

AMHERST COMMUNITY LAND TRUST GROUND LEASE

THIS LEASE (“this Lease” or “the Lease”) entered into this ____ day of _____, 2021,
between AMHERST COMMUNITY LAND TRUST (“ACLT”) and _____
 (“Homeowner”).

ARTICLE 1: Letters of Agreement and Acknowledgment

ARTICLE 2: Leasing of Rights to the Land

ARTICLE 3: Term of Lease, Change of Land Owner

ARTICLE 4: Use of Leased Land

ARTICLE 5: Lease Fee

ARTICLE 6: Taxes and Assessments

ARTICLE 7: The Home

ARTICLE 8: Financing

ARTICLE 9: Liability, Insurance, Damage and Destruction, Eminent Domain

ARTICLE 10: Transfer of the Home

ARTICLE 11: Default

ARTICLE 12: Mediation and Arbitration

ARTICLE 13: General Provisions

The following Exhibits are attached hereto and made part of this Lease

Exhibit A LETTERS OF AGREEMENT AND ATTORNEY’S ACKNOWLEDGMENT

Exhibit B LEASED LAND

Exhibit C DEED

Exhibit D PERMITTED MORTGAGES

Exhibit E FIRST REFUSAL

Exhibit F RESTRICTIONS

Exhibit G INITIAL APPRAISAL

RECITALS

A. ACLT is organized exclusively for charitable purposes, including support for development and preservation of decent, affordable housing for low-and moderate-income households; the encouragement of responsible long-term residential owner-occupancy; and the stability and sustainability of established residential neighborhoods in Amherst.

B. A goal of ACLT is to assist low-and moderate-income households who otherwise might not be able to afford home ownership, through the long-term leasing to them of ACLT-owned land under their owner-occupied homes.

C. The Leased Land described in this Lease has been acquired and is being leased by ACLT in furtherance of this goal.

D. The Leased Land and the Home described in this Lease are subject to the terms of a Regulatory Agreement and Declaration of Restrictive Covenants between and among the Commonwealth of Massachusetts, acting by and through the Department of Housing and Community Development (“DHCD”), the Town of Amherst, ACLT and Homeowner, dated [REDACTED] and recorded with the Hampshire County Registry of Deeds (“Registry”) in Book [REDACTED], Page [REDACTED], which establishes this Ground Lease, and particularly the restrictions in Exhibit F hereof, as affordable housing restrictions under Massachusetts law (“Regulatory Agreement”).

E. The Homeowner shares the purposes of ACLT and has agreed to enter into this Lease not only to obtain the benefits of homeownership, but also to further the charitable purposes of ACLT.

F. Homeowner and ACLT recognize the special nature of the terms of this Lease, and each of them accepts these terms, including those terms that affect the marketing and resale price of the property now being purchased by the Homeowner.

G. Homeowner and ACLT agree that the terms of this Lease further their shared goals over an extended period of time and through a succession of owners.

NOW THEREFORE, Homeowner and ACLT agree on all of the terms and conditions of this Lease as set forth below.

DEFINITIONS: Homeowner and ACLT agree on the following definitions of key terms used in this Lease.

Leased Land: The parcel of land, described in Exhibit B: LEASED LAND, that is leased to the Homeowner.

Home: The residential structure and other permanent improvements located on the Leased Land and owned by the Homeowner, including both the original Home described in Exhibit C: DEED, and all permanent improvements added thereafter by Homeowner at Homeowner’s expense.

Base Price: The total price that is paid for the Home by the Homeowner (including the amount provided by a first mortgage loan but not including subsidy in the form of deferred loans to the Homeowner).

Purchase Option: The rights held by ACLT under this Lease to purchase the Home and/or to assign its rights hereunder.

Purchase Option Price: The maximum price the Homeowner is allowed to receive for the sale of the Home and the Homeowner’s right to possess, occupy and use the Leased Land, as defined in Article 10 of this Lease.

Lease Fee: The monthly fee that the Homeowner pays to ACLT for the continuing use of the Leased Land and any additional amounts that ACLT charges to the Homeowner for reasons permitted by this Lease.

Permitted Mortgage: A mortgage or deed of trust on the Home and the Homeowner's right to possess, occupy and use the Leased Land granted to a lender by the Homeowner with ACLT's Permission. The Homeowner may not mortgage ACLT's interest in the Leased Land, and may not grant any mortgage or deed of trust without ACLT's Permission.

Event of Default: Any violation of the terms of the Lease unless it has been corrected ("cured") by Homeowner or the holder of a Permitted Mortgage in the specified period of time after a written Notice of Default has been given by ACLT.

ARTICLE 1: Homeowner's Letter of Agreement and Attorney's Letter of Acknowledgment are attached as Exhibits.

Attached as Exhibit A: HOMEOWNER'S LETTER OF AGREEMENT AND ATTORNEY'S LETTER OF ACKNOWLEDGMENT and made part of this Lease by reference are a Letter of Agreement from the Homeowner, describing the Homeowner's understanding and acceptance of this Lease (including the parts of the Lease that affect the resale of the Home), and a Letter of Acknowledgment from the Homeowner's attorney, describing the attorney's review of the Lease with the Homeowner.

ARTICLE 2: Leasing of Rights to the Land

2.1 ACLT LEASES THE LAND TO HOMEOWNER: The ACLT hereby leases to the Homeowner, and Homeowner hereby accepts, the right to possess, occupy and use the Leased Land (described in the attached Exhibit B: LEASED LAND) in accordance with the terms of this Lease. ACLT has furnished to Homeowner a copy of the most current title report, if any, obtained by ACLT for the Leased Land, and Homeowner accepts title to the Leased Land in its condition "as is" as of the signing of this Lease.

2.2 PERMISSION REQUIRED FOR CUTTING OF TREES. Except in the case of immediate threat of harm to people or property, Homeowner may not cut or remove trees greater than six inches diameter breast height (DBH) without ACLT's written permission. If Homeowner removes a tree due to a threat of immediate harm to people or property, Homeowner must provide writing notification to ACLT within five days of such removal. That notification must include documentation supporting the claim that the tree presented an immediate threat.

ACLT will not unreasonably deny requests for permission to remove trees that are diseased or that present a potential hazard. In all other cases, in its decision to grant or deny permission, ACLT shall attempt to fairly balance the desire of the Homeowner to use and manage the land freely with the long term benefits provided by trees on the property.

2.3 MINERAL RIGHTS NOT LEASED TO HOMEOWNER: ACLT does not lease to Homeowner the right to remove from the Leased Land any minerals or other extractive resources lying beneath the Leased Land's surface. Ownership of such minerals or other extractive resources remains with ACLT, but ACLT shall not remove any such minerals or other extractive resources from the Leased Land without the Homeowner's written permission.

ARTICLE 3: Term of Lease, Change of Land Owner

3.1 TERM OF LEASE IS 99 YEARS: This Lease shall remain in effect for 99 years, beginning on the ____ day of _____, 20____, and ending on the _____ day of _____, 20____, unless ended sooner or renewed as provided below.

3.2 HOMEOWNER CAN RENEW LEASE FOR ANOTHER 99 YEARS: Homeowner may renew this Lease for one additional period of 99 years. The ACLT may change the terms of the Lease for the renewal period prior to the beginning of the renewal period but only if these changes do not materially and adversely interfere with the rights possessed by Homeowner under the Lease. Not more than 365 nor less than 180 days before the last day of the first 99-year period, ACLT shall give Homeowner a written notice that states the date of the expiration of the first 99-year period and the conditions for renewal as set forth in the following paragraph (“the Expiration Notice”). The Expiration Notice shall also describe any changes that ACLT intends to make in the Lease for the renewal period as permitted above.

The Homeowner shall then have the right to renew the Lease only if the following conditions are met: (a) within 60 days of receipt of the Expiration Notice, the Homeowner shall give ACLT written notice stating the Homeowner’s desire to renew (“the Renewal Notice”); (b) this Lease shall be in effect on the last day of the original 99-year term, and (c) the Homeowner shall not be in default under this Lease or under any Permitted Mortgage on the last day of the original 99-year term.

When Homeowner has exercised the option to renew, Homeowner and ACLT shall sign a memorandum stating that the option has been exercised. The ACLT shall record this memorandum promptly after the beginning of the renewal period in accordance with the requirements of law for a notice of lease.

3.3 WHAT HAPPENS IF ACLT DECIDES TO SELL THE LEASED LAND: If ownership of the Leased Land is ever transferred by ACLT (whether voluntarily or involuntarily) to any other person or institution, this Lease shall not cease, but shall remain binding on the new land-owner as well as the Homeowner. If ACLT agrees to transfer the Leased Land to any person or institution other than a non-profit corporation, charitable trust, government agency or other similar institution sharing the goals described in the Recitals above, the Homeowner shall have a right of first refusal to purchase the Leased Land. The details of this right shall be as stated in the attached Exhibit E: FIRST REFUSAL. Any sale or other transfer contrary to this Section 3.3 shall be null and void.

ARTICLE 4: Use of Leased Land

4.1 HOMEOWNER SHALL OCCUPY THE HOME AS PRINCIPAL RESIDENCE AND MAY USE IT ONLY FOR RESIDENTIAL AND RELATED PURPOSES: The Home and Leased Land shall be occupied and used by the Homeowner as Homeowner’s principal residence. Homeowner shall use, and allow others to use, the Home and Leased Land only for residential purposes and any incidental activities related to residential use that are permitted by applicable law and regulations. Any use of the Home and Leased Land or activity thereon which is inconsistent with such exclusive residential use is expressly prohibited.

Use of the Leased Land shall be further limited by the restrictions described in the attached Exhibit F: RESTRICTIONS.

4.2 HOMEOWNER MUST USE THE HOME AND LEASED LAND RESPONSIBLY AND IN COMPLIANCE WITH THE LAW: Homeowner shall use the Home and Leased Land in a way that will not cause harm to others or create any public or private nuisance. Homeowner shall dispose of all waste in a safe and sanitary manner. Homeowner shall maintain all parts of the Home and Leased Land in safe, sound and habitable condition, in full compliance with all laws and regulations, and in the condition that is required to maintain the insurance coverage required by Section 9.4 of this Lease.

4.3 HOMEOWNER IS RESPONSIBLE FOR USE BY OTHERS: Homeowner shall be responsible for the use of the Home and Leased Land by all residents and visitors and anyone else using the Leased Land with Homeowner's permission and shall make all such people aware of the restrictions on use set forth in this Lease.

4.4 HOMEOWNER MUST OCCUPY THE HOME FOR AT LEAST TEN (10) MONTHS EACH YEAR: Homeowner shall occupy the Home for at least ten (10) months of each year of this Lease, unless otherwise agreed by ACLT. In the absence of the Homeowner, occupancy by Homeowner's child, spouse or other persons approved by ACLT may be counted as occupancy by Homeowner for up to six (6) months in any thirty six (36) month period, not to exceed a maximum of four (4) months in any consecutive twelve (12) months. Neither compliance with the occupancy requirement nor ACLT's permission for an extended period of non-occupancy constitutes permission to sublease the Leased Land and Home, which is addressed in Section 4.5 below.

4.5 SUBLEASING NOT PERMITTED WITHOUT ACLT'S PERMISSION. Homeowner shall not sublease the Home and/or any of Homeowner's rights under this Lease or allow the Home to be occupied by others, for any period of time, without the written permission of ACLT. Homeowner agrees that ACLT shall have the right to withhold such consent in order to further the purposes of this Lease. Occupancy for more than 3 months by anyone other than the Homeowner or Homeowner's immediate family is considered a sublease.

If permission for subleasing is granted, the sublease shall be subject to the following conditions.

- a) Any such sublease shall be subject to all the terms of this Lease, including, without limitation, all prohibitions, restrictions and other provisions applicable to the sale, assignment, sublease or other transfer of the Home and/or this Lease as provided herein.
- b) Neither the Leased Land nor the Home shall be subleased to or occupied by any third party who is not qualified by ACLT or ACLT's agent for affordable housing, as defined in Article 10.2. In addition, renting to income qualified persons shall be further limited by the restrictions set forth in the attached Exhibit F: RESTRICTIONS. The rental or occupancy fee charged the sublessee or occupant shall not be more than that amount charged Homeowner by ACLT, plus an amount approved by ACLT to cover cost to Homeowner for the Home. All rents, profits or proceeds from such transaction which exceed the carrying costs of the Home as determined by ACLT in its sole and absolute discretion shall be paid to and be the property of ACLT.

