority as follows:

Section 1. The Authority is authorized to provide construction and permanent first mortgage financing as follows:

a. A first mortgage construction to permanent loan of up to \$2,575,000 with interest at a rate not to exceed 3.0% for a term of 30 years. The Authority will fund this loan from Investment Trust Account (“ITA”) funds or from such other sources and upon terms and conditions as determined to be in the best interest of the Authority. With respect to any such expenditure, this Resolution is intended to satisfy the technical requirements of Section 1.150-2(d) (1) of the United States Treasury regulations; and

b. The construction period interest, loan origination and commitment fees will be waived; and

c. The loan will be subject to the State’s award of a recoverable grant of approximately \$2,805,759 and annual Rental Assistance Payment subsidies of \$325,337; and

d. CHFA will reallocate ITA funds in the amount of \$533,185 from the Development funds to preservation funds.

Section 2. The Authority’s commitment to provide construction and permanent mortgage financing shall be conditioned upon the following:

a. All governmental approvals for the Development be in place; and

b. The Authority’s confirmation of the Proposed Mortgagor’s receipt of a commitment from the Connecticut Department of Housing in the approximate amount of \$2,805,759 in construction/permanent subordinate funding, with terms and conditions satisfactory to the Authority, or that the Proposed Mortgagor produce a commitment for approximately that amount from other sources with terms and conditions satisfactory to the Authority; and

c. The Authority’s confirmation of the Proposed Mortgagor’s receipt of a commitment for energy incentives in the approximate amount of \$32,062, or that the Proposed Mortgagor produce a commitment for at least that amount from other sources with terms and conditions satisfactory to the Authority; and

d. The Authority’s confirmation of the Proposed Mortgagor’s receipt of commitments satisfactory to the Authority such that the total of the Sources and Uses of funds for completion of the Development are in balance; and

e. The Authority’s confirmation, prior to initial closing, of the Proposed Mortgagor’s receipt of a commitment satisfactory to the Authority from the Connecticut Department of Housing that Rental Assistance Payments are available to the project in the approximate amount of \$325,337; and

f. The Authority's acceptance and approval of the Development's final construction costs, plans and specifications; and

g. The Authority's acceptance and approval of documentation regarding hazardous waste testing at the Development and, if applicable, removal and disposal; and

h. The Authority's acceptance and approval of the Development's proposed operating income and expenses; and

i. The Authority's acceptance and approval of independent "as-is" and "as developed" appraisals and a market acceptance analysis for the Development.

Section 3. The Executive Director and/or Vice President-Finance is hereby authorized to modify or supplement the terms and conditions hereof and to take all other actions consistent with this resolution as may be in the best interest of the Authority and necessary for the development of quality affordable housing.

Section 4. Failure to provide any of the above-referenced requirements in a form acceptable to and to the satisfaction of the Authority by June 30, 2016 shall render this Resolution void and of no further effect, provided, upon good cause shown and payment by the Proposed Mortgagor of any extension or other fees as may be required by the Authority, the Executive Director and/or Vice President-Finance may extend the time for compliance.

Mr. Luster, Assistant Director, Multifamily, described the proposed first mortgage construction to permanent loan from Investment Trust Account funds for Keleher Park, Cedar Village and New Meadow Village, three separate elderly developments located in Newington and part of the state-sponsored housing portfolio. He discussed the area median income for the tenants in the different units. Mr. Luster reviewed the proposed terms and conditions of the loan.

Upon a motion made by Ms. Lowney, seconded by Ms. Foley, the Board members voted unanimously in favor of adopting the following resolution regarding the financing of Keleher Park, Cedar Village and New Meadow Village, Newington:

**RESOLUTION REGARDING FINANCING OF
KELEHER PARK, CEDAR VILLAGE AND NEW MEADOW VILLAGE
NEWINGTON, CONNECTICUT**

WHEREAS, pursuant to an Agreement Regarding Transfer of Resources effective April 9, 2003, by and between the State of Connecticut Department of Economic and Community Development ("DECD") and the Connecticut Housing Finance Authority (the "Authority"), the Authority acquired the interest of DECD in property of the Newington Housing Authority (the "Proposed Mortgagor") known as Keleher Park, Cedar Village and New Meadow Village, 106 units located in Newington, Connecticut, (the "Development"); and

WHEREAS, the Proposed Mortgagor is proceeding in a manner satisfactory to the Authority; and

WHEREAS, the Authority desires to provide financing as set forth herein and described in the attached memorandum from Mark Luster and Michelle O. DeRosa dated September 24, 2015.

NOW THEREFORE, be it resolved by the Board of Directors of the Connecticut Housing Finance Authority as follows:

Section 1. The Authority is authorized to provide construction and permanent first mortgage financing as follows:

- a. A first mortgage construction to permanent loan of up to \$1,000,000 at an interest rate not to exceed 3.0% for a term of 30 years. The Authority will fund this loan from Investment Trust Account funds or from such other sources and upon terms and conditions as determined to be in the best interest of the Authority. With respect to any such expenditure, this Resolution is intended to satisfy the technical requirements of Section 1.150-2(d) (1) of the United States Treasury regulations; and
- b. The construction period interest, loan origination and commitment fees will be waived; and
- c. The Newington Housing Authority will commit its reserve funds in the approximate amount of \$310,541; and
- d. The loan will be subject to the State's award of a recoverable grant of approximately \$2,494,500 and annual Rental Assistance Payment subsidies of approximately \$248,000.

