
OPTION TO PURCHASE

between

PARMA COMMUNITY IMPROVEMENT CORPORATION,
as Optionor/Seller

and

CHN HOUSING PARTNERS,
as Optionee/Purchaser

**Chevybrook Estates
5617 Chevybrook Boulevard
Parma, Ohio**

September __, 2019

1071476.3



9/13/19

OPTION TO PURCHASE

THIS OPTION TO PURCHASE (the "Agreement") is made as of the Effective Date (as said term is hereinafter defined), by and between the **PARMA COMMUNITY IMPROVEMENT CORPORATION** ("PCIC"), a body corporate and politic of the State of Ohio, as agent for The City of Parma, Ohio dba Parma Public Housing Agency, a body corporate and politic of the State of Ohio ("PPHA") for purposes of disposition, as optionor/seller (the "Seller"), and **CHN HOUSING PARTNERS**, an Ohio nonprofit corporation, as optionee/purchaser (the "Purchaser").

WITNESSETH:

In consideration of and upon the terms and conditions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

1.1 Definitions. Except as may otherwise be expressly provided herein, and in addition to the other terms which are defined hereinabove or in subsequent paragraphs of this Agreement, the following terms, whenever set forth in initial capitals in this Agreement, shall have the respective meanings set forth hereinbelow:

"Assignment of Service Contracts" means the Assignment of Service Contracts that is attached hereto as Exhibit I.

"Assignment of Tenant Leases" means the Assignment of Tenant Leases that is attached hereto as Exhibit H.

"Balance of the Purchase Price" means the Purchase Price (a) less the Deposit (to the extent then held by Title Insurer), and (b) plus or minus the net sum of the prorations, allocations, fees, costs, expenses, commissions, charges, credits, withholdings, payments, and other adjustments as provided for in this Agreement.

"Bill of Sale" means the Bill of Sale that is attached hereto as Exhibit G.

"Building" means, collectively, the buildings and improvements located on the Land.

"Building Information" means the following existing information with respect to the Property: (a) all information relative to the Property that Seller has delivered to Purchaser prior to the Effective Date, including any structural, mechanical, environmental, geotechnical or other engineering studies, surveys, drawings, specifications, contracts, agreements and/or documents relating to the Property, (b) the Tenant Leases, and (c) the Service Contracts, together with related information in Seller's possession or within its control regarding any costs associated with early termination of any of the Service Contracts and, if applicable, collective bargaining agreements relating to the Service Contracts or that are otherwise applicable to the Property, and (d) such other information in Seller's possession that Purchaser may request in writing from Seller during the Due Diligence Period.

“Business Day” means, collectively, any day other than a Saturday, Sunday or legal holiday in the State of Ohio.

“Closing” means the filing and recording of the Filing Documents in the official land records of Cuyahoga County, Ohio and the related transactions required by the terms of this Agreement to occur contemporaneously therewith.

“Closing Date” means thirty (30) days following the Option Exercise Date, but not later than June 30, 2020, as such date for Closing may be further extended pursuant to the provisions of Sections 2.2 (b), 4.3, 9.3 and 13.3 hereof, or some other date for Closing that is mutually agreed to in writing by the parties; provided, however, that notwithstanding anything to the contrary, the Closing Date shall not be later than December 31, 2020.

“Closing Documents” means the Seller Closing Documents and the Purchaser Closing Documents, without distinction between them.

“Confidential Information” means, collectively, all materials and information that are to be kept confidential and/or are not to be disclosed to third parties pursuant to the provisions of the License Agreement.

“Cutoff Date” means 11:59 p.m. on the day preceding the Closing Date.

“Damage Notice” shall have the meaning set forth in Section 9.1 hereof.

“Damages” means any and all actual losses, costs, claims, liabilities, damages, obligations, judgments, settlements, awards, offsets, fees and expenses (including, without limitation, reasonable attorneys’ fees and expenses), fines, penalties, charges, and other amounts.

“Deed” means the Deed that is attached hereto as Exhibit F.

“Deposit” shall mean the sum of Ten Thousand Dollars (\$10,000), together with interest earned thereon, if any, and any additional amounts deposited with Title Insurer pursuant to and in accordance with the provisions of this Agreement.

“Disapproval Notice” means a written notice given by Purchaser identifying any title matter related to the Property which Purchaser disapproves pursuant to Section 4.3 hereof.

“Due Diligence Period” means the period of time from the Effective Date to December 31, 2019.

“Effective Date” shall have the meaning set forth in Section 13.22 hereof

“Environmental Law” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. Section 9601 et seq.), as amended, or the Resource Conservation and Recovery Act (42 U.S.C. Section 6901 et seq.), as amended, or any counterpart thereof applicable in the State of Ohio.

“Filing Documents” means, collectively, the Deed, the Assignment of Tenant Leases, the New Affordable Housing Restrictions (if any), and the Purchase Money Mortgage (as said terms are hereinafter defined).

“Insurance Coverage” means the liability and property damage insurance coverage that is applicable to the Property as described in Exhibit J hereto and/or any alternate insurance coverage that may be adopted by Seller pursuant to the provisions of Section 5.3 hereof.

“Land” means, collectively, those certain plots, pieces or parcels of land legally described in Exhibit A hereto.

“Laws” means all applicable laws, ordinances, rules, regulations, codes, orders and requirements of any federal, state or local governmental authority.

“License Agreement” means, collectively, that certain letter dated April 8, 2019 by and between PPHA and CHN Housing Partners, an Ohio nonprofit corporation, captioned “License for the purpose of conducting certain due diligence activities” relative to the Real Property.

“Liens” means any monetary liens and/or security interests that can be removed solely by the payment of a liquidated amount and that encumber any part of the Property, including but not limited to mortgages, deeds of trust, mechanics, materialmen’s, judicial, tax or governmental liens of any nature whatsoever relating to the Property, other than the Permitted Exceptions.

“Loan Policy” means an ALTA Leasehold Loan Policy of Title Insurance-2006 issued by Title Insurer insuring Seller as the mortgagee under the Purchase Money Mortgage in the amount and having the priority as described herein.

“Permitted Exceptions” means, collectively, all matters that are referred to in Exhibit B hereto or in the documents and instruments referred to therein, together with any additional encumbrances or other matters approved or deemed approved by Purchaser pursuant to the provisions of Section 4.3 hereof.

“Person” means a natural person, a general or limited partnership, a corporation, a limited liability company, a trust, an unincorporated association, a government or any department or agency thereof, or any other juridical entity.

“Personal Property” means, collectively, the personal property identified in Exhibit C hereto.

“Prior Agreements” means, collectively: (a) (i) that certain RFP Registration Form executed and filed with PPHA by CHN Housing Partners, an Ohio nonprofit corporation, and (ii) that certain Non-Collusion Affidavit executed by Robert F. Curry, as Executive Director of CHN Housing Partners, an Ohio nonprofit corporation, on December 6, 2018, all delivered to Seller in connection with the RFP, and (b) the License Agreement, as any of same may have been amended, modified and/or supplemented to the Effective Date.

“Project” means, collectively, the acquisition, refinancing, renovation, re-positioning, and operation of the Property as long-term affordable housing in accordance with rules and regulations of, and requirements promulgated by, the United States Department of Housing and

Urban Development (“HUD”), as same may be in force from time to time.

“Property” means, collectively: (a) the Real Property, (b) the Personal Property, (c) the Tenant Leases, and (d) the Service Contracts. There are no replacement reserves to be transferred, and the Property excludes replacement reserves.

“Purchase Price” means the greater of (a) the appraised fair market value of the Property (but not less than \$1,100,000), or (b) \$2,570,600, in either case less ground rent payable in one lump sum, in advance, upon commencement of the term of the Ground Lease (as said term is hereinafter defined) to the Cuyahoga County Land Reutilization Corporation (the “Land Bank”) of not more than \$150,000.

“Purchaser Closing Documents” shall have the meaning set forth in Section 8.3 hereof.

“Real Property” means, collectively, the fee simple estate in and to the Land, together with all buildings and improvements thereon, and appurtenances thereunto belonging, commonly known as Chevybrook Estates, 5617 Chevrolet Boulevard, Parma, Ohio, consisting of 60 apartment units together with 88 surface parking spaces.

“Rent” means, collectively, all rents, fees and charges payable to Seller under the Tenant Leases.

“RFP” means that certain Request for Proposals dated November 1, 2018 issued by PPHA relative to “Disposition of Chevybrook Estates, Parma, Ohio”.

“Seller Closing Documents” shall have the meaning set forth in Section 8.2 hereof.

“Service Contracts” means, collectively, the service contracts, equipment leases, and other obligations between Seller and the third parties who are identified in Exhibit E hereto (if any) relative to the Property.

“Statement of Reason for Exemption” means the Statement of Reason for Exemption from Real Property Conveyance Fee (DTE Form 100 (Ex) 320) that is attached hereto as Exhibit K.

“Taxes” shall have the meaning set forth in Section 7.1(b) hereof.

“Tenant Leases” means, collectively, all leases, subleases, and other occupancy agreements to which Seller is a party relating to the use and/or occupancy of any portion of the Building, including any amendments, modifications or supplements related thereto, that are identified in Exhibit D hereto.

“Title Commitment” means, collectively, the ALTA Commitment for Title Insurance (Adopted 08-01-2016) issued by Chicago Title Insurance Company bearing Title No. 18040949 and having an effective date of September 18, 2018 at 7:29 a.m. relative to the Real Property, as same may be hereafter amended, modified and supplemented, committing to the issuance of the Title Policy.

“Title Insurer” means Chicago Title Insurance Company or another reputable national

title insurer selected by Seller that is reasonably acceptable to Purchaser, and any such insurer's subsidiaries and affiliates.

"Title Policy" means an ALTA Owner's Policy of Title Insurance-2006 (Rev. 10/17/06) issued by Title Insurer insuring Purchaser as owner of the Real Property in the amount of the Purchase Price, subject only to the Permitted Exceptions.

ARTICLE 2. AGREEMENT TO SELL

2.1 Grant of Option. Seller does hereby grant to Purchaser the exclusive right and option (the "Option") to purchase the Property on and subject to the terms, covenants, conditions, and provisions contained in this Agreement.

2.2 Option Term.

(a) Initial Option Term. The term of the Option shall be for a period of time commencing on the Effective Date and continuing until May 31, 2020 (the "Initial Option Term").

(b) Option Extension Term. The Initial Option Term may at Purchaser's option be extended by Purchaser for an additional period commencing on June 1, 2020 and ending on November 30, 2020 (the "Option Extension Term") by giving Seller written notice of Purchaser's exercise of such extension option, together with the simultaneous payment by Purchaser to Seller of a non-refundable fee of One Thousand and No/100 Dollars (\$1,000.00) (the "Option Extension Fee"), at least thirty (30) days prior to the expiration of the Initial Option Term. The Initial Option Term and the subsequent Option Extension Term, if properly and timely exercised by Purchaser, are hereinafter collectively referred to as the "Option Term".

