

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, ss.

SUPERIOR COURT
CIVIL ACTION
NO. 21-_____
CITY OF BOSTON,

Plaintiff,

v.

JOHN BROWNELL

Defendant.

E-FILED 6/25/2021

PO

VERIFIED COMPLAINT**PARTIES**

1. Plaintiff City of Boston (“the City”) is a municipal organization existing under the laws of the Commonwealth of Massachusetts with a principal office at Boston City Hall, One City Hall Square, Boston, Massachusetts 02201.

2. Upon information and belief, Defendant John Brownell (“Brownell”) is an individual with a current residential address of 300 Front Street, Pawtucket, Rhode Island 02860.

FACTUAL BACKGROUND

3. In the City of Boston, there is a significant shortage of housing that is affordable to low- and moderate-income individuals and families. For this reason, the creation and preservation of affordable housing is of utmost importance to the City and its leadership.

4. On January 23, 2012, Victor Onwuta conveyed 102 Homestead Street, Boston, Massachusetts (the “Affordable Housing Unit”) to Brownell, pursuant to a Quitclaim Deed (the “Deed”), to which was attached a Deed Rider to Uva Douglas Estates at Sugar Hill Unit Deed

(Affordable Units) (the “Restriction”). The Deed is recorded at the Suffolk County Registry of Deeds (the “SCRD”) at Book 48978, Page 194; the Restriction starts at Book 48978, Page 197. Brownell signed the Restriction, “acknowledge[ing] that this [Restriction] is incorporated into and is a part of the Unit Deed.” A true and accurate copy of the Deed, with attached Restriction, is attached hereto as Exhibit 1.

5. The Restriction is an “affordable housing restriction” as that term is defined in Mass. Gen. Laws ch. 184, § 31.

6. Pursuant to a November 8, 2012 Assignment and Assumption of Affordability Monitor, recorded at the SCRD at Book 50527, Page 23, the City became the Affordability Monitor for purposes of enforcing the Restriction, and assumed all the rights and obligations of the then-Affordability Monitor, the Citizens’ Housing and Planning Association, to enforce the Restriction.

7. Paragraph 4 of the Restriction provides, in relevant part: “No Leasing of Property. A Qualified Homebuyer must use a Unit only as a primary residence and for no other purpose.”

8. Paragraph 7 of the Restriction states, “The terms of this [Restriction] shall expire twenty (20) years from the date hereof.”

9. The City submits an occupancy compliance package annually to owners of affordable housing units. Such packages include a principal residence certification form that asks the owner to certify that the owner occupies their affordable housing unit as their principal residence.

10. Brownell has not cooperated with the City’s annual document requests, and Brownell has not returned a principal residence certification to the City.

11. In October 2016, having not received a principal residence certification from Brownell or any of the documents requested in the City’s occupancy compliance package, the City

then investigated the matter and determined that Brownell was/is in violation of the Restriction because: (a) he was/is not occupying the Affordable Housing Unit as his principal residence; and (b) he was/is leasing or renting the Affordable Housing Unit to a third party (or third parties).

12. Upon information and belief, Brownell has resided/resides at a property located at 15 Cedar Pond Drive, Warwick, Rhode Island since purchasing the Affordable Housing Unit.

13. Upon information belief, Brownell also has resided/resides at a property located at 300 Front Street, Pawtucket, Rhode Island since purchasing the Affordable Housing Unit.

14. In October 2016, the City contacted Brownell by letter to request that he “take immediate steps to come into compliance [with the Restriction] ... by either reoccupying the premises, or selling the premises.”

15. In early December 2018, the City sent another letter to Brownell regarding his failure to comply with the Restriction.

16. In January 2019, the City sent another letter to Brownell regarding his failure to comply with the Restriction.

17. As of the date of this Verified Complaint, Brownell continues to be in violation of the Restriction because Brownell does not occupy the Affordable Housing Unit as his primary residence.

18. Upon information and belief, Brownell has/is leasing or renting the Affordable Housing Unit to a third party (or third parties).

19. The Affordable Housing Unit is still subject to the Restriction.

COUNT I
Violation of M.G.L c. 184, § 32

20. The City repeats and realleges paragraphs 1 through 19 above as if fully set forth herein.

21. The Affordable Housing Unit is subject to the Restriction, which is a valid and enforceable affordable housing restriction as that term is defined in M.G.L. c. 184, § 31.