Section 2. The Authority's commitment to provide construction and permanent mortgage financing shall be conditioned upon the following:

- a. All governmental approvals for the Development be in place; and
- b. The Authority's confirmation of the Proposed Mortgagor's receipt of a commitment from the Connecticut Department of Housing ("DOH") in the approximate amount of \$2,494,500 in subordinate gap funding, with terms and conditions satisfactory to the Authority, or that the Proposed Mortgagor produce a commitment for approximately that amount from other sources with terms and conditions satisfactory to the Authority; and
- c. The Authority's confirmation of the Proposed Mortgagor's use of Reserve Funds of approximately \$310,541 or that the Proposed Mortgagor produce a commitment for at least that amount from other sources and with the terms and conditions satisfactory to the Authority; and
- d. The Authority's confirmation of the Proposed Mortgagor's receipt of commitments and/or funds satisfactory to the Authority such that the total of the Sources and Uses of funds for completion of the Development are in balance; and

September 24, 2015, CHFA Board Minutes

7

e. The Authority's confirmation, by receipt prior to initial closing, of evidence satisfactory to the Authority of a commitment from the Connecticut Department of Housing that Rental Assistance Payments are available to the developments in the approximate amount of \$248,000; and

f. The Authority's acceptance and approval of the Development's final construction costs, plans and specifications; and

g. The Authority's acceptance and approval of documentation regarding hazardous waste testing at the Development and, if applicable, removal and disposal; and

h. The Authority's acceptance and approval of the Development's proposed operating income and expenses; and

i. The Authority's acceptance and approval of the Development's proposed property management organization and related documents; and

j. The Authority's acceptance and approval of independent "as-is" and "as developed" appraisals and a market acceptance analysis for the Development.

Section 3. The Executive Director and/or Vice President-Finance is hereby authorized to modify or supplement the terms and conditions hereof and to take all other actions consistent with this resolution as may be in the best interest of the Authority and necessary for the development of quality affordable housing.

Section 4. Failure to provide any of the above-referenced requirements in a form acceptable to and to the satisfaction of the Authority by June 30, 2016 shall render this Resolution void and of no further effect, provided, upon good cause shown and payment by the Proposed Mortgagor of any extension or other fees as may be required by the Authority, the Executive Director and/or Vice President-Finance may extend the time for compliance.

Mr. Luster presented the recommendation to approve the restructure of the loan balance for Cityscape Apartments, 74 units of housing located in 12 buildings in the Frog Hollow neighborhood of Hartford. He summarized CHFA's involvement with the development and the action previously taken by the Board for a temporary modification. Mr. Luster explained the proposed restructure that is anticipated to provide some financial stabilization for the properties until a recapitalization is pursued. Questions arose regarding the vacancies, and it was noted that the vacancies have improved with the new management team in place. In response to a question, Attorney Dickerson indicated that CHFA's standard loan documents allow CHFA the opportunity to replace the management team without cause. The Board asked staff to confirm that the language authorizing CHFA to replace the management team without cause is in the closing documents for these properties and if not to make it a condition of the approval of the mortgage modification. The Board asked that vacancy rates for multifamily developments be tracked at least annually. In addition to providing the current year's occupancy rate, the Board asked staff to provide the previous year's occupancy rate in the information provided to the Board. Mr. Luster answered questions regarding the replacement reserves and mentioned that CHFA has the ability to waive the replacement reserve requirement if there are already sufficient

reserves.

Upon a motion made by Ms. Foley, seconded by Mr. Perez, the Board members voted unanimously in favor of adopting the following resolution regarding a mortgage modification for Cityscape Apartments, Hartford, conditioned upon staff confirming that there is acceptable language in the closing documents to authorize CHFA to replace the management team without cause and if not, to amend the closing documents to authorize CHFA to replace the management team without cause:

AMENDED RESOLUTION REGARDING MORTGAGE MODIFICATION OF
CITYSCAPE APARTMENTS, HARTFORD, CONNECTICUT
CHFA DEVELOPMENT NO. 01012M

WHEREAS, by Resolution adopted September 25, 2002, the Connecticut Housing Finance Authority (the "Authority") authorized construction and permanent financing to Urban Preservation Associates Limited Partnership (the "Mortgagor") for Cityscape Apartments consisting of 74 two- and three-bedroom apartments located in Hartford, Connecticut (the "Development"); and

WHEREAS, by Resolution adopted May 27, 2010 the mortgage was modified; and

WHEREAS, the modification term has expired which results in a substantial increase in annual debt service for the Mortgagor; and

WHEREAS, the Mortgagor has requested further modification, and the Authority desires to provide temporary financial relief as set forth herein and described in the attached memorandum from Mark Luster and Michelle O. DeRosa dated September 24, 2015.

