EFFECTIVE WITHOUT THE MAYOR'S SIGNATURE

THE CITY OF PROVIDENCE

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RESOLUTION OF THE CITY COUNCIL

No. 523

EFFECTIVE ~~APPROVED~~ November 14, 2011

RESOLVED, That the taxes assessed upon Assessor's Plat 58, Lot 820 (24 Calla Street) (a/k/a Omni Turning Point, LLC), for the year 2010, are hereby cancelled.

IN CITY COUNCIL

NOV 03 2011

READ AND PASSED

PRES.

CLERK

Effective without the Mayor's Signature:

Anna M. Stetson
City Clerk

MUNICIPAL LIEN CERTIFICATE

CITY OF PROVIDENCE - OFFICE OF THE COLLECTOR
CITY HALL PROVIDENCE, R.I. 02903 (401) 331-5252

DATE	PLAT	LOT	UNIT	LOCATION	CERT #	PAGE
September 07, 2011	058	0820	0000	24 Calla St	84,622	1

ASSESSED OWNER Omni Turning Point LLC

STATUS OF REAL ESTATE BILL AS OF DATE PRINTED

YR	TYPE	ORIGINAL TAX	CHARGE	ADJUSTMENT ABATEMENT	PAID	BALANCE DUE	INTEREST	TOTAL DUE	BILL NAME
11	RE	$2,737.76	$0.00	($298.94)	$0.00	$2,438.82	$0.00	$2,438.82	Omni Turning Point L
		$2,737.76	$0.00	($298.94)	$0.00	$2,438.82	$0.00	$2,438.82	

INTEREST SHOWN IS VALID FOR 30 DAYS FROM DATE ISSUED. ADDITIONAL CHARGES MAY APPLY IF PAYMENT IS RECEIVED LATER THAN 30 DAYS FROM DATE.

Note:

- Please be aware that unpaid taxes may be subject to tax sale.
- Please contact the Water Supply Board at 521-6300.
- Please contact the Narragansett Bay Commission at 461-8828
- Property within designated City Plat Maps known as 19, 20, 24, 25, & 26 (Downtown Providence District Management Authority) or 10,12,13 (Thayer Street District Management Authority) may be subject to an additional assessment. Please call (401) 421-4450 for payment information.

CERTIFICATION

THIS IS TO CERTIFY THAT THE ABOVE IS TRUE AND CORRECT, SAID CERTIFICATION BEING GIVEN IN ACCORDANCE WITH