4.6 ACLT HAS A RIGHT TO INSPECT THE LEASED LAND: The ACLT may inspect any part of the Leased Land except the interiors of fully enclosed buildings, at any reasonable time, after providing oral notification to the Homeowner at least forty-eight hours before the planned inspection. In an emergency, ACLT may inspect any part of the Leased Land except the

interiors of fully enclosed buildings, after making reasonable efforts to inform the Homeowner before the inspection.

If ACLT has received an Intent-To-Sell Notice (as described in Section 10.4 below), then ACLT has the right to inspect the interiors of all fully enclosed buildings to determine their condition prior to the sale. The ACLT must notify the Homeowner at least 24 hours before carrying out such inspection.

4.7 HOMEOWNER HAS A RIGHT TO QUIET ENJOYMENT: Homeowner has the right to quiet enjoyment of the Leased Land. The ACLT has no desire or intention to interfere with the personal lives, associations, expressions, or actions of the Homeowner in any way not permitted by this Lease.

ARTICLE 5: Lease Fee

5.1 AMOUNT OF LEASE FEE: The Homeowner shall pay a monthly Lease Fee in an amount of Fifty Dollars (\$ 50.00) to be paid in return for the continuing right to possess, occupy and use the Leased Land.

5.2 WHEN THE LEASE FEE IS TO BE PAID: The Lease Fee shall be payable to ACLT on the first day of each month for as long as this Lease remains in effect, unless the Lease Fee is to be escrowed and paid by a Permitted Mortgagee, in which case payment shall be made as directed by that Mortgagee.

5.3 HOW THE AMOUNT OF THE LEASE FEE HAS BEEN DETERMINED: The amount of the Lease Fee stated in Section 5.1 above has been determined as follows. First, the approximate monthly fair rental value of the Leased Land has been established, as of the beginning of the Lease term, recognizing that the fair rental value is reduced by certain restrictions imposed by the Lease on the use of the Land. Then the affordability of this monthly amount for the Homeowner has been analyzed and, if necessary, the Land Use has been reduced to an amount considered to be affordable for Homeowner.

5.4 ACLT MAY REDUCE OR SUSPEND THE LEASE FEE TO IMPROVE AFFORDABILITY: ACLT may reduce or suspend the total amount of the Lease Fee for a period of time for the purpose of improving the affordability of the Homeowner's monthly housing costs. Any such reduction or suspension must be in writing and signed by ACLT before being effective and no such adjustment or waiver in one instance will be binding in other instances.

5.5 FEES MAY BE INCREASED FROM TIME TO TIME: The ACLT may increase the amount of the Lease Fee from time to time, but not more often than once every five (5) years. Each time the Lease Fee is increased, the total percentage of increase since the date this Lease was signed shall not be greater than the percentage of increase, over the same period of time, in the Consumer Price Index for urban wage earners and clerical workers for northeastern United States.

5.6 LEASE FEE WILL BE INCREASED IF RESTRICTIONS ARE REMOVED: If, for any reason, the provisions of Article 10 regarding transfers of the Home or Sections 4.4 and 4.5 regarding occupancy and subleasing are suspended or invalidated for any period of time, then during that time the Lease Fee shall be increased to an amount calculated by ACLT to equal the fair rental value of the Leased Land for use not restricted by the suspended provisions. Such increase shall become effective upon ACLT's written notice to Homeowner. Thereafter, for so

long as these restrictions are not reinstated in the Lease, ACLT may, from time to time, further increase the amount of such Lease Fee, provided that the amount of the Lease Fee does not exceed the fair rental value of the property, and provided that such increases do not occur more often than once annually.

5.7 IF PAYMENT IS LATE, INTEREST CAN BE CHARGED: If ACLT has not received any monthly installment of the Lease Fee on or before the date on which the such installment first becomes payable under this Lease (the “Due Date”), ACLT may require Homeowner to pay interest on the unpaid amount from the Due Date through and including the date such payment or installment is received by ACLT, at a rate not to exceed the Federal Funds Target Rate plus 5%. Such interest shall be deemed additional Lease Fee and shall be paid by Homeowner to ACLT upon demand; provided, however, that ACLT shall waive any such interest that would otherwise be payable to ACLT if such payment of the Lease Fee is received by ACLT on or before the thirtieth (30th) day after the Due Date.

5.8 ACLT CAN COLLECT UNPAID FEES WHEN HOME IS SOLD: In the event that any amount of payable Lease Fee remains unpaid when the Home is sold, the outstanding amount of payable Lease Fee, including any interest as provided above, shall be paid to ACLT out of any proceeds from the sale that would otherwise be due to Homeowner. The ACLT shall have, and the Homeowner hereby consents to, a lien upon the Home for any unpaid Lease Fee. Such lien shall be prior to all other liens and encumbrances on the Home except (a) liens and encumbrances recorded before the recording of this Lease, (b) Permitted Mortgages as defined in section 8.1 below; and (c) liens for real property taxes and other governmental assessments or charges against the Home.

ARTICLE 6: Taxes and Assessments

6.1 HOMEOWNER IS RESPONSIBLE FOR PAYING ALL TAXES AND ASSESSMENTS: Homeowner shall pay directly, when due, all taxes and governmental assessments that relate to the Home and the Leased Land (including any taxes relating to ACLT’s interest in the Leased Land).

6.2 ACLT WILL PASS ON ANY TAX BILLS IT RECEIVES TO HOMEOWNER: In the event that the local taxing authority bills ACLT for any portion of the taxes on the Home or Leased Land, ACLT shall pass the bill to Homeowner and Homeowner shall promptly pay this bill.

6.3 HOMEOWNER HAS A RIGHT TO CONTEST TAXES: Homeowner shall have the right to contest the amount or validity of any taxes relating to the Home and Leased Land. Upon receiving a reasonable request from Homeowner for assistance in this matter, ACLT shall join in contesting such taxes. All costs of such proceedings shall be paid by Homeowner.

6.4 IF HOMEOWNER FAILS TO PAY TAXES, ACLT MAY INCREASE LEASE FEE: In the event that Homeowner fails to pay the taxes or other charges described in Section 6.1 above, ACLT may increase Homeowner’s Lease Fee to offset the amount of taxes and other charges owed by Homeowner. Upon collecting any such amount, ACLT shall pay the amount collected to the taxing authority in a timely manner.

6.5 PARTY THAT PAYS TAXES MUST SHOW PROOF: When either party pays taxes relating to the Home or Leased Land, that party shall furnish satisfactory evidence of the

payment to the other party. A photocopy of a receipt shall be the usual method of furnishing such evidence.

ARTICLE 7: The Home

7.1 HOMEOWNER OWNS THE HOUSE AND ALL OTHER IMPROVEMENTS ON THE LEASED LAND: All structures, including the house, fixtures, and other improvements purchased, constructed, or installed by the Homeowner on any part of the Leased Land at any time during the term of this Lease (collectively, the “Home”) shall be property of the Homeowner. Title to the Home shall be and remain vested in the Homeowner. However, Homeowner’s rights of ownership are limited by certain provisions of this Lease, including provisions regarding the sale or leasing of the Home by the Homeowner and ACLT’s option to purchase the Home. In addition, Homeowner shall not remove any part of the Home from the Leased Land without ACLT’s prior written consent.

7.2 HOMEOWNER PURCHASES HOME WHEN SIGNING LEASE: Upon the signing of this Lease, Homeowner is simultaneously purchasing the Home located at that time on the Leased Land, as described in the Deed, a copy of which is attached to this Lease as Exhibit C: DEED.

7.3 CONSTRUCTION CARRIED OUT BY HOMEOWNER MUST COMPLY WITH CERTAIN REQUIREMENTS: Any construction in connection with the Home is permitted only if the following requirements are met: (a) all costs shall be paid for by the Homeowner; (b) all construction shall be performed in a professional manner and shall comply with all applicable laws and regulations; (c) all changes in the Home shall be consistent with the permitted uses described in Article 4; (d) the footprint, square-footage, or height of the house shall not be increased and new structures (including buildings, sheds, walls, fences, signs or anything constructed or erected with a fixed location on and fastened in the ground) shall not be built or installed on the Leased Land without the prior written consent of ACLT.

For any construction requiring ACLT’s prior written consent, Homeowner shall submit a written request to ACLT. Such request shall include:

- a) a written statement of the reasons for undertaking the construction;
- b) a set of drawings (floor plan and elevations) showing the dimensions of the proposed construction;
- c) a list of the necessary materials, with quantities needed;
- d) a statement of who will do the work;

If ACLT finds it needs additional information it shall request such information from Homeowner within two weeks of receipt of Homeowner’s request. The ACLT then, within one month of receiving all necessary information (including any additional information it may have requested) shall give Homeowner either its written consent or a written statement of its reasons for not consenting. Before construction can begin, Homeowner shall provide ACLT with copies of all necessary building permits, if not previously provided.

7.4 HOMEOWNER MAY NOT ALLOW STATUTORY LIENS TO REMAIN AGAINST LEASED LAND OR HOME: No lien of any type shall attach to ACLT’s title to the Leased Land. Homeowner shall not permit any statutory or similar lien to be filed against the Leased Land or the Home which remains more than 60 days after it has been filed. Homeowner shall take action to discharge such lien, whether by means of payment, deposit, bond, court order, or other means permitted by law. If Homeowner fails to discharge such lien within the 60-day period, then Homeowner shall immediately notify ACLT of such failure. ACLT shall have the

right to discharge the lien by paying the amount in question. Homeowner may, at Homeowner's expense, contest the validity of any such asserted lien, provided Homeowner has furnished a bond or other acceptable surety in an amount sufficient to release the Leased Land from such lien. Any amounts paid by ACLT to discharge such liens shall be treated as an additional Lease Fee payable by Homeowner upon demand.

7.5 HOMEOWNER IS RESPONSIBLE FOR SERVICES, MAINTENANCE AND REPAIRS: Homeowner hereby assumes responsibility for furnishing all services or facilities on the Leased Land, including but not limited to heat, electricity, air conditioning and water. ACLT shall not be required to furnish any services or facilities or to make any repairs to the Home. Homeowner shall maintain the Home and Leased Land as required by Section 4.2 above and shall see that all necessary repairs and replacements are accomplished when needed.

7.6 WHEN LEASE ENDS, OWNERSHIP REVERTS TO ACLT, WHICH SHALL REIMBURSE HOMEOWNER: Upon the expiration or termination of this Lease, ownership of the Home shall revert to ACLT. Upon thus assuming title to the Home, ACLT shall promptly pay Homeowner and Permitted Mortgagee(s), as follows:

FIRST, ACLT shall pay any Permitted Mortgagee(s) the full amount owed to such mortgagee(s) by Homeowner in so far as that amount does not exceed the Purchase Option Price. In no event shall the total amount that ACLT is required to pay Permitted Mortgagees be greater than the Purchase Option Price

SECOND, ACLT shall pay the Homeowner the balance of the Purchase Option Price calculated in accordance with Article 10 below, if any, as of the time of reversion of ownership, less the total amount of any unpaid Lease Fee and any other amounts owed to ACLT under the terms of this Lease. The Homeowner shall be responsible for any costs necessary to clear any additional liens or other charges related to the Home which may be assessed against the Home. If the Homeowner fails to clear such liens or charges, the balance due the Homeowner shall also be reduced by the amount necessary to release such liens or charges, including reasonable attorneys' fees incurred by ACLT.

ARTICLE 8: Financing

8.1 HOMEOWNER CANNOT MORTGAGE THE HOME WITHOUT ACLT'S PERMISSION: The Homeowner may grant any mortgage on the Home only with the prior written permission of ACLT. Any mortgage or deed of trust permitted in writing by ACLT is defined as a Permitted Mortgage, and the holder of such a mortgage or deed of trust is defined as a Permitted Mortgagee. Any increase in the loan amount, refinancing of a first mortgage, and new mortgage shall be subject to the provisions of Section 8.3 below.

8.2 BY SIGNING LEASE, ACLT GIVES PERMISSION FOR ORIGINAL MORTGAGE. By signing this Lease, ACLT gives written permission for any mortgage or deed of trust signed by the Homeowner effective on the day this Lease is signed for the purpose of financing Homeowner's purchase of the Home.