NOW THEREFORE, be it resolved by the Board of Directors of the Connecticut Housing Finance Authority as follows:

Section 1. The Authority is authorized to modify the mortgage as follows:

a. Restructure the existing \$3.3 million loan balance into: 1) a self-amortizing loan of approximately \$2.7 million; and 2) a non-amortizing loan in the approximate amount of \$575,000, with both at a 0% interest and a 40-year term.

b. The operating deficit reserve of approximately \$421,230 will be used to supplement debt service payments when the coverage ratio is reduced to less than 1.0 as projected to begin in 2018 and last until 2029.

c. The accrued interest of approximately \$575,000 will remain outstanding and due upon a capital transaction.

d. Any surplus cash as reported in the Development's annual audited financial statements will be deposited into the Development's replacement reserve account.

Section 2. The Executive Director and/or Vice President-Finance is hereby authorized to modify or supplement the terms and conditions hereof and to take all other actions consistent with this resolution as may be in the best interest of the Authority and necessary for the development of quality affordable housing.

Section 3. Failure to provide any of the above-referenced requirements in a form acceptable to and to the satisfaction of the Authority by March 31, 2016 shall render this Resolution void and of no further effect, provided, upon good cause shown and payment by the Mortgagor of any extension or other fees as may be required by the Authority, the Executive Director and/or Vice President-Finance may extend the time for compliance.

Mr. Voccio reviewed staff's recommendation to authorize the financing from tax-exempt bond proceeds for Billings Forge Apartments, 112 units of housing in Hartford. He mentioned that the Board previously approved funding for the development under the Competitive Housing Assistance for Multifamily Properties ("CHAMP") program. Mr. Voccio discussed the revised funding proposal. If approved, Mr. Voccio noted that it is anticipated the development will close within 90 days.

Upon a motion made by Ms. Foley, seconded by Ms. Weil, the Board members voted unanimously in favor of adopting the following resolution regarding the financing of Billings Forge Apartments, Hartford:

RESOLUTION REGARDING FINANCING OF BILLINGS FORGE APARTMENTS
HARTFORD, CONNECTICUT
CHFA DEVELOPMENT NO. 14-050M

WHEREAS, by Resolution adopted October 9, 2014, the Connecticut Housing Finance Authority (the "Authority") authorized financing to Billings Forge Preservation Associates Limited Partnership (the "Mortgagor") for the acquisition and rehabilitation of a multifamily rental apartment complex containing 112 units located in Hartford, Connecticut (the "Development"); and

WHEREAS, the Resolution expired March 31, 2015; and

WHEREAS, the Mortgagor has requested that its financing request be given further consideration; and

WHEREAS, the Proposed Mortgagor is proceeding in a manner satisfactory to the Authority; and

WHEREAS, the Authority desires to provide financing as set forth herein and described in the attached memorandum from Joe Voccio and Carol Gooden dated September 24, 2015.

NOW THEREFORE, be it resolved by the Board of Directors of the Connecticut Housing Finance Authority as follows:

Section 1. The Authority is authorized to provide first mortgage construction and permanent first mortgage financing as follows:

A leasehold first mortgage construction loan not to exceed \$9,900,000, at an interest rate no greater than 4% per annum for 24 months, which construction loan is to be converted to a fully-amortizing permanent first leasehold mortgage loan not to exceed \$3,200,0000, at an interest rate of not to exceed 6.10% per annum for a term of 40 years. The Authority will fund this loan from Tax-Exempt Bond (TEB) proceeds including the issuance of bonds as described in Attachment A or from such other sources and upon terms and conditions as determined to be in the best interest of the Authority. With respect to any such expenditure, this Resolution is intended to satisfy the technical requirements of Section 1.150-2(d) (1) of the United States Treasury regulation.

Section 2. The Authority's commitment to provide construction and permanent mortgage financing shall be conditioned upon the following:

- a. All governmental approvals for the Development be in place; and
- b. Authority's confirmation of the Proposed Mortgagor's receipt of a commitment of sufficient annual 4% Low-Income Housing Tax Credits to produce net syndication proceeds of no less than \$4,875,000 with terms and conditions satisfactory to the Authority or that the Proposed Mortgagor produce at least that amount from other sources and with terms satisfactory to the Authority; and
- c. The Proposed Mortgagor's receipt of sufficient annual Federal Historic Tax Credits to produce net syndication proceeds no less than \$2,049,000 or that the Proposed Mortgagor produce a comparable amount from other sources and with terms satisfactory to the Authority; and
- d. The Proposed Mortgagor's receipt of sufficient annual State Historic Tax Credits to produce net syndication proceeds no less than \$2,031,000 or that the Proposed Mortgagor produce a comparable amount from other sources and with terms satisfactory to the Authority; and
- e. The Authority's confirmation of the Borrower's receipt of a commitment from the Connecticut Department of Housing ("DOH") in the approximate amount of \$5,000,000 in subordinate gap funding, with terms and conditions satisfactory to the Authority, or that the Borrower produce a commitment for approximately that amount from other sources with terms and conditions satisfactory to the Authority; and
- f. The Authority's acceptance of the Proposed Mortgagor's written evidence for a subordinated Seller Note for approximately \$2,108,000 from Melville Charity Trust under terms and conditions satisfactory to the Authority or that the Proposed Mortgagor produce a commitment for at least that amount from other sources with the terms and conditions satisfactory to the Authority; and
- g. The Authority's acceptance of the Proposed Mortgagor's receipt of a subordinate Deferred Developer Fee Loan of no less than \$345,000 or that the Proposed Mortgagor produce at least that amount from other sources and with terms and conditions acceptable to the

