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Name: Heritage at Bedford Springs
MassHousing No.: 05-015-N
FHA No.: 023-98136
Execution Copy

RESIDENTIAL COMPLIANCE AGREEMENT

THIS RESIDENTIAL COMPLIANCE AGREEMENT is made and entered into as of the 23rd day of June, 2008, by and between the Massachusetts Housing Finance Agency (the "Agency"), a body politic and corporate organized pursuant to Massachusetts General Laws, Chapter 708 of the Laws of 1966, as amended (the "Act") and Heritage Middlesex Turnpike, LLC, a Massachusetts limited liability company (the "Owner").

RECITALS

A. The Owner has constructed a 164 unit residential development (the "Project") in Bedford, Massachusetts, which land is as described in Exhibit A hereof (the "Project Site"). The Project will be occupied partially (at least 20%) by individuals of low and moderate income pursuant to the requirements of Section 142(d)(1)(A) of the Code (as hereinafter defined) and the Act; and

B. Pursuant to the Act and the Resolution (as hereinafter defined), the Agency proposes to assist the Owner through (i) the application of the proceeds of \$28,100,000 in the aggregate principal amount of its Housing Bonds, 2006 Series A and \$400,000 in the aggregate principal amount of its Housing Bonds, 2006 Series B in which bonds are exempt from tax under Section 142 of the Code and subject to volume capacity allocation under Section 146 of the Code (the "Bonds") which will be used to provide a portion of the monies required to permanently finance the construction of the improvements on the Project Site; and

C. The Code and the Act prescribe that the financing as well as the use and operation of the Project be restricted in certain respects, and, in order to ensure that the Project will be financed, used and operated in accordance with the Code and the Act, the Agency and the Owner have determined to execute and deliver this Residential Compliance Agreement (the "Compliance Agreement" or "Agreement");

NOW, THEREFORE, in consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Agency and the Owner agree as follows:

Land America
125 Summer St Ste 2100
Boston, MA 02110

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*Dup In Ld Reg

Middlesex Turnpike, Bedford
48+

SECTION 1. DEFINITIONS AND INTERPRETATION

(a) Capitalized terms used herein and in the attached Exhibits have the following meanings unless the context in which they are used clearly requires otherwise.

"Adjusted Family Income" means the anticipated annual income of a person (together with the anticipated annual income of all persons who intend to reside with such person in one residential unit), as calculated in a manner consistent with determinations of lower income families under Section 8 of the United States Housing Act of 1937 (or, if such program is terminated, with such program as is in effect immediately before such termination). Determinations of income shall include adjustments for family size, and Section 7872(g) of the Code shall not apply to such determinations.

"Affordable Rents" means, for any unit, a monthly rental for a unit of the given size (exclusive of amounts paid for services) which does not exceed 1/12 of 30% of the Adjusted Family Income permitted for Lower Income Tenants in such unit or such lesser amount as shall be determined by the Agency in accordance with Section 6 of the Act.

"Agency" means the Massachusetts Housing Finance Agency.

"Agency Representative" means any person (who may be an employee of the Agency) designated from time to time to act on behalf of the Agency.

"Bond Counsel" means any attorney at law or firm of attorneys selected by the Agency, of nationally recognized standing in matters pertaining to the federal tax status of interest on bonds issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

"Bondholder" or "holder" or "owner of the Bonds" means the registered owner of any Bond as shown on the registration books maintained by the Trustee pursuant to the Resolution.

"Bonds" means a portion of the \$40,330,000 aggregate principal amount of its Housing Bonds, 2006 Series A and \$21,225,000 aggregate principal amount of its Housing Bonds, 2006 Series B, which are to be applied to fund the Development Loan.

"Certificate of Continuing Program Compliance" means the certificate in the form attached hereto as Exhibit B certifying as to the compliance by the Project in the Development with the provisions of this Compliance Agreement.

"Certification of Designation of Lower Income Units" means the certificate in the form attached hereto as Exhibit C designating dwelling units in the Project for occupancy by Lower Income Tenants required to be delivered to the Agency by the Owner pursuant to Section 4.

"Certification of Tenant Eligibility" means the certificate in the form attached hereto as Exhibit D, with such changes thereto as may be approved by the Agency, to be used by the Owner to determine the qualification of applicants as Lower Income Tenants required to be delivered to the Agency by the Owner pursuant to Section 4.

"Code" means the Internal Revenue Code of 1986, as amended, or any successor statute thereto, as in effect on the date in question, together with corresponding and applicable final, temporary or proposed regulations and revenue rulings issued or amended with respect thereto by the Treasury Department or Internal Revenue Service of the United States.

"Compliance Agreement" means this Residential Compliance Agreement, dated as of the date hereof, between the Agency and the Owner.

"Contract Documents" means, collectively, the Mortgage (as defined below), the Mortgage Note (as defined below), this Compliance Agreement and all other Contract Documents (as defined in the Mortgage) executed and delivered by the Owner in connection with the Development Loan (as defined below).

"Development Loan" means the Mortgage Loan made to the Owner by the Agency with respect to the Development, including the Project, funded by the Bonds and evidenced by the Mortgage Note.

"Event of Default" means a default in the performance or observance of any covenant, agreement or obligation of the Owner set forth in this Compliance Agreement.

"Lower Income Tenants" means the occupant or occupants of a residential unit in the Project whose aggregate Adjusted Family Income does not exceed the lesser of: (i) fifty percent (50%) of the Median Gross Income for the Area; or (ii) the maximum amount which would make them eligible for units owned or leased by the housing authority in the city or town in which the Development is located. If all the occupants are students (as defined in Section 151 (c)(4) of the Code), no one of whom is entitled to file a joint federal income tax return under Section 6013 of the Code, such occupants shall not qualify as Lower Income Tenants. The determination of an occupant's status as a Lower Income Tenant shall be made at the commencement of such occupant's occupancy of a unit in the Project and annually thereafter pursuant to Section 4 hereof.