8.3 HOMEOWNER MUST GET SPECIFIC PERMISSION FOR REFINANCING OR OTHER SUBSEQUENT MORTGAGES. If, at any time subsequent to the purchase of the Home and signing of the Lease, the Homeowner seeks a loan that is to be secured by a mortgage on the Home (to refinance an existing Permitted Mortgage or to finance home repairs or for any other purpose), Homeowner must inform ACLT, in writing, of the proposed terms and conditions of

such mortgage loan at least 30 business days prior to the expected closing of the loan and obtain ACLT's written consent prior to granting said mortgage. The information to be provided to ACLT must include:

- a. the name of the proposed lender;
- b. Homeowner's reason for requesting the loan;
- c. the principal amount of the proposed loan and the total mortgage debt that will result from the combination of the loan and existing mortgage debt, if any;
- d. expected closing costs;
- e. the rate of interest;
- f. the repayment schedule;
- g. a copy of the appraisal commissioned in connection with the loan request.

ACLT may also require Homeowner to submit additional information. ACLT will not permit such a mortgage loan if the loan increases Homeowner's total mortgage debt to an amount greater than ninety percent (90%) of the then current Purchase Option Price, calculated in accordance with Article 10 below (the "Debt Limit"), or if the terms of the transaction otherwise threaten the interests of either the Homeowner or ACLT. Any mortgage or other lien permitted by ACLT shall be evidenced by a Consent Agreement, which shall be recorded with the mortgage to evidence compliance with the terms hereof.

8.4 ACLT IS REQUIRED TO PERMIT A "STANDARD PERMITTED MORTGAGE." The ACLT shall be required to permit any mortgage for which the mortgagee has signed a "Standard Permitted Mortgage Agreement" as set forth in Exhibit D: Permitted Mortgages, Part C, and for which the loan secured thereby does not increase Homeowner's total mortgage debt to an amount greater than the Debt Limit as defined in the previous section.

8.5 A PERMITTED MORTGAGEE HAS CERTAIN OBLIGATIONS UNDER THE LEASE. Any Permitted Mortgagee shall be bound by each of the requirements stated in Exhibit D: Permitted Mortgages, Part A, Obligations of Permitted Mortgagee, which is made a part of this Lease by reference, unless the particular requirement is removed, contradicted or modified by a Rider to this Lease signed by the Homeowner and ACLT to modify the terms of the Lease during the term of the Permitted Mortgage.

8.6 A PERMITTED MORTGAGEE HAS CERTAIN RIGHTS UNDER THE LEASE. Any Permitted Mortgagee shall have all of the rights and protections stated in Exhibit D: Permitted Mortgages, Part B, Rights of Permitted Mortgagee, which is made a part of this Lease by reference.

8.7 IN THE EVENT OF FORECLOSURE, ANY PROCEEDS IN EXCESS OF THE PURCHASE OPTION PRICE WILL GO TO ACLT. Homeowner and ACLT recognize that it would be contrary to the purposes of this agreement if Homeowner could receive more than the Purchase Option Price as the result of the foreclosure of a mortgage. Therefore, Homeowner hereby irrevocably assigns to ACLT all net proceeds of sale of the Home that would otherwise have been payable to Homeowner and that exceed the amount of net proceeds that Homeowner would have received if the property had been sold for the Purchase Option Price, calculated as described in Section 10.10 below. Homeowner authorizes and instructs the Permitted Mortgagee, or any party conducting any sale, to pay such excess amount directly to ACLT. If, for any reason, such excess amount is paid to Homeowner, Homeowner hereby agrees to promptly pay such amount to ACLT.

8.8 VOID MORTGAGES: Any mortgage, line-of-credit or other monetary lien granted by the Homeowner and/or imposed on the Home, which is not a Permitted Mortgage as defined herein, or the principal of which exceeds the Debt Limit, unless approved by ACLT in writing, shall be void ab initio and without any effect.

ARTICLE 9: Liability, Insurance, Damage and Destruction, Eminent Domain

9.1 HOMEOWNER ASSUMES ALL LIABILITY. Homeowner assumes all responsibility and liability related to Homeowner's possession, occupancy and use of the Leased Land.

9.2 HOMEOWNER MUST DEFEND ACLT AGAINST ALL CLAIMS OF LIABILITY.

Homeowner shall defend, indemnify and hold ACLT harmless against all liability and claims of liability for injury or damage to person or property from any cause on or about the Leased Land. Homeowner waives all claims against ACLT for injury or damage on or about the Leased Land. However, ACLT shall remain liable for injury or damage due to the grossly negligent or intentional acts or omissions of ACLT or ACLT's agents or employees.

9.3 HOMEOWNER MUST REIMBURSE ACLT. In the event ACLT shall be required to pay any sum that is the Homeowner's responsibility or liability, the Homeowner shall reimburse ACLT for such payment and for reasonable expenses caused thereby.

9.4 HOMEOWNER MUST INSURE THE HOME AGAINST LOSS AND MUST MAINTAIN LIABILITY INSURANCE ON HOME AND LEASED LAND. Homeowner shall, at Homeowner's expense, keep the Home continuously insured against "all risks" of physical loss, using Insurance Services Office (ISO) Form HO 00 03, or its equivalent, for the full replacement value of the Home, and in any event in an amount that will not incur a coinsurance penalty. The amount of such insured replacement value must be approved by ACLT prior to the commencement of the Lease. Thereafter, if ACLT determines that the replacement value to be insured should be increased, ACLT shall inform the Homeowner of such required increase at least 30 days prior to the next date on which the insurance policy is to be renewed, and the Homeowner shall assure that the renewal includes such change. If Homeowner wishes to decrease the amount of replacement value to be insured, Homeowner shall inform ACLT of the proposed change at least 30 days prior to the time such change would take effect. The change shall not take effect without ACLT's prior written approval.

Should the Home lie in a flood hazard zone as defined by the National Flood Insurance Plan, the Homeowner shall keep in full force and effect flood insurance in the maximum amount available.

The Homeowner shall also, at its sole expense, maintain in full force and effect public liability insurance using ISO Form HO 00 03 or its equivalent in the amount of five hundred thousand dollars (\$500,000) per occurrence and in the aggregate. The ACLT shall be named as an additional insured using ISO Form HO 04 41 or its equivalent, and certificates of insurance shall be delivered to ACLT prior to the commencement of the Lease, at each anniversary date thereof, and at such other times as ACLT may reasonably request.

The dollar amounts of such coverage may be increased from time to time at ACLT's request but not more often than once in any one-year period. ACLT shall inform the Homeowner of such required increase in coverage at least 30 days prior to the next date on which the insurance policy is to be renewed, and the Homeowner shall assure that the renewal includes such change. The amount of such increase in coverage shall be based on current trends in homeowner's liability insurance coverage in the area in which the Home is located.

Homeowner shall provide ACLT with copies of all policies and renewals of policies. All policies shall also contain endorsements providing that they shall not be cancelled, reduced in amount or coverage or otherwise modified by the insurance carrier involved without at least thirty (30) days' prior written notice to ACLT. ACLT shall be entitled to participate in the settlement or adjustment of any losses covered by such policies of insurance.

9.5 WHAT HAPPENS IF HOME IS DAMAGED OR DESTROYED. Except as provided below, in the event of fire or other damage to the Home, Homeowner shall take all steps necessary to assure the repair of such damage and the restoration of the Home to its condition immediately prior to the damage. All such repairs and restoration shall be completed as promptly as possible. Homeowner shall also promptly take all steps necessary to assure that the Leased Land is safe and that the damaged Home does not constitute a danger to persons or property.

If Homeowner, based on professional estimates, determines either (a) that full repair and restoration is physically impossible, or (b) that the available insurance proceeds will pay for less than the full cost of necessary repairs and that Homeowner cannot otherwise afford to cover the balance of the cost of repairs, then Homeowner shall notify ACLT of this problem, and ACLT may then help to resolve the problem. Methods used to resolve the problem may include efforts to increase the available insurance proceeds, efforts to reduce the cost of necessary repairs, efforts to arrange affordable financing covering the costs of repair not covered by insurance proceeds, and any other methods agreed upon by both Homeowner and ACLT.

If Homeowner and ACLT cannot agree on a way of restoring the Home in the absence of adequate insurance proceeds, then Homeowner may give ACLT written notice of intent to terminate the Lease. The date of actual termination shall be no less than 60 days after the date of Homeowner's notice of intent to terminate. Upon termination, any insurance proceeds payable to Homeowner for damage to the Home shall be paid as follows.

FIRST, to the expenses of their collection;

SECOND, to any Permitted Mortgage(s), to the extent required by the Permitted Mortgage(s);

THIRD, to the expenses of enclosing or razing the remains of the Home and clearing debris;

FOURTH, to ACLT for any amounts owed under this Lease;

FIFTH, to the Homeowner, up to an amount equal to the Purchase Option Price, as of the day prior to the loss, less any amounts paid with respect to the second, third, and fourth clauses above;

SIXTH, the balance, if any, to ACLT.

9.6 WHAT HAPPENS IF SOME OR ALL OF THE LAND IS TAKEN FOR PUBLIC USE. If all of the Leased Land is taken by eminent domain or otherwise for public purposes, or if so much of the Leased Land is taken that the Home is lost or damaged beyond repair, the Lease shall terminate as of the date when Homeowner is required to give up possession of the Leased Land. Upon such termination, the entire amount of any award(s) paid shall be allocated in the way described in Section 9.5 above for insurance proceeds.

In the event of a taking of a portion of the Leased Land that does not result in damage to the Home or significant reduction in the usefulness or desirability of the Leased Land for residential purposes, then any monetary compensation for such taking shall be allocated entirely to ACLT.

In the event of a taking of a portion of the Leased Land that results in damage to the Home only to such an extent that the Home can reasonably be restored to a residential use consistent with this Lease, then the damage shall be treated as damage is treated in Section 9.5 above, and

monetary compensation shall be allocated as insurance proceeds are to be allocated under Section 9.5.

9.7 IF PART OF THE LAND IS TAKEN, THE LEASE FEE MAY BE REDUCED. In the event of any taking that reduces the size of the Leased Land but does not result in the termination of the Lease, ACLT shall reassess the fair rental value of the remaining Land and shall adjust the Lease Fee if necessary to assure that the monthly fee does not exceed the monthly fair rental value of the Land for use as restricted by the Lease.

9.8 IF LEASE IS TERMINATED BY DAMAGE, DESTRUCTION OR TAKING, ACLT WILL TRY TO HELP HOMEOWNER BUY ANOTHER ACLT HOME. If this Lease is terminated as a result of damage, destruction or taking, ACLT shall take reasonable steps to allow Homeowner to purchase another home on another parcel of leased land owned by ACLT if such home can reasonably be made available. If Homeowner purchases such a home, Homeowner agrees to apply any proceeds or award received by Homeowner to the purchase of the home. Homeowner understands that there are numerous reasons why it may not be possible to make such a home available, and shall have no claim against ACLT if such a home is not made available.

ARTICLE 10: Transfer of the Home

10.1 INTENT OF THIS ARTICLE IS TO PRESERVE AFFORDABILITY: Homeowner and ACLT agree that the provisions of this Article 10 are intended to preserve the affordability of the Home for lower income households and expand access to homeownership opportunities for such households. Homeowner acknowledges and agrees that the Home and/or Homeowner's rights under this Lease may not be sold, assigned or otherwise transferred at a price higher than the Purchase Option Price.

10.2 HOMEOWNER MAY TRANSFER HOME ONLY TO ACLT OR QUALIFIED PERSONS: Homeowner may assign, sell, transfer or otherwise dispose of the Home (any, a "transfer") only to ACLT (or ACLT's assignee) or to an Income-Qualified Person as defined below or otherwise only as explicitly permitted by the provisions of this Article 10. In addition, transfer to Income-Qualified Persons shall be further limited by the restrictions set forth in the attached Exhibit F. All such transfers are to be completed only in strict compliance with this Article 10 and subject to the price limitations set forth herein. Any purported transfer that does not follow the procedures set forth below, except in the case of a transfer to a Permitted Mortgagee in lieu of foreclosure, shall be null and void.

"Income-Qualified Person" shall mean a person or group of persons whose household income does not exceed eighty percent (80%) of the median household income for the Springfield MA Metropolitan Statistical Area as calculated and adjusted for household size from time to time by the U.S. Department of Housing and Urban Development (HUD) or any successor and whose assets do not exceed the limits specified in the Guidelines for the Local Initiative Program of the Massachusetts Department of Housing and Community Development or any successor program.