Authority; and

h. The Authority's confirmation of the Proposed Mortgagor's receipt of a Section 8 Housing Assistance Payment Contract to Billings Forge Apartments for at least 49 units from the U.S. Department of Housing and Urban Development ("HUD") satisfactory to the Authority; and

i. Documentation satisfactory to the Authority from HUD evidencing its written approval of the assignment of the existing Section 8 HAP contract to Borrower; and

j. The Authority's confirmation of the Proposed Mortgagor's receipt of commitments satisfactory to the Authority such that the total of the Sources and Uses of funds for completion of the Development are in balance; and

k. The Authority's acceptance and approval of the Development's final construction costs, plans and specifications; and

l. The Authority's acceptance and approval of documentation regarding hazardous waste testing at the Development and, if applicable, removal and disposal; and

m. The Authority's acceptance and approval of the Development's proposed operating income and expenses; and

n. The Authority's acceptance and approval of the Development's proposed property management organization and related documents; and

o. The Authority's acceptance and approval of a written agreement between the Proposed Mortgagor and the City of Hartford for an annual payment in lieu of taxes for the Development with terms that are consistent with the Authority's underwriting information; and

p. The Authority's acceptance and approval of independent "as-is" and "as developed" appraisals and a market acceptance analysis for the Development; and

q. A loan origination fee in an amount equal to one and one-quarter percent (1.25%) of the Loan Amount, payable as follows:

- (i) The Good Faith Deposit Fee which equals 25% of the estimated loan origination fee.
- (ii) 50%, payable upon execution of the Commitment.
- (iii) The remaining 25% due at the initial closing of the loan.

Section 3. The Executive Director and/or Vice President-Finance is hereby authorized to modify or supplement the terms and conditions hereof and to take all other actions consistent with this resolution as may be in the best interest of the Authority and necessary for the development of quality affordable housing.

Section 4. Failure to provide any of the above-referenced requirements in a form acceptable to and to the satisfaction of the Authority by June 30, 2016 shall render this Resolution void and of no further effect, provided, upon good cause shown and payment by the Proposed Mortgagor of any extension or other fees as may be required by the Authority, the Executive Director and/or Vice President-Finance may extend the time for compliance.

(Billings Forge Apartments, Hartford)

ATTACHMENT A

1. The Executive Director and/or Vice President-Finance of the Authority and staff are hereby authorized to continue the Authority's Housing Mortgage Finance Program by way of one or more bond sales.
2. The timing of such bond sales shall be determined in coordination with the State Treasurer's Office.
3. The bond sales shall be in an amount not to exceed \$9,900,000 for the Housing Mortgage Finance Program Bonds, of the series designated (subject to paragraph 18 below) 2015 Series H (the "Bonds"), which shall be issued in one or more series and subseries as federally taxable bonds and/or as federally tax-exempt bonds under the Internal Revenue Code of 1986, as amended (the "Code"), or other applicable federal tax law.
4. The Bonds shall be sold on a negotiated basis.
5. The Executive Director and/or Vice President-Finance is hereby authorized to set the date or dates for receipt of the respective offers from the underwriter(s) or other purchaser(s) (the "Respective Purchasers") to purchase the Bonds.
6. The Executive Director and/or Vice President-Finance is hereby authorized to execute and cause to be delivered appropriate documentation, including without limitation one or more Preliminary Official Statements and Underwriting Commitments, to adopt the expectations, beliefs, assumptions and representations expressed and made on behalf of the Authority in the Official Statement(s) of the Bonds (the "Official Statement(s)") and to execute and deliver the Official Statement(s).
7. The Executive Director and/or Vice President-Finance is hereby authorized both (a) to receive the related offer presented by the Respective Purchasers and (b) to make a formal award of the related portion of the Bonds to the Respective Purchasers and execute one or more Contracts of Purchase, provided the Executive Director may make such award only if the net interest cost on the tax-exempt portion or related portion of the Bonds does not exceed the Bond Buyer Revenue Bond Index published most recently prior to the award by more than 50 basis points.
8. The Executive Director and/or Vice President-Finance of the Authority are hereby authorized to negotiate one or more interest rate swap agreements with counterparties that meets

the requirements of the General Bond Resolution and is satisfactory to the Executive Director and/or Vice President-Finance and/or his designee in conjunction with the 2015 Series H bond sale (collectively, the "Swap"). The Executive Director and/or Vice President-Finance is hereby authorized to approve, execute and deliver all documents necessary to consummate the Swap, in the best interest of the Authority, as determined by the Executive Director and/or Vice President-Finance and/or his designee. The Executive Director and/or Vice President-Finance is hereby authorized to make such changes, additions, deletions, modifications and amendments to the Swap and other related documents as may be necessary or desirable and in the best interest of the Authority, and not inconsistent with this authorization. The Executive Director and/or Vice President-Finance is hereby authorized to approve changes, additions, deletions, modifications, novations and amendments to interest rate swap agreements previously executed by the Authority and intended to be allocated to the Bonds, in each case as may be necessary or desirable and in the best interest of the Authority, and not inconsistent with this authorization.