(c) Exercise of Option. Purchaser may exercise the Option at any time during the Option Term by giving written notice thereof to Seller. The date of Seller's actual receipt of said notice is referred to herein as the "Option Exercise Date". In the event Purchaser does not exercise the Option during the Option Term as aforesaid, Seller shall retain the Option Extension Fee (if theretofore paid), this Agreement shall terminate, and neither of the parties hereto shall have any further obligations or liabilities thereunder, except as may be otherwise set forth hereon.

(d) Contract for Purchase and Sale of Property. Upon the proper and timely exercise of the Option by Purchaser as set forth in Section 2.2 (c) above, this Agreement shall, as of the Option Exercise Date, become and be deemed for all purposes a binding bilateral contract between the parties for the purchase and sale of the Property, on and subject to the terms and conditions contained herein, and shall, subject to same, bind Seller to sell and convey, and Purchaser to purchase and pay for, the Property. As used herein, the term "Option to Purchase" shall refer to either this Agreement or the bilateral contract formed by the exercise of the Option, as the context may require.

2.3 Pre-Exercise Management and Operations. The parties acknowledge and agree that prior to the Option Exercise Date, Purchaser will have no obligation to purchase the Property and shall have no rights or interests in and to the Property or any part thereof except as may be otherwise set forth in this Agreement. Accordingly, prior to the Option Exercise Date, Seller and PPHA shall have the right to own, hold, lease, manage, repair, maintain, operate, use and enjoy the Property, in their discretion, in the ordinary course in accordance with Laws, HUD requirements, and PPHA's custom, practice, policy and procedures as adopted and established by PPHA from time to time, and that in the event of the happening of any unanticipated events or occurrences prior to the Option Exercise Date, Seller and PPHA may take such action as they, in their sole discretion, deem necessary to protect their interests unless otherwise provided in this Agreement.

2.4 Disclaimer. AS A MATERIAL PART OF THE CONSIDERATION FOR THIS AGREEMENT, SELLER AND PURCHASER AGREE THAT, NOTWITHSTANDING ANYTHING TO THE CONTRARY, THE PROPERTY IS CONVEYED, ASSIGNED AND TRANSFERRED BY SELLER TO PURCHASER "AS IS, WHERE-IS", WITH ALL FAULTS AND DEFECTS, LATENT AND PATENT, IN ITS PRESENT CONDITION, ORDINARY WEAR AND TEAR AND DAMAGE BY FIRE AND OTHER CASUALTY AND CONDEMNATION EXCEPTED (SUBJECT TO THE PROVISIONS OF ARTICLE 9), AND PURCHASER ACKNOWLEDGES AND AGREES THAT SELLER HAS NOT MADE, DOES NOT MAKE, AND SPECIFICALLY DISCLAIMS, ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY NATURE OR DESCRIPTION WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING, OR WITH RESPECT TO (A) THE NATURE, QUALITY OR CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL, AND GEOLOGY, OR THE PRESENCE OR ABSENCE OF ANY POLLUTANT, HAZARDOUS WASTE, GAS OR SUBSTANCE OR SOLID WASTE ON OR ABOUT THE PROPERTY, (B) THE INCOME TO BE DERIVED FROM THE PROPERTY, (C) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH PURCHASER OR ITS AFFILIATES AND/OR NOMINEES MAY INTEND TO CONDUCT THEREON, (D) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATIONS WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY GOVERNMENTAL AUTHORITY OR BODY HAVING JURISDICTION INCLUDING, WITHOUT LIMITATION, ALL APPLICABLE BUILDING, ZONING AND OTHER LAWS INCLUDING THE AMERICANS WITH DISABILITIES ACT, AS AMENDED, AND REGULATIONS PROMULGATED THEREUNDER, (E) THE HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, OR (F) ANY OTHER MATTER RELATED TO OR CONCERNING THE PROPERTY, THE VALUE THEREOF, THE STATE OF TITLE THERETO, AND/OR ANY HISTORIC OR OTHER TAX CREDITS RELATIVE THERETO. PURCHASER AND/OR ITS AFFILIATES AND NOMINEES SHALL NOT SEEK RECOURSE AGAINST SELLER ON ACCOUNT OF ANY LOSS, COST OR EXPENSE SUFFERED OR INCURRED BY PURCHASER AND/OR ITS AFFILIATES AND NOMINEES WITH REGARD TO ANY OF THE MATTERS DESCRIBED IN CLAUSES (A) THROUGH (F) ABOVE AND HEREBY ASSUMES THE RISK OF ANY ADVERSE MATTERS DESCRIBED IN CLAUSES (A) THROUGH (F) ABOVE. PURCHASER, FOR ITSELF AND ITS AFFILIATES AND NOMINEES, HEREBY ACKNOWLEDGES THAT

THEY, HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY, ARE RELYING SOLELY ON THEIR OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY OR ON BEHALF OF SELLER OR ITS OFFICERS, EMPLOYEES, AGENTS, CONTRACTORS, ATTORNEYS, CONSULTANTS OR REPRESENTATIVES (COLLECTIVELY, THE "SELLER PARTIES"^v) OR ANY STATEMENT, REPRESENTATION OR OTHER ASSERTION MADE BY SELLER AND/OR THE SELLER PARTIES WITH RESPECT TO THE PROPERTY. FURTHER PURCHASER ACKNOWLEDGES THAT NO INDEPENDENT INVESTIGATION OR VERIFICATION HAS BEEN OR WILL BE MADE BY SELLER AND/OR THE SELLER PARTIES WITH RESPECT TO THE BUILDING INFORMATION OR ANY OTHER INFORMATION SUPPLIED BY OR ON BEHALF OF SELLER AND/OR THE SELLER PARTIES CONCERNING THE PROPERTY, AND SELLER MAKES NO REPRESENTATION OR WARRANTY AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION, IT BEING INTENDED BY THE PARTIES THAT PURCHASER SHALL VERIFY THE ACCURACY AND COMPLETENESS OF SUCH INFORMATION. PURCHASER, FOR ITSELF AND ITS AFFILIATES AND NOMINEES, HEREBY ACKNOWLEDGES THAT THE DISCLAIMERS, AGREEMENTS AND OTHER STATEMENTS SET FORTH IN THIS SECTION 2.4 ARE AN INTEGRAL PORTION OF THIS AGREEMENT AND THAT SELLER WOULD NOT AGREE TO ENTER INTO THIS AGREEMENT ON THE TERMS AND PROVISIONS CONTAINED HEREIN WITHOUT THE DISCLAIMERS, AGREEMENTS AND OTHER STATEMENTS SET FORTH IN THIS SECTION 2.4 THE TERMS AND PROVISIONS OF THIS SECTION 2.4 SHALL BE DEEMED TO HAVE BEEN INCORPORATED IN THE BODY OF, AND MADE A PART OF, ALL SELLER CLOSING DOCUMENTS AND ALL OTHER CLOSING DOCUMENTS ENTERED INTO PURSUANT TO OR IN CONNECTION WITH THIS AGREEMENT BY SELLER, PURCHASER, AND THEIR RESPECTIVE NOMINEES AND ASSIGNS, WHETHER OR NOT THIS AGREEMENT OR ANY PROVISIONS HEREOF ARE REFERENCED OR REFERRED TO IN ANY SUCH DOCUMENTS. THE PROVISIONS OF THIS SECTION 2.4 SHALL SURVIVE THE CLOSING, THE RECORDING OF THE DEED TO THE PROPERTY, AND ANY TERMINATION OF THIS AGREEMENT.

2.5 Purchase Price. The Purchase Price for the Property shall be payable as follows:

(a) Within three business days following Purchaser's and Seller's execution of this Agreement, Purchaser shall deposit Ten Thousand Dollars (\$10,000) in escrow with Title Insurer, by wire transfer of immediately available Federal Funds, which, together with all interest or other earnings accrued on such sum (if any), shall serve as earnest money for this transaction.

(b) Purchaser shall, on the Closing Date, deposit the Balance of the Purchase Price with Title Insurer as follows: (i) \$950,000, payable in immediately available Federal funds at Closing; and (ii) the balance payable by the execution and delivery of a promissory note and mortgage by Purchaser to Seller at Closing (which are herein referred to as the "Purchase Money Note" and the "Purchase Money Mortgage", respectively), such principal amount, together with interest thereon at a rate of interest per annum equal to the long-term "Applicable Federal Rate" promulgated by the Internal Revenue Service (currently 2.70%) and in effect at Closing, to be payable over a term equal to the construction period for the Project of approximately two years plus a fixed term thereafter of 30 years (collectively, the "Loan Term") only out of cash flow

from the Project. The definition of “cash flow” and the priority of payments on the Purchase Money Note shall be negotiated with the investor and other lenders who are involved in the Project, and shall be documented in an appropriate intercreditor agreement among such parties (the “Intercreditor Agreement”), but it is understood that not less than 25% of “Available Cash Flow” shall be reserved for payment of amounts due Seller under the Purchase Money Note, with Available Cash Flow defined as follows:

(x) “Net Cash Flow” or equivalent as typically defined in other similar tax credit transactions involving affordable housing (or, in the absence of a tax credit investor, as defined by Purchaser subject to the reasonable approval of Seller), less

(y) Investor fees, tax credit adjuster payments, payment of deferred developer fee, reserve deposits or replenishment, and other usual and customary conditions as may, with Seller’s reasonable approval, be reasonably required by the investor and by third party lenders.

Any portion of principal and interest accrued under the Purchase Money Note that has not been paid as of the end of the Loan Term shall then be due and payable in one lump sum at maturity. The priority of the Purchase Money Mortgage shall be negotiated with the Project’s lenders, but shall not be less than a fourth priority mortgage lien on the Property. The loan documents for the aforescribed financing from Seller shall include provisions consistent with the following elements of Purchaser’s December 7, 2018 response to the RFP (as such elements may evolve prior to Closing as reflected in an application that is submitted by Purchaser, subject to Seller’s review and approval, to HUD, or as otherwise reasonably approved by Seller): “occupant information and relocation” provisions, “Schematic Scope of Work Narrative”, and “Schematic Sustainability Scope of Work Narrative”. A copy of Purchaser’s said response to the RFP is attached hereto and made a part hereof as Exhibit L, and is herein referred to as “Purchaser’s Response to RFP”. The first draft of the Purchase Money Note and Purchase Money Mortgage shall be prepared by Seller’s counsel. The provisions of the Intercreditor Agreement shall be negotiated with the investor and other lenders who are involved in the Project, but shall grant Seller a first right and security interest in not less than 25% of Available Cash Flow, as defined above, for payment of amounts due Seller under the Purchase Money Note. The provisions of the Purchase Money Note, Purchase Money Mortgage, and Intercreditor Agreement shall be consistent with the provisions of this Agreement and otherwise acceptable to Seller.

2.6 Deposit.

(a) The Deposit shall be held by Title Insurer in escrow in a non-interest bearing escrow account.