10.3 THE HOME MAY BE TRANSFERRED TO CERTAIN HEIRS OF HOMEOWNER: If Homeowner dies (or if the last surviving co-owner of the Home dies), the executor or personal representative of Homeowner's estate shall notify ACLT within ninety (90) days of the date of the death. Upon receiving such notice ACLT shall consent to a transfer of the Home and Homeowner's rights to the Leased Land to one or more of the possible heirs of Homeowner listed below as "a," "b," or "c," provided that a Letter of Agreement and a Letter of Attorney's

Acknowledgment (as described in Article 1 above) are submitted to ACLT to be attached to the Lease when it is transferred to the heirs.

- a) the spouse of the Homeowner; or
- b) the child or children of the Homeowner; or
- c) member(s) of the Homeowner's household who have resided in the Home for at least one year immediately prior to Homeowner's death.

Any other heirs, legatees or devisees of Homeowner, in addition to submitting Letters of Agreement and Attorney's Acknowledgment as provided above, must demonstrate to ACLT's satisfaction that they are Income-Qualified Persons as defined above. If they cannot demonstrate that they are Income-Qualified Persons, they shall not be entitled to possession of the Home but must transfer the Home in accordance with the provisions of this Article.

10.4 HOMEOWNER MUST GIVE NOTICE OF INTENT TO SELL: In the event that Homeowner wishes to sell or transfer Home, Homeowner shall notify ACLT, and the Town of Amherst as provided in Exhibit F of this Ground Lease, in writing, of such wish (the "Intent-to-Sell Notice"). This Intent-to-Sell Notice shall include a statement as to whether Homeowner wishes to recommend a prospective buyer as of the date of the Intent-to-Sell Notice. The Homeowner may, at any time before it sends the Intent-to-Sell Notice to ACLT or after, request ACLT to calculate and inform the Homeowner of the then-current Formula Price that would be used to determine the Purchase Option Price as described in Sections 10.8, 10.9 and 10.10.

10.5 UPON RECEIVING NOTICE, ACLT HAS AN OPTION TO PURCHASE THE HOME. Upon receipt of an Intent-to-Sell Notice from Homeowner, ACLT shall have the option to purchase the Home at the Purchase Option Price calculated as set forth below. The Purchase Option is designed to further the purpose of preserving the affordability of the Home for succeeding Income-Qualified Persons while taking fair account of the investment by the Homeowner.

If ACLT elects to purchase the Home, ACLT shall exercise the Purchase Option by notifying Homeowner, in writing, of such election (the Notice of Exercise of Option) within sixty (60) days of the receipt of the Intent-to-Sell Notice or within sixty (60) days of the receipt of an appraisal carried out in accordance with Section 10.9, whichever shall be the later to occur, or the Purchase Option shall expire. Having given such notice, ACLT may either proceed to purchase the Home directly or may assign the Purchase Option to an Income-Qualified Person or to the Town of Amherst or other qualified governmental or nonprofit entity for the purpose of making the Home available to an Income-Qualified Person. The Homeowner agrees that ACLT (and/or its assignee) may enter the Home from time to time and at reasonable times for the purpose of inspecting the same during such option period and, if ACLT exercises its Purchase Option, at any time prior to the sale provided ACLT (and/or its assignee) gives the Homeowner notice of such entry at least forty-eight (48) hours prior thereto. The Homeowner and ACLT agree to coordinate and cooperate to enable such access.

The purchase (by ACLT or ACLT's assignee) must be completed within one hundred twenty (120) days of ACLT's Notice of Exercise of Option, or Homeowner may sell the Home and Homeowner's rights to the Leased Land as provided in Section 10.6 below. The time permitted for the completion of the purchase may be extended by mutual agreement of ACLT and Homeowner.

Homeowner may recommend to ACLT a prospective buyer who is an Income-Qualified Person and is prepared to submit Letters of Agreement and Attorney's Acknowledgement

indicating informed acceptance of the terms of this Lease. ACLT may, but shall not be obligated to, accept such recommendation from Homeowner, as ACLT may elect, in its sole discretion.

10.6 IF PURCHASE OPTION EXPIRES, HOMEOWNER MAY SELL ON CERTAIN TERMS: If the Purchase Option has expired or if ACLT has failed to complete the purchase within the one-hundred-twenty-day period allowed by Section 10.5 above, Homeowner may sell the Home to any Income-Qualified Person for not more than the then applicable Purchase Option Price. If Homeowner has made diligent efforts to sell the Home for at least six months after the expiration of the Purchase Option (or six months after the expiration of such one-hundred-twenty-day period) and the Home still has not been sold, Homeowner may then sell the Home, for a price no greater than the then applicable Purchase Option Price, to any party regardless of whether that party is an Income-Qualified Person.

10.7 AFTER ONE YEAR ACLT SHALL HAVE POWER OF ATTORNEY TO CONDUCT SALE: If ACLT does not exercise its option and/or complete the purchase of Home as described above, and if Homeowner (a) is not then residing in the Home and (b) continues to hold Home out for sale but is unable to locate a buyer and execute a binding purchase and sale agreement within one year of the date of the Intent-to-Sell Notice, Homeowner does hereby appoint ACLT its attorney in fact to seek a buyer, negotiate a reasonable price that furthers the purposes of this Lease, sell the Home, and pay to the Homeowner the proceeds of sale (if any remain after paying any Permitted Mortgagee), minus ACLT's costs of sale and any other sums owed ACLT by Homeowner.

10.8 PURCHASE OPTION PRICE EQUALS LESSER OF APPRAISED VALUE OF HOMEOWNER'S OWNERSHIP INTEREST OR FORMULA PRICE: In no event may the Home be sold for a price that exceeds the Purchase Option Price. The Purchase Option Price shall be the lesser of (a) the Appraised Value of Homeowner's Ownership Interest at Resale calculated in accordance with Section 10.9 below or (b) the Formula Price calculated in accordance with Section 10.10 below. If ACLT does not choose to commission an appraisal to determine the appraised value of Homeowner's Ownership Interest, then the Purchase Option Price shall be the Formula Price.

The Purchase Option Price determines the maximum price for which the Home can be sold and is NOT a guarantee of expected sale price.

10.9 HOW THE APPRAISED VALUE OF HOMEOWNER'S OWNERSHIP INTEREST IS DETERMINED: If ACLT believes that the value of Homeowner's Ownership Interest at Resale may be less than the Formula Price, ACLT may, within thirty (30) days of receiving Homeowner's Intent-to-Sell Notice, commission a market valuation of the Leased Land and the Home to be performed by a duly licensed appraiser acceptable to ACLT and Homeowner and shall inform Homeowner of the same in writing. ACLT shall pay the cost of such Appraisal. The Appraisal shall be conducted by analysis and comparison of comparable properties as though title to the Leased Land and the Home were held in fee simple absolute by a single party, disregarding all of the restrictions of this Lease on the use, occupancy and transfer of the property. Copies of the Appraisal are to be provided to both ACLT and Homeowner.

ACLT and Homeowner agree that, at the time when Homeowner purchased the Home and executed the Lease with ACLT, the appraised market value of the Home and Leased Land was _____ Dollars (\$_____, the "Initial Value"), as documented by the appraiser's report attached to this Lease as Exhibit G: INITIAL APPRAISAL. ACLT and

Homeowner further agree that Homeowner's Base Price was _____ Dollars (\$_____), and that this amount equals ____% of the Initial Value (the Ratio of Base Price to Initial Value)

The Appraised Value of Homeowner's Ownership Interest at Resale is the appraised unrestricted value of the Home and Leased Land at resale multiplied by the Ratio of Base Price to Initial Value.

10.10 HOW THE FORMULA PRICE IS CALCULATED: The Formula Price shall be equal to (a) the amount of Homeowner's Base Price plus (b) an inflation adjustment equal to the Homeowner's Base Price provided in Section 10.9 multiplied by the total percentage of increase, if any, since the date this Lease was signed, in the area median household income (AMI) for the Springfield, MA Metropolitan Statistical Area, as calculated and published by the US Department of Housing and Urban Development or such successor agency as may publish such information. The parties agree that when the Lease was signed the AMI for the Springfield, MA Metropolitan Statistical Area (the Original AMI) was _____ (\$_____). To determine the percentage of increase in the AMI, the Original AMI shall be subtracted from the then most recently published AMI, and the remainder shall then be divided by the Original AMI.

10.11 QUALIFIED PURCHASER SHALL RECEIVE NEW LEASE: The ACLT shall issue a new lease to any person who purchases the Home in accordance with the terms of this Article 10 and Exhibit F. The terms of such lease shall be the same as those of new leases issued to homebuyers at that time for land not previously leased by ACLT, and shall include a Purchase Option held by ACLT. In addition, transfer to any person who purchases the Home shall be further limited by the restrictions set forth in the attached Exhibit F.

10.12 PURCHASER MAY BE CHARGED A TRANSFER FEE. In the event that Homeowner sells the Home to a party other than ACLT (whether directly to such party or as a result of ACLT's assignment of its Purchase Option to such party), the price to be paid by such purchaser shall include in addition to the Purchase Option Price, at the discretion of ACLT, a transfer fee to compensate ACLT for carrying out its responsibilities with regard to the transaction. The amount of the transfer fee shall be no more than two percent (2.0%) of the Purchase Option Price.

10.13 HOMEOWNER REQUIRED TO MAKE NECESSARY REPAIRS AT TRANSFER: The Homeowner is required to make necessary repairs when Homeowner voluntarily transfers the Home as follows:

- a) The person purchasing the Home ("Buyer") shall, prior to purchasing the Home, hire at Buyer's sole expense a building inspector with a current Home Inspector license from the Massachusetts Board of Registration of Home Inspectors or successor agency, to assess the condition of the Home and prepare a written report of the condition ("Inspection Report"). The Homeowner shall cooperate fully with the inspection.
- b) The Buyer shall provide a copy of the Inspection Report to Buyer's lender (if any), the Homeowner, and ACLT within 10 days after receiving the Inspection Report.
- c) Homeowner shall repair specific reported defects or conditions necessary to bring the Home into full compliance with Sections 4.2 and 7.5 above prior to transferring the Home.
- d) Homeowner shall bear the full cost of the necessary repairs and replacements. However, upon Homeowner's written request, ACLT may allow the Homeowner to pay all or a

portion of the repair costs after transfer, from Homeowner's proceeds of sale, if Homeowner cannot afford to pay such costs prior to the transfer. In such event, either (i) 150% of the unpaid estimated cost of repairs or (ii) 100% of the unpaid cost of completed repairs shall be withheld from Homeowner's proceeds of sale in an ACLT-approved escrow account.

- e) Homeowner shall allow ACLT, Buyer, and Buyer's building inspector and lender's representative to inspect the repairs prior to closing to determine that the repairs have been satisfactorily completed.
- f) Upon sale or other transfer, Homeowner shall either (i) transfer the Home with all originally purchased appliances or replacements in the Home in good working order or (ii) reduce the Purchase Option Price by the market value of any such appliances that are not left with the Home in good working order.

ARTICLE 11: Default

11.1 WHAT HAPPENS IF HOMEOWNER FAILS TO MAKE PAYMENTS TO THE ACLT THAT ARE REQUIRED BY THE LEASE: It shall be an event of default if Homeowner fails to pay the Lease Fee or other charges required by the terms of this Lease and such failure is not cured by Homeowner or a Permitted Mortgagee within thirty (30) days after notice of such failure is given by ACLT to Homeowner and Permitted Mortgagee. However, if Homeowner makes a good faith partial payment of at least two-thirds (2/3) of the amount owed during the 30-day cure period, then the cure period shall be extended by an additional 30 days. This paragraph may be used to extend payment deadline no more than once in every twelve (12) month period.

11.2 WHAT HAPPENS IF HOMEOWNER VIOLATES OTHER (NONMONETARY) TERMS OF THE LEASE: It shall be an event of default if Homeowner fails to abide by any other requirement or restriction stated in this Lease, and such failure is not cured by Homeowner or a Permitted Mortgagee within sixty (60) days after notice of such failure is given by ACLT to Homeowner and Permitted Mortgagee. However, if Homeowner or Permitted Mortgagee has begun to cure such default within the 60-day cure period and is continuing such cure with due diligence but cannot complete the cure within the 60-day cure period for reasons beyond the reasonable control of the Homeowner, the cure period shall be extended for as much additional time as may be reasonably required to complete the cure.

