



June 3, 2016

Jennifer Van Campen  
Executive Director  
Metro West Collaborative Development  
79-B Chapel Street  
Newton, MA 02458

Dear Jennifer:

I am pleased to inform you that The Property and Casualty Initiative, LLC (the "Lender") has approved your request on behalf of Metro West Collaborative Development (the "Borrower") to provide loan funds for the Waltham Scattered-site Acquisition Program (the "Project"), subject to the following terms and conditions:

- Borrower:** Metro West Collaborative Development
- Guarantor:** The Loan is recourse to the Borrower.
- Use of Loan Proceeds:** Loan proceeds (the "Loan Draws") will be used to acquire 26 units of rental housing in the City of Waltham as properties are identified by the Borrower over the term of the Loan.
- Amount:** Up to \$4,420,000
- Fee:** \$44,200 to be paid at Loan Closing.
- Interest Rate:** 4.75% fixed
- Term:** Four (4) years
- Repayment:** Interest only payments made monthly in arrears. All principal and accrued interest is due upon maturity.
- Prepayment:** Allowed at any time without penalty.
- Collateral:** (i) first priority mortgage on the improvements of any and all property acquired using proceeds from the Loan (collectively, the "Property"); (ii) first priority security interest in all approvals, contracts, permits, license, plans & specs, personal property, equipment and fixtures, escrow accounts, leases, rents, and contracts associated with the Property;

(iii) pledge of the Operating Reserve account and any other cash reserves required by PCI pursuant to this commitment.

Operating Reserve

The Borrower shall have established an operating reserve account in the amount of \$54,000 after all units are acquired or at the beginning of year 4 whichever comes first.

Reporting:

Within 30 days of the each quarter year end the Borrower shall submit internally generated financial statements, consisting of a balance sheet and income statement on the organization and a Pro Forma on the Project.

Expiration:

This commitment will expire if not closed on or before December 31, 2016.

Expenses:

Borrower to pay all costs incidental to the transaction, including but not limited to legal fees of the PCI's counsel, title insurance, and recording fees.

Special Conditions:

1. The City of Waltham must approve a \$1,300,000 loan (the "City Loan") to the Project prior to Loan Closing.
2. The City Loan must be subordinate to Lender's Loan and all Lender's Draws.
3. The City Loan must provide at least \$100,000 per restricted unit where a restricted unit is defined as restricted to households earning up to 80% of Area Median Income ("AMI").
4. The City Loan and any subsequent draws must be made to the Project not more than 60 days after each acquisition.
5. A DSCR of not less than 1.15:1 measured quarterly must be maintained on the aggregate of the draws.
6. At no time will the aggregate draws exceed 85% of the collateral value.

Loan Draws are subject to the following terms and conditions:

Draw

Amount: Loan Draws may be up to \$200,000 per rental unit per property. At no time will the sum of Loan Draws exceed \$4,420,000.

Draw

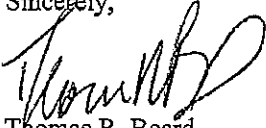
Request: The application package must contain the following in form and substance acceptable to the Lender:

1. A balanced Sources and Uses for each acquisition.
2. An appraisal acceptable to the Lender showing an LTV of not more than 85% per draw request.
3. An ATSM environmental report.
4. A property inspection report.
5. A rent roll showing current property rents including affordable restrictions for at least one at no less than 80% of AMI.
6. A Pro Forma projecting future cash flow evidencing a DSCR for each draw of not less than 1.15:1.
7. Evidence showing a feasible exit strategy.

Approval: Approval of each Draw is made in the sole discretion of the Lender.

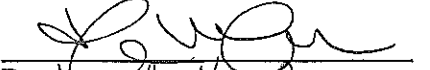
If you have any questions concerning the terms and conditions of this commitment, please do not hesitate to call me at (617) 723-7878. It has been a pleasure working with you and I look forward to continuing to work with you on this ambitious project.

Sincerely,



Thomas R. Beard  
Vice President

In agreement:



By: Jennifer Van Campen

Title: Ex. Director

Date: 6/7/16