(b) Once deposited with Title Insurer in escrow hereunder, the Deposit may not be withdrawn or disbursed from said escrow except pursuant to and in accordance with the provisions hereof. If the Effective Date has not occurred by 5:00 p.m. Cleveland time on October 1, 2019, then Title Insurer shall immediately refund and disburse the Deposit to Purchaser, unless otherwise instructed in writing by Purchaser. If the Effective Date occurs prior to said date and time, then upon and after the Effective Date, the Deposit (i) shall be disbursed to Seller (x) if Purchaser terminates this Agreement after December 31, 2019 for any reason other than the

default of Seller as set forth in Section 10.1, or (y) if Purchaser defaults under this Agreement as set forth in Section 10.2, and (ii) shall be disbursed to Purchaser (x) if Purchaser terminates this Agreement on or prior to December 31, 2019 pursuant to Sections 3.2 and/or 4.4, (y) if Seller defaults under this Agreement as set forth in Section 10.1, or (z) upon the occurrence of certain events of damage to or destruction of the Property or the taking thereof by condemnation prior to Closing as set forth in Article 9. Otherwise, the Deposit, if actually received by Seller, shall be credited against the Purchase Price at Closing.

ARTICLE 3. **INSPECTIONS BY PURCHASER**

3.1 Purchaser's Inspection Period. Seller and Purchaser have previously entered into the License Agreement and Purchaser has been granted access to the Real Property pursuant thereto for the purposes stated therein. Seller has or will also supply the Building Information to Purchaser.

Purchaser may continue to have access to the Real Property on and subject to the provisions of the License Agreement for the purpose of conducting soil tests and preparing applications and other materials for, and obtaining, all required governmental permits, authorizations, and approvals for the Project, and may continue to review and assess the Building Information, during the Due Diligence Period, the date set forth in paragraph 7(c) of the License Agreement being hereby extended to be the date that the Due Diligence Period expires.

All inspections, studies, tests, and other evaluations of the Property and all reviews and assessments of the Building Information are specifically subject to the provisions of this Agreement and the License Agreement.

3.2 Termination Right. Purchaser may terminate this Agreement at any time prior to the expiration of the Option Term if it determines, in its sole discretion, that (a) the results of its due diligence activities with respect to the Property are unsatisfactory, (b) Purchaser does not anticipate that it will be able to obtain, or is unable to obtain, the requisite levels of equity investments and/or loans, grants, subsidies, and other financial assistance for the Project in a timely manner, or (c) Purchaser does not anticipate that it will be able to obtain, or is unable to obtain, the necessary permits, authorizations, and/or approvals (as the case may be) for the Project on the terms and conditions contemplated hereby in a timely manner. Any such election to terminate shall be exercisable by Purchaser's delivery to Seller of a written notice of termination on or prior to the expiration of the Option Term. If Purchaser shall exercise said election to terminate in the manner and within the time aforesaid, Title Insurer shall promptly disburse the entire Deposit (and all interest earned thereon, if any) pursuant to and in accordance with the provisions of Section 2.6 (b), and this Agreement (except those provisions hereof which expressly survive a termination of this Agreement) shall then terminate, and the parties hereto shall be released and relieved of and from all obligations to one another under this Agreement or otherwise with respect to the transactions contemplated hereby (except those obligations which expressly survive a termination of this Agreement). The failure of Purchaser to deliver to Seller the written notice of termination on or prior to the expiration of the Option Term shall be deemed a waiver of Purchaser's right to terminate this Agreement pursuant to this Section 3.2.

3.3 Responsibility of Purchaser. Purchaser agrees to repair any damage to the Property caused by the entry of Purchaser or any of Purchaser's agents, employees, contractors and other representatives upon the Property, and Purchaser shall be responsible for any and all Damages caused by or resulting from any inspections, surveys, tests, acts or omissions of Purchaser, its agents, employees, contractors, and other representatives while at the Property, as more fully provided in the License Agreement. The provisions of this Section 3.3 shall survive the Closing, the recording of the Filing Documents, and any termination of this Agreement.

ARTICLE 4. TITLE AND SURVEY

4.1 Title and Survey. Seller has furnished to Purchaser the Title Commitment and copies of the documents and instruments referred to in the Title Commitment. Purchaser may, in its sole and absolute discretion, and at Purchaser's sole cost and expense, obtain a current ALTA/ACSM survey of the Real Property showing all buildings and improvements thereon, all areas encumbered by appurtenant easements, and all areas affected by exceptions to coverage shown in the Title Commitment, from a licensed surveyor selected by Purchaser, which survey shall be certified to Seller, PPHA, Purchaser, Purchaser's lender, and Title Insurer (the "Survey") during the Due Diligence Period, and Purchaser shall thereupon promptly deliver copies thereof to Seller and Title Insurer. Seller shall provide Purchaser's surveyor with access to the Property for the purpose of completing said Survey pursuant to and in accordance with the provisions contained in the License Agreement.

4.2 Liens. Seller shall remove at or before Closing all Liens that are not Permitted Exceptions and affect Seller's estate or interest in and to the Property. Notwithstanding the foregoing, Seller shall have the right to satisfy Liens from sale proceeds at Closing.

4.3 Approval/Disapproval of Additional Title Exceptions. Purchaser shall have the right to approve or disapprove (a) any and all exceptions to title that are not Permitted Exceptions and are contained in or shown on the Title Commitment or Survey during the Due Diligence Period (the "initial title exceptions"), and (b) any additional exceptions to title that are not Permitted Exceptions and first arise or are included in any amendment or revisions to the Title Commitment after the end of the Due Diligence Period ("additional title exceptions"), in the exercise of Purchaser's sole discretion, on or before ten (10) days following receipt of notice of such additional title exceptions accompanied by copies of any document or instrument evidencing or referring to such additional title exceptions. If Purchaser disapproves any initial title exceptions during the Due Diligence Period, or any additional title exceptions thereafter, Purchaser shall deliver to Seller a Disapproval Notice. If Purchaser fails to give Seller such Disapproval Notice as to any initial title exceptions during the Due Diligence Period, and as to any additional title exceptions during said ten (10) day period, Purchaser shall be deemed to have approved such initial title exceptions or such additional title exceptions (as the case may be).

With respect to any title exceptions referred to in any such Disapproval Notice (such title exceptions being collectively referred to as "Disapproved Title Matters"), Seller shall notify Purchaser in writing within fifteen(15) days after receipt of the Disapproval Notice whether Seller will cause all or any Disapproved Title Matters to be removed or cured at or prior to Closing, and Seller shall be deemed to have elected not to remove or cure all Disapproved Title

Matters by Closing if Seller does not notify Purchaser to the contrary in writing within such fifteen(15) day period; provided, however, that Seller shall remove at or before Closing all Liens that are not Permitted Exceptions and affect Seller's estate or interest in and to the Property pursuant to and in accordance with Section 4.2 hereof. If Seller elects or is deemed to have elected not to remove or cure all Disapproved Title Matters, Purchaser may elect, in its sole discretion, by giving written notice to Seller within five (5) days after receipt of Seller's designation of those Disapproved Title Matters, if any, that Seller will not cause to be removed or cured at or prior to Closing (or its deemed election relative thereto, as the case may be), either: (a) (subject to satisfaction of the other conditions to Closing) to close the purchase of the Property and take title to the Property subject to the Disapproved Title Matter(s) that Seller elects or is deemed to have elected not to remove or cure, without any reduction in the Purchase Price (in which event such Disapproved Title Matters shall be deemed to be Permitted Exceptions hereunder) or (b) to terminate this Agreement, in which event the provisions of Section 4.4 shall apply. If Purchaser does not give such written notice within said five-day period, it shall be deemed to have elected the option in clause (b) above. Seller shall have up to thirty (30) days following its said election to remove or cure any Disapproved Title Matters that it has elected to remove or cure, subject to extensions of such period as Seller may request and Purchaser, in its sole discretion, may elect to grant to Seller. The Closing Date shall be extended as necessary to permit the parties to exercise their respective rights and obligations under this Section 4.3, but not beyond January 31, 2021.

If any Disapproved Title Matters that Seller has elected to remove or cure have not been removed or cured at or prior to Closing (as same may be extended pursuant to the provisions of this Section 4.3), or provision for their removal or cure by Closing has not been made to Purchaser's satisfaction, Purchaser may elect, in its sole discretion: (a) (subject to satisfaction of the other conditions to Closing) to close the purchase of the Property and take title to the Property subject to any Disapproved Title Matters that have not been cured or removed at or before Closing, without any reduction in the Purchase Price (in which event such Disapproved Title Matters shall be deemed to be Permitted Exceptions hereunder), or (b) to terminate this Agreement, in which event the provisions of Section 4.4 shall apply.

4.4 Termination. In the event that Purchaser elects to terminate this Agreement pursuant to and in accordance with the provisions of Section 4.3 hereof, Seller shall pay all fees, costs, and expenses of Title Insurer theretofore incurred in connection with the transaction contemplated hereby, which obligation shall survive the termination of this Agreement, Title Insurer shall promptly return the entire Deposit (and all interest earned thereon, if any) to Purchaser, and this Agreement (except those provisions hereof which expressly survive a termination of this Agreement) shall then terminate, and the parties hereto shall be released and relieved of and from all obligations to one another under this Agreement or otherwise with respect to the transactions contemplated hereby (except those obligations which expressly survive a termination of this Agreement).

ARTICLE 5. **ADDITIONAL AGREEMENTS OF SELLER AND PURCHASER**

5.1 Agreements of Purchaser.

(a) No Indemnity. Purchaser acknowledges that as an Ohio political

subdivision, Seller is prohibited by law from agreeing to indemnify any person or entity, and agrees that no provision of this Agreement or any other contract or agreement between Purchaser and Seller may be interpreted to obligate Seller to indemnify or defend Purchaser or any other party.

(b) Payments. Purchaser warrants and represents that it has not employed or retained any person, firm or entity, other than a bonafide employee working for Purchaser, in return for payment of any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, Seller shall have the right to annul this Agreement without liability or in its discretion to recover, by offset or deduction from any amounts due and owing by Seller to Purchaser hereunder or otherwise, the full amount of such fee, commission, percentage, brokerage fee, gift, or other consideration.

(c) Findings for Recovery. Purchaser represents and warrants to Seller that it is not subject to an "unresolved" finding for recovery under Ohio Revised Code Section 9.24.

(d) Purchaser's Expenses. Purchaser warrants and represents to Seller that all amounts expended by Purchaser and its affiliates prior to the date hereof in responding to the RFP or otherwise have been expended at Purchaser's sole risk, and are not subject to any reimbursement from Seller.

5.2 Agreements of Seller. Prior to Closing, Seller covenants and agrees as follows:

(a) Seller shall comply (or cause to be complied with) in all material respects with all Tenant Leases and Service Contracts and, subject to the provisions of Article 7, pay (or cause to be paid) all Taxes, if any, utility charges, and other customary operating costs and expenses relating to the Building as and when due.

(b) Seller shall not enter into, and shall cause PPHA not to enter into, any new lease or other agreement for the use or occupancy of any portion of the Property outside the ordinary course of PPHA's business (as historically conducted) without first obtaining the written consent of Purchaser, which consent shall not be unreasonably withheld, conditioned or delayed.