22. Brownell signed the Restriction and was aware that the Affordable Housing Unit was subject to the Restriction.

23. The Restriction has not been released and continues to be effective through January 23, 2032.

24. Brownell violated M.G.L. c. 184, § 32, by failing to comply with the restrictions set forth in the Restriction. Specifically, he was/is not occupying the Affordable Housing Unit as his principal residence and he has leased or rented/is leasing or renting the Affordable Housing Unit to a third party (or third parties).

25. As a direct and proximate result of Brownell's actions, the City has suffered and continues to suffer loss and damage.

COUNT II **Breach of Contract**

26. The City repeats and realleges paragraphs 1 through 25 above as if fully set forth herein.

27. In purchasing the Affordable Housing Unit, Brownell agreed to occupy the Affordable Housing Unit as his principal residence.

28. In breach of the Restriction, Brownell has not occupied and is not occupying the Affordable Housing Unit as his principal residence.

29. In purchasing the Affordable Housing Unit, Brownell agreed not to lease or rent the Affordable Housing Unit to a third party (or third parties).

30. Upon information and belief, Brownell has leased or rented/is leasing or renting the Affordable Housing Unit to a third party (or third parties).

31. By leasing or renting the Affordable Housing Unit to a third party (or third parties), Brownell breached the Restriction.

32. By failing to occupy the Affordable Housing Unit as his principal residence and by renting or leasing the Affordable Housing Unit to third parties, Brownell breached the Restriction.

33. As a direct and proximate result of Brownell's breaches, the City has suffered and continues to suffer loss and damage.

COUNT III
M.G.L. c. 240 § § 6, 10

34. The City repeats and realleges paragraphs 1 through 33 above as if fully set forth herein.

35. The City is entitled to a judgment declaring that the Restriction remains valid and effective and that the Affordable Housing Unit remains subject to the Restriction.

COUNT IV
Violation of M.G.L. c. 93A, § 11

36. The City repeats and realleges paragraphs 1 through 35 above as if fully set forth herein.

37. Brownell, as a landlord of real property, is engaged in trade or commerce for the purposes of the Massachusetts Consumer Protection Law.

38. Brownell acknowledged the Restriction, including the covenant to occupy the Premises as his principal residence and the covenant not to lease or rent the Affordable Housing Unit to a third party (or third parties).

39. Brownell willfully breached the Restriction by failing to reside at the Affordable Housing Unit as his principal residence and by renting or leasing the Affordable Housing Unit to a third party (or third parties).

40. As a result of his willful breach of the Restriction, Brownell has retained unbargained-for benefits—namely, rental income—from his renting and/or leasing of the Affordable Housing Unit to third parties which Brownell is required to occupy as his primary residence.

RELIEF REQUESTED

WHEREFORE, the Plaintiff City of Boston respectfully requests that this Court:

1. Declare that the Restriction is valid, enforceable, and continues to run with the land;
2. Declare that the Affordable Housing Unit is subject to the Restriction;
3. Enter judgment declaring that Brownell breached the Restriction;
4. Order disgorgement of all rents, profits, or proceeds Brownell has received from renting or leasing the Affordable Housing Unit to a third party (or third parties) in violation of the Restriction;
5. Award money damages to the City of Boston, including double or triple damages for Brownell's willful violations of Mass. Gen. Laws ch. 93A;
6. Pursuant to paragraph 3 of the Restriction, award the City all costs and attorneys' fees incurred in pursuing this action;
7. Enter an order for specific performance, commanding John Brownell to sell and convey the Affordable Housing Unit to a third-party eligible homebuyer subject to the terms and conditions of the Restriction; and,
8. Grant such other and further relief as this Court deems just and proper.

[Signature block appears on the following page]

Respectfully submitted,

CITY OF BOSTON.

By its attorneys,

/s/ Sammy S. Nabulsi

Sammy S. Nabulsi (BBO #691503)

B. Aidan Flanagan (BBO #675667)

ROSE LAW PARTNERS LLP

One Beacon Street, 23rd Floor

Boston, MA 02108

(617) 536-0040 (Office)

(617) 536-4400 (Fax)

ssn@rose-law.net

baf@rose-law.net

Date: June 25, 2021

VERIFICATION

I, Anne Marie Belrose, an Assistant Director with the City of Boston Department of Neighborhood Development, certify under the penalties of perjury that I have read the Verified Complaint, that the facts stated therein are true based on my own knowledge and information provided to me by others within the Department of Neighborhood Development, and that no material facts have been omitted therefrom.