9. The Authority hereby adopts the Series Resolution Authorizing the issuance of not more than \$9,900,000 Housing Mortgage Finance Program Bonds, 2015 Series H (the "Series Resolution") and hereby authorizes all necessary transfers from the Capital Reserve Fund in accordance with Section 513(8) of the General Bond Resolution on December 1 to the Section 506 account for the purpose of redeeming bonds and the Executive Director and/or Vice President-Finance is hereby authorized to take whatever other action is necessary to carry out such sale including, without limitation, determining the amount of fixed rate, variable or convertible option bonds and to make such changes, additions, deletions, modifications and amendments to the Series Resolution as may be necessary or desirable and in the best interest of the Authority and not inconsistent with the authorization contemplated at this meeting.

10. The Executive Director and/or Vice President-Finance is hereby authorized to have the Bonds prepared and to execute and authorize the delivery of the Bonds to the Respective Purchasers upon receipt of the purchase price thereof plus accrued interest, if any, and to pay to any underwriter the underwriters' fee and/or discount and expenses and to do and perform all acts and things and execute any and all documents in the name of the Authority, necessary, useful or convenient to the issuance and sale of the Bonds by the Authority. The Bonds shall bear such rates and maturities, and sinking fund installments shall be made as set forth in the Official Statement(s) and the Series Resolution.

11. The Bonds shall be executed by the manual or facsimile signatures of the Chairperson, Vice Chairperson, Chairperson of the Finance/Audit Committee, or the Executive Director and/or Vice President-Finance of the Authority, and the official seal of the Authority or a facsimile thereof shall be affixed, impressed or imprinted on the Bonds and attested by the manual or facsimile signature of the Executive Director and/or Vice President-Finance or another duly Authorized Officer of the Authority.

12. The Executive Director and/or Vice President-Finance is authorized to establish the interest rate on mortgage loans financed with the proceeds of the Bonds ("Proceeds"), provided that such interest rate shall not exceed that which is permitted or authorized under the Code.

13. The Proceeds are to be used to make new single and/or multi-family mortgages and/or refund current and future maturities of outstanding bonds and/or to refund prepayments. The Executive Director and/or Vice President-Finance is hereby authorized to determine which

multifamily projects are to be funded from proceeds of the Bonds.

14. U.S. Bank National Association is hereby authorized to act as Paying Agent and U.S. Bank National Association is hereby authorized to act, if required, as Tender Agent.

15. The Authority may make or finance, on an interim basis, certain mortgage loans, which costs are reasonably expected to be paid or reimbursed with the proceeds of debt to be incurred by the Authority in the maximum amount of \$9,900,000 and with respect to any such expenditures, this resolution is intended to satisfy the technical requirements of Section 1.150-2(d)(1) of the Treasury Regulations.

16. The Executive Director and/or Vice President-Finance is hereby authorized to issue a certification as to the Authority's reasonable expectations regarding the amount and use of the Proceeds as described in Section 1.148-2(b)(2) of the Treasury regulations relating to Section 148 of the Code on the date such certificate is issued.

17. In the event the Executive Director and/or Vice President-Finance is unable to act in accordance with this resolution or otherwise, then his designee is hereby authorized to carry out all necessary functions to consummate the sale of the Bonds. In the event his designee is unable to act in accordance with this resolution or otherwise, then a committee of not less than three (3) members of the Board of Directors, at least one of whom shall not be a state employee, is hereby authorized to carry out all necessary functions to consummate the sale of the Bonds (the "Sale Committee"). If neither the Chairperson nor the Vice Chairperson of the Authority is able to attend, then the Chairperson of the Finance/Audit Committee shall be the Chairperson of the Sale Committee, and if he/she is unable to attend, then the Chairperson of the Mortgage Committee shall be the Chairperson of the Sale Committee, and if neither of them is able to attend, the Chairperson or Vice Chairperson of the Authority shall designate a Chairperson of the Sale Committee.

18. The Executive Director and/or Vice President-Finance is hereby authorized to change the series designation of the Bonds and/or any other of the Authority's bonds and to change the selected bond underwriting firms as necessary and in the best interest of the Authority.

19. The Bonds may be sold as one or more series and bond underwriting firms to act as the book running senior or co-senior managers, co-managers and/or selling group members for the Bonds may be determined by the Executive Director and/or Vice President-Finance for each series of Bonds from among the appointed Housing Mortgage Finance Program Bond Underwriters.