(c) Seller shall operate, manage, maintain and repair (or cause to be operated, managed, maintained and repaired) the Building in the ordinary course of business in accordance with Seller's past practice, and in accordance with all Laws and HUD requirements, and shall maintain in full force and effect through the Closing Date all material licenses and permits (including, without limitation, all building permits and occupancy permits), reasonable wear and tear and damage by fire and other casualty and condemnation excepted, subject to the provisions of Article 9.

5.3 Insurance Coverage. Seller agrees to maintain or cause to be maintained the Insurance Coverage (or such alternate insurance as may be adopted by Seller for insurance of its portfolio of real property) in effect through Closing. Purchaser shall secure its own insurance with respect to the Property effective at and after Closing, and Seller shall have the right to terminate the Insurance Coverage effective as of Closing. Any unearned premiums and the unabsorbed portions of any deposits with respect to the Insurance Coverage shall belong solely

to Seller.

5.4 Prior Agreements and License Agreements. Purchaser, for itself and its subsidiaries, affiliates, related entities, and its and their respective directors, officers, members, managers, partners, employees, agents, consultants and contractors, and their respective successors and assigns, hereby joins in, ratifies, adopts and, agrees jointly and severally with CHN Housing Partners, an Ohio nonprofit corporation, to observe, perform, conform to and comply with the obligations of CHN Housing Partners, an Ohio nonprofit corporation, under Purchaser's Response to RFP and the Prior Agreements effective from and after the date of each such document. The Prior Agreements are ratified and confirmed by Seller (as PPHA's agent) and Purchaser, and shall be and remain in full force and effect in accordance with the respective provisions thereof.

5.5 Possession. Seller shall deliver possession of the Property to Purchaser upon the completion of the Closing, subject to the Permitted Exceptions and the Filing Documents.

5.6 Additional Agreements of Seller and Purchaser.

(a) HUD Approvals. The parties to this Agreement recognize that Seller and PPHA must act pursuant to the U.S. Department of Housing and Urban Development regulations with respect to all matters concerning the disposition of the Property and that this Agreement, and the terms and execution of any conveyance, are subject to those regulations and required approvals. Such approvals may include, but are not limited to, disposition approval and/or environmental clearance under 24 CFR Part 58. Purchaser agrees to cooperate with Seller and provide all information requested by Seller in connection with obtaining such approvals. The parties further acknowledge and agree that Purchaser's exercise of the Option is contingent upon securing all necessary consents and approvals to the transactions contemplated by this Agreement from HUD.

(b) HUD Restrictions. The Property is encumbered by that certain Declaration of Trust dated December 22, 1987 that is filed and recorded in Volume 87-8065 at page 31 of the official land records of Cuyahoga County, Ohio (the "HUD Restrictions"), which places restrictions on the transfer of the Property. Consequently, all aspects of the transaction contemplated hereby are subject to the release of the HUD Restrictions and, to the extent required, final consent to said transaction by HUD.

(c) Project Development Plan. Purchaser's plan for bringing the Project to fruition is to (i) obtain the approvals, equity investment, and financing described herein, (ii) form a limited partnership ("Newco") between an affiliate of Purchaser, as the managing general partner (the "GP"), and a tax credit investor (to be hereafter identified) as the investor/limited partner, and (iii) cause Newco to lease the Property from the Land Bank for an initial and extended use Section 42 tax credit period (a minimum of 30 years, although the lease term may be up to 75-80 years) (the "Ground Lease"). It is further anticipated that, at the end of the initial 15 year tax credit compliance period, Purchaser or an affiliate will have certain rights to acquire the Property from the then-owner/lessee or acquire the interests of the tax credit investor/limited partner that purchased low income housing tax credits. Purchaser also intends to serve as the

property manager for the Property under a long-term management agreement that complies with HUD requirements.

The Ground Lease shall be approved by Seller, which approval shall not be unreasonably withheld provided that the Ground Lease has all of the attributes of what is generally regarded in the banking and real estate lending and finance industries as a "mortgagable ground lease".

(d) Financing/Use of Funds/Timing. Purchaser presently anticipates that the Project will be financed through a combination of (i) tax credit investor equity, (ii) a new first mortgage obtained through the Ohio Housing Finance Agency's ("OHFA") Multifamily Loan Program (MLP), (iii) Cuyahoga County HOME funds, (iv) the Purchase Money Note and Purchase Money Mortgage that are described above, and (v) additional sources of debt and equity as may be needed and hereafter identified by Purchaser, including but not limited to Federal Home Loan Bank Affordable Housing Program ("AHP") funds. Purchaser's initial statement of sources and uses for the Project is attached hereto and made a part hereof as Exhibit M. Seller acknowledges that the information contained in Exhibit M is only an estimate or projection and is subject to change based on a variety of factors that include but are not limited to whether Purchaser can obtain the OHFA MLP funds, Cuyahoga County HOME funds, AHP funds, and BGF funds referred to herein, and the amount of any such funds obtained.

These funds will be applied toward the acquisition, hard construction cost, soft cost, financing fees, an operating reserve (presently anticipated to be equal to 6 months of operating expenses), debt service and replacement reserves. Future capital reserves will be paid out of operations and set at a level required by the investor and the lenders.

Final Bond Gap Financing ("BGF") applications were due in July, 2019 for final underwriting with OHFA board approval expected later in 2019 based on the OHFA schedule. Assuming a successful award of BGF in the July 2019 round, Purchaser will target a closing in the summer of 2020. If the July 2019 BGF application is not successful, Purchaser's present intention is to submit a second BGF application to achieve funding from this program as soon as possible in 2020.

Purchaser will also pursue an alternative financing strategy that includes AHP funds as a source of capital to fund alternate rehabilitation items included in the schematic scope of work for the Project. If successful, Purchaser shall split the increase in paid developer fee with Seller, with 50% to Seller and 50% to Purchaser. It is anticipated that the amount payable to Seller under this arrangement will be approximately \$87,000.

In order to better coordinate their activities and keep track of the progress of those activities with respect to the transactions contemplated hereby, the parties have established the initial time line for said transactions that is set forth in Exhibit N, attached hereto and made a part hereof (the "Initial Timeline"). During the Option Term, Purchaser shall periodically, and shall upon request from Seller, revise the Initial Timeline to account for circumstances occurring after the date of the last revision thereof. The parties agree to share information and keep each

other abreast of their efforts to obtain all approvals and satisfy all conditions that are a prerequisite to the consummation of the subject transactions.

(e) Activities During the Due Diligence Period. During the Due Diligence Period, Purchaser shall, at its sole cost and expense:

(i) Prepare applications and other materials for, submit such applications and materials, and use reasonable efforts to obtain (x) the equity investments in the Project described herein, and (y) approval of the loans, grants, subsidies, and other financial assistance for the Project that are described herein; and

(ii) Prepare applications and other materials for, submit such applications and other materials, and use reasonable efforts to obtain, all required governmental permits, authorizations and approvals for the Project.

Notwithstanding the foregoing, Purchaser agrees with Seller that Purchaser shall initiate and complete all of its initial assessments, including appraisal, title and survey, environmental, engineering, and capital needs assessments, during a period commencing on the date hereof and ending on December 31, 2019, as such period may be extended with the prior written approval of Seller.

During the Due Diligence Period, Seller shall use reasonable efforts to cooperate with and assist Purchaser in applying for any approvals that may be necessary for the Project, and, if required, to join in applications therefor, provided that Seller (x) has the right to review and comment on all documents, applications and submissions, (y) is not thereby prejudiced, and (z) shall not be required to incur any costs, burdens, or obligations in connection therewith, or to agree to any changes in conditions that are applicable to the Property which become effective prior to Closing.

Seller shall be responsible for obtaining all necessary HUD approvals of Requests for Release of Funds pursuant to the National Environmental Protection Act ("NEPA") relative to the disposition of the Project to Purchaser, provided that Purchaser shall provide to Seller, at Purchaser's cost, all necessary environmental assessments, reports, tests, and studies required for same, and Purchaser shall assist Seller with making the requisite submissions and, if applicable, securing approvals for the County or OHFA to perform the "Responsible Entity" functions pursuant to NEPA; provided further, that Purchaser shall be solely responsible for obtaining and paying for any and all environmental assessments, reports, tests, studies, clearances, and approvals required by OHFA or Cuyahoga County in connection with funding secured by Purchaser for the Project's renovation and rehabilitation.

(e) Activities After the Due Diligence Period. After the Due Diligence Period until the Option has been exercised or expires, Seller shall continue to cooperate with Purchaser in the performance of such additional inspections as may reasonably be required as a result of funding applications, due diligence requirements of lenders or investor, NEPA review (as further described below), or other activities as requested by Purchaser, all on and subject to the

provisions contained in the License Agreement, which shall continue in full force and effect and shall apply to all such activities.

(f) HUD Approval. Purchaser and Seller acknowledge that the Property is currently operated as public housing under Section 9 of the Housing Act of 1937 and encumbered by a Declaration of Trust in favor of HUD that must be released prior to the sale of the Property to Purchaser. Seller intends to prepare and submit an application to HUD for the voluntary conversion of the existing public housing units to Section 8 tenant based assistance pursuant to PIH Notice 2019-05. Further, Seller, subject to all applicable regulations and other HUD Guidance, may enter into a HAP Contract with Purchaser or its permitted nominee hereunder in order to project-base the Section 8 rental assistance once it is converted. Purchaser and Seller acknowledge that the existing residents will have the right to retain the Section 8 assistance as tenant-based. Seller, subject to all applicable requirements, may issue a commitment letter to project-base additional Section 8 vouchers in the event any existing tenant moves from the Property so that at all times 100% of the units will receive Section 8 assistance (either project or tenant based). Purchaser agrees to cooperate with Seller to complete the application and receive approval for voluntary conversion and, if invited by the Seller, to attend necessary tenant meetings. Further, Purchaser agrees that all fees, costs and expenses incurred by Seller in preparing the application or in furtherance of receiving the voluntary conversion approval, not to exceed \$45,000, shall be treated as Project costs (chargeable to Purchaser) and reimbursed to Seller at Closing (such fees, costs and expenses, not exceed \$45,000, are herein referred to collectively as the "Seller Conversion Expenses").

Purchaser acknowledges and agrees that HUD will likely require as a condition to the aforesaid conversion that some form of affordable housing restrictions be imposed on the Property for a term anticipated to be 30 years, and that if HUD does not do so, Seller will require that the use of the Property be limited to affordable housing for a term of not less than 25 years (any such restrictions are herein referred to as the "New Affordable Housing Restrictions").

ARTICLE 6. CONDITIONS TO CLOSING

6.1 Conditions to Seller's Obligations. The obligations of Seller under this Agreement are subject to satisfaction on or prior to the Closing Date of the conditions set forth in this Section 6.1. Each such condition is solely for the benefit of Seller and may be waived in whole or in part by Seller in its sole discretion by written notice to Purchaser.

(a) that (i) Seller has obtained final approval of the transactions contemplated hereby from (w) the Parma City Council, (x) the Board of Directors of the Parma Public Housing Agency, (y) the Board of Directors of the Parma Community Improvement Corporation, and (z) HUD, and (ii) the HUD Restrictions have been or can be released and terminated at Closing. Seller shall use reasonable efforts to secure the approvals referred to in Sections 6.1 (a) (i) (w), (x) and (y) of the preceding sentence by December 31, 2019.