Signed under the penalties of perjury this 25th day of June, 2021.

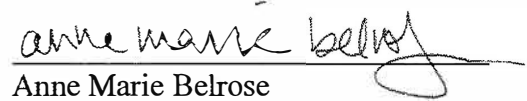

Anne Marie Belrose

EXHIBIT 1



2012 00006823

Bk: 48978 Pg: 194 Doc: UD

Page: 1 of 9 01/23/2012 03:24 PM

MASSACHUSETTS EXCISE TAX
Suffolk County District ROD # 001
Date: 01/23/2012 03:24 PM
Ctrl# 116022 31946 Doc# 00006823
Fee: \$465.12 Cons: \$102,000.00

UNIT DEED

I, Victor Onwuta, individually, of Dorchester, Suffolk County, Massachusetts, in consideration of One Hundred Two Thousand and 00/100 (\$102,000.00) grant to John Brownell of Boston, MA.

With Quitclaim covenants.

The unit known as Unit 15, (the "Unit") of the Uva Douglas Estates at Sugar Hill (the "Condominium"), the land with the buildings thereon located at 102 Homestead Street, Dorchester, Suffolk County, Massachusetts, which Condominium was established pursuant to Chapter 183A of the Massachusetts General Laws by Master Deed recorded with the Suffolk County Registry of Deeds (the "Registry") in Book 34829, Page 1, as amended by a First Amendment to Master Deed recorded with the Registry on September 23, 2004 in Book 35531, Page 70, (the "Master Deed"), which Unit is shown on the floor plans of the Condominium filed simultaneously with the Master Deed. The Unit is also shown on the Unit Plan, entitled, "Unit # 15 Uva Douglas Estates at Sugar Hill Located at 100-104 Homestead Street, 210-224 Humboldt Avenue & 123-131 Ruthven Street, Dorchester, Massachusetts", dated June 7, 2004 and prepared by Buck, Smith & McAvoy Architects, Inc., which Unit Plan is attached hereto as Exhibit A and made a part hereof.

Said Unit is conveyed together with an undivided Six and Twenty-Five One Hundreths percent (6.25%) interest in the common areas and facilities of the Condominium (the "Common Elements") attributable to the Unit, as set forth in the Master Deed, or as set forth in any lawful amendment thereto.

Said Unit is conveyed subject to and together with the benefit of the provisions of the Master Deed, the Declaration of Trust and By-Laws of the Condominium, recorded with the Registry in Book 34829, Page 33 (the "Condominium Trust"), the floor plans and site plan of the Condominium recorded simultaneously with the Master Deed and the Condominium Trust, as the same may be amended from time to time by instruments recorded in the Registry, which provisions, together with any amendments thereto, shall constitute covenants running with the

Locus: 102 Homestead Street, Dorchester, MA 02121

Attested hereto

Francis M. Roache
Francis M. Roache
Register of Deeds

land and shall bind any person having at any time any interest or estate in the Unit and/or the Common Elements, his family, servants and visitors, as though such provisions were recited and stipulated at length herein, exclusive of rights and easements (if any) in favor of the owner of any Unit as described in the Master Deed.

The Unit is intended for use solely for residential purposes by one (1) family, or no more than four (4) persons unrelated by blood or marriage; provided however, than an occupation or profession customarily carried out in a dwelling unit, in which no signs or advertising are employed, and where the visitation of business associates, clients, and/or the general public is infrequent, shall be permitted in the Unit.

For Title Reference see Deed dated July 8, 2004 and recorded with the Suffolk Registry of Deeds in Book 36051, Page 333.

Witness my hand and seal this 23rd day of January, 2012



Victor Onwuta

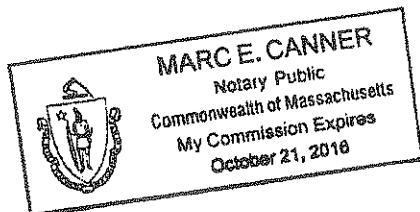
COMMONWEALTH OF MASSACHUSETTS

Not 6th, ss.