11.3 WHAT HAPPENS IF HOMEOWNER DEFAULTS AS A RESULT OF JUDICIAL PROCESS: It shall be an event of default if the estate hereby created is taken on execution or by other process of law, or if Homeowner is judicially declared bankrupt or insolvent according to law, or if any assignment is made of the property of Homeowner for the benefit of creditors, or if a receiver, trustee in involuntary bankruptcy or other similar officer is appointed to take charge of any substantial part of the Home or Homeowner's interest in the Leased Land by a court of competent jurisdiction, or if a petition is filed for the reorganization of Homeowner under any provisions of the Bankruptcy Act now or hereafter enacted, or if Homeowner files a petition for such reorganization, or for arrangements under any provision of the Bankruptcy Act now or hereafter enacted and providing a plan for a debtor to settle, satisfy or extend the time for payment of debts.

11.4 A DEFAULT (UNCURED VIOLATION) GIVES ACLT THE RIGHT TO TERMINATE THE LEASE OR EXERCISE ITS PURCHASE OPTION:

a) **TERMINATION:** In the case of any of the events of default described above, ACLT may terminate this Lease and initiate summary proceedings under applicable law against Homeowner, and ACLT shall have all the rights and remedies consistent with such laws and resulting court orders to enter the Leased Land and Home and repossess the entire Leased Land and Home, and expel Homeowner and those claiming rights through Homeowner. In addition, ACLT shall have such additional rights and remedies to recover from Homeowner arrears of rent and damages from any preceding breach of any covenant of this Lease. If this Lease is terminated by ACLT pursuant to an Event of Default, then, as provided in Section 7.7 above, upon thus assuming title to the Home, ACLT shall pay to Homeowner and any Permitted Mortgagee an amount equal to the Purchase Option Price calculated in accordance with Section 10.9 above, as of the time of reversion of ownership, less the total amount of any unpaid Lease Fee and any other amounts owed to ACLT under the terms of this Lease and all reasonable costs (including reasonable attorneys' fees) incurred by ACLT in pursuit of its remedies under this Lease.

If ACLT elects to terminate the Lease, then the Permitted Mortgagee shall have the right (subject to Article 8 above and the attached Exhibit D: Permitted Mortgages) to postpone and extend the specified date for the termination of the Lease for a period, not to exceed six months, sufficient to enable the Permitted Mortgagee or its designee to acquire Homeowner's interest in the Home and the Leased Land by foreclosure of its mortgage or otherwise.

b) **EXERCISE OF OPTION:** In the case of any of the events of default described above, Homeowner hereby grants to ACLT (or its assignee) the option to purchase the Home for the Purchase Option Price as such price is defined in Article 10 above. Within thirty (30) days after the expiration of any applicable cure period as established in Sections 11.1 or 11.2 above or within 30 days after any of the events constituting an Event of Default under Section 11.3 above, ACLT shall notify the Homeowner and the Permitted Mortgagee(s) of its decision to exercise its option to purchase under this Section 11.4(b). Not later than one hundred twenty (120) days after ACLT gives notice to the Homeowner of ACLT's intent to exercise its option under this Section 11.4(b), ACLT or its assignee shall purchase the Home for the Purchase Option Price.

11.5 WHAT HAPPENS IF ACLT DEFAULTS: ACLT shall in no event be in default in the performance of any of its material obligations under the Lease unless and until ACLT has failed to perform such obligations within sixty (60) days, or such additional time as is reasonably required to correct any default, after notice by Homeowner to ACLT properly specifying ACLT's failure to perform any such obligation.

ARTICLE 12: Mediation and Arbitration

12.1 Nothing in this Lease shall be construed as preventing the parties from utilizing any process of mediation or arbitration in which the parties agree to engage for the purpose of resolving a dispute.

12.2 Homeowner and ACLT shall each pay one half (50%) of any costs incurred in carrying out mediation or arbitration in which the parties have agreed to engage.

ARTICLE 13: GENERAL PROVISIONS

13.1 **HOMEOWNER'S MEMBERSHIP IN ACLT:** The Homeowner under this Lease shall automatically be a regular voting member of ACLT.

13.2 **NOTICES:** Whenever this Lease requires either party to give notice to the other, the notice shall be given in writing and delivered in person or mailed, by certified or registered mail, return

receipt requested, to the party at the address set forth below, or such other address designated by like written notice:

If to ACLT: Amherst Community Land Trust, P.O Box 395, Amherst, MA 01004-0395
with a copy to: Barbara L. Hawley, Esq., 24 Dickinson Street, Amherst, MA 01002 (ACLT's attorney).

If to Homeowner: _____ (name and address of Homeowner)

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

13.3 NO BROKERAGE: Homeowner warrants that it has not dealt with any real estate broker other than _____ in connection with the purchase of the Home. If any claim is made against ACLT regarding dealings with brokers other than _____, Homeowner shall defend ACLT against such claim with counsel of ACLT's selection and shall reimburse ACLT for any loss, cost or damage which may result from such claim.

13.4 SEVERABILITY AND DURATION OF LEASE: If any part of this Lease is unenforceable or invalid, such material shall be read out of this Lease and shall not affect the validity of any other part of this Lease or give rise to any cause of action of Homeowner or ACLT against the other, and the remainder of this Lease shall be valid and enforced to the fullest extent permitted by law. Without limiting the generality of the foregoing, it is the intention of the parties that ACLT's option to purchase and all other rights of both parties under this Lease shall continue in effect for the full term of this Lease and any renewal thereof, and shall be considered to be coupled with an interest. In the event any such option or right shall be construed to be subject to any rule of law limiting the duration of such option or right, the time period for the exercising of such option or right shall be construed to expire twenty (20) years after the death of the last survivor of the following persons:

The children and grandchildren living as of the date hereof of any of the directors or members of the Amherst Community Land Trust.

13.5 RIGHT OF FIRST REFUSAL IN LIEU OF OPTION: If the provisions of the purchase option set forth in Article 10 of this Lease shall, for any reason, become unenforceable, ACLT shall nevertheless have a right of first refusal to purchase the Home at the highest documented bona fide purchase price offer made to Homeowner. Such right shall be as specified in Exhibit E: FIRST REFUSAL. Any sale or transfer contrary to this Section, when applicable, shall be null and void.

13.6 WAIVER: The waiver by ACLT at any time of any covenant, requirement or restriction in this Lease, or the failure of ACLT to take action with respect to any breach of any such covenant, requirement or restriction, shall not be deemed to be a waiver of such requirement or restriction with regard to any subsequent breach of such covenant, requirement or restriction, or of any other covenant, requirement or restriction in the Lease. ACLT may grant waivers in the terms of this Lease, but such waivers must be in writing and signed by ACLT before being effective.

The subsequent acceptance of Lease Fee payments by ACLT shall not be deemed to be a waiver of any preceding breach by Homeowner of any requirement or restriction in this Lease, other than the failure of the Homeowner to pay the particular Lease Fee so accepted, regardless of ACLT's knowledge of such preceding breach at the time of acceptance of such Lease Fee payment.

13.7 ACLT'S RIGHT TO PROSECUTE OR DEFEND: ACLT shall have the right, but shall have no obligation, to prosecute or defend, in its own or the Homeowner's name, any actions or proceedings appropriate to the protection of its own or Homeowner's interest in the Leased Land. Whenever requested by ACLT, Homeowner shall give ACLT all reasonable aid in any such action or proceeding.

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

13.9 HEADINGS AND TABLE OF CONTENTS: The headings, subheadings and table of contents appearing in this Lease are for convenience only, and are not a part of this Lease and do not in any way limit or amplify the terms or conditions of this Lease.

13.10 PARTIES BOUND: This Lease sets forth the entire agreement between ACLT and Homeowner with respect to the leasing of the Land; it is binding upon and inures to the benefit of these parties and, in accordance with the provisions of this Lease, their respective successors in interest. This Lease may be altered or amended only by written notice executed by ACLT and Homeowner or their legal representatives or, in accordance with the provisions of this Lease, their successors in interest.

13.11 GOVERNING LAW: This Lease shall be interpreted in accordance with and governed by the laws of Massachusetts. The language in all parts of this Lease shall be, in all cases, construed according to its fair meaning and not strictly for or against ACLT or Homeowner.

13.12 HOMEOWNERS: Notwithstanding anything herein to the contrary, Lessee under this Lease shall at all times be one or more natural persons and any transfer by Lessee of its interest hereunder to a corporation, trust, partnership or any other entity in violation of the foregoing prohibition shall be deemed null and void.

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

Amherst Community Land Trust

Signature _____

Name:

Its Board President and duly authorized agent

Homeowner

By

Signature _____ Signature _____

Name _____ Name _____

COMMONWEALTH OF MASSACHUSETTS

County of Hampshire, ss

On this _____ day of _____, _____, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which were _____, to be the person whose name is signed on the preceding document as President of the Amherst Community Land Trust, and acknowledged to me that he/she signed it voluntarily for its stated purpose.

Notary Public
Print Name:
My commission expires:

COMMONWEALTH OF MASSACHUSETTS

County of Hampshire, ss

On this _____ day of _____, _____ before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which were _____, to be the person whose name is signed on the preceding document [Homeowner], and acknowledged to me that he/she signed it voluntarily for its stated purpose.

Notary Public
Print Name:
My commission expires:

Exhibit A
LETTERS OF AGREEMENT AND
ATTORNEY'S ACKNOWLEDGMENT

Sample

Letter of Agreement

To Amherst Community Land Trust ("ACLT")

Date: _____

This letter is given to ACLT to become an exhibit to a Lease between ACLT and me. I will be leasing a parcel of land from ACLT and will be buying the home that sits on that parcel of land. I will therefore become what is described in the Lease as a "the Homeowner."

My legal counsel, _____, has explained to me the terms and conditions of the Lease and other legal documents that are part of this transaction. I understand the way these terms and conditions will affect my rights as an ACLT homeowner, now and in the future.

In particular I understand and agree with the following points.

One of the goals of ACLT is to keep ACLT homes affordable for lower income households from one ACLT homeowner to the next. I support this goal as an ACLT homeowner and as a member of ACLT.

The terms and conditions of my Lease will keep my home affordable for future "income-qualified persons" (as defined in the Lease). If and when I want to sell my home, the lease requires that I sell it either to ACLT or to another income-qualified person. The terms and conditions of the lease also limit the price for which I can sell the home, in order to keep it affordable for such income-qualified persons.

It is also a goal of ACLT to promote resident ownership of ACLT homes. For this reason, my Lease requires that, if I and my family move out of our home permanently, we must sell it. We cannot continue to own it as absentee owners.

I understand that I can leave my home to my child or children or other members of my household and that, after my death, they can own the home for as long as they want to live in it and abide by the terms of the Lease, or they can sell it on the terms permitted by the Lease.

As an ACLT homeowner and a member of ACLT, it is my desire to see the terms of the Lease and related documents honored. I consider these terms fair to me and others.

Sincerely

Sample

Letter of Attorney's Acknowledgment

I, _____, have been independently employed by
_____ (hereinafter "the Client") who intends to purchase a house
and other improvements (the "Home") on land to be leased from Amherst Community Land
Trust. The house and land are located at _____.

In connection with the contemplated purchase of the Home and the leasing of the land, I
reviewed with the Client the following documents:

- a) this Letter of Attorney's Acknowledgment and a Letter of Agreement from the Client;
- b) a proposed Deed conveying the Home to the Client;
- c) a proposed Ground Lease conveying the "Leased Land" to the Client;
- d) other written materials provided by ACLT.

The Client has received full and complete information and advice regarding this conveyance
and the foregoing documents. In my review of these documents my purpose has been to
reasonably inform the Client of the present and foreseeable risks and legal consequences of the
contemplated transaction.

The Client is entering the aforesaid transaction in reliance on her own judgment and upon her
investigation of the facts. The advice and information provided by me was an integral element
of such investigation.

Name

Date

Title

Firm/Address

Exhibit D

PERMITTED MORTGAGES

The rights and provisions set forth in this Exhibit shall be understood to be provisions of Article 8 of the Lease. All terminology used in this Exhibit shall have the meaning assigned to it in the Lease. All Permitted Mortgagees shall also be subject to the requirements set forth in Exhibit F, the terms of which are expressly incorporated herein and made a part hereof.

A. OBLIGATIONS OF PERMITTED MORTGAGEE. Any Permitted Mortgagee shall be bound by each of the following requirements unless the particular requirement is removed, contradicted or modified by a rider to this Lease signed by the Homeowner and ACLT to modify the terms of the Lease during the term of the Permitted Mortgage.