(b) Purchaser and its nominee, if any, have performed and complied with all of their respective obligations under this Agreement and the Prior Agreements that are to be performed or complied with by Purchaser and/or its nominee, if any, prior to or on the Closing Date.

(c) Neither Purchaser nor Seller, as the case may be, has terminated this Agreement pursuant to any right of termination set forth herein.

(d) Purchaser has delivered the Purchaser Closing Documents and paid the Balance of the Purchase Price to Title Insurer, and Seller has received the Purchaser Closing Documents and full Purchase Price, less prorations, costs and expenses properly chargeable to Seller hereunder.

(e) On or prior to the Closing Date: (i) Purchaser shall not have admitted in writing an inability to pay its debts as they mature, (ii) Purchaser shall not have made a general assignment for the benefit of creditors, (iii) Purchaser shall not have been adjudicated bankrupt or insolvent, or had a petition for reorganization granted with respect to Purchaser, or (iv) Purchaser shall not have filed a voluntary petition seeking reorganization or an arrangement with creditors or taken advantage of any bankruptcy, reorganization, insolvency, readjustment or debt, dissolution or liquidation law or statute, or filed an answer admitting the material allegations of a petition filed against it in any proceeding under any of the foregoing laws unless the same shall have been dismissed, canceled or terminated prior to the Closing Date.

(f) Title Insurer shall be irrevocably bound to issue the Title Policy to Purchaser and the Loan Policy to Seller pursuant to and in strict accordance with the provisions of this Agreement.

(g) The parties shall have agreed on all prorations and executed a closing settlement statement that conforms to the provisions contained in this Agreement.

(h) Purchaser has deposited in escrow with Title Insurer an amount sufficient to pay all allocations, fees, costs, expenses, commissions, charges, credits, withholdings, payments, adjustments, and other amounts that it is obligated to pay hereunder.

(i) PPHA shall have conveyed, transferred and assigned good and sufficient title to the Property to Seller.

(j) Seller and Purchaser have agreed on the form and substance of the Purchase Money Note, the Purchase Money Mortgage, the Intercreditor Agreement, and the New Affordable Housing Restrictions, Seller has approved the Ground Lease, and all such documents and instruments shall otherwise conform to the provisions contained in this Agreement.

6.2 Conditions to Purchaser's Obligations. The obligations of Purchaser under this Agreement are subject to satisfaction on or prior to the Closing Date of the conditions set forth in this Section 6.2. Each such condition is solely for the benefit of Purchaser and may be waived in whole or in part by Purchaser in its sole discretion by written notice to Seller:

(a) that Purchaser has obtained (i) the private equity investments from tax credit investors and others as herein described, (ii) the necessary loans, grants, subsidies, and other financial assistance for the Project, (iii) the necessary permits, authorizations and approvals for the Project, including those from HUD, Cuyahoga County, and OHFA as herein described, and (iv) all HAP Project Based Vouchers and/or tenant-based housing choice vouchers have been approved and/or otherwise made available for the Project as herein described.

(b) Seller has performed and complied with all of its obligations under this Agreement that are to be performed or complied with by Seller prior to or on the Closing Date.

(c) Neither Purchaser nor Seller, as the case may be, has terminated this Agreement pursuant to any right of termination set forth herein.

(d) Seller has delivered the Seller Closing Documents to Title Insurer, and Purchaser has received the Seller Closing Documents.

(e) On or prior to the Closing Date: (i) Seller shall not have applied for or consented to the appointment of a receiver, trustee or liquidator for itself or any of its assets unless the same shall have been discharged prior to the Closing Date, (ii) Seller shall not have admitted in writing an inability to pay its debts as they mature, (iii) Seller shall not have made a general assignment for the benefit of creditors, (iv) Seller shall not have been adjudicated bankrupt or insolvent, or had a petition for reorganization granted with respect to Seller, or (v) Seller shall not have filed a voluntary petition seeking reorganization or an arrangement with creditors or taken advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law or statute, or filed an answer admitting the material allegations of a petition filed against it in any proceedings under law, or had any petition filed against it in any proceeding under any of the foregoing laws unless the same shall have been dismissed, canceled or terminated prior to the Closing Date.

(f) The Title Insurer shall be irrevocably bound to issue the Title Policy to Purchaser and the Loan Policy to Seller pursuant to and in strict accordance with the provisions of this Agreement.

(g) The parties shall have agreed on all prorations and executed a closing settlement statement that conforms to the provisions contained in this Agreement.

(h) PPHA shall have conveyed, transferred and assigned good and sufficient title to the Property to Seller.

(i) Seller and Purchaser have agreed on the form and substance of the Purchase Money Note, the Purchase Money Mortgage, the Intercreditor Agreement, and the New Affordable Housing Restrictions, Seller has approved the Ground Lease, and all such documents and instruments shall otherwise conform to the provisions contained in this Agreement.

ARTICLE 7. **APPORTIONMENTS AND PAYMENTS**

7.1 The following items pertaining to the Property shall be prorated or credited by the parties as of the Cutoff Date, and appropriate adjustments made to the Purchase Price on the Closing Date or at the times and in the manner set forth below:

(a) Rent and Other Revenue. All prepaid rent and other revenue of the Property (collectively, "Rent") which is paid to Seller shall be prorated as of the Cutoff Date and credited to Purchaser.

(b) Taxes. All taxes and assessments, both general and special (collectively,

“Taxes”), for the 2020 calendar year (payable in 2021) to the Cutoff Date and all prior years, if any, shall be the sole responsibility of Seller, and all such taxes and assessments for the period thereafter shall be the sole responsibility of Purchaser. Commencing on and after the Closing Date, the Real Property shall be assessed on the Cuyahoga County Fiscal Officer’s official tax duplicate at an initial market value equal to the Purchase Price, unless Purchaser obtains an appropriate exemption under Law, and the Purchase Price shall be allocated to the various tax parcels that comprise the Land and buildings and improvements thereon in accordance with Laws.

(c) Contracts. Purchaser shall be entitled to a credit against the Purchase Price for amounts that are due (or accrued) and unpaid as of the Cutoff Date under any Service Contracts that are assumed by Purchaser, and Seller shall be entitled to a credit to the extent that amounts have been prepaid for services to be performed or goods to be delivered under any Service Contracts after the Cutoff Date.

(d) Utilities. Seller shall have all meters for steam, electricity, natural gas, and water and sewer service furnished to the Property that are not paid by tenants or occupants of the Property directly to the serving utility via submetering arrangements or otherwise (collectively, “Utility Service”) read, final billings issued to Seller by the serving utilities, and all accounts transferred to Purchaser as of the Cutoff Date. Seller shall pay for all Utility Service furnished to the Property prior to the Cutoff Date. Purchaser shall pay for all Utility Service furnished to the Property on and after the Cutoff Date. Seller shall bill tenants of the Property for all Utility Service consumed by such tenants prior to the Cutoff Date, but not thereafter, and shall have the right to receive, collect, and retain all amounts due with respect thereto, but shall have no right to institute eviction proceedings against any such tenants. Purchaser shall bill tenants of the Property for all Utility Service consumed by such tenants on and after the Cutoff Date, but not prior thereto, and shall have the right to receive, collect, and retain all amounts due with respect thereto.

(e) Other Items of Revenue and Expense. All other customarily prorated items of revenue and expense that are not specifically referred to in this Section 7 shall be prorated between the parties hereto as of the Cutoff Date. Except with respect to expense items prorated as of and on the Cutoff Date, Seller shall be responsible for payment of any and all bills or charges incurred by Seller on or prior to the Cutoff Date for work, services, supplies or materials furnished to the Property, and Purchaser shall be responsible for payment of any and all bills or charges incurred after the Cutoff Date for work, services, supplies or materials furnished to the Property.

7.2 Security Deposits. Tenant security deposits, if any, and other deposits not theretofore applied shall be paid or credited by Seller to Purchaser on the Closing Date.

7.3 Receivables. Unless otherwise provided for in this Agreement, Purchaser shall not purchase, nor shall there be any proration credit given for, any of Seller’s receivables arising from the operation of the Property for the time period preceding the Cutoff Date. Any Rent which is delinquent or otherwise payable to Seller under the Tenant Leases on the Cutoff Date and is paid to Purchaser thereafter shall be delivered to Seller, as and to the extent collected, promptly after receipt but in no event later than 10 days after said amounts are received by Purchaser; provided, however, that such Rent so paid to Purchaser shall be first applied to current rents, amounts and charges, then to delinquent Rent due and owing in inverse order of

accrual. Seller shall have no right to institute eviction proceedings against any tenant of the Property to collect any such delinquent amount.

7.4 Closing Proration Statement. At least five business days prior to the Closing Date, Seller shall prepare and deliver to Purchaser a proration statement in reasonable detail showing each item prorated, allocated or adjusted in accordance with this Section 7, in such form as fairly reflects such prorations, allocations and adjustments to the reasonable satisfaction of Purchaser and Seller (the "Closing Proration Statement"). If an item is not known as of the Cutoff Date, such item shall be prorated and adjusted based on a reasonable estimate thereof. All such prorations and adjustments shall be final, unless otherwise specifically agreed in writing by Seller and Purchaser herein or otherwise.

7.5 Calculation. All prorations shall be based upon the actual number of days in the applicable period (i.e., calendar year or calendar month), and the actual number of days elapsed in each such period.

7.6 Intent. The purpose and intent of the provisions on apportionment and proration set forth in this Section 7 is that Seller shall bear all expenses of ownership and operation of the Property, and shall receive all revenue therefrom, accruing through the Cutoff Date, and Purchaser shall bear all such expenses, and receive all such revenue, accruing thereafter, on and subject to the provisions hereof.

ARTICLE 8. CLOSING

8.1 Closing. Provided all conditions set forth in Sections 6.1 and 6.2 hereof have been either satisfied or waived, the Closing shall take place on the Closing Date at the office of Title Insurer in Cleveland, Ohio, or such other date or place as the parties shall agree; provided, however, that either party shall have the right to close by depositing its Closing Documents and funds due from it in escrow with Title Insurer, and in such case it shall not be required to attend the Closing.