January 23rd, 2012

On this 23rd day of January, 2012 before me, the undersigned notary public, personally appeared **Victor Onwuta** provided to me through satisfactory evidence of identifications, which were Victor Onwuta, to be the people whose names are signed on the preceding or attached document, and acknowledged to me that they signed it voluntarily for its stated purpose.

(Seal)



Notary Public: MARC E. CANNER
My Commission expires: 10/21/16

DEED RIDER
TO
UVA DOUGLAS ESTATES AT SUGAR HILL
UNIT DEED

(Affordable Units)

(1) Definitions. Unless otherwise defined, all capitalized terms shall have the meanings set forth below:

"Affordability Monitor" is Citizens' Housing and Planning Association, a Massachusetts non-profit ("CHAPA"), or such entity that succeeds CHAPA.

"Property" is the Unit and the proportionate interest in the Common Elements of the Condominium granted by this Deed.

"Initial Grantor" is Franklin Holdings, Inc., a Massachusetts corporation, ("FHI") or any assignee of FHI, so long as such assignee is wholly owned or controlled by Franklin Park Development Tenants Association, a Massachusetts non-profit corporation.

"Subsequent Grantees" are all Qualified Homebuyer to whom the Property is transferred, subsequent to the sale of the Property from the Initial Grantor to the Grantee, during the time period beginning on the date hereof and ending twenty (20) years from the date hereof.

"Qualified Homebuyer" is an individual or household that has demonstrated to Affordability Monitor that such individual or household has a total household income of between 40% and 80% of the median household income for the Boston Metropolitan Statistical Area ("BMSA") set forth in or calculated pursuant to regulations promulgated by the United States Department of Housing and Urban Development ("HUD"), pursuant to Section 8 of the Housing Act of 1937, as amended by the Housing and Community Development Act of 1974 (24 CFR Part 812), or any successor thereto. If HUD discontinues publication of median income statistics, then the Affordability Monitor shall designate another measure of household income.

"Sale Proceeds" are defined to be all amounts paid or obligations assumed by a purchaser, subsequent to the initial purchase of the Property, reduced by:

- (a) reasonable transaction costs, as approved in writing by the Initial Grantor;
- (b) purchase price paid by the Grantee or Subsequent Grantee for the Property; and
- (c) costs incurred by the Grantee or Subsequent Grantee related to improvements, renovation and rehabilitation, as approved in writing by the Initial Grantor, but specifically excluding routine maintenance and repairs.

"Institutional Mortgage Lender" shall mean any institutional mortgage lender holding a mortgage on the Property.

(2) Limitations on Sales and Sales Proceeds. Prior to the expiration of this Deed Rider, the Property may only be sold to a Qualified Homebuyer. If the Grantee or any Subsequent Grantee sells, assigns, voluntarily transfers or conveys his or her Property prior to the start of the 20th year from the date of this Unit Deed, some or all of the Sale Proceeds shall be assigned to HUD. During the first five (5) years of ownership, a Qualified Homebuyer shall not acquire any equity in the unit (the "Non-Equity Period"). To qualify for retention of any portion of the Sale Proceeds, the Grantee or any Subsequent Grantee must use his or her Unit as his or her primary residence for five (5) years after acquiring the Property. If the Grantee, or any Subsequent Grantee, sells, assigns, or otherwise voluntarily transfers or conveys his or her Property during the Non-Equity Period, then all Sales Proceeds shall be assigned to HUD. At the end of the Non-Equity Period for the Grantee or any Subsequent Grantee, the Sales Proceeds shall be assigned to HUD in an amount that shall begin at Fourteen-twentieths (14/20) of the Sale Proceeds and decrease by one-twentieth (1/20) of the Sale Proceeds for each year following the date hereof, and thus decline to zero at the start of the date twenty (20) years from the date hereof or the expiration of this Deed Rider, whichever occurs first.

