

CONTRACT BETWEEN
DUDLEY SQUARE REALTY CORPORATION
AND THE CITY OF BOSTON
PURSUANT TO SECTION 6A OF CHAPTER 121A OF THE
MASSACHUSETTS GENERAL LAWS

2260-2262 Washington Street
2304-2306 and 2326-2328 Washington Street
Roxbury

This contract (this "Contract") is made as of this 20th day of November, 2012, under Sections 6A, 10, 15 and 18C of Chapter 121A of the General Laws of the Commonwealth of Massachusetts, by and between **Dudley Square Realty Corporation**, a nonprofit corporation formed under the laws of the Commonwealth of Massachusetts (hereinafter called the "Developer") and the **City of Boston**, a municipal corporation of the Commonwealth of Massachusetts (hereinafter called the "City").

WITNESSETH THAT:

WHEREAS, on June 29, 2012, the Developer filed with the Boston Redevelopment Authority (the "Authority") an application (the "Application") under the provisions of said Chapter 121A of the General Laws and Chapter 652 of the Acts of 1960, as amended (collectively, "Chapter 121A") for approval of a project (the "Project"), more particularly described in the Application including, but not limited to, the acquisition of the Project Area (as defined in the Application), demolition of portions of the existing structures in the Project Area and the construction of an approximately 200,000 square foot mixed used commercial building with offices and street level retail; and

WHEREAS, the Ward and Parcel numbers for 2260-2262 Washington Street, 2304-2306 Washington Street, and 2326-2328 Washington Street are: 09-03139-000, 09-03143-000, 09-03142-000, respectively; and

WHEREAS, after a duly advertised public hearing, the Board of Directors of the Authority approved the undertaking of the Project by the Developer by vote on July 12, 2012; and

WHEREAS the Mayor of the City approved the vote of the Authority on July 18, 2012;

WHEREAS, the vote of the Authority and the approval of the Mayor of the City were filed with the Office of the City Clerk on July 18, 2012, and such approval has become final and binding pursuant to the provisions of Chapter 121A; and

WHEREAS, pursuant to the provisions of Chapter 121A, the City has required the Developer to enter into this Contract with respect to the Project.

NOW THEREFORE:

1. Undertaking of Project. The Developer hereby agrees with the City that subject to the provisions of Paragraph 7 herein, the Developer will carry out the Project in accordance with the Application, the provisions of Chapter 121A as now in effect and the Report and Decision, including but not limited to, the Minimum Standards for the Financing, Construction, Maintenance and Management of the Project set forth therein (collectively, the "Approval"), which are incorporated herein by reference.

2. Term: This 6A Contract shall become effective on January 1, 2013 (the "Effective Date") and shall expire on December 31, 2028 (the "Termination Date"). The period from the Effective Date until the Termination Date is hereinafter referred to as the "Term."

3. Excise Tax Payments. Annually, during the Term, the Developer will pay to the Department of Revenue, or any successor department or agency of the Commonwealth of Massachusetts ("DOR") for each calendar year during which the Developer is subject to Chapter 121A and has the benefit of the tax exemption provided thereunder, the urban redevelopment excise required under Section 10 of Chapter 121A with respect to the Project (the "Excise Tax").

4. 6A Contract Amounts.

(a) Payment Amount: Annually during the Term, and subject to the provisions and limitations of this Contract, the Developer will pay to the City, the amount, if any (the "Differential"), by which the following amount (the "6A Contract Amount") exceeds the Excise Tax payable by the Developer for such calendar year: 20% of Gross Revenues derived from retail tenants and 0% of Gross Revenues derived from governmental agencies and non-profit corporations which are government instrumentalities exempt from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code; provided, however, that prior to occupancy of the Project and the receipt of rent from tenants, no amount shall be due hereunder. "Gross Revenues" are defined as rents and other payments received from tenants and subtenants of the Project.

(b) Due Date: The first 6A Contract Amount or portion thereof, is due on or before April 1, 2014 (*i.e.*, for calendar 2013). Thereafter, each 6A Contract Amount or portion thereof, shall be made on or before April 1 following the end of each calendar year during the Term for which such a payment is due.

(c) Late Payments: Late 6A Contract Amounts and gap payments (as set forth in Section 7), or any portion thereof, shall bear interest at the rate allowed for in M.G.L. Ch. 60, as amended from time to time.