8.2 Seller Closing Documents. On or before the Closing Date or, if a deadline is specified below, by such deadline, Seller shall deliver directly to Purchaser or to Title Insurer, as is specified in Section 8.4 hereof, the number of executed original counterparts specified below of each of the following documents with respect to the Property (collectively, the "Seller Closing Documents"):

- (a) One counterpart of the Deed;
- (b) Four (4) counterparts of the Bill of Sale;
- (c) Four (4) counterparts of the Assignment of Tenant Leases;
- (d) Four (4) counterparts of the Assignment of Service Contracts;
- (e) Four (4) counterparts of the New Affordable Housing Restrictions;
- (f) Six (6) counterparts of the Intercreditor Agreement;

(g) A closing settlement statement duly executed by Seller;

(h) A certificate dated as of the date of Closing that is executed by a duly authorized officer of Seller: (i) stating that Seller is a duly formed and validly existing corporation and is in full force and effect under the laws of the state of its formation, and (ii) confirming (x) the authenticity of Seller's articles of incorporation, bylaws, and all amendments, modifications and supplements thereto and restatements thereof, (y) the authenticity of a duly adopted resolution or action by written consent of the directors of Seller that authorizes the transactions contemplated by this Agreement, and (z) the identity, power and authority of the officers of Seller, all of which shall (A) together authorize Seller's execution and delivery of, and the performance of Seller's obligations under, this Agreement, the Seller Closing Documents, and the consummation of the transactions contemplated by this Agreement, and (B) be in form and substance reasonably acceptable to Purchaser and Title Insurer ("Seller's Authority Certificate"); and

(i) Such other documents, instruments, agreements, certificates and affidavits as Seller may reasonably be required to execute and/or deliver on or prior to Closing pursuant to any provision of this Agreement, or as may reasonably be required by Title Insurer in connection with Closing, the recording of documents, the issuance of the Title Policy, or otherwise, including a FIRPTA affidavit pursuant to IRC § 1445, an affidavit that is sufficient to delete items 2 (parties in actual possession, other than the Permitted Title Exceptions), and 5 (unfiled mechanics and materialman's liens) that are set forth in Schedule B, Section II of Title Commitment from the Title Policy, and a "Gap Affidavit" dated as of the Closing Date stating that since the Effective Date of the Title Commitment, Seller has not conveyed or transferred title to the Property or any part thereof or any interest therein or entered into any contract to do so (other than this Agreement, as same may be hereafter amended).

In addition, at or prior to Closing, Seller shall also deliver to, or at the direction of, Purchaser all keys, security codes, files, books, records, surveys, plans, specifications, and other written information or documents relating to the Property in Seller's possession and control, including the Tenant Leases and Service Contracts.

8.3 Purchaser Closing Documents. On or before the Closing Date, or, if a deadline is specified below, by such deadline, Purchaser shall deliver directly to Seller or to Title Insurer, as is specified in Section 8.4 hereof, the number of executed original counterparts specified below of each of the following documents with respect to the Property (collectively, the "Purchaser Closing Documents"):

- (a) Four (4) counterparts of the Bill of Sale;
- (b) Four (4) counterparts of the Assignment of Tenant Leases;
- (c) Four (4) counterparts of the Assignment of Service Contracts;
- (d) Four (4) counterparts of the New Affordable Housing Restrictions;
- (e) One (1) counterpart of the Purchase Money Note;

- (f) Two (2) counterparts of the Purchase Money Mortgage;
- (g) Six (6) counterparts of the Intercreditor Agreement;
- (h) A closing settlement statement duly executed by Purchaser and its nominee;

(i) A certificate dated as of the date of Closing that is executed by a duly authorized officer of Purchaser: (i) stating that Purchaser is a duly formed and validly existing entity and is in good standing under the laws of the state of its formation, and (ii) confirming (x) the authenticity of Purchaser's governing documents, and all amendments, modifications and supplements thereto and restatements thereof, (y) the authenticity of a duly adopted resolution or action by written consent of the directors or members of Purchaser that authorizes the transactions contemplated by this Agreement, and (z) the identity, power and authority of the officers or members of Purchaser, all of which shall (A) together authorize the execution and delivery of, and the performance of the obligations of Purchaser under, the Prior Agreements, this Agreement, the Purchaser Closing Documents, and the consummation of the transactions contemplated by this Agreement, and (B) be in form and substance reasonably acceptable to Seller and Title Insurer ("Purchaser's Authority Certificate");

(j) A certificate dated as of the date of Closing that is executed by a duly authorized officer of Purchaser's nominee: (i) stating that Purchaser's nominee is a duly formed and validly existing entity and is in good standing under the laws of the state of its formation, and (ii) confirming (x) the authenticity of Purchaser's nominee's governing documents, and all amendments, modifications and supplements thereto and restatements thereof, (y) the authenticity of a duly adopted resolution or action by written consent of the directors or members of the nominee of Purchaser that authorizes the transactions contemplated by this Agreement, and (z) the identity, power and authority of the officers or members of the nominee of Purchaser, all of which shall (A) together authorize the execution and delivery of, and the performance of the obligations of such party under, the Prior Agreements, this Agreement, the Purchaser Closing Documents, and the consummation of the transactions contemplated by this Agreement, and (B) be in form and substance reasonably acceptable to Seller and Title Insurer ("Nominee's Authority Certificate"); and

(k) Such other documents, instruments, agreements, certificates and affidavits as Purchaser may reasonably be required to execute and/or deliver on or prior to Closing pursuant to any provision of this Agreement, or as may be reasonably required by Title Insurer in connection with Closing, the recording of documents, the issuance of the Title Policy and/or the Loan Policy, or otherwise, including an Ohio DTE Form 100 or the Statement of Reason for Exemption, as applicable.

8.4 Occurrence of Closing. Seller shall deposit, or shall cause HUD to deposit, an original executed counterpart of a release of the HUD Restrictions in recordable form (the "Release of HUD Restrictions") with Title Insurer on or prior to the Closing Date. Purchaser

shall deposit, or shall cause the Land Bank to deposit, an original executed counterpart of the Ground Lease (or a memorandum thereof) in recordable form with Title Insurer on or prior to the Closing Date. The Filing Documents, the Release of HUD Restrictions, the Ground Lease (or a memorandum thereof), and the mortgages referred to in Section 2.5 (b) shall be filed and recorded by Title Insurer in the official land records of Cuyahoga County, Ohio serially with no intervening documents or instrument between them, and prior in time and in right to any other mortgage liens or other encumbrances created by, for the benefit of, or at the direction of Purchaser, its nominee, and/or their respective affiliates, in the following order: First, the New Affordable Housing Restrictions; Second, the Release of HUD Restrictions; Third, the Deed; Fourth, the Assignment of Tenant Leases; Fifth, the Ground Lease (or a memorandum thereof); Sixth, any mortgages to which the Purchase Money Mortgage is, pursuant to the provisions of Section 2.5 (b), to be subject and subordinate in time and in right (in the order agreed upon by Seller, Purchaser, and the mortgagees thereunder); and Seventh, the Purchase Money Mortgage. The foregoing order of recording shall be strictly adhered to.

The Closing shall be deemed to have occurred upon the completion of the following:

(a) Delivery of the Filing Documents, the Release of HUD Restrictions, the Ground Lease (or a memorandum thereof), and the mortgages referred to in Section 2.5 (b) to Title Insurer for recording;

(b) Delivery of the other Seller Closing Documents to Purchaser and of the other Purchaser Closing Documents to Seller; or the written acknowledgment of Title Insurer that it holds all such documents in escrow and the unconditional and irrevocable written commitment of Title Insurer to effect such delivery on the Closing Date;

(c) Seller's receipt of the full Purchase Price, less prorations, costs and expenses properly chargeable to Seller hereunder;

(d) Issuance of the Title Policy to Purchaser in strict accordance with the provisions of this Agreement or the irrevocable commitment of Title Insurer to so issue the Title Policy; and

(e) Issuance of the Loan Policy to Seller in strict accordance with the provisions of this Agreement or the irrevocable commitment of Title Insurer to so issue the Loan Policy.

8.5 Closing Costs. Costs of the transactions contemplated hereby shall be paid in accordance with the following provisions:

(a) Title Insurer shall charge to Seller and pay out of the Purchase Price: (i) the cost to satisfy and discharge all Liens which Seller is obligated to satisfy and discharge hereunder by not later than Closing, and (ii) all fees, costs and expenses incurred by Seller, PCIC, and their respective employees, agents, contractors, consultants, attorneys, and other advisors in connection with the negotiation and performance of their obligations hereunder this Agreement and the consummation of the transaction contemplated hereby (but exclusive of the Seller Conversion Expenses); provided, however, that notwithstanding the foregoing, at Closing, Purchaser shall pay and/or reimburse Seller and PPHA for all of the foregoing fees, costs and expenses (including

attorneys' fees, costs and disbursements) incurred by Seller and PPHA up to (but not exceeding) \$30,000 plus the amount of any unexpended or unused portion of the Seller Conversion Expenses, and the balance shall be paid by Seller and PPHA from the proceeds of sale; and (iii) any amounts due Purchaser by reason of prorations. The parties shall arrange for final meter readings of all metered Utility Services within five (5) days prior to the Closing Date as contemplated by Section 7.1(d) hereof. Title Insurer shall withhold \$_____ from the proceeds due Seller for the final water and sewer bill. Upon receipt of proof of payment of the final sewer and water bill, any overage shall be promptly refunded to Seller by Title Insurer. Seller agrees to promptly remit payment to Title Insurer of any shortage due if \$_____ is insufficient to pay the final sewer and water bill.

(b) Purchaser shall be responsible for and shall pay through the escrow by not later than Closing: (i) the cost of the title examination and Title Commitment, (ii) the Ohio conveyance fee or realty transfer tax; (iii) the premium for the Title Policy and Loan Policy and all of the premiums, costs and charges for any endorsements and special coverages with respect thereto, (iv) all recording charges incident to the recording of the Filing Documents and all other documents that are to be filed and/or recorded hereunder; (v) all fees, costs and expenses charged by Title Insurer for acting as escrow agent hereunder; (vi) all fees and costs associated with an ALTA or other survey of the Property, (vii) all fees, costs and expenses incurred by Purchaser and its employees, agents, contractors, consultants, attorneys, and other advisors in connection with the negotiation and performance of its obligations under this Agreement, its due diligence activities, and the consummation of the transaction contemplated hereby, (viii) the Seller Conversion Expenses, and (ix) any amounts due Seller by reasons of prorations.

ARTICLE 9.
DAMAGE OR DESTRUCTION - CONDEMNATION

9.1 Notice.

(a) In the event of any damage to or destruction or condemnation of any portion of the Property prior to Closing (other than *de minimis* damage thereto, destruction thereof, or condemnation thereof). Seller shall send written notice thereof to Purchaser within five (5) days after the date of the occurrence thereof (the "Damage Notice"), and shall simultaneously therewith authorize Purchaser to contact the insurer or condemning authority (as the case may be) for the purpose of determining the amount of insurance or condemnation proceeds that are expected to be available in connection with such damage or destruction or condemnation. Not later than twenty (20) days after Seller's delivery to Purchaser of the Damage Notice, Purchaser shall determine, and shall notify Seller in writing, whether a Material Part of the Property has been damaged, or whether such taking or threatened taking has affected or will affect a Material Part of the Property. For purposes of this Article 9, Purchaser may determine that a "Material Part" of the Property has been damaged or taken if (i) in the case of damage to or destruction of any portion of the Property, the estimated cost of repairing the damage (whether or not insured) will, in Purchaser's reasonable judgment equal or exceed Two Hundred Fifty Thousand Dollars (\$250,000), or (ii) in the case of a taking or threatened taking pursuant to the power of eminent domain, the value of the Property is or will, in Purchaser's reasonable judgment, be reduced by Two Hundred Fifty Thousand Dollars (\$250,000) or more.