(3) Affordability Monitoring. Immediately following the full execution of any offer to purchase the Property, the current owner of the Property (regardless of whether such owner is the Grantee, a Subsequent Grantee or any other person, trust, estate or other entity) shall notify the Affordability Monitor of the proposed purchase and the proposed closing date of the sale. The current owner of the Property shall provide the Affordability Monitor with all information reasonably requested by Affordability Monitor in connection with the proposed sale of the Property so as to enable the Affordability Monitor to enforce the provisions of this Rider. Such information may include, but is not limited to, information regarding the income of any proposed purchaser. The Property shall not be transferred to the proposed purchaser until the proposed purchaser has demonstrated to the Affordability Monitor's reasonable satisfaction that the proposed purchaser is a Qualified Homebuyer. Such reasonable satisfaction shall be evidenced by a certificate issued by the Affordability Monitor, which certificate shall be in recordable form. If the Affordability Monitor determines that a proposed purchaser is not a Qualified Homebuyer, then the Affordability Monitor shall deliver to the current owner of the Property a report which sets forth such determination. As a condition precedent to the closing of a sale of the Property to a Qualified Homebuyer, the Affordability Monitor shall be paid a fee of one-half of one percent (0.5 %) of the sales price of the Property for the Affordability Monitor's monitoring services, which fee shall be paid out of the Affordability Reserve for the Condominium. The Affordability Monitor shall also be paid in accordance with the terms and provisions of this Section 3 in the event the Affordability Monitor has rendered the services described in this Section 3, as evidenced by the issuance of said certificate or report, yet the closing of the sale of the Property does not occur for any reason. A Unit owner shall pay the fees and expenses (including legal fees) of the Affordability Monitor in the event enforcement action (but not including any monitoring services described herein) is taken by the Affordability Monitor against the Unit owner hereunder or under that certain Monitoring Services Agreement between the Affordability Monitor and the Initial Grantor related to the Property.

(4) No Leasing of Property. A Qualified Homebuyer must use a Unit only as a primary residence and for no other purpose. If the Property is acquired by an Institutional Mortgage Lender, said Institutional Mortgage Lender may lease the Property prior to disposing of it, but such disposition must conform to the terms of this Deed Rider. Any lease of the Property by an Institutional Mortgage Lender must expressly provide that the lease is subject in every respect to the Master Deed, the Condominium Trust, and the By-Laws thereof.

(5) Refinancing of Property. For twenty (20) years after his or her initial purchase, Grantee, or his or her successors, assigns or grantees for value, shall obtain approval in writing from the Initial Grantor prior to refinancing the Property, which includes without limitation, placing indebtedness secured by the Property. If, after Grantee's initial purchase, Grantee, or his or her successors, assigns or grantees for value, refinances after having obtained approval in writing from Initial Grantor, then Grantee, or his or her successors, assigns or grantees for value may retain the proceeds from the refinancing (not to exceed its equity) if such proceeds are to be used to improve the Property, pay for educational expenses, or pay for costs related to illness, all as determined by Initial Grantor. The Grantee's equity for the twenty (20) years from the date of this Unit Deed shall begin at one-twentieth (1/20) of the difference between the value of the Property and the refinanced debt secured by the Property, and increase each year by one-twentieth (1/20) of such difference, and thus increase to one hundred percent (100%) of such difference at the start of the 20th year. If the Grantee, or his or her successors, assigns or grantees for value, seeks to use the proceeds from the refinancing for any purpose other than to improve the Property, pay for educational expenses, or pay for costs related to illness (all as determined by Initial Grantor), then they must also obtain HUD's written approval for such use. If, during the twenty (20) years after his or her initial purchase, a Grantee, or his or her successors, assigns or grantees for value, refinances its Property without approval in writing from HUD or Initial Grantor, as applicable, then the proceeds from the refinancing shall be assigned to HUD, reduced by any expenses incurred by the Grantee consisting of: (1) reasonable transaction costs, (2) any mortgage debt paid off in connection with the refinancing, or (3) costs paid by the Grantee, as approved by the Initial Grantor related to improvements, renovation and rehabilitation other than routine maintenance and repairs.