20. The senior manager, the co-senior bond underwriters and the co-managing underwriters designated by the Authority for participation in the Authority's bond issues are hereby required prior to participation in the 2015 Series H Bond issue to provide an update to the Statutory provisions, affidavits and certifications submitted as part of their agreements with the Authority.

21. Failure to provide the above required information in such form and content as determined by the Executive Director and/or Vice President-Finance necessary to satisfy the requirements of this resolution shall render the senior manager, co-senior bond underwriters or co-managing underwriters ineligible to participate in the designated bond issue.

Mr. Voccio discussed the proposed financing of Maplewood Court, 32 units of family housing located in Bridgeport from tax-exempt bond proceeds. The Board previously approved financing for the development under the CHAMP Program, and the initial closing was not achieved prior to the expiration of the resolution. Mr. Voccio reviewed the background of the development and the proposed terms and conditions of the revised funding proposal. Some questions arose about the projections provided by the borrower, and Mr. Voccio responded that sufficient due diligence has been performed by both CHFA and the equity syndicator.

Upon a motion made by Ms. Foley, seconded by Mr. Perez, the Board members voted unanimously in favor of adopting the following resolution regarding the financing of Maplewood Court, Bridgeport:

RESOLUTION REGARDING FINANCING OF MAPLEWOOD COURT
BRIDGEPORT, CONNECTICUT
CHFA DEVELOPMENT NO. 13-090M

WHEREAS, by Resolution adopted March 27, 2014, the Connecticut Housing Finance Authority (the "Authority") authorized financing to Mutual Housing Association of Southwestern CT, Inc.(the "Mortgagor") for Maplewood Court consisting of 32 apartments for families located in Bridgeport, Connecticut (the "Development"); and

WHEREAS, the Resolution expired on September 30, 2014 and was extended to March 31, 2015. The initial closing was not achieved prior to the expiration of the Resolution due to lack of funds and major staff changes within the organization; and

WHEREAS, the Mortgagor has requested its financing request be given further consideration, and the Authority desires to provide financing relief as set forth herein and described in the attached memorandum from Joe Voccio and Deborah Alter dated September 24, 2015; and

WHEREAS, the Proposed Mortgagor is proceeding in a manner satisfactory to the Authority.

NOW THEREFORE, be it resolved by the Board of Directors of the Connecticut Housing Finance Authority as follows:

Section 1. The Authority is authorized to provide construction-only first mortgage financing as follows:

(i) A first mortgage construction-only loan of up to \$4,100,000, with a term of up to 24 months at an interest-only rate not to exceed 4.0% per annum; and

(ii) assignment, assumption and restructure of the current CHFA mortgage (the "Current Mortgage") in the approximate amount of \$870,000 with a term of up to 24 months at an interest-only rate not to exceed 3.0% per annum to be converted to a fully-amortizing permanent first mortgage loan with an interest rate not to exceed 3.0% per annum for a term of 40 years; and

(iii) extension of a moratorium for the principal and interest payment of the Current Mortgage due November 1, 2015 through and including the payment due April 1, 2016 or until the initial closing of the new construction loan and modification of the Current Mortgage, whichever occurs first.

The Authority will fund this loan from Tax-Exempt Bond (TEB) proceeds including the issuance of bonds as described in Attachment A or from such other sources and upon terms and conditions as determined to be in the best interest of the Authority. With respect to any such expenditure, this Resolution is intended to satisfy the technical requirements of Section 1.150-2(d) (1) of the United States Treasury regulations.

Section 2. The Authority's commitment to provide construction and permanent mortgage financing shall be conditioned upon the following:

- a. All governmental approvals for the Development be in place;
- b. The Authority's confirmation of the Proposed Mortgagor's receipt of a commitment of sufficient annual 4% Low-Income Housing Tax Credits to produce net syndication proceeds in the approximate amount of \$2,176,694 with terms and conditions satisfactory to the Authority or that the Proposed Mortgagor produce at least that amount from other sources and with terms satisfactory to the Authority;
- c. The Authority's confirmation of the Proposed Mortgagor's receipt of a commitment for sufficient annual Federal Historic Tax Credits to produce net syndication proceeds in the approximate amount of \$1,206,867 or that the Proposed Mortgagor produce a comparable amount from other sources and with terms satisfactory to the Authority;
- d. The Authority's confirmation of the Proposed Mortgagor's receipt of a commitment for sufficient State Historic Tax Credits to produce net syndication proceeds in the approximate amount of \$1,007,946 or that the Proposed Mortgagor produce a comparable amount from other sources and with terms satisfactory to the Authority;
- e. The Authority's confirmation that an affiliate of the Proposed Mortgagor has received an award of no less than \$100,000 from the Housing Tax Credit Contribution Program for the Development, or that the Proposed Mortgagor produce a comparable amount from other sources and with the terms and conditions satisfactory to the Authority;
- f. The Authority's acceptance of the Proposed Mortgagor's evidence of the use of funds held by the Authority pursuant to a Repair Escrow and Disbursement Agreement dated August 7, 2002 in the approximate amount of \$31,693 or that the Proposed Mortgagor produce a comparable amount from other sources and with terms satisfactory to the Authority;
- g. The Authority's confirmation of the Proposed Mortgagor's receipt of a commitment from the Connecticut Department of Housing ("DOH") in the approximate amount of \$2,156,300 in subordinate gap funding, with terms and conditions satisfactory to the Authority, or that the Proposed Mortgagor produce a commitment for approximately that amount from other sources with terms and conditions satisfactory to the Authority;