1. If Permitted Mortgagee sends a notice of default to the Homeowner because the Homeowner has failed to comply with the terms of the Permitted Mortgage, the Permitted Mortgagee shall, at the same time, send a copy of that notice to ACLT. Upon receiving a copy of the notice of default and within that period of time in which the Homeowner has a right to cure such default (the "cure period"), ACLT shall have the right to cure the default on the Homeowner's behalf, provided that all current payments due the Permitted Mortgagee since the notice of default was given are made to the Permitted Mortgagee.

2. If, after the cure period has expired, the Permitted Mortgagee intends to accelerate the note secured by the Permitted Mortgage or begin foreclosure proceedings under the Permitted Mortgage, the Permitted Mortgagee shall first notify ACLT in writing of its intention to do so, and ACLT shall then have the right, upon notifying the Permitted Mortgagee within thirty (30) days of receipt of such notice, to acquire the Permitted Mortgage by paying off the debt secured by the Permitted Mortgage.

3. If the Permitted Mortgagee acquires title to the Home through foreclosure or acceptance of a deed in lieu of foreclosure, the Permitted Mortgagee shall give ACLT written notice of such acquisition and ACLT shall then have an option to purchase the Home from the Permitted Mortgagee for the full amount owing to the Permitted Mortgagee under the Permitted Mortgage. To exercise this option to purchase, ACLT must give written notice to the Permitted Mortgagee of ACLT's intent to purchase the Home within thirty (30) days following ACLT's receipt of the Permitted Mortgagee's notice. ACLT must then complete the purchase of the Home within ninety (90) days of having given written notice of its intent to purchase. If ACLT does not complete the purchase within this 90-day period, the Permitted Mortgagee shall be free to sell the Home to another person.

4. Nothing in the Permitted Mortgage or related documents shall be construed as giving Permitted Mortgagee a claim on ACLT's interest in the Leased Land, or as assigning any form of liability to ACLT with regard to the Leased Land, the Home, or the Permitted Mortgage.

5. Nothing in the Permitted Mortgage or related documents shall be construed as rendering ACLT or any subsequent Mortgagee of ACLT's interest in this Lease, or their respective heirs, executors, successors or assigns, personally liable for the payment of the debt secured by the Permitted Mortgage or any part thereof.

6. The Permitted Mortgagee shall not look to ACLT or ACLT's interest in the Leased Land, but will look solely to Homeowner, Homeowner's interest in the Leased Land, and the Home for the

payment of the debt secured thereby or any part thereof. (It is the intention of the parties hereto that ACLT's consent to such the Permitted Mortgage shall be without any liability on the part of ACLT for any deficiency judgment.)

7. In the event any part of the Security is taken in condemnation or by right of eminent domain, the proceeds of the award shall be paid over to the Permitted Mortgagee in accordance with the provisions of ARTICLE 9 hereof.

8. ACLT shall not be obligated to execute an assignment of the Lease Fee or other rent payable by Homeowner under the terms of this Lease.

B. RIGHTS OF PERMITTED MORTGAGEE. The rights of a Permitted Mortgagee as referenced under Section 8.6 of the Lease to which this Exhibit is attached shall be as set forth below.

1. Any Permitted Mortgagee shall, without further consent by ACLT, have the right to (a) cure any default under this Lease, and perform any obligation required under this Lease, such cure or performance being effective as if it had been performed by Homeowner; (b) acquire and convey, assign, transfer and exercise any right, remedy or privilege granted to Homeowner by this Lease or otherwise by law, subject to the provisions, if any, in the Permitted Mortgage, which may limit any exercise of any such right, remedy or privilege; and (c) rely upon and enforce any provisions of the Lease to the extent that such provisions are for the benefit of a Permitted Mortgagee.

2. A Permitted Mortgagee shall not be required, as a condition to the exercise of its rights under the Lease, to assume personal liability for the payment and performance of the obligations of the Homeowner under the Lease. Any such payment or performance or other act by Permitted Mortgagee under the Lease shall not be construed as an agreement by Permitted Mortgagee to assume such personal liability except to the extent Permitted Mortgagee actually takes possession of the Home and Leased Land. In the event Permitted Mortgagee does take possession of the Home and Leased Land and thereupon transfers such property, any such transferee shall be required to enter into a written agreement assuming such personal liability and upon any such assumption the Permitted Mortgagee shall automatically be released from personal liability under the Lease.

3. In the event that title to the estates of both ACLT and Homeowner are acquired at any time by the same person or persons, no merger of these estates shall occur without the prior written declaration of merger by Permitted Mortgagee, so long as Permitted Mortgagee owns any interest in the Security or in a Permitted Mortgage.

4. If the Lease is terminated for any reason, or in the event of the rejection or disaffirmance of the Lease pursuant to bankruptcy law or other law affecting creditors' rights, ACLT shall enter into a new lease for the Leased Land with the Permitted Mortgagee (or with any party designated by the Permitted Mortgagee, subject to ACLT's approval, which approval shall not be unreasonably withheld), not more than thirty (30) days after the request of the Permitted Mortgagee. Such lease shall be for the remainder of the term of the Lease, effective as of the date of such termination, rejection or disaffirmance, and upon all the terms and provisions contained in the Lease. However, the Permitted Mortgagee shall make a written request to ACLT for such new lease within sixty (60) days after the effective date of such termination, rejection or disaffirmance, as the case may be. Such written request shall be accompanied by a copy of such new lease, duly executed and acknowledged by the Permitted Mortgagee or the party designated by the Permitted Mortgagee to be the Homeowner thereunder. Any new lease

made pursuant to this Section shall have the same priority with respect to other interests in the Land as the Lease. The provisions of this Section shall survive the termination, rejection or disaffirmance of the Lease and shall continue in full effect thereafter to the same extent as if this Section were independent and an independent contract made by ACLT, Homeowner and the Permitted Mortgagee.

5. Provided that ACLT has been provided written notice of the same, ACLT shall have no right to terminate the Lease during such time as the Permitted Mortgagee has commenced foreclosure in accordance with the provisions of the Lease and is diligently pursuing the same.

6. In the event that ACLT sends a notice of default under the Lease to Homeowner, ACLT shall also send a notice of Homeowner's default to Permitted Mortgagee. Such notice shall be given in the manner set forth in Section 13.2 of the Lease to the Permitted Mortgagee at the address which has been given by the Permitted Mortgagee to ACLT by a written notice to ACLT sent in the manner set forth in said Section 13.2 of the Lease.

7. In the event of foreclosure sale by a Permitted Mortgagee or the delivery of a deed to a Permitted Mortgagee in lieu of foreclosure in accordance with the provisions of the Lease, at the election of the Permitted Mortgagee the provisions of Article 10, Sections 10.1 through 10.11 shall be deleted and thereupon shall be of no further force or effect as to only so much of the Security so foreclosed upon or transferred.

8. Before becoming effective, any amendments to this Lease must be approved in writing by Permitted Mortgagee, which approval shall not be unreasonably withheld. If Permitted Mortgagee has neither approved nor rejected a proposed amendment within 60 days of its submission to Permitted Mortgagee, then the proposed amendment shall be deemed to be approved.

C. STANDARD PERMITTED MORTGAGE AGREEMENT. A Standard Permitted Mortgage Agreement, as identified in Section 8.4 of this Lease, shall be written as follows, and shall be signed by Mortgagee and Homeowner.

*This Agreement is made by and among: _____
(Mortgagee) and _____ ("Homeowner"),*

Whereas:

- a) Amherst Community Land Trust ("ACLT") and Homeowner have entered, or are entering, into a ground lease ("the Lease"), conveying to Homeowner a leasehold interest in the Land located at _____ ("the Leased Land"); and Homeowner has purchased, or is purchasing, the Home located on the Leased Land ("the Home").*
- b) The Mortgagee has been asked to provide certain financing to the Homeowner, and is being granted concurrently herewith a mortgage and security interest (the "Mortgage") in the Leased Land and Home, all as more particularly set forth in the Mortgage, attached hereto as Schedule A.*
- c) The Ground Lease states that the Homeowner may mortgage the Leased Land only with the written consent of ACLT. The Ground Lease further provides that ACLT is required to give such consent only if the Mortgagee signs this Standard Permitted Mortgage Agreement and thereby agrees to certain conditions that are stipulated herein ("the Stipulated Conditions").*

Now, therefore, the Homeowner/Mortgagor and the Mortgagee hereby agree that the terms and conditions of the Mortgage shall include the Stipulated Conditions stated below.

Stipulated Conditions:

1) *If Mortgagee sends a notice of default to the Homeowner because the Homeowner has failed to comply with the terms of the Mortgage, the Mortgagee shall, at the same time, send a copy of that notice to ACLT. Upon receiving a copy of the notice of default and within that period of time in which the Homeowner has a right to cure such default (the "cure period"), ACLT shall have the right to cure the default on the Homeowner's behalf, provided that all current payments due the Permitted Mortgagee since the notice of default was given are made to the Mortgagee.*

2) *If, after such cure period, the Mortgagee intends to accelerate the note secured by the Mortgage or initiate foreclosure proceedings under the Mortgage, in accordance with the provisions of the Lease, the Mortgagee shall first notify ACLT of its intention to do so and ACLT shall have the right, but not the obligation, upon notifying the Mortgagee within thirty (30) days of receipt of said notice, to purchase the Mortgagee loans and to take assignment of the Mortgage.*

3) *If the Mortgagee acquires title to the Home and Homeowner's interest in the Leased Land through foreclosure or acceptance of a deed in lieu of foreclosure, the Mortgagee shall give ACLT written notice of such acquisition and ACLT shall have an option to purchase the Home and Homeowner's interest in the Leased Land from the Mortgagee for the full amount owing to the Mortgagee; provided, however, that ACLT notifies the Mortgagee in writing of ACLT's intent to make such purchase within thirty (30) days following ACLT's receipt of the Mortgagee's notice of such acquisition of the Home and Homeowner's interest in the Leased Land; further provided that ACLT shall complete such purchase within ninety (90) days of having given written notice of its intent to purchase; and provided that, if ACLT does not complete the purchase within such period, the Mortgagee shall be free to sell the Home and Homeowner's interest in the Leased Land to another person;*

4) *Nothing in the Mortgage or related documents shall be construed as giving the Mortgagee a claim on ACLT's interest in the Leased Land, or as assigning any form of liability to ACLT with regard to the Leased Land, the Home, or the Mortgage.*

5) *Nothing in the Mortgage shall be construed as rendering ACLT or any subsequent holder of ACLT's interest in and to the Lease, or their respective heirs, executors, successors or assigns, personally liable for the payment of the debt evidenced by such note and such Mortgage or any part thereof.*

6) *The Mortgagee shall not look to ACLT or ACLT's interest in the Leased Land, but will look solely to Homeowner and Homeowner's interest in the Leased Land and the Home for the payment of the debt secured by the Mortgage. (It is the intention of the parties hereto that ACLT's consent to the Mortgage shall be without any liability on the part of ACLT for any deficiency judgment.)*

7) *In the event that any part of the Leased Land is taken in condemnation or by right of eminent domain, the proceeds of the award shall be paid over to the Mortgagee in accordance with the provisions of Article 9 of the Lease.*

8) *Nothing in the Mortgage shall obligate ACLT to execute an assignment of the Lease Fee or other rent payable by Homeowner under the terms of this Lease.*

By:

_____ for Mortgagee

Date: _____

_____ for Homeowner/Mortgagor

Date: _____

Exhibit E

FIRST REFUSAL

The following procedures shall apply only to situations that trigger the Homeowner's right of first refusal described in Section 3.3 of the Ground Lease or the ACLT's right of first refusal described in Section 13.5. In either of those situations, if the owner of the property offering it for sale ("Offering Party") shall within the term of the Lease receive a bona fide third party offer to purchase the property which such Offering Party is willing to accept, the holder of the right of first refusal (the "Holder") shall have the following rights:

a) Offering Party shall give written notice of such offer ("the Notice of Offer") to Holder setting forth (a) the name and address of the prospective purchaser of the property, (b) the purchase price offered by the prospective purchaser and (c) a certified copy of the executed Purchase and Sale Agreement between the Offering Party and the prospective purchaser, which shall include all other terms and conditions of the sale. Holder shall have a period of forty-five (45) days after the receipt of the Notice of Offer that complies with the requirements herein ("the Election Period") within which to exercise the right of first refusal by giving notice of intent to purchase the property ("the Notice of Intent to Purchase") for the same price and on the same terms and conditions set forth in the Notice of Offer. Such Notice of Intent to Purchase shall be given in writing to the Offering Party within the Election Period.

b) If Holder exercises the right to purchase the property, such purchase shall be completed within ninety (90) days after the Notice of Intent to Purchase is given by Holder (or if the Notice of Offer shall specify a later date for closing, such date) by performance of the terms and conditions of the Notice of Offer, including payment of the purchase price provided therein.

c) Should Holder fail to exercise the right of first refusal within the Election Period, then the Offering Party shall have the right (subject to any other applicable restrictions in the Lease) to go forward with the sale which the Offering Party desires to accept, and to sell the property within one (1) year following the expiration of the Election Period on terms and conditions which are not materially more favorable to the purchaser than those set forth in the Notice. If the sale is not consummated within such one-year period, the Offering Party's right so to sell shall end, and all of the foregoing provisions of this section shall be applied again to any future offer, all as aforesaid. If a sale is consummated within such one-year period, the purchaser shall purchase subject to the Holder having a renewed right of first refusal in said property.