(6) Death of Grantee. In the event of death of the Grantee or any Subsequent Grantee and transfer of title to all or any part of the Property to an heir and/or devisee who would be a Qualified Homebuyer, such heir and/or devisee shall assume all obligations of the Grantee or Subsequent Grantee, and no payment to HUD shall be required at that time. If the heir and/or devisee is not a Qualified Homebuyer, either:

- (a) the heir and/or devisee shall transfer the Property for consideration no greater than the existing debt and equity of the decedent in the Property to a person who would be a Qualified Homebuyer within one hundred and eighty (180) days after acquiring title, and said person shall assume all obligations of the Grantee or Subsequent Grantee, and there shall be no payment to HUD at that time, or
- (b) the transfer shall be treated as a sale and the heir and/or devisee shall pay the appropriate percentage of Sale Proceeds based on the fair market value of the Property at the time of the death of the Grantee or Subsequent Grantee.

(7) Expiration of Deed Rider. The terms of this Deed Rider shall expire twenty (20) years from the date hereof.

(8) Loss as Result of Fire or Other Casualty. In the event that a fire or other casualty results in a loss to the common elements of the Condominium, which loss exceeds ten (10%) percent of the value of the Condominium prior to the casualty, and unit owners holding seventy-five percent (75%) of the beneficial interest in the Condominium do not agree within 120 days after the date of the casualty to proceed with repair or restoration, the Condominium, including all units, shall be subject to partition at the suit of any unit owner. Such suit shall be subject to

dismissal at any time prior to entry of an order to sell if an appropriate agreement to rebuild is filed. The net proceeds of the partition sale together with any common funds shall be divided in proportion to the unit owners' respective beneficial interests. Notwithstanding the foregoing, the net proceeds of such partition sale shall be subject to the equity provisions contained in Paragraph 2 of this Deed Rider. In the event the unit owners do not agree to proceed with the repair or restoration of such casualty as provided above, the proceeds of any insurance received under the master policy of insurance described in Section 5.8 of the Declaration of Trust and By-Laws for the Condominium and required by the deed rider attached to the deed from the Secretary of the Department of Housing and Urban Development to FHI dated June 10, 2004 and recorded with the Suffolk County Registry of Deeds in Book 34828, Page 333 (and specifically excluding any insurance obtained by any unit owner) shall be paid first to the holder of any mortgage granted by any unit owner to the extent required under such mortgage. The balance (if any) of such insurance proceeds shall be remitted to HUD.

(9) Rights of Mortgagees. Notwithstanding any other provision of this Deed Rider to the contrary, any Institutional Mortgage Lender may acquire title to the Property by foreclosure or instrument in lieu of foreclosure, or a bona fide purchaser (other than an Institutional Mortgage Lender) may acquire title to the Property through a foreclosure sale. Upon any such acquisition of title to the Property by an Institutional Mortgage Lender or a bona fide purchaser, the provisions of this Deed Rider shall terminate and be of no further force and effect, provided that such Institutional Mortgage Lender shall notify the Boston Redevelopment Authority (the "BRA") and FHI (collectively, the "Option Holders") in writing at such times as the Grantee or any Subsequent Grantee (each, an "Owner") is one (1) month in arrears or the Institutional Mortgage Lender has filed a notice of foreclosure relating to the Property, and the Institutional Mortgage Lender shall allow each Option Holder the opportunity to cure such default within thirty (30) days after receipt of such notice or to exercise its option to purchase the Property in accordance with the terms and conditions set forth below. Failure to notify any Option Holder of any default for which the Institutional Mortgage Lender intends to commence foreclosure proceedings shall not impair the validity of the foreclosure.

In consideration of the release of the provisions of this Deed Rider, in the event of such foreclosure or transfer in lieu of foreclosure and if the Property is sold to a third party, all proceeds of the sale shall be applied as follows in the following order: (i) to any Institutional Mortgage Lender in the order of its record priority to pay all sums owing to the Institutional Mortgage Lender; (ii) to the Owner with respect to the costs described in item (c) under the definition of "Sales Proceeds" and (iii) the balance, if any, to the Owner and/or HUD in accordance with the provisions set forth in Paragraph 2 of this Deed Rider.

Notwithstanding the foregoing, if any person who was an owner of the Property immediately prior to foreclosure acquires an interest in the Property through or subsequent to foreclosure, or by deed in lieu of foreclosure, then all covenants and the purchase option contained herein shall apply thereafter to the Property with their original full force and effect as if never terminated.

(10) Option To Purchase Property. The Owner grants to each Option Holder the right and option to purchase the Property upon the occurrence of one or more of the following events:

- A. Receipt by any Option Holder of notice in any form (including notice by newspaper publication) of an impending foreclosure against the Property; or
- B. Receipt by any Option Holder of notice in any form (including notice by newspaper publication) of the taking of the Property for unpaid taxes.