h. The Authority's acceptance of the Proposed Mortgagor's evidence that a loan currently encumbering the Development from the Housing Authority of the City of Bridgeport in the approximate principal amount of \$720,000 has been assigned and assumed by the Proposed Mortgagor and restructured with terms and conditions satisfactory to the Authority, or that the Proposed Mortgagor produce a comparable amount from other sources and with the terms and conditions satisfactory to the Authority;

i. The Authority's confirmation of the Proposed Mortgagor's receipt of a HOME Loan from the City of Bridgeport in the approximate amount of \$150,000 in subordinate financing with terms and conditions satisfactory to the Authority or that the Proposed Mortgagor produce a comparable amount from other sources and with the terms and conditions satisfactory to the Authority;

j. The Authority's confirmation of the Proposed Mortgagor's receipt of commitments and/or funds satisfactory to the Authority such that the total of the Sources and Uses of funds for completion of the Development are in balance;

k. The Authority's receipt and acceptance of written evidence satisfactory to the Authority that 31 project-based rental assistance subsidies with rental assistance payments that are consistent with the Authority's underwriting information are available for the Development;

l. The Authority's acceptance and approval of the Development's final construction costs, plans and specifications;

m. The Authority's acceptance and approval of documentation regarding hazardous waste testing at the Development and, if applicable, removal and disposal;

n. The Authority's acceptance and approval of the Development's proposed operating income and expenses;

o. The Authority's acceptance and approval of the Development's proposed property management organization and related documents; and

p. The Authority's acceptance and approval of independent "as-is" and "as developed" appraisals and a market acceptance analysis for the Development.

Section 3. The Executive Director and/or Vice President-Finance is hereby authorized to modify or supplement the terms and conditions hereof and to take all other actions consistent with this resolution as may be in the best interest of the Authority and necessary for the development of quality affordable housing.

Section 4. Failure to provide any of the above-referenced requirements in a form acceptable to and to the satisfaction of the Authority by April 30, 2016 shall render this Resolution void and of no further effect, provided, upon good cause shown and payment by the Proposed Mortgagor of any extension or other fees as may be required by the Authority, the Executive Director and/or Vice President-Finance may extend the time for compliance.

Mr. Smith, Multifamily Operations Officer III, reviewed the recommendation to approve a loan to the Connecticut Green Bank or its affiliate to finance energy conservation improvements at approved State-Sponsored Housing Portfolio (“SSHP”) properties under the Solarize SSHP Program. He discussed the objectives of CHFA’s partnership with the Connecticut Green Bank to provide additional resources to the SSHP properties and access and renewable energy initiatives. Mr. Smith indicated that 15 properties containing 556 housing units are ready to move forward under the initiative. He explained that through Power Purchase Agreements with the Connecticut Green Bank, the SSHP property owners will realize the benefits of the renewable energy but will not be responsible for maintaining or owning the systems.

Upon a motion made by Ms. Weil, seconded by Ms. Foley, the Board members voted in favor of adopting the following resolution authorizing the qualified energy bond supplemental resolution and a loan for energy conservation improvements (Ms. Dorgan abstained from the vote):

RESOLUTION AUTHORIZING QUALIFIED ENERGY BOND
SUPPLEMENTAL RESOLUTION
AND LOAN FOR ENERGY CONSERVATION IMPROVEMENTS

WHEREAS, the Connecticut Housing Finance Authority (the Authority) by resolution dated February 26, 2015, adopted the Qualified Energy Conservation Bond (QECB) Resolution and authorized the QECB Program; and

WHEREAS, Connecticut Green Bank (the “Applicant”) has applied to the Authority for a loan to it or its designated affiliate to finance energy conservation improvements at eligible State-Sponsored Housing Portfolio (“SSHP”) properties under the Solarize SSHP program; and

WHEREAS, the Authority desires to supplement the QECB Bond Resolution and the QECB Program to include loans to the Green Bank under the Solarize SSHP Program as additional QECB Loans and to authorize the attached Supplemental Resolution; and

WHEREAS, the Applicant is proceeding in a manner satisfactory to the Authority; and

WHEREAS, the Authority desires to provide financing as described in the attached memorandum from Diane Smith and Marcus Smith dated September 24, 2015.

NOW THEREFORE, be it resolved by the Board of Directors of the Connecticut Housing Finance Authority as follows:

Section 1. A Qualified Energy Supplemental Bond Resolution in the form attached hereto is hereby authorized to (i) amend the QECB Bond Resolution to include loans to the Green Bank under the Solarize SSHP Program as additional QECB Loans and (ii) provide for the issuance of QECB bonds to finance such loans, with such changes as the officer(s) executing the same shall approve, his or her execution to constitute such approval.

Section 2. The Authority is authorized to provide a loan of up to \$2,600,000 from the proceeds of the sale of QECBs at an interest rate not to exceed 2.5% with an amortization term not to exceed 20 years. The Authority will fund this loan from QECB proceeds or from other

sources and upon such terms and conditions as deemed to be in the best interest of the Authority. With respect to any such expenditure, this Resolution is intended to satisfy the technical requirements of Section 1.150-2(d) (1) of the United States Treasury regulations.

Section 3. The terms and conditions herein and the aforementioned Supplemental Resolution may be modified or supplemented as determined by the Executive Director and/or Vice President-Finance to be in the best interest of the Authority and necessary for the development of quality affordable housing.

Section 4. Failure to provide any of the above-referenced requirements in a form acceptable to the Authority and to the satisfaction of the Authority by April 1, 2016 shall render this Resolution void and of no further effect, provided, upon good cause shown and payment by the Applicant of any extension or other fees as may be required by the Authority, the Executive Director and/or Vice President-Finance may extend the time for compliance.

Ms. Klein asked the members to consider the items on the Consent Agenda.

Upon a motion made by Mr. Perez, seconded by Mr. Schmitt, the Board members voted unanimously in favor of adopting the following consent agenda items:

Reports Accepted:

- Financial and Delinquency Reports
- Finance Audit Monthly Tracking Report
- State-Sponsored Housing Portfolio

Ms. Klein asked the Board members to consider changing the current position title of President – Executive Director to Executive Director as explained in the memorandum from Attorney Dickerson of September 10, 2015.

Upon a motion made by Ms. Foley, seconded by Ms. Lowney, the Board members voted unanimously in favor of authorizing the change of the position title President – Executive Director to Executive Director.

The Board members considered the minutes from the July 30, 2015 regular meeting.

Ms. Lowney asked that the minutes be amended on page 12 to reflect that she voted against the adoption of the Low-Income Housing Tax Credit Qualified Allocation Plan.

Upon a motion made by Ms. Dorgan, seconded by Ms. Lowney, the Board members voted in favor of adopting the minutes from the July 30, 2015 meeting as presented (Ms. Droney abstained from the vote).

Ms. Martin, Legislative Program Officer – Federal, provided an update on federal legislation. She spoke about the three-part study of low-income housing tax credits being conducted by the Government Accountability Office. In response to a question, Ms. Martin stated that different states have been selected to participate in the study, and Connecticut has not been asked to participate yet.

As listed on the agenda, Ms. Klein asked the Board to consider going into executive session.

Upon a motion made by Ms. Foley, seconded by Ms. Lowney, the Board members voted unanimously in favor of going into executive session at 10:25 a.m. pursuant to Connecticut General Statutes Section 1-200(6)(B), to discuss pending litigation related to the single-family program. Mr. Chilson, Director of Portfolio Management; Attorney Dickerson, Vice President – Legal; Mr. Kilduff, Executive Director; and Mr. Taib, Vice President – Finance, were invited to remain during the executive session.

The executive session ended at 11:30 a.m., and the regular meeting was immediately reconvened. No action was taken as a result of the executive session.

There being no further business to discuss, upon a motion made by Ms. Dorgan, seconded by Mr. Orr, the Board voted to adjourn the meeting at 11:30 a.m.

EXHIBIT C

Payoff Schedule

CONNECTICUT HOUSING FINANCE AUTHORITY PAYOFF CALCULATION
SALE OF PARK SQUARE WEST PROPERTY

Subject to those amounts that are estimated and will require true up in connection with the closing of any sale, following is the calculation of the amount required to pay Connecticut Housing Finance Authority (“CHFA”) in full on account of its secured claim against Park Square West Associates, LLC as of August 15, 2016:

Payoff Calculation:

Principal:	\$22,014,242.34
Accrued Contract Interest:	\$ 3,592,024.68
Accrued Default Interest:	\$ 1,658,047.75
Accrued Late Charges:	\$ 183,561.55
Consent/Housing Maintenance Fee:	\$ 250,000.00 ³
Attorneys’ Fees and Costs:	<u>\$ 625,000.00⁴</u>
Total:	\$28,322,876.32

Per Diem Interest (Combined Contract and Default):

\$5,638.90

Escrows as of June 30, 2016:

Good Faith and Working Capital Escrow:	\$271,523.03
Replacement Reserve Escrow:	\$422,245.72

³ This amount represents a compromise from the prepetition agreement between the Debtor, Park Square West Associates, LLC, and CHFA pursuant to which the Debtor agreed to pay CHFA \$3,310,000.00 as a Housing Program Maintenance Fee in connection with the proposed prepayment of CHFA’s secured debt as part of a refinancing transaction. CHFA’s consent to the proposed disposition of the Park Square West Property is required pursuant to Conn. Gen. Stat. § 8-253a, various contracts between the Debtor and CHFA and Connecticut state public policy.

⁴ This amount is an estimate based upon the actual fees and expenses incurred through July 25, 2016, in the total amount of \$568,725.39. To the extent the actual fees and expenses incurred through the date of the closing are greater or lesser than the estimated amount set forth above, CHFA and the Debtor will adjust the payoff amount accordingly.