(b) If Purchaser determines that a Material Part of the Property has been damaged, or that a Material Part of the Property has been or will be affected by the taking or

threatened taking, Purchaser may elect, by written notice delivered to Seller within Fifteen (15) days after giving Seller notice of such determination, to terminate this Agreement, in which event the Deposit shall be returned to Purchaser;

(c) In the case of damage to a Material Part of the Property, if Purchaser does not elect to terminate this Agreement in the manner and within the time aforesaid. Purchaser shall be obligated to proceed to Closing without diminution of the Purchase Price, Seller shall (i) deliver to Purchaser at Closing all insurance proceeds received on account of such damage, and (ii) assign to Purchaser at Closing its right to recover under any insurance policies covering such damage, and (iii) pay to Purchaser the amount of any applicable deductibles or self-insured amounts; provided, however, that the foregoing delivery of proceeds, assignment of rights, and payment of deductible and self-insured amounts shall not include those relating to business interruption or rent loss for the period prior to Closing; and

(d) In the case of a threatened or actual taking of a Material Part of the Property, if Purchaser does not elect to terminate this Agreement in the manner and within the time aforesaid. Purchaser shall be obligated to proceed to Closing without diminution of the Purchase Price, Seller shall (i) pay and deliver to Purchaser at Closing all condemnation awards and other proceeds received in connection with the taking, and (ii) assign to Purchaser at Closing Seller's entire right, title and interest in and to all awards and other proceeds connected with the taking; provided, however, that the foregoing delivery and payment of proceeds and awards shall not include those relating to revenue from the Property for the period prior to Closing.

9.2 Non-Material Damage. In the event of any damage to or destruction or condemnation of any portion of the Property prior to Closing that does not or will not affect a Material Part of the Property, the Closing Date shall not be extended. Purchaser shall be obligated to proceed to Closing without diminution of the Purchase Price, and Seller shall (i) deliver to Purchaser at Closing all insurance or condemnation proceeds received on account of such damage or taking (other than those relating to business interruption, rent loss and revenue for the period prior to the Closing) and (ii) assign to Purchaser at Closing Seller's right to recover such insurance or condemnation proceeds, and (iii) pay to Purchaser the amount of any applicable deductibles or self-insured amounts.

9.3 Loss Adjustments. The Closing Date shall be extended as necessary to permit Purchaser and Seller to exercise their rights within the time periods set forth in this Article 9, but not beyond January 31, 2021. In connection with any claim with respect to insurance or condemnation proceeds pursuant to this Article 9, Seller shall not settle or approve settlement of any claim without Purchaser's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed, and Purchaser and Seller shall fully cooperate with each other in prosecuting diligently the recovery of any such claim(s).

ARTICLE 10. DEFAULT

10.1 Seller's Default.

(a) If Purchaser shall fail or refuse to observe and/or perform any of its obligations under this Agreement, and if such failure or refusal is not cured within ten (10) days after written notice to Purchaser specifying such failure or refusal as aforesaid, then Seller may

thereafter pursue all rights, remedies and claims available to it hereunder, under the Prior Agreements, at law, in equity, and/or otherwise, including but not limited to the remedies of injunction and specific performance. If Purchaser is obligated to consummate the transaction contemplated by this Agreement and fails or refuses to do so, and such failure or refusal is not cured within ten (10) days after written notice to Purchaser specifying such failure or refusal as aforesaid, then Seller may also pursue all rights, remedies and claims available to it hereunder, under the Prior Agreements, at law, in equity, and/or otherwise, including but not limited to the remedies of injunction and specific performance as aforesaid, and Escrow Agent shall continue to hold the Deposit until it receives either (x) a written notice signed by both Seller and Purchaser directing the disbursement of the Deposit, or (y) a final order of a court of competent jurisdiction, entered in a proceeding in which Seller, Purchaser and Escrow Agent are named as parties, directing the disbursement of the Deposit, in either of which events Escrow Agent shall then disburse the Deposit in accordance with said direction. Nothing contained in this Agreement shall be deemed or construed to restrict or limit the amount of Damages that Seller may recover from Purchaser in respect of Purchaser's default hereunder.

(b) Notwithstanding anything to the contrary, if Closing shall actually occur, then the occurrence of Closing shall be deemed a complete waiver by Seller of all of Seller's rights to make a claim for Purchaser's failure to observe and/or perform any of Purchaser's obligations under this Agreement that are required to be observed and/or performed prior to or at Closing, except only for claims arising under and/or with respect to those obligations which expressly survive Closing, as provided herein.

10.2 Purchaser's Default.

(a) If Seller shall fail or refuse to observe and/or perform any of its obligations under this Agreement, and if such failure or refusal is not cured within ten (10) days after written notice to Seller specifying such failure or refusal, then Purchaser may thereafter pursue all rights, remedies and claims available to it hereunder, under the Prior Agreements, at law, in equity, and/or otherwise, including but not limited to the remedies of injunction and specific performance. If Seller is obligated to consummate the transaction contemplated by this Agreement and fails or refuses to do so, and such failure or refusal is not cured within 10 days after written notice to Seller specifying such failure or refusal as aforesaid, then Purchaser shall receive a refund of the Deposit together with all interest earned thereon, and Purchaser may also pursue all rights, remedies and claims available to it hereunder, under the Prior Agreements, at law, in equity, and/or otherwise, including but not limited to the remedies of injunction and specific performance as aforesaid. Nothing contained in this Agreement shall be deemed or construed to restrict or limit the amount of Damages that Purchaser may recover from Seller in respect of Seller's default hereunder.

(b) Notwithstanding anything to the contrary, if Closing shall actually occur, then the occurrence of Closing shall be deemed a complete waiver by Purchaser of all of Purchaser's rights to make a claim for Seller's failure to observe and/or perform any of Seller's obligations under this Agreement that are required to be observed and/or performed prior to or at Closing, except only for claims arising under or with respect to those obligations which expressly survive Closing, as provided herein.

ARTICLE 11.
BROKERAGE COMMISSIONS

11.1 Seller. Seller represents to Purchaser that Seller has not had any discussions regarding the subject transaction with any real estate broker, agent, sales person or finder.

11.2 Purchaser. Purchaser represents to Seller that Purchaser has not had any discussions regarding the subject transaction with any real estate broker, agent, sales person or finder. Purchaser hereby agrees to indemnify and hold harmless Seller from and against any and all costs, loss, liability, and expense, including attorneys' fees, arising from claims by any real estate broker, agent, sales person, finder, or other parties claiming to have had contacts or conversations with Purchaser in connection with the subject transactions.

ARTICLE 12.
ESCROW INSTRUCTIONS

12.1 Escrow Instructions. By executing this Agreement, Seller, Purchaser and Title Insurer agree as follows:

(a) If any disagreement or dispute shall arise between the parties hereto and/or any other persons resulting in adverse claims and demands being made for the Deposit, whether or not litigation has been instituted, then and in any such event, Title Insurer shall refuse to comply with any claims or demands on it and continue to hold the Deposit until Title Insurer receives either (i) a written notice signed by both Seller and Purchaser directing the disbursement of the Deposit, or (ii) a final order of a court of competent jurisdiction, entered in a proceeding in which Seller, Purchaser and Title Insurer are named as parties, directing the disbursement of the Deposit, and in either of which events, Title Insurer shall then disburse the Deposit in accordance with said direction. Title Insurer shall not be or become liable in any way or to any person for its refusal to comply with any such claims or demands until and unless it has received a direction of the nature described in either clause (i) or clause (ii) above, and upon Title Insurer's compliance with a direction of the nature described in either clause (i) or clause (ii) above, Title Insurer shall be released of and from all liability hereunder except for any previous actions or omissions taken or suffered by Title Insurer in bad faith, in breach of its obligations under this Agreement, or involving wrongful acts or omissions on the part of Title Insurer.

(b) Anything to the contrary notwithstanding, Title Insurer, on notice to Seller and Purchaser (i) may take such affirmative steps as it may, at its option, elect in order to terminate its duties as escrow agent hereunder including, but not Limited to, the deposit of the Deposit with a court of competent jurisdiction and the commencement of an action for interpleader, the costs thereof to be borne by Seller or Purchaser, as the court may direct, or (ii) in the event litigation between Seller and Purchaser over entitlement to the Deposit has commenced, may deposit the Deposit with the clerk of the court in which said litigation is pending. Upon the taking by Title Insurer of either of the actions described in clause (i) or clause (ii) above, Title Insurer shall be released of and from all liability hereunder except for any previous actions or omissions taken or suffered by Title Insurer in bad faith, in breach of its obligations under this Agreement, or involving wrongful acts or omissions on the part of Title Insurer.

(c) Seller and Purchaser acknowledge that Title Insurer is acting solely as a stakeholder at their request and for their convenience, that Title Insurer shall not be deemed to be the agent of either of the parties, and that Title Insurer shall not be liable to Seller or Purchaser for any act or omission on its part unless taken or suffered in bad faith, in breach of its obligations under this Agreement, or involving wrongful acts or omissions on the part of Title Insurer. Seller and Purchaser jointly and severally agree to be responsible for all costs, claims and expenses, including reasonable attorneys' fees, incurred by Title Insurer in connection with the performance of Title Insurer's duties hereunder, except with respect to actions or omissions taken or suffered by Title Insurer in bad faith, in breach of its obligations of this Agreement, or involving wrongful acts or omissions on the part of Title Insurer.

(d) A signed copy of this Agreement shall serve as escrow instructions to Title Insurer, together with any additional instructions hereafter furnished by Seller and Purchaser, to the extent not inconsistent herewith. In the event of a conflict between this Agreement and any standard conditions of acceptance of this escrow promulgated by Title Insurer, the provisions of this Agreement shall be paramount and shall control.

(e) The validity and enforceability of this Agreement or and of any amendment hereto as between Purchaser and Seller shall not be affected by whether or not Title Insurer shall have executed this Agreement or any such amendment.

ARTICLE 13. **MISCELLANEOUS**

13.1 Exhibits. All exhibits that are referred to herein and are attached hereto are incorporated herein by reference and made a part hereof as if fully rewritten herein.

13.2 No Third Party Beneficiary. This Agreement is not intended to give or confer any benefits, rights, privileges, claims, actions or remedies to any person or entity as a third party beneficiary under any statutes, laws, codes, ordinances, rules, regulations, orders, decrees or otherwise (other than PPHA).

13.3 Extension of Performance/Days. Whenever under the terms of this Agreement the time for performance of a covenant or condition falls upon a day that is not a Business Day, such time for performance shall be extended to the next Business Day. Otherwise, unless a provision of this Agreement specifically refers to Business Days, all references in this Agreement to days shall mean calendar days.

13.4 Time of Performance. Time of performance is of the essence of each and every term, provision, and condition contained in this Agreement.

13.5 Successors anti Assigns. All terms, covenants, conditions and provisions of this Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective heirs, devisees, executors, administrators, legal representatives, and permitted successors in interest and assigns.