(11) Term of the Option. The right of an Option Holder to exercise its option to purchase the Property pursuant to the preceding Paragraph shall terminate following the expiration of this Deed Rider.

(12) Option Price. The agreed purchase price (the "Option Price") for the Property upon the exercise by an Option Holder of its option to purchase shall be the lesser of the (i) Maximum Option Price (as defined below) and (ii) the fair market value for the Property, but in no event shall the Option Price be less than the sum of all moneys owing to the Institutional Mortgage Lender at such time. Such option price is designed to ensure the affordability of the Property to succeeding Qualified Homebuyers while taking into account the investment of labor and capital by the Owner.

As used herein, the term "Maximum Option Price" shall mean (A) the purchase price paid by the Owner for the Property, increased five percent (5%) per annum, compounded annually, plus (B) the actual cost of other capital improvements made to the Property by the Owner from time to time (excluding routine maintenance and repairs), subject to the limitation that credit for such capital improvements shall not exceed one percent (1%) per year of the consideration paid for the Property by the Owner. The fair market value for the Property shall be established according to an independent appraisal obtained by the Option Holder that purchases the Property at its sole cost,

(13) Exercise of Option. If an Option Holder wishes to exercise its purchase option, it shall do so by giving written notice to the Owner within thirty (30) days of its receipt of any of the notices described in Paragraph 10 above. If both Option Holders elect to purchase the Property, then the Option Holder with the highest priority shall have the right to effectuate such election. The order of priority shall be first, FHI, and second, the BRA. If an Option Holder(s) notifies the Owner as aforesaid, then the Option Holder (or, if applicable, the highest priority Option Holder) and the Owner shall execute a mutually agreeable purchase and sale agreement for the purchase of the Property within thirty (30) days after the date of the Option Holder's notification to the Owner. The purchase price set forth in the purchase and sale agreement shall be the option price described in Paragraph 12 above. The Owner shall transfer the Property to the Option Holder within thirty (30) days following execution of such purchase and sale agreement upon those other terms and conditions set forth therein. The proceeds from the sale of the Property to the Option Holder shall be subject to the provisions hereof, including the provisions set forth in Paragraph 2 above.

(14) Failure to Exercise Option. In the event both Option Holders shall fail to give notice of election to exercise its option within the time above specified, or in the event both Option Holders shall, after giving such notice, fail to complete such purchase as hereinabove provided, then the Owner shall be free thereafter to sell and convey the Property subject to the restrictions set forth in this Deed Rider to any third party.

(15) Notice of Foreclosure or Tax Taking. In the event an Owner receives any of the notices described in Paragraph 10, such Owner shall deliver a copy of such notice to each Option Holder within three (3) business days of the Owner's receipt of such notice.

(16) Notices. All notices made pursuant to, under or by virtue of this Deed Rider must be in writing and mailed to the party to which the notice is being sent by certified or registered mail, return receipt requested, or by overnight courier delivery, or by facsimile transmission confirmed by one of the foregoing methods, addressed as follows, or at such other address as such party may designate by notice to the other party:

To FHI: Franklin Holdings, Inc.
246 Humboldt Avenue
Dorchester, Massachusetts 02121
Attn: President

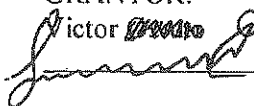
With a copy to: Brown Rudnick Berlack Israels LLP
One Financial Center Boston,
Massachusetts 02111 Attn: Jeffrey
W. Sacks, Esquire

To the BRA: Boston Redevelopment Authority
Boston City Hall One
City Hall Square Boston,
MA 02201-1007
Attention: Director

(17) Subordinate Mortgage. To secure its performance of the covenants, restrictions and agreements hereunder, Owner shall execute and deliver a mortgage relating to the Property in favor of HUD and FHI, as tenants in common. Said mortgage shall, by its terms, be subordinate to all mortgages held by Institutional Mortgage Lenders.

By initialing hereunder the parties acknowledge that this Deed Rider is incorporated into and is a part of the Unit Deed.

GRANTOR:

Victor ~~W. Sacks~~ Onwuta


GRANTEE:

John Brownell