Exhibit F RESTRICTIONS

WHEREAS, the Amherst Community Land Trust (the “ACLT” or “Lessor”) owns a certain parcel of real property (the “ACLT Property”) located ataddress in the town of Amherst Massachusetts.

WHEREAS, Homeowner is an Income-qualified Person as defined in Section 10.2 of the Ground Lease to which this Exhibit F is attached (together with all exhibits, the “Ground Lease”), with an income at or below eighty percent (80%) of the median household income as established by the Department of Housing and Urban Development for the Springfield MA Metropolitan Statistical Area;

WHEREAS, Homeowner has entered into a lease of the ACLT Property (the “Leased Land”) more particularly described in Exhibit B of the Ground Lease, and has purchased the dwelling unit located on the Leased Land (the “Home”) more particularly described in Exhibit C of the Ground Lease, for a ground lease fee and a sale price, specified in the Ground Lease, that are affordable to individuals or families in the aforesaid income bracket;

WHEREAS, the Ground Lease sets forth restrictions so that the Home and Leased Land shall remain affordable for income qualified individuals or families in perpetuity, and be used by the Homeowner, and future owners, as a principal residence;

NOW THEREFORE, in consideration of the agreements and covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which the ACLT and Homeowner hereby acknowledge to the other, the ACLT and Homeowner hereby agree and covenant as follows:

1. Purchase Option.

In the event that the ACLT is no longer the lessor of the Leased Land or does not exercise its purchase option pursuant to Article 10 of the Ground Lease, The Town of Amherst (the “Municipality”), or its assignee, shall have the right to exercise such option.

2. Transfer of Home.

(a) If an Income-Qualified Person or another party other than the ACLT (or the Municipality as provided in Section 1 above) (the “Non-Lessor Purchaser”) agrees to purchase the Home pursuant to Article 10 of the Ground Lease, or if the ACLT or the Municipality elects to purchase the Home, the Home shall be conveyed by the Homeowner to such Non-Lessor Purchaser or to the ACLT or to the Municipality as the case may be (each a “Purchaser”), by a good and sufficient bill of sale conveying a good and clear record and marketable title to the Home free from all encumbrances except (i) such taxes for the then current year as are not due and payable on the date of delivery of the bill of sale and deed (ii) any lien for municipal betterments assessed after the date of the Intent-to-Sell Notice, (iii) provisions of local building

and zoning laws, (iv) all easements, restrictions, covenants and agreements of record specified in the prior bill of sale and deed for the Home, (v) a Regulatory Agreement among the Department of Housing and Community Development ("DHCD"), the Municipality, ACLT and Homeowner dated the [REDACTED] and recorded with the Hampshire County Registry of Deeds in Book [REDACTED], Page [REDACTED], (the "Regulatory Agreement"), to the extent the same remains in force and applicable (vi) such additional easements, restrictions, covenants and agreements of record as the Purchaser consents to, such consent not to be unreasonably withheld or delayed.

(b) As a condition of such sale, the ACLT and Homeowner shall agree to terminate the Ground Lease and execute and record a termination of ground lease ("Termination of Ground Lease"), and, in the event that the Home is conveyed to a Non-Lessor Purchaser, Homeowner shall cause the Non-Lessor Purchaser to execute and record, as a condition of such sale, a new ground lease (the "New Ground Lease") substantially the same as this Ground Lease.

Said bill of sale, Termination of Ground Lease, and, for sales to Non-Lessor Purchaser, the New Ground Lease (collectively, the "Record Instruments") shall be delivered and the purchase price paid (the "Closing") at the Registry, or at such other place as established by the parties in the Purchase and Sale Agreement. The Closing shall occur at such time and on such date as shall be specified in the Purchase and Sale Agreement which date shall, if the ACLT or the Municipality is purchasing the Home, occur no later than 120 days after the ACLT or the Municipality has given Notice of Exercise of Option to the Homeowner.

(c) To enable Homeowner to make conveyance as herein provided, Homeowner may if he or she so desires at the time of delivery of the Record Instruments, use the purchase money or any portion thereof to clear the title of any or all encumbrances or interests; all instruments so procured to be recorded simultaneously with the delivery of the Record Instruments.

(d) Water and sewer charges and taxes for the then current tax period shall be apportioned and fuel value shall be adjusted as of the date of Closing and the net amount thereof shall be added to or deducted from, as the case may be, the purchase price payable by the Purchaser.

(e) Full possession of the Home and Leased Land free from all occupants is to be delivered at the time of the Closing, the Home and Leased Land to be then in the same condition as it is in on the date hereof, reasonable wear and tear only excepted.

(f) If Homeowner shall be unable to give title or to make conveyance as above stipulated, or if any change of condition in the Home and the Leased Land not included in the above exception shall occur, then Homeowner shall be given a reasonable time not to exceed thirty (30) days after the date on which the Closing was to have occurred in which to remove any defect in title or to restore the Home and the Leased Land to the condition hereby provided for. The Homeowner shall use best efforts to remove any such defects in the title whether voluntary or involuntary and to restore the Home and the Leased Land to the extent permitted by insurance proceeds or condemnation award.

(g) The Closing shall occur fifteen (15) days after notice by Homeowner that such defect has been cured or that the Home and the Leased Land have been so restored. The Purchaser shall

have the election, at either the original or any extended time for performance, to accept such title as the Homeowner can deliver to the Home and the Leased Land in their then condition and to pay therefore the purchase price (for the Home) without deduction, in which case the Homeowner shall convey such title, except that in the event of such conveyance in accordance with the provisions of this clause, if the Home and Leased Land shall have been damaged by fire or casualty insured against or if a portion of the Home and the Leased Land shall have been taken by a public authority, then the Homeowner shall, unless the Homeowner has previously restored the Home and the Leased Land to their former condition, either:

- (i) pay over or assign to the Non-Lessor Purchaser or the ACLT or the Municipality as the case may be, on delivery of the bill of sale and deed, all amounts recovered or recoverable on account of such insurance or condemnation award less any amounts reasonable expended by the Homeowner for the partial restoration, or
- (ii) if a holder of a mortgage on the Home shall not permit the insurance proceeds or the condemnation award or part thereof to be used to restore the Home to its former condition or to be so paid over or assigned, give to the Non-Lessor Purchaser or to the ACLT or the Municipality, as the case may be, a credit against the purchase price, on delivery of the bill of sale and deed, equal to said amounts so retained by the holder of the said mortgage less any amounts reasonable expended by the Homeowner for any partial restoration.

3. Resale and Transfer Restrictions:

(a) Except as otherwise stated herein, the Home or any interest therein shall not at any time be sold by the Homeowner, the Homeowner's successors and assigns, and no attempted sale shall be valid, unless:

- (i) The aggregate value of all consideration and payments of every kind given or paid by any Purchaser to the then owner of the Home for and in connection with the transfer of such Home, is equal to or less than the Purchase Option Price for the Home, and (1) if the Home is conveyed to a Non-Lessor Purchaser, unless a certificate (the "Non-Lessor Purchaser Certificate") is obtained and recorded, signed and acknowledged by the Municipality acting by and through its Chief Elected Official which Non-Lessor Purchaser Certificate refers to the Home, the Homeowner, the Non-Lessor Purchaser thereof, and the Purchase Option Price thereof, and states that the proposed conveyance, sale or transfer of the Home to the Non-Lessor Purchaser is in compliance with the rights, restrictions, covenants and agreements contained in this Exhibit F to the Ground Lease, including, if the Non-Lessor Purchaser is an Income-qualified Person, a statement of compliance with the definition of Income-qualified Person set forth in Section 10.2 of the Ground Lease, and unless there is also recorded a New Ground Lease executed by the Non-Lessor Purchaser which New Ground Lease the Non-Lessor Purchaser Certificate certifies is satisfactory in form and substance to the Municipality; (2) if the Home is conveyed to the ACLT unless a Certificate (the "Lessor Purchaser Certificate") is obtained and recorded, signed and acknowledged by the Municipality, acting by and through its Chief Elected Official, which Lessor Purchaser Certificate refers to the Home, the Homeowner, the ACLT, and the Purchase Option Price for the Home and states that the proposed conveyance, sale or transfer of the Home to the ACLT is in compliance with the rights, restrictions, covenants and agreements contained in this Exhibit F to the Ground Lease; (3) if the Home is conveyed to the Municipality unless a

Certificate (the "Municipality Purchaser Certificate") is obtained and recorded, signed and acknowledged by the Municipality, which Municipal Purchaser Certificate refers to the Home, the Homeowner, the Municipality, and the Purchase Option Price for the Home and states that the proposed conveyance, sale or transfer of the Home to the Municipality is in compliance with the rights, restrictions, covenants and agreements contained in this Exhibit F to the Ground Lease.

(ii) Any good faith purchaser of the Home, any lender or other party taking a security interest in such Home and any other third party may rely upon a Non-Lessor Purchaser Certificate or a Lessor Purchaser Certificate or a Municipal Purchaser Certificate referring to the Home as conclusive evidence of the matters stated therein and may record such Certificate in connection with conveyance of the Home, provided, the consideration recited in the bill of sale and deed or other instrument conveying the Home upon such resale shall not be greater than the consideration stated in the Certificate. If the Home is conveyed to the ACLT or the Municipality, any future sale of the Home by the ACLT or the Municipality shall be subject to the provisions of Section 3 of the Regulatory Agreement.

(iii) Within ten (10) days of the closing of the conveyance of the Home from Homeowner to a Non-Lessor Purchaser or to the ACLT, as the case may be, the Homeowner shall deliver to the Municipality true and certified copies of the Record Instruments, together with information as to the place of recording thereof in the public records. Failure of the Homeowner, or Homeowner's successors or assigns to comply with the preceding sentence shall not affect the validity of such conveyance.

(iv) The Homeowner understands and agrees that nothing in this Restriction or the Regulatory Agreement in any way constitutes a promise or guarantee by the Municipality that the Homeowner shall actually receive the Purchase Option Price for the Home or any other price for the Home.

(b) In the event the Homeowner no longer satisfies the Home occupancy requirements under Section 4.4 of the Ground Lease, then the Homeowner shall, within six (6) months following departure from the home, provide the Intent-to-Sell Notice required in Section 10.4 of the Ground Lease and the Home shall be sold pursuant to the terms and procedures set out in said Section 10.

(c) In the event of the death of the Homeowner, the then holder of title to the Home shall, within six (6) months following the date of the death, provide the Intent-to-Sell Notice required in Section 10.4 of the Ground Lease and the Home shall be sold pursuant to the terms and procedures set out in said Section 10, unless any of the Permitted Heirs, as defined in Section 10.3 of the Ground Lease, demonstrates to the satisfaction of ACLT and the Municipality that he or she is an Income-qualified Person and intends to occupy the Home as his/her primary residence. Notwithstanding the forgoing, a surviving spouse who inherits and intends to occupy the Home may do so with no requirement to demonstrate that he or she is an Income-qualified Person.

4. Restrictions Against Leasing and Junior Encumbrances:

The Home shall not be leased, refinanced, encumbered (voluntarily or otherwise) or mortgaged without prior delivery to the Municipality of the ACLT's written consent pursuant the terms of the Ground Lease, provided, however, that this provision shall not apply to a first mortgage granted in connection with this conveyance. Any rents, profits, or proceeds from any transaction described in the last preceding sentence which transaction has not received the prior written consent of the ACLT shall be paid upon demand to the Municipality for deposit in the Amherst Affordable Housing Trust Fund (the "Affordable Housing Fund"). In the event that the ACLT consents to any such lease, refinancing, encumbrance or mortgage, it shall be a condition to such consent that all rents, profits or proceeds from such transaction which exceed the carrying costs of the Home as determined by the Municipality, in its sole discretion, shall be paid to the Municipality for deposit to its Affordable Housing Fund. The provisions of this Section 4 shall control over any provisions of Article 4.5 of the Ground Lease to the contrary.