13.6 Waiver.

(a) One or more waivers of any term, covenant or condition of this Agreement by any party shall not be construed as a waiver of any subsequent breach of the same or any other term, covenant or condition; nor shall any delay or omission by any party in seeking a remedy

for any breach of this Agreement, or in exercising any right accruing to such party by reason of any such breach, be deemed a waiver by such party of its rights or remedies with respect to such breach.

(b) A party's consent to or approval of any act or omission by any other party which requires such consent or approval shall not be deemed to waive or render unnecessary the requirement for such consent or approval with respect to any subsequent similar act or omission.

(c) The failure of any party to insist upon the strict performance of any provision of this Agreement, or the failure of any party to exercise any right, option or remedy hereby reserved or granted, shall not be construed as a waiver for the future of any such provision, right, option or remedy, or as a waiver of any subsequent breach thereof, or as an alteration or modification of this Agreement.

(d) No provision of this Agreement shall be deemed to have been waived unless such waiver shall be in writing, signed by the party against whom such waiver is sought to be enforced.

(e) The receipt by any party of any amount of money or other property with knowledge of a breach of any provision of this Agreement shall not be deemed a waiver of such breach. No payment to or receipt by any party of a lesser amount than may be due it hereunder shall be deemed to be other than on account of the earliest amount then unpaid, nor shall any endorsement or statement on any check or in any letter accompanying any check or payment by a party to another party be deemed an accord and satisfaction, and any party may strike or disregard any such endorsement or statement and accept such check or payment without prejudice to such party's right to recover the balance of any amounts due, and such party may thereafter pursue any other right or remedy provided under this Agreement or at law or in equity,

13.7 Agreement Not to be Recorded. Seller and Purchaser agree that neither party will file this Agreement for record in the official real estate records of the county in which the Real Property is located.

13.8 Liability of Seller. Purchaser covenants and agrees with Seller that, notwithstanding anything to the contrary, Purchaser shall look solely to the estate and interest of Seller in and to the Real Property for the satisfaction of all claims of every nature that Purchaser may have against Seller hereunder or otherwise, including but not limited to the collection of any judgment (or other judicial process) requiring the payment of money by Seller, subject, however, to the prior rights of any ground or underlying lessor or mortgagee of the Real Property or part thereof; and no other property or assets of Seller shall be subject to levy, execution or other judicial process for the satisfaction of such claims. This provision shall not be deemed, construed or interpreted to be or constitute any agreement, express or implied, between Seller and Purchaser that Seller's estate and interest in and to the Real Property shall be subject to imposition of an equitable lien or charge.

13.9 Governing Law/Jurisdiction. This Agreement shall be governed by, and shall be construed and enforced in accordance with, the laws of the State of Ohio. The parties agree that the state and federal courts sitting in Ohio will have exclusive jurisdiction over any claim arising out of this Agreement, and each party consents to the exclusive jurisdiction of such courts. Purchaser hereby agrees not to challenge this Governing Law and Jurisdiction provision,

and further agrees not to attempt to remove any legal action outside of Cuyahoga County for any reason.

13.10 Entire Agreement. This Agreement, including any exhibits hereto, contains the entire understanding among the parties and their agents with respect to the subject matter hereof, and supersedes any prior understandings or agreements between them with respect to said subject matter; provided, however, that nothing contained in this Section 13.10 shall alter or affect, or otherwise merge into this Agreement or extinguish the Prior Agreements, all of which are and shall be and remain unmodified and in full force and effect. There are no duties, obligations, terms, covenants, conditions, representations, warranties, promises, arrangements or understandings, oral or written, between or among the parties and their agents relating to the subject matter of this Agreement which are not fully expressed herein, all prior terms, covenants, conditions, representations, warranties, promises, arrangements and understandings being merged herein and extinguished; provided, however, that nothing contained in this Section 13.10 shall alter or affect, or otherwise merge into this Agreement or extinguish, the Prior Agreements, all of which are and shall be and remain unmodified and in full force and effect.

13.11 Notices. Every notice, demand, consent, request, approval, report, offer, acceptance, certificate, or other communication which may be, or is required to be, given or delivered under or with respect to this Agreement shall be in writing and sent postage prepaid by United States registered or certified mail, return receipt requested, and directed to the other party at its address set forth below, or at such other address within the continental United States as any party may hereafter designate by similar notice to the other:

To Seller:

Parma Community Improvement Corporation
c/o City of Parma
Law Department
Parma City Hall
6611 Ridge Road
Parma, OH 44129
Attn: Tim Miller, Esq.

With a simultaneous copy to: Brouse McDowell, LPA
600 Superior Avenue East, Suite 1600
Cleveland, OH 44114
Attn: Stephen P. Bond, Esq./Daniel K. Wright, II, Esq.

With a simultaneous copy to: Reno Cavanaugh
455 Massachusetts Ave., NW, Suite 400
Washington, D.C. 20001
Attn: Sarah Molseed, Esq.

To Purchaser:

CHN Housing Partners
2999 Payne Avenue, 3rd Floor
Cleveland, OH 44114
Attn: Lisa McGovern
Director of Real Estate Development

With a simultaneous copy to: CHN Housing Partners
2999 Payne Avenue, 3rd Floor
Cleveland, OH 44114
Attn: Pleurat Dreshaj, Esq.

With a simultaneous copy to: Klein Hornig LLP
101 Arch Street, Suite 1101
Boston, MA 02110
Attn: Daniel M. Rosen, Esq.

Notices shall be deemed to have been given on the date shown on the return receipt; provided that if delivery is refused, such notice shall be deemed given and served on the date delivery is first attempted. Any party may give any other party written notice hereunder by any means other than United States registered or certified mail which is reasonably calculated to reach the other party, including but not limited to personal delivery, facsimile, and/or reputable national overnight courier, provided that any such notice shall be deemed to have been given and shall be effective only when actually received by the addressee, proof of which shall be furnished by the party sending such notice.

13.12 Paragraph Headings; Gender and Number. The headings inserted at the beginning of each paragraph are for convenience of reference only and shall not limit or otherwise affect or be used in the construction of any of the terms or provisions hereof. The use of any one gender shall include all others. The plural number shall include the singular, and the singular number the plural, wherever the context so admits.

13.13 Herein/Including. The terms "herein," "hereof," "hereunder" or words of similar import shall be deemed to refer to this Agreement in its entirety unless otherwise specifically stated. Whenever the word "including," "includes" or any variation thereof is used herein, such term shall be construed as a term of illustration and not a term of limitation. For example, the term "including" shall be deemed to mean "including, without limitation", and the term "includes" shall be deemed to mean "includes, without limitation".

13.14 Amendment. This Agreement may be amended, modified and supplemented only by written instrument executed by Seller and Purchaser.

13.15 Counterparts. This Agreement may be executed in multiple counterparts, each of which, when so executed, shall be deemed an original, and all of which shall together constitute one and that same document, and shall be binding on the signatories; and the signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

13.16 Assignment. Purchaser shall have the right and option to cause the Property to be conveyed to the Land Bank or to an entity that is directly or indirectly owned and controlled by Purchaser (in either case as Purchaser's nominee) at Closing by written notice given to Seller at least 30 days prior to the Closing Date. Otherwise, this Agreement may not be assigned or transferred by either party without the prior written consent of the other party, which consent may be withheld for any reason or no reason, and any purported assignment or transfer without such consent shall be of no force or effect and void ab initio.

13.17 Interest. All amounts payable by Purchaser to Seller under this Agreement that are not paid when due shall bear interest at the rate of twelve percent (12%) per annum, or such lower rate of interest as may be the highest rate of interest that may lawfully be charged hereunder at the time in question.

13.18 Partial Invalidity. If any provision of this Agreement or the application thereof to any person or circumstance shall to any extent be held void or invalid or unenforceable, then the remainder of this Agreement or the application of such provision to persons or circumstances other than those as to which it is held void or invalid or unenforceable shall not be affected thereby, and each and every other provision of this Agreement shall be valid, and enforceable to the fullest extent permitted by law.

13.19 Preparation of Agreement. This Agreement shall not be construed more strongly against either party regardless of who is responsible for its preparation, each having contributed substantially and materially to the preparation hereof.

13.20 Authority. Each signatory hereto certifies that he or she is duly authorized and empowered to sign and deliver this Agreement on behalf of all entities named below on whose behalf he or she has so acted.

13.21 Survival. Notwithstanding anything to the contrary, the Prior Agreements and following provisions of this Agreement, in addition to the other provisions of this Agreement that by their terms survive any termination of this Agreement and/or the closing and delivery and filing for record of the Filing Documents, shall survive and shall be enforceable after any termination of this Agreement and after the closing and delivery and filing for record of the Filing Documents, and shall not be merged therein or extinguished thereby: Articles 1, 11, 12 and 13 and Sections 2.4, 3.1, 3.3, 4.4, 5.1,5.4, 5.6, 7.3, 7.4, 8.5, 10.1 (b) and (10 (b)).

13.22 Effectiveness. This Agreement is forwarded to Purchaser for its approval and execution, and after Purchaser has executed and delivered this Agreement to Seller, this Agreement shall become binding on Seller and effective only upon the date (the "Effective Date") that the last of each of the following has occurred: (a) this Agreement, as signed by Purchaser, has been duly approved by the Board of Directors of Seller, (b) this Agreement is executed by Seller and an original counterpart thereof is delivered to each of Purchaser and Title Insurer, and (c) Purchaser has delivered the Deposit to Title Insurer; provided, however, that notwithstanding anything to the contrary, once having been executed by Purchaser, this Agreement shall constitute an offer open for acceptance by Seller, and may not be modified in any respect or withdrawn (except by mutual written agreement of Seller and Purchaser), until 5:00 p.m. Cleveland time on September 30, 2019. If this Agreement has not become effective by said date, Purchaser's execution of this Agreement shall be deemed null and void and without force or effect.

13.23 Remedies Cumulative. Except as otherwise provided herein, each right, privilege, option, and remedy afforded to any party by the provisions of this Agreement shall be

separate, distinct, and cumulative and shall be in addition to every other right, privilege, option, or remedy provided for in this Agreement and the Prior Agreements and now or hereafter existing at law or in equity. A party's exercise or commencement of exercise of any one or more of the rights and/or remedies provided for in this Agreement or the Prior Agreements or now or hereafter existing at law or in equity shall not be deemed or construed to be a waiver of or to prejudice or preclude the concurrent or later exercise by such party of any or all other rights and/or remedies provided for in this Agreement and/or the Prior Agreements and/or now or hereafter existing at law or in equity.

13.24 Receipt. Attached hereto and made a part hereof is that certain Receipt by Title Insurer.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the respective dates set forth hereinbelow.

The legal form and correctness of this Agreement is hereby approved:

City of Parma Law Department
Timothy Dobeck, Director of Law

By: _____

Date: September __, 2019

SELLER:

PARMA COMMUNITY IMPROVEMENT CORPORATION

By: _____

Name: _____

Title: _____

Dated: September __, 2019

PURCHASER:

CHN HOUSING PARTNERS

By: _____

Robert S. Curry, Executive Director

Dated: September __, 2019