5. Financial Reporting.

(a) The Developer shall file with the Commissioner of Assessing by February 10 following the end of each calendar year during the Term: (a) a statement of income and expenses, including line item detail, for the Project during the preceding calendar year or portion

thereof, (b) a rent roll, and (c) a Declaration of Liability Return, a form made available by the Assessing Department.

(b) The Developer shall file with the Commissioner of Assessing and the Collector-Treasurer of the City ("Collector-Treasurer") by April 1 following the end of each calendar year during the Term: (i) a Declaration of Liability Form, a form made available by the Collector-Treasurer; (ii) a financial review by an independent certified public accountant, consisting of a statement of all rental and other income, operating costs, a statement of profit and loss, a balance sheet, and a statement of disposition of funds for the preceding year; and (iii) a certified copy of the Developer's Excise Tax Return as submitted to DOR.

The Developer hereby authorizes the Commissioner of Assessing, or his or her representative designated in writing, to examine from time to time all Excise Tax returns and related documents or reports filed with DOR by the Developer. No further evidence of this authorization is required.

6. Overpayments. Any Overpayment (as defined below) by the Developer with respect to any calendar year shall, at the election of the City, be refunded to the Developer or applied to reduce the 6A Contract Payment due in the succeeding calendar year. The Developer shall give notice to the City of the discovery of the alleged Overpayment within 30 days of the date the 6A Contract Payment was made. The notice shall be accompanied by supporting documentation, including but not limited to, ward and parcel number, the date payment was made to the DOR and/or the City, the amount of the 6A Contract Amount and/or the Excise Tax payment made, copies of cancelled checks, front and back, for both the DOR and the City. For purposes of this Contract, an "Overpayment" by the Developer with respect to any calendar year shall include the following: (A) amounts paid by the Developer to the Commonwealth of Massachusetts, the City or the Authority with respect to the Project pursuant to Sections 10 and 15 of Chapter 121A which exceed for such calendar year the Contract Amount; (B) any amounts paid by the Developer to the City as real estate taxes pursuant to Chapter 59, as amended, or any successor statute; (C) any amounts paid by the Developer under Chapter 121A, Section 15; (D) the Excise Tax paid by the Developer to DOR; or (E) any amounts paid to the City with respect to the Project in excess of amounts actually due under this Contract due to calculation error, subsequent adjustment of the Excise Tax, inaccurate information or other inadvertent mistake. In the event that the Excise Tax for any year shall exceed the Contract Amount applicable for such year, such excess will be deemed to be an Overpayment, and the Developer's obligations to the City hereunder shall be correspondingly reduced for future years until such Overpayment has been exhausted.

7. Gap Payment. Upon the termination of this 6A Contract, the Developer shall pay or cause to be paid a gap payment to cover the time period between the Termination Date and the date on which the Property becomes taxable pursuant to Massachusetts General Laws, Chapter 59. The gap payment shall be equal to the 6A Contract Amount that would have been made for such period if the Property had remained subject to this 6A Contract, prorated accordingly. The gap payment shall be paid within six (6) months following the month in which this 6A Contract terminates. From and after the Termination Date, neither the Developer nor the Property shall be subject to the obligations of Chapter 121A, enjoy the rights and privileges thereunder, or be subject to the terms, conditions, and obligations of this 6A Contract as provided in Chapter

121A; provided, however, that any deviations and permissions granted by the Authority pursuant to the Report and Decision, as the same may have been amended, shall remain in effect. The provisions of Sections 4.(c), 7 and 15 shall survive the termination of this 6A Contract.

8. Determination of Fair Cash Value. During the Term of this 6A Contract, the City of Boston Assessing Department shall determine the fair cash value of the Project in accordance with M.G.L. Chapter 121A, Section 10, such that the fair cash value shall be an amount which when used in the computation of the Excise Tax for or with respect to the previous calendar year, will result in an Excise Tax not greater than the 6A Contract Amount due for such prior calendar year. The City agrees to certify as to each of the foregoing fair cash value dates and amounts to DOR and the Developer on or before March 1 of each year during the Term, pursuant to the second paragraph of Section 10 of Chapter 121A. The City acknowledges that the Project constitutes all the real and personal property of the Developer for which it is required to establish a fair cash value under the provisions of Section 10 of Chapter 121A.