"Lower Income Units" means the dwelling units in the Project designated for occupancy by Lower Income Tenants.

"Median Gross Income for the Area" means the median income for any household of a given size, in the Primary Metropolitan Statistical Area which includes the location of the Development, most recently determined by the Department of Housing and Urban Development ("HUD") under Section 8(f)(3) of the United States Housing Act of 1937, as amended, or if programs under Section 8(1) are terminated, median income determined under the method used by HUD prior to the termination.

"Mortgage" means the Mortgage, Security Agreement, Financing Statement (Fixture Filing) and Assignment of Leases and Rents (the "Mortgage") executed and delivered by the Owner to the Agency in connection with the financing of the Development and securing the Mortgage Note.

"Mortgage Note" means the Mortgage Note, dated as of the date hereof, from the Owner to the Agency, in the original principal amount of \$28,500,000, and delivered in connection with the financing of the Project.

"Owner" means Heritage Middlesex Turnpike, LLC, a Massachusetts limited liability company and its successors and assigns, and any surviving, resulting or transferee entity.

"Owner Representative" means the person or persons (who may be employees of the Owner) designated from time to time to act hereunder on behalf of the Owner in a written certificate furnished to the Agency containing a specimen signature of such person or persons and signed on behalf of the Owner by a duly authorized representative of the Owner.

"Project" means the 164 unit residential development as subject to the Mortgage and the related Project Facilities.

"Project Facilities" means the buildings, structures and other improvements located or constructed on the leasehold estate in the Project Site, and all equipment, fixtures and other property owned by the Owner and located on, or used in connection with, such buildings, structures and other improvements and all functionally related and subordinate facilities.

"Project Site" means a single parcel or contiguous parcels of real property each as described in Exhibit A hereto, and all rights and appurtenances thereunto appertaining in.

"Qualified Project Period" means, with respect to the Project, the period beginning on the later of (i) the first day on which 10% of the dwelling units in the Project are first occupied, or (ii) the date of issuance of the Tax-Exempt Bonds, and ending on the latest of (i) the date which is thirty (30) years after the date on which 50% of the dwelling units in the Project are occupied, or (ii) the first date on which no Tax-Exempt Bonds remain Outstanding under the Resolution (including as Outstanding for this purpose any Tax-Exempt Bond that is legally defeased but not yet redeemed) or (iii) the date upon which all Obligations under the Mortgage have been fully discharged or (iv) the date on which any assistance provided with respect to the Project under Section 8 of the United States Housing Act of 1937 terminates or (v) the date which is thirty (30) years after the date of issuance of the Bonds.

"Resolution" means the Housing Bond Resolution of the Agency, adopted as of December 10, 2002, as amended and supplemented, the 2006 Series A Housing Bond Series Resolution authorizing the 2006 Series A Bonds, adopted by the Agency as of April 11, 2006 and

the 2006 Series B Housing Bond Series Resolution authorizing the 2006 Series B Bonds, adopted by the Agency as of April 11, 2006.

"State" means The Commonwealth of Massachusetts.

"Trustee" means the trustee serving as such under the Resolution.

(b) Capitalized terms not defined herein have the meanings ascribed to them in the Resolution.

(c) Unless the context clearly requires otherwise, words of the masculine, feminine or neuter gender shall be construed to include each other gender when appropriate and words of the singular number shall be construed to include the plural number and vice versa, when appropriate. All the terms and provisions hereof shall be construed to effectuate the purposes set forth in this Compliance Agreement and to sustain the validity hereof.

(d) The titles and headings of the sections of this Compliance Agreement have been inserted for convenience of reference only, are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof or be considered or given any effect in construing this document or any provision hereof or in ascertaining intent, if any question of intent shall arise.

SECTION 2. REPRESENTATIONS AND AGREEMENTS OF THE OWNER.

The Owner hereby represents, warrants and covenants as follows:

A. The Owner is a limited liability company formed under the laws of the State and admitted to business under the laws of the State, is in good standing in the State, has the power and authority to own the Project and its assets and to carry on its business as now conducted and as contemplated to be conducted and has the power to enter into and has duly authorized by proper action, the execution and delivery of this Agreement and all other documents contemplated hereby to be executed by the Owner, including, without limitation, the Mortgage and the Mortgage Note.

B. None of the execution and delivery of this Agreement or any other document in connection with the financing of the Project, the consummation of the transactions contemplated hereby and thereby or the fulfillment of or compliance with the terms and conditions hereof and thereof conflicts with or results in a breach of any of the terms, conditions or provisions of the Owner's organizational documents or of any agreement or instrument to which the Owner is now a party or by which it is bound, or constitutes a default (with due notice or the passage of time or both) under any of the foregoing, or results in the creation or imposition of any prohibited lien, charge or encumbrance whatsoever upon any of the property or assets of the Owner under the terms of any instrument or agreement to which the Owner is now a party or by which it is bound.

C. As of the date of this Compliance Agreement, the Owner will have title to the Project sufficient to carry out the purposes of this Agreement, and such title shall be in and remain in the Owner except as permitted by this Compliance Agreement.

D. The Project consists and shall consist of the real property described in Exhibit A hereto, together with all improvements thereon and to be constructed thereon, and the Owner shall make no changes to the Project or to the operation thereof that will violate the provisions of this Compliance Agreement or impair the exclusion from gross income for federal income taxation of the interest on the Bonds. The Owner intends to use the multifamily rental-housing portion of the Project primarily as multifamily rental housing, during the term of the Qualified Project Period with respect thereto as required by the Code and the Act.

E. The Owner will not knowingly and voluntarily take or omit to take, as is applicable, any action if such action or omission would in any way cause the proceeds from the sale of the Bonds to be applied in a manner contrary to the requirements of this Compliance Agreement.

F. Subject to any applicable filing extensions and rights to contest, the Owner has filed or caused to be filed all federal, state and local tax returns which are required to be filed, if any, and has paid or caused to be paid all taxes as shown on said returns or on any assessment received by it, to the extent that such taxes have become due.

G. No officer or other official of the Agency has any ownership or financial interest whatsoever in any of the Project or the Owner or in the transactions contemplated by this Agreement.

H. The Owner acknowledges, represents and warrants that it understands the nature and structure of the transactions relating to the financing of the Project; that it is familiar with the provisions of all of the documents and instruments relating to such financing to which it or the Agency is a party or of which it is a beneficiary; that it understands the risks inherent in such transactions, including without limitation the risk of loss of the Project, and that it has not relied on the Agency for any guidance or expertise in analyzing the financial or other consequences of such financing transactions or otherwise relied on the Agency in any manner except to issue the Bonds.

I. The Owner has not taken any action, or failed to take any action, which action or failure to act adversely affects the exclusion from gross income of interest on the Bonds for federal income tax purposes.

J. The Owner is not in default under any document, instrument or commitment to which the Owner is a party or to which it or any of its property is subject which default affects the ability of the Owner to carry out its obligations under this Agreement.

K. The Owner: (i) intends to hold the Project for its own account (subject to the Owner's rights to transfer the Project in accordance with the terms hereof and of the other Contract Documents); (ii) is not now in negotiation nor has entered into any contract to sell the Project; and (iii) has not entered into any agreement or otherwise binding commitment to sell any Project.

SECTION 3. RESIDENTIAL RENTAL PROPERTY.

The Agency and the Owner hereby declare their understanding and intent that the Project is to be owned, managed and operated, for so long as any Bonds remain outstanding under the Resolution, but in any event at least for the Qualified Development Period, as "residential rental property" as such phrase is used in Section 142(d) of the Code and Section 1.103-8(b) of the Treasury Regulations and as multi-family housing eligible for financing under the Act. To that end, the Owner hereby represents, warrants and covenants as follows:

A. The Development will be operated for the purpose of providing multifamily rental housing and related uses and the Owner shall own, manage and operate (or cause the management and operation of) the Project as a development to provide multifamily rental housing comprised of one or more interrelated buildings and structures, each consisting of more than one dwelling unit and facilities functionally related and subordinate thereto and no other facilities located on the Project Site described in Exhibit A hereto. As used herein "facilities functionally related and subordinate to a Project" shall include facilities for use by the tenants, including, for example, swimming pools, other recreational facilities, parking areas, and other facilities which are reasonably required for the Project, for example, heating and cooling equipment, trash disposal equipment or units for resident managers or maintenance personnel.

B. All of the dwelling units in the Project are of design and construction of similar quality, layout, and utility, and each dwelling unit in the Project contains facilities for living, sleeping, eating, cooking and sanitation for a single person or a family which are complete, separate and distinct from other dwelling units in the Project and will include a sleeping area, bathing and sanitation facilities and cooking facilities equipped with a cooking range, refrigerator and sink.

C. The Owner will not permit any of the dwelling units in the Project which are financed with tax-exempt bond financing to be used on a transient basis (within the meaning of Treasury Regulation Section 1.103-8(b)(4)) and will not rent any of the units for a period of less than six (6) months and none of the dwelling units in the Project will at any time be leased or rented for use as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, hospital, nursing home, sanitarium, rest home or trailer court or park or place of business or leased to any party who will make such units available for occupancy on any such basis.

D. No part of the Project will at any time be owned or used by a cooperative housing corporation.

E. The Project Site consists of a parcel or parcels that are contiguous (parcels are contiguous if their boundaries meet at one or more points) except for the interposition of a road, street or stream, and all of the Project Facilities and the Project comprise a single geographically and functionally integrated development for residential rental housing, as evidenced by the common ownership, management, accounting and operation of the Development.

F. The Owner will not sell dwelling units within the Project.

G. The Owner will prepare and mail to the Agency, return receipt requested, a written certification identifying the respective dates upon which ten percent (10%) and fifty percent (50%) of the dwelling units in the Project are first occupied.

H. Once available for occupancy, each dwelling unit in the Project will be rented or available for rental to the general public on a continuous basis during the Qualified Project Period.

SECTION 4. LOWER INCOME TENANTS.

In order to satisfy the requirements of Section 142 (d) of the Code, Treasury Regulation Section 1.103-8(b) and the Act with respect to the Project, for the Qualified Project Period, the Owner hereby represents, warrants, covenants and agrees with respect to the Project as follows:

A. During the Qualified Project Period, at least 20% of the residential units in the Project will be leased or rented, or made available for lease or rental, to Lower Income Tenants at Affordable Rents on a continuous basis. The Owner will not give preference to any particular class or group in renting the dwelling units in the Project, except to the extent that dwelling units are required to be leased or rented to Lower Income Tenants or to the extent that the Project may be designated as an elderly development. For purposes of satisfying the requirement that not less than twenty percent (20%) of the residential units be occupied by Lower Income Tenants, no Lower Income Tenant shall be denied continued occupancy because, after admission, the Lower Income Tenant's Adjusted Family Income exceeds the applicable qualifying income level (provided, however, that no Lower Income Tenant shall continue to be counted as a Lower Income Tenant as of any date upon which such tenant's Adjusted Family Income exceeds one hundred forty percent (140%) of the level at which a tenant may be qualified as a Lower Income Tenant) set forth in the definition of "Lower Income Tenant" herein; provided, however, that the Owner shall maintain the percentage requirements of this Compliance Agreement by providing the next available units of comparable or smaller size to Lower Income Tenants as needed to achieve compliance with the foregoing requirements. Other than as provided in the preceding sentence, any unit shall retain its character until it is reoccupied, at which time its character shall be redetermined under the rules set forth in this paragraph, except that no reoccupancy of a Lower Income Unit for a temporary period not to exceed thirty-one (31) days shall be taken into account for this purpose. For purposes of determining whether a tenant's Adjusted Family Income will qualify such tenant as a Lower Income Tenant at the time of such tenant's initial occupancy of a dwelling unit, the Median Gross Income for the Area in effect at the time of such initial

occupancy shall be used. Further, for purposes of determining whether the Adjusted Family Income of a Lower Income Tenant exceeds 140% of the level at which such tenant may be qualified as described above, the Median Gross Income for the Area in effect at the time of such determination shall be used.

B. The units which are to be occupied by Lower Income Tenants will be intermingled with all other dwelling units in the Project and will be of a quality comparable to the other units in the Project. Lower Income Tenants will have access to all common facilities of the Project for use and enjoyment equal to that of other tenants. The Owner will designate the dwelling units in the Project reserved for occupancy by Lower Income Tenants, and will advise the Agency by delivery of a certificate in writing of such designation and, on a monthly basis, of any revisions thereof. Such certificate shall be in substantially the form of the "Designation of Lower Income Units" attached hereto as Exhibit C.

C. All of the dwelling units in the Project shall be leased or rented, or available for lease or rental to the general public.

D. The Owner will obtain, at the time of initial rental of a Lower Income Unit not occupied on the date hereof and on each anniversary of the rental of all Lower Income Units during the term of the rental, and maintain on file Certifications of Tenant Eligibility from each Lower Income Tenant substantially in the form attached hereto as Exhibit D. Such Certifications shall be filed annually with the Agency by attachment to the "Designation of Lower Income Units" required pursuant to Exhibit C. The Owner shall make a good faith effort to verify that the income provided by an applicant in an income certification is accurate by taking any of the following steps as a part of the verification process: (1) obtain a pay stub for the most recent pay period; (2) obtain an income tax return for the most recent tax year; (3) obtain an income verification form from the applicant's current employer; (4) obtain an income verification form from the Social Security Administration and/or the Massachusetts Department of Housing and Community Development if the applicant receives assistance from either of such agencies; or (5) if the applicant is unemployed and has no such tax return, obtain another form of independent verification.

E. The Owner will maintain complete and accurate records pertaining to the Lower Income Units, and during normal business hours and upon reasonable notice, will permit any duly authorized representative of the Agency to inspect the books and records of the Owner pertaining to the incomes of and rents charged to Lower Income Tenants residing in the Project.

F. The Owner will prepare and submit to the Agency within fifteen (15) days after January 1 and July 1 in each year commencing with January 1, 200_, a "Certificate of Continuing Program Compliance" substantially in the form attached hereto as Exhibit B executed by the Owner stating: (i) the percentage of the dwelling units in the Project which were occupied by Lower Income Tenants (or held vacant and available for occupancy by Lower Income Tenants as provided above) during such period; and (ii) that to the knowledge of the Owner, no default has occurred under this Compliance Agreement.

G. The Owner will accept as tenants, on the same basis as all other prospective tenants, Lower Income Tenants who are recipients of federal certificates and/or vouchers for rent subsidies pursuant to the existing program under Section 8 of the United States Housing Act of 1937 or its successor, and shall not apply selection criteria to Section 8 certificate holders that are more burdensome than the criteria applied to all other prospective tenants.

H. With respect to each calendar year any portion of which is within the Qualified Project Period, the Owner shall file, on or before the March 31 following the end of such calendar year, Internal Revenue Service Form 8703, Annual Certification of a Residential Rental Development, with the Internal Revenue Service, Philadelphia, Pennsylvania 19255, or at such other address as directed by a subsequent revision to such Form 8703.

SECTION 5. AGREEMENT TO RECORD.

The Owner hereby represents, warrants and covenants that it will cause this Compliance Agreement to be recorded in the real property records of the Middlesex County Registry of Deeds (the "Middlesex Registry") and the applicable land court if such property is registered land and in such other places as the Agency may reasonably request. The Owner shall pay all fees and charges incurred in connection with any such recording.

SECTION 6. LIMITED RECOURSE.

The provisions of Section 36 of the Mortgage are incorporated herein by reference as if set forth herein.

SECTION 7. CONSIDERATION.

The Agency has issued the Bonds to obtain monies to provide financing for the Development, including the Project. In consideration of the issuance of the Bonds and the making of the Development Loan the Owner has entered into this Compliance Agreement and has agreed to restrict the uses to which the Project can be put for the term hereof.

SECTION 8. RELIANCE.

The Agency and the Owner hereby recognize and agree that the representations and covenants set forth herein may be relied upon by the Agency, the Owner and the Bondholders. In performing their duties and obligations hereunder, the Agency may rely upon statements and certificates of the Owner and Lower Income Tenants, and upon audits of the books and records of the Owner pertaining to occupancy and rental of the Project. In performing its duties hereunder, the Owner may rely on the Certificates of Tenant Eligibility and any verifications in support thereof, unless the Owner has actual knowledge that such Certificates or verifications are inaccurate. In addition, the Agency and the Owner may consult with Bond Counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any

action taken or suffered by the Agency or the Owner hereunder in good faith and in conformity with such opinion. In determining whether any default or lack of compliance by the Owner exists under this Compliance Agreement, the Agency shall not be required to conduct any investigation into or review of the operations or records of the Owner and may rely solely on any notice or certificate delivered to the Agency by the Owner with respect to the occurrence or absence of a default.

SECTION 9. SALE OR TRANSFER OF THE DEVELOPMENT.

Except for transfers pursuant to or permitted under the Mortgage or the Regulatory Agreement, the Owner hereby covenants and agrees not to sell, transfer or otherwise dispose of the Development or any portion thereof, including the Project (other than for individual tenant use as contemplated hereunder), without obtaining the prior written consent of the Agency, which consent shall not unreasonably be withheld or delayed upon: (i) receipt by the Agency of reasonable evidence satisfactory to the Agency that the Owner's purchaser or transferee has assumed in writing and in full, and is reasonably capable of performing and complying with, the Owner's duties and obligations under this Compliance Agreement; (ii) receipt by the Agency of an opinion of counsel of the transferee that the transferee has duly assumed the obligations of the Owner under this Compliance Agreement and that such obligations and this Compliance Agreement are legal, valid and binding obligations of the transferee; (iii) receipt by the Agency of a certificate of an Owner Representative to the effect that no Event of Default has occurred and is continuing under this Compliance Agreement; (iv) evidence that all fees due the Agency under the Mortgage Note are current or that satisfactory provision for payment of such fees has been made and (v) receipt by the Agency of an opinion of Bond Counsel that such purchase or transfer will not cause interest on the Bonds to become includable in gross income for federal income tax purposes. It is hereby expressly stipulated and agreed that any sale, transfer or other disposition of the Development, including the Project, in violation of this section shall be null, void and without effect, shall cause a reversion of title to the Owner, and shall be ineffective to relieve the Owner of its obligations with respect to the Project under this Compliance Agreement. Nothing contained in this section shall affect any provision of the Mortgage or any other document or instrument between the Owner and the Agency which requires the Owner to obtain the consent of the Agency as a precondition to the sale, transfer or other disposition of the Development, including any Project, or which gives the Agency the right to accelerate the maturity of the Mortgage Loan, or to take some other similar action with respect to the Mortgage Loan upon the sale, transfer or other disposition of the Development, including the Project.

SECTION 10. TERM.

This Compliance Agreement shall become effective upon its execution and delivery. This Compliance Agreement shall remain in full force and effect with respect to the Project for a term and period equal to the Qualified Project Period, it being expressly agreed and understood that the provisions hereof are, subject to the terms and conditions hereof, intended to survive the retirement of the Bonds, the Mortgage Loan and the satisfaction of the obligations of the Owner under the Mortgage. The terms of this Compliance Agreement to the contrary notwithstanding,

this Compliance Agreement, and all and several of the terms hereof, may be terminated by the Agency, in its sole discretion, and be of no further force and effect in the event of: (i) (a) a foreclosure by or on behalf of the Agency of the lien of the Mortgage, or the delivery of a deed in lieu of foreclosure, pursuant to which the Agency, or a purchaser or transferee pursuant to such foreclosure, shall take possession of the Development, including any Project; or (b) involuntary noncompliance with the provisions of this Compliance Agreement caused by fire, seizure, or requisition, or change in a Federal law or an action of a federal agency after the date hereof which prevents the enforcement of the provisions hereof, or condemnation; and (ii) the payment in full and retirement of the Bonds within a reasonable period thereafter; provided, however, that the preceding provisions of this sentence shall cease to apply and the restrictions contained herein shall be reinstated with respect to the Project if, at any time subsequent to the termination of such provisions as the result of the foreclosure of the lien of the Mortgage or the delivery of a deed in lieu of foreclosure or a similar event, the Owner or any "related person" (within the meaning of Section 103(b) of the Code) obtains an ownership interest in the Project for federal income tax purposes. Upon the termination of this Compliance Agreement, the parties hereto agree to execute, deliver and record appropriate instruments of release and discharge of the terms hereof, provided, however, that the execution and delivery of such instruments shall not be necessary or a prerequisite to the termination of this Compliance Agreement in accordance with its terms.

SECTION 11. BURDEN AND BENEFIT.

A. The Agency and the Owner hereby declare their understanding and intent that the burden of the covenants set forth herein with respect to the Project touch and concern the Project Site for the Qualified Project Period in that the Owner's legal interest in the Project is rendered less valuable thereby.

B. The Agency and the Owner hereby declare their understanding and intent that the covenants, reservations and restrictions set forth herein with respect to the Project directly benefit the Project Site for the Qualified Project Period: (i) by enhancing and increasing the enjoyment and use of the Development by certain Lower Income Tenants; (ii) by making possible the obtaining of advantageous financing for the Project; and (iii) by furthering the public purposes for which the Bonds were issued.

SECTION 12. UNIFORMITY; COMMON PLAN.

The covenants, reservations and restrictions hereof with respect to the Project shall apply uniformly to the entire Project in order to establish and carry out a common plan for the use, development and improvement of the Project Site.

SECTION 13. ENFORCEMENT.

A. If an Event of Default pursuant to this Compliance Agreement remains uncured for a period of thirty (30) days after written notice thereof is given by the Agency to the Owner; then the Agency on its own behalf, may take any one or more of the following steps:

(a) By mandamus or other suit, action or proceeding at law or in equity, require the Owner to perform its obligations under this Compliance Agreement, or enjoin any acts or things which may be unlawful or in violation of the rights of the Agency hereunder.

(b) Have access to, and inspect, examine and make copies of all of the books and records of the Owner pertaining to the Project.

(c) Take such other action at law or in equity as may appear necessary or desirable to enforce the obligations, covenants and agreements of the Owner under this Compliance Agreement.

B. In addition to the remedies set forth above, the Agency shall also be entitled in connection with an Event of Default on the part of the Owner with respect to any of the requirements of Section 4 hereof, to cause the Owner to pay to the Agency an amount equal to: (i) all rents received by the Owner with respect to the Lower Income Units in excess of the maximum rent the Owner is entitled to recover from Lower Income Tenants under Section 4A hereof; and (ii) all rents received by the Owner with respect to the Lower Income Units if and to the extent such units are knowingly or negligently rented to persons who do not qualify as Lower Income Tenants.

C. Additionally, in order to cause the Project to meet the requirements with respect to Lower Income Tenants set forth in Section 4 above, the Owner hereby grants to the Agency, as an additional remedy to those set forth above in connection with an Event of Default on the part of the Owner with respect to any of the requirements of Section 4 hereof with respect to the Project which remains uncured for a period of thirty (30) days, the option, until the expiration of the Qualified Project Period and the cure of such Event of Default, to lease from time to time up to twenty percent of the units in the Project for a rental of \$1.00 per unit per year for the purposes of subleasing such units to Lower Income Tenants. Any rental paid under any such sublease shall be paid to the Owner after the Agency has been reimbursed for any expenses reasonably incurred in connection with such sublease.

D. No breach of this Compliance Agreement will defeat, render invalid or impair the lien of the Mortgage.

SECTION 14. GOVERNING LAW.

This Compliance Agreement shall be governed by the laws of the State except to the extent such laws conflict with the laws of the United States.

SECTION 15. AMENDMENTS.

This Compliance Agreement may be amended only by a written instrument executed by the parties hereto or their successors in title, and duly recorded in the real property records of the

Middlesex South County Registry of Deeds and/or the Middlesex County District of the Land Court, provided, however, to the extent any amendments to the Code, which in the written opinion of Bond Counsel lodged with the General Counsel of the Agency (who shall deliver a copy thereof to the Owner), may impose requirements which are applicable to the ownership or operation of Development and which are more restrictive than those imposed by this Compliance Agreement, this Agreement shall be deemed to be automatically amended to incorporate such requirements. The parties hereby agree to execute such amendment hereto as shall be necessary to document such automatic amendment hereof.

SECTION 16. NOTICE.

Any notice required to be given hereunder shall be deemed given when received by facsimile transmission, personal delivery, or overnight delivery or three business days after deposit in the United States mail, first-class postage prepaid, at the addresses specified below, or at such other addresses as may be specified in writing by the parties hereto:

If to the Agency: Massachusetts Housing Finance Agency
 One Beacon Street
 Boston, MA 02108
 Attention: General Counsel
 Fax (617) 854-1029

If to the Owner: Heritage Middlesex Turnpike, LLC
 505 Middlesex Turnpike, Suite 11
 Billerica, MA 01821
 Attention: Gary H. Ruping
 Fax: (978) 670-2937

and to:

Keith Properties, Inc.
 14 Page Terrace
 Stoughton, MA 02072
 Attention: John W. Keith
 Fax (781) 821-5167

with copies by regular mail or such hand delivery to:

Bingham McCutchen LLP
 150 Federal Street
 Boston, MA 02210
 Attention: Edward A. Saxe, Esq.
 Fax: (617) 951-8736

Notice shall not be deemed to be defective with respect to the recipient thereof for failure of receipt by any other party.

SECTION 17. SEVERABILITY.

If any provision of this Compliance Agreement is found to be invalid, illegal or unenforceable by a court of competent jurisdiction, the validity, legality and enforceability of the remaining portions hereof shall not in any way be affected or impaired thereby.

SECTION 18. MULTIPLE COUNTERPARTS.

This Compliance Agreement may be executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original.

SECTION 19. INDEMNIFICATION.

The Owner releases the Agency from, and covenants and agrees that the Agency shall not be liable for, and covenants and agrees, to the extent permitted by law, to indemnify and hold harmless the Agency and its officers, employees and agents from and against, any and all losses, claims, damages, liabilities or expenses, of every conceivable kind, character and nature whatsoever arising out of, resulting from or in any way connected with: (i) the Development, including the Project, or the conditions, occupancy, use, possession, conduct or management of, or work done in or about, or from the planning, design, acquisition, installation or construction of the Development, the Project or any part thereof; (ii) the issuance and sale, resale or remarketing of any Bonds or any certifications or representations made by anyone other than the Agency in connection therewith and the carrying-out of any of the transactions contemplated by the Bonds and this Agreement; or (iii) the Trustee's acceptance or administration of the trusts under the Resolution, or the exercise or performance of any of powers or duties under the Resolution, provided that such indemnity shall not be required for damages that result from gross negligence or willful misconduct on the part of the party seeking such indemnity. The Owner further covenants and agrees, to the extent permitted by law, to pay or (at the option of the Agency) to reimburse the Agency and its officers, employees and agents for any and all costs, reasonable attorney's fees, liabilities or expenses incurred in connection with investigating, defending against or otherwise in connection with any such losses, claims, damages, liabilities, expenses or actions, except to the extent that the same arise out of the gross negligence or willful misconduct of the party claiming such payment or reimbursement. The provisions of this Section shall survive the retirement of the Bonds. The Agency shall give notice to the Owner of any claim for indemnification, and the Owner shall have the sole right and duty to assume, and will assume, the defense thereof, with full power to litigate, compromise or settle the same; provided that the Agency shall have the right to review and approve or disapprove any such compromise or settlement, and provided that the Agency shall act reasonably in connection therewith. In addition, the Owner shall pay all reasonable fees and expenses paid or incurred by the Agency in enforcing the provisions hereof.

SECTION 20. ATTORNEY'S FEES.

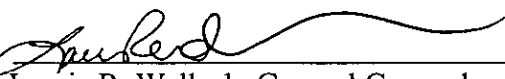
In case any action at law or in equity, including an action for declaratory relief, is brought against the Owner to enforce the provisions of this Compliance Agreement, the Owner agrees to pay reasonable attorney's fees and other reasonable expenses actually incurred by the Agency in connection with such action.

SECTION 21. OTHER AGREEMENTS.

This Compliance Agreement is intended to govern compliance with the provisions of the Act and Section 142 (d) (1) (A) of the Code with respect to the Bonds and shall not relieve Owner of any obligations it may have under the provisions of other documents and instruments with respect to the provisions of Section 42 of the Code with respect to Low Income Housing Credits relating to the Project.

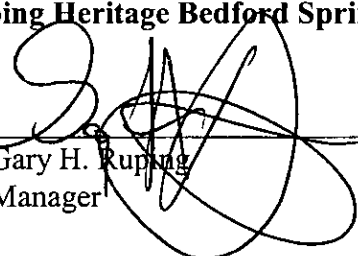
IN WITNESS WHEREOF, the Agency and the Owner have caused this Agreement to be executed on their behalf by duly authorized representatives, all as of the date first written hereinabove.

MASSACHUSETTS HOUSING FINANCE AGENCY

By: 
 PJS Laurie R. Wallach, General Counsel

HERITAGE MIDDLESEX TURNPIKE, LLC

By: Ruping Heritage Bedford Springs, LLC, its Manager

By: 
 Name: Gary H. Ruping
 Title: Manager

COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

On this 2 day of MAY, 2008, before me, the undersigned notary public, personally appeared Laurie R. Wallach, the General Counsel of the Massachusetts Housing Finance Agency, a body politic and corporate organized and operated under the provisions of Chapter 708 of the Acts of 1966, as amended, proved to me through satisfactory evidence of identification, which were personal knowledge of identity, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that she signed it voluntarily for its stated purpose.

Before me:

By: Louise M. Bottazzi
Notary Public: LOUISE M. BOTTAZZI
My Commission Expires:

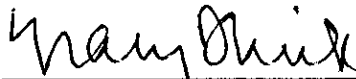


COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

On this 2nd day of April, 2008, before me, the undersigned notary public, personally appeared before me the above-named Gary H. Ruping, the Manager of Ruping Heritage Bedford Springs, LLC who proved to me through satisfactory evidence of identification, which were personally known to me, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he/she signed it voluntarily for its stated purpose as his/her free act and deed and the free act and deed of such limited liability company.

Before me:

Notary Public: TRACY S KIRK

My Commission Expires:



TRACY S. KIRK
Notary Public
Commonwealth of Massachusetts
My Commission Expires
May 12, 2011

EXHIBIT A

DESCRIPTION OF PROJECT SITE

48 Middlesex Turnpike

A certain parcel of land situated off the westerly side of Middlesex Turnpike in Bedford, Middlesex County, Massachusetts, being a lot containing 211,168 square feet of land as shown on a plan entitled "Plan of Land in Bedford, Ma." Scale 1" = 100', dated February 28, 1980, by Raymond C. Pressey, Inc., recorded with Middlesex South District Registry of Deeds as Plan No. 1512 of 1980, and being bounded and described as follows:

EASTERLY by Lot 10 on Land Court Plan 32815B, 223.81 feet;
 SOUTHERLY by Lot 1 on Land Court Plan 32923A, 939.74 feet;
 WESTERLY by the Premises shown on Land Court Plan 32697, 225.43 feet; and
 NORTHERLY by Lot 3 on Land Court Plan 34759B, 940.99 feet.

50 Middlesex Turnpike

A certain parcel of land with the buildings and improvements thereon situated on the Easterly side of Crosby Drive in Bedford, Middlesex County, Massachusetts, and shown as Lot 6 on a plan filed with Land Registration Office as Plan No. 34759-C, a copy of a portion of which is filed with Certificate of Title No. 208063 in the South Registry District of Middlesex County.

50R Middlesex Turnpike (f/k/a 35 Crosby Drive)

Lot 13 on plan entitled "Plan of Land in Bedford, Mass (Middlesex County) being a Subdivison of Lot 5 on Land Court Plan 34759C" filed as Land Court Plan 34759F in Middlesex South Land Court Registry District, Massachusetts.

EXHIBIT B

CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE

On _____, 20__, the undersigned, having borrowed certain funds through the Massachusetts Housing Finance Agency for the purpose of acquiring and constructing a multifamily housing development (the "Project"), does hereby certify that such Project is in continuing compliance with the Residential Compliance Agreement executed by the undersigned and that to the knowledge of the undersigned, no default exists under said Compliance Agreement. Specifically, it hereby is confirmed that each Lower Income Tenant currently residing in a unit in the Project has completed a Certificate of Tenant Eligibility and Income Verification in the form and at the times required by the Residential Compliance Agreement and that since commencement of the Qualified Project Period for the Project, at least 20% of the occupied Units in the Project have been rented to (or are vacant and last occupied by) Lower Income Tenants, at Affordable Rents (each of the foregoing capitalized terms having the meaning assigned in said Compliance Agreement), and that the following is the occupancy of such Units with respect to the Project as of this date:

[Insert schedule for the Project]

Occupied by Lower Income Tenants:

_____% Number of Units _____

Held Vacant for Occupancy by Lower Income Tenants:

_____% Number of Units _____

Total Affordable Units

20% _____

HERITAGE MIDDLESEX TURNPIKE, LLC

By: Ruping Heritage Bedford Springs, LLC
It's Manager

By: _____

Name:

Title:

EXHIBIT C

DESIGNATION OF LOWER INCOME UNITS
 [To be prepared for the Project]

The following dwelling units are hereby designated as Lower Income Units:

[Identify Specific Unit #s]

Number Total Units in the Project _____

Total Units occupied to date _____

Total Units occupied by
 Lower Income Tenants _____

Total Units available for rent
 to Lower Income Tenants _____

Certifications of Tenant Eligibility are attached hereto for all new Lower Income Tenants who have moved into such multifamily development since the filing of the last Designation of Lower Income Units. The same are true and correct to the best of the undersigned's knowledge and belief.

By: _____
 Title: _____

EXHIBIT D
CERTIFICATION OF TENANT ELIGIBILITY

Part I - General Information

NOTE TO APARTMENT OWNER: This form is designed to assist you in computing Annual Income in accordance with the method set forth in the Department of Housing and Urban Development ("HUD") Regulations (24 CFR 813). You should make certain that this form is at all times up to date with the HUD Regulations.

1. Development Name

2. Project Information

3. No. of Total Units

4. Name of Lender

5. Owner's Telephone No.

6. Manager's Name and Telephone No.

Part II - Unit Information

7. Apartment
Address

8. Number of
bedrooms

9. Monthly Rent

10. Number of
Occupants

Part III - Affidavit of Tenant

I, _____, and I, _____, as applicant(s) for rental of a Lower Income Unit in the above-described Development, or as current occupant(s) of a Lower Income Unit in the above-described Development, do hereby represent and warrant as follows:

1. (My/Our) adjusted income (anticipated total annual income) of \$ _____ does not exceed fifty percent (50%) of the median gross income for the _____ Primary Metropolitan Statistical Area. The following computation includes all income (I/we) anticipate receiving for the 12-month period beginning on the date (I/We) execute a rental agreement for a Lower Income Unit or the date of which (I/We) will initially occupy such unit, whichever is earlier.

2. For the tenant and all members of the household, include for the 12-month period beginning this date anticipated income from the following sources:

(a) the full amount, before any payroll deductions, of wages, salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services, and payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay and any earned income tax credit to the extent it exceeds income tax liability.

(a) _____

(b) net income from operations of a business or profession, including any withdrawal of cash therefrom except to the extent it reimburses cash or assets of the individual or family, and without deducting expenditures for business expansion or amortization of capital indebtedness, and using in determining the deduction for depreciation of capital assets only the straight-line method)

(b) _____

(c) net income of any kind from real or personal property, without deducting expenditures for amortization of capital indebtedness, and using in determining the deduction for depreciation only the straight-line method

(c) _____

(d) interest and dividends

(d) _____

(e) the full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts, alimony, child support and regular contributions or gifts from persons not residing in the unit

(e) _____

(f) the maximum amount of public assistance available

(f) _____

(g) regular and special pay and allowances to a member of Armed Forces (whether or not living in the dwelling) who is head of the family or spouse

(g) _____

(h) with respect to any member of the household or any person who has any income included in 2(c) or (d), above, set forth on the following line (i) the amount of savings, stocks, bonds, equity in real property, or other form of capital investment (excluding interest in Indian trust lands) if such amounts, when added together, exceed \$5,000

(i) _____

Multiply the aggregate amount of line (i) by the current passbook savings rate as determined by HUD

(ii) _____

List the amount of income expected to be derived from the assets on line (i)

(iii) _____

Line (ii) minus Line (iii) (if less than \$0, enter \$0)

(iv) _____

(h) _____

Subtotal (a) through (h) _____

Less: portion of above items that are income of a member of the household who is less than 18 years old

< _____ >

Total Eligible Income _____

Note: The following items are not considered income: casual, sporadic or irregular gifts; amounts specifically for or in reimbursement of medical expenses; lump sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation); capital gains and settlement for personal or property

losses; educational scholarships paid directly to the student or educational institution; government benefits to a veteran for use in meeting the costs of tuition, fees, books, equipment, materials, supplies, transportation and miscellaneous personal expenses of the student; hazardous duty pay to a member of the household in the armed forces who is away from home and exposed to hostile fire; payments received for the care of foster children; income of a "live-in-aide" within the meaning of §813.102 of the HUD regulations; amounts received under training programs funded by HUD; amounts received by a "disabled person" that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency ("PASS"); amounts received by a participant in other publicly assisted programs that are specifically for or in reimbursement of out-of-pocket expenses incurred and that are made solely to allow participation in a specific program; reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era, but only with respect to initial determinations and reexamination of income carried out on or after April 23, 1993; and amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937.

3. As of the first day of occupancy of the unit which (I/we) propose to rent (a) either (I/we) or at least one other occupant of the unit is not an individual enrolled as a full-time student during each of five (5) calendar months during the calendar year in which occupancy of the unit begins at an educational organization which normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of students in attendance and is not an individual pursuing a full-time course of institutional or farm training under the supervision of an accredited agent of such an educational organization or of a state or political subdivision thereof or (b) if all of the occupants of the unit will be individuals described in (a), either (I/we) or one other occupant of the unit is a husband and wife entitled to file a joint Federal income tax return.

4. Neither (I/we) nor any other occupant of the unit (I/we) propose to rent is the Owner of the rental housing development which includes the unit (hereinafter the "Owner").

5. This affidavit is made with the knowledge that it will be relied upon by the Owner to determine maximum income for eligibility and (I/We) warrant that all information set forth in this Part III is true, correct and complete and based upon information (I/We) deem reliable and that the estimate contained in paragraph I is reasonable and based upon such investigation as the undersigned deemed necessary.

6. (I/We) will assist the Owner in obtaining any information or documents required to verify the statements made in this Part III.

7. (I/We) acknowledge that (I/We) have been advised that the making of any misrepresentation or misstatement in this affidavit will constitute a material breach of (my/our) agreement with the Owner to lease the unit and will entitle the Owner to prevent or terminate

(my/our) occupancy of the unit by institution of an action for ejection or other appropriate proceedings.

(I/We) do hereby swear under penalty of perjury that the foregoing statements are true and correct.

Date

Applicant

Applicant

INCOME VERIFICATION
(for employed persons)

The undersigned employee has applied for a rental unit located in a development financed by the Massachusetts Housing Finance Agency for persons of low and moderate income. Every income statement of a prospective tenant must be stringently verified. Please indicate below the employee's current annual income from wages, overtime, bonuses, commissions or any other form of compensation received on a regular basis.

Annual Wages _____

Bonuses _____

Commissions _____

Total current income _____

I hereby certify that the statements above are true and complete to the best of my knowledge.

Signature

Date

Title

I hereby grant you permission to disclose my income to _____, a _____, in order that they may determine my income eligibility for rental of an apartment located in their development which has been financed by the Massachusetts Housing Finance Agency.

Signature

Date

Please send to: _____

INCOME VERIFICATION
(for self-employed persons)

I hereby attach copies of my individual federal and state income tax returns for the immediately preceding calendar year for which such income tax returns could have been filed (or, if not filed, were not required to be filed), and certify that the information shown in such income tax returns is true and complete to the best of my knowledge and that any income tax returns not filed were not required to be filed.

Signature

Date

Eugene C. Burns

Attest Middletown S. Register