5. Rights of Mortgagees:

(a) In addition to the provisions of Exhibit D to the Ground Lease, and notwithstanding anything herein to the contrary, but subject to the next succeeding paragraph hereof, if the holder of record of a first mortgage (as used herein, a "mortgage" shall mean any Permitted Mortgage, as defined in the Ground Lease, granted by Homeowner) granted to a state or national bank, state or federal savings and loan association, cooperative bank, mortgage company, trust company, insurance company or other institutional lender or its successors or assigns (other than the Homeowner, or any person related to the Homeowner by blood, adoption or marriage, or any entity in which the Homeowner has a financial interest) shall acquire the Home and/or the Homeowner's interest in the Leased Land by reason of foreclosure (as used herein "foreclosure shall include other similar remedial action under the provisions of such mortgage) or upon conveyance of the Home and/or assignment of the Homeowner's interest in the Leased Land in lieu of foreclosure, and provided that the holder of such mortgage has given the Municipality not less than (60) days prior written notice of its intention to foreclose upon its mortgage or to accept a conveyance of the Home and/or accept assignment of the Homeowner's interest in the Leased Land in lieu of foreclosure, the rights and restrictions contained in this Exhibit F-Restrictions shall terminate; such termination to also occur in the event that any purchaser (other than the Homeowner or any person related to the Homeowner by blood, adoption or marriage, or any entity in which the Homeowner has a financial interest) acquires the Home and/or the Homeowner's interest in the Leased Land at a foreclosure sale conducted by such holder, or any purchaser (other than the Homeowner or any person related to the Homeowner by blood, adoption or marriage, or any entity in which the Homeowner has a financial interest) acquires the Home and/or the Homeowner's interest in the Leased Land from such holder following foreclosure, and such Home and/or the Homeowner's interest in the Leased Land shall thereupon and thereafter be free from all such rights and restrictions.

(b) In the event such holder conducts a foreclosure or other proceeding enforcing its rights under such Permitted Mortgage and the Home is sold for a price in excess of the greater of (i) the sum of the outstanding principal balance of the note secured by such mortgage plus all approved future advances, accrued interest and all reasonable costs and expenses which the holder is entitled to recover pursuant to the terms of the Permitted Mortgage and the note(s) secured

thereby, or (ii) the Purchase Option Price applicable on the date of the sale, such excess shall be paid to the Municipality, for deposit to its Affordable Housing Fund, in consideration of the loss of the value and benefit of the rights and restrictions herein contained held by the Municipality and released by the Municipality pursuant to this section in connection with such proceeding (provided, that in the event that such excess shall be so paid to the Municipality by such holder, the Municipality shall thereafter indemnify to the extent permitted by law such holder against loss or damage to such holder resulting from any claim made by the mortgagor of such mortgage to the extent that such claim is based upon payment of such excess by such holder to the Municipality in accordance herewith, provided that such holder shall give the Municipality prompt notice of any such claim and shall not object to intervention by the Municipality in any proceeding relating thereto.)

6. Covenants to Run With the Home and the Leased Land:

(a) The ACLT and the Homeowner, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby grant and assign to the Municipality, the Municipality's agents, successors, designees and assigns, the right to enforce the rights and restrictions, covenants and agreements set forth in this Exhibit F to the Ground Lease. The ACLT and the Homeowner hereby grant to the Municipality the right to enter upon the Home and the Leased Land (except the interior of the Home and in accordance with Article 4.6 of the Ground Lease) for the purpose of enforcing any and all of the restrictions, covenants and agreements herein contained, and of taking all actions with respect to the Home and Leased Land which the Municipality may determine to be necessary or appropriate, with or without court order, to prevent, remedy or abate any violation of the restrictions, covenants and agreements set forth herein.

The rights hereby granted to the Municipality shall be in addition to and not in limitation of any other rights and remedies available to the ACLT and the Municipality for enforcement of the restrictions, rights, covenants and agreements set forth in this Exhibit F to the Ground Lease and the Ground Lease. It is intended and agreed that all of the agreements, covenants, rights and restrictions set forth above shall be deemed to be covenants running with the Home and the Leased Land and shall be binding upon and enforceable against the Homeowner, the Homeowner's successors and assigns and any party holding title to the Home and the Leased Land, and any and all mortgagees, for the benefit of and enforceable by the Municipality, the Municipality's agents, successors, designees and assigns, for a period which is the shortest of perpetuity or the longest period allowed by law (and, in any event, no lesser than the term of the Lease), unless terminated by the recording of a Non-Lessor Purchaser Certificate and a New Ground Lease executed by the Non-Lessor Purchaser, which New Ground Lease the Non-Lessor Purchaser Certificate certifies is in form and substance satisfactory the Municipality, or by the recording of a Lessor Purchaser Certificate or a Municipal Purchaser Certificate as set forth herein.

(b) The Ground Lease including this Exhibit F to the Ground Lease and all of the agreements, restrictions, rights and covenants contained herein shall be deemed to be an affordable housing restriction, as that term is defined in M.G.L. c.184, §31, and as that term is used in M.G.L. c.184, §§26, 31, 32, 33, and a restriction held by a governmental body, as those terms are defined in

G.L. c.184, §26, and are thus not subject to G.L. c.184, §§27-30. Notwithstanding said acknowledgment, the Homeowner irrevocably names the Municipality its attorney in fact to execute, acknowledge and record any instrument(s) the Municipality deems necessary or appropriate to continue to ensure the enforceability of the herein covenants for further periods of twenty (20) years beyond thirty (30) years from the recording of the herein instrument, without notice other than that provided by the land recordation system.

(c) The Homeowner intends, declares and covenants on behalf of itself and its successors and assigns (i) that this Exhibit F to the Ground Lease and the covenants, agreements, rights and restrictions contained herein shall be and are covenants running with the land, encumbering the Home for the term of the Ground Lease, and are binding upon the Homeowner's successors in title, (ii) are not merely personal covenants of the Homeowner, and (iii) shall bind the Homeowner, its successors and assigns and enure to the benefit of the Municipality and its successors and assigns for the term of the Ground Lease. Homeowner hereby agrees that any and all requirements of the laws of the Commonwealth of Massachusetts to be satisfied in order for the provisions of this Ground Lease to constitute restrictions and covenants running with the land shall be deemed to be satisfied in full and that any requirements of privity of estate are also deemed to be satisfied in full.

(d) Without limitation on any other rights or remedies of the ACLT, the Municipality, its agents, successors, designees and assigns, any sale or other transfer or conveyance or mortgage of the Home in violation of the provisions of this Ground Lease, shall, to the maximum extent permitted by law, be voidable by ACLT and/or the Municipality, the Municipality's agents, successors, designees and assigns by suit in equity to enforce such rights, restrictions, covenants, and agreements.

7. Notice:

Any notices, demands or requests that may be given under this Exhibit F to the Ground Lease, and Homeowner's Intent-to-Sell Notice defined in Section 10.4 of the Ground Lease, shall be sufficiently served if given in writing and delivered in accordance with Section 13.2 of the Ground Lease, and in addition, to

Municipality: Town of Amherst, Attn: Town Manager
Amherst Town Hall,
4 Boltwood Avenue
Amherst, MA 01002

Any such notice, demand or request shall be deemed to have been given on the day it is hand delivered or mailed.

8. Further Assurances:

The Homeowner agrees from time to time, as may be reasonably required by the Municipality, to furnish the Municipality with a written statement, signed and, if requested, acknowledged,

setting forth the condition and occupancy of the Home and the Leased Land or information concerning the resale of the Home.

9. Enforcement:

(a) The Municipality shall have the right to enforce the restrictions contained in this Exhibit F independently by appropriate legal proceedings and to obtain injunctive and other appropriate relief against any violations including without limitation relief requiring restoration of the Home to its condition prior to any such violation (it being agreed that there shall be no adequate remedy at law for such violation), and such right shall be in addition to, and not in limitation of, any other rights and remedies available to the Municipality.

(b) Without limitation of any other rights or remedies of the Municipality, or their successors and assigns, in the event of any sale, conveyance or other transfer or occupancy of the Home in violation of the provisions of this Exhibit F, ACLT and the Municipality shall each be entitled to the following remedies, which shall be cumulative and not mutually exclusive: (i) specific performance of the provisions of this Exhibit F; (ii) money damages for charges in excess of the Purchase Option Price, as set forth in Article 10 of the Ground Lease, if applicable; (iii) if the violation is a sale of the Home at a price greater than the Purchase Option Price, the Municipality shall have the option to locate an Income-Qualified Person, as defined in Article 10 of the Ground Lease to purchase the Home on the terms and conditions provided herein; the purchase price shall be a price which complies with the provisions of this Exhibit F (iv) the right to void any contract for sale or any sale, conveyance or other transfer of the Home, except such contract for sale or any sale, conveyance or other transfer or assignment to or by a Permitted Mortgagee, in violation of the provisions of this Exhibit F in the absence of a Non-Lessor Purchaser Certificate or a Lessor Purchaser Certificate or a Municipal Purchaser Certificate, by an action in equity to enforce this Exhibit F; and (v) money damages for the cost of creating or obtaining a comparable dwelling unit for an Income-qualified Person.

(c) In addition to the foregoing, in the event of a violation of the provisions of this Exhibit F, the Municipality may take appropriate enforcement action against the Homeowner or the Homeowner's successors in title, including, without limitation, legal action to compel the Homeowner to comply with the requirements of this Exhibit F. The Homeowner hereby agrees to pay all fees and expenses (including legal fees) of the Municipality in the event successful enforcement action is taken against the Homeowner hereunder. The Homeowner hereby grants to the Municipality a lien on the Home, junior to the lien of any institutional holder of a first mortgage on the Home, to secure payment of such fees and expenses in any successful enforcement action. The Municipality shall be entitled to seek recovery of fees and expenses incurred in a successful enforcement action of this Exhibit F against the Homeowner and to assert such a lien on the Home to secure payment by the Homeowner of such fees and expenses.

(d) The Homeowner for himself, herself or themselves and his, her or their successors and assigns, hereby grants to the Municipality the right to enter upon the Leased Land and the Home for the purpose of enforcing the restrictions herein contained, or of taking all actions with respect to the Home which the Municipality may determine to be necessary or appropriate pursuant to

court order, or with the consent of the Homeowner to prevent, remedy or abate any violation of this Exhibit F.

10. Waiver:

Nothing contained herein shall limit the rights of the Municipality to release or waive, from time to time, in whole or in part, any of the rights, restrictions, covenants or agreements contained herein with respect to the Home. Any such release or waiver must be made in writing and must be executed by the Municipality.

11. Severability:

If any provisions hereof or the application thereof to any person or circumstance shall come, to any extent, to be invalid or unenforceable, the remainder hereof, or the application of such provision to the persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and enforced to the fullest extent permitted by law.

12. Defined Terms:

Any term not defined in this Exhibit F to the Ground Lease shall have the definition given in the Ground Lease.

Executed as a sealed instrument this _____ day of _____, 2020

Amherst Community Land Trust

By

Signature _____

Name: _____

Its Board President

Homeowner

By

Signature _____ Signature _____

Name _____ Name _____

COMMONWEALTH OF MASSACHUSETTS

County of Hampshire, ss

On this _____ day of _____, 2018, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which were _____, to be the person whose name is signed on the preceding document as President of the Amherst Community Land Trust, and acknowledged to me that he/she signed it voluntarily for its stated purpose.

Notary Public
Print Name:
My commission expires:

COMMONWEALTH OF MASSACHUSETTS

County of Hampshire, ss

On this _____ day of _____, 2018, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which were _____, to be the person whose name is signed on the preceding document [Homeowner], and acknowledged to me that he/she signed it voluntarily for its stated purpose.

Notary Public
Print Name:
My commission expires:

Other Exhibits to be Attached

Exhibit B: LEASED LAND [*Description of property subject to lease*]

Exhibit C: DEED [*Deed or bill of sale of single housing unit from Seller to Homeowner explicitly stating that ownership of the land resides with ACLT.*]

Exhibit G: INITIAL APPRAISAL