9. Pre-Conditions to Obligations of Developer. The obligations of the Developer under this Contract and the Application are conditioned in all respects upon (i) the acquisition of the Project Area by the Developer; (ii) the issuance of all permissions, variances, exceptions, permits and licenses which may be required with respect to the construction, maintenance and management of the Project, whether or not the same were specified in the Application; (iii) the Project being exempt from taxation under Section 10 of Chapter 121A; and (iv) upon the gross income of the Developer for purposes of Section 10 of Chapter 121A being limited to the Gross Revenues actually received by the Developer. The Developer shall not be held in any way liable for delays which may occur in the construction, repair and maintenance of the Project, or otherwise, by reason of scarcity of materials of labor, labor difficulties, damage by the fire or other casualty or any other cause beyond the Developer's reasonable control. The Developer agrees to use reasonable efforts to cause all such permissions, variances, exceptions, permits and licenses to be secured and all such delays to be overcome.

10. Termination of Contract. This Contract shall remain in full force and effect for the term identified in Paragraph 2 above, subject to any rights of the Developer to seek termination of the status of the Project as a 121A project under the Application or Approval, or at law.

11. Amendments to Chapter 121A or Rules and Regulations. The Developer and the City agree that, without mutual consent, any amendment subsequent to the delivery of this Contract of any of the provisions of Chapter 121A or of Chapter 652 of the Acts of the 1960, as amended to date, or of the Rules, Regulations and Standards now applicable to the Project shall not affect this Contract.

12. Successors and Assigns; Liability. The provisions of this Contract shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. The liability of the undersigned shall be limited solely to its interest in the Project and no partner, venturer, trustee, beneficiary, shareholder, officer, director or the like of the Developer or its successors or assigns, or any person or entity directly or indirectly holding any interest in any of the foregoing from time to time, shall have or be subject to any personal liability hereunder. After any termination under Chapter 121A as to the Project, or transfer of

the Project to another party, or termination or transfer of any portion thereof, each in accordance with the Approval by the Authority or as otherwise approved by the Authority, the Developer shall no longer be subject to the obligations hereof and shall have no further liability hereunder with respect to the Project or such portion of the Project, as the case may be, the City agreeing to look solely to such transferee.

13. Invalidity. If any provision of this Contract or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Contract and the application of such provisions to other persons and circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

14. Notices. All notices required pursuant to this Contract shall be in writing and delivered by hand or mailed postage prepaid, by certified mail, addressed as follows:

If to the City: City of Boston Assessing Department
One City Hall, Room 301
Boston, MA 02201
Attn: Commissioner of Assessing

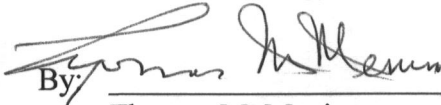
If to Developer: Dudley Square Realty Corporation
Boston City Hall, Room 608
One City Hall Square
Boston, MA 02201
Attn: Chief Financial Officer

With a copy to: Krokidas & Bluestein LLP
600 Atlantic Avenue, 19th Floor
Boston, MA 02210
Attn: Kathryn Cochrane Murphy

A different address may be designated by each party by giving written notice to the other party. Any such notice shall be deemed given when so delivered by hand or, if so mailed, two (2) days after such notice is deposited with the U.S. Postal Service.

EXECUTED as a sealed instrument the day and year first above written.

CITY OF BOSTON

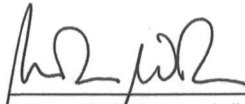
By: 

Thomas M. Menino
Mayor

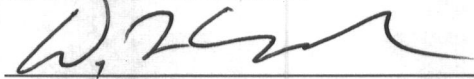
By: 

Ronald W. Rakow
Commissioner of Assessing

DUDLEY SQUARE REALTY CORPORATION

By: 
Meredith Weenick, President

APPROVED AS TO FORM:

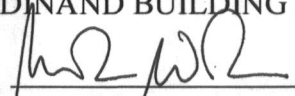
By: 
William F. Sinnott *col*
Corporation Counsel
City of Boston

JOINDER

The undersigned Ferdinand Building Development Corp., being the master tenant, joins in the foregoing Contract solely for the purpose of agreeing to submit to the Developer and to the Commissioner of Assessing the information required by Section 5 of the foregoing Contract, as and when required by said Sections 4 and 5. By the execution of this Contract the City acknowledges and agrees that neither such joinder, nor the performance of the undertaking made herein, shall subject the undersigned to the provisions of Chapter 121A, including without limitation the Regulatory Agreement, and that only the Developer is an entity subject to said Chapter 121A with respect to the Project.

This Limited Joinder shall be binding upon and inure to the benefit of the City and tenant and their respective successors and assigns.

FERDINAND BUILDING DEVELOPMENT CORP.

By: 
Meredith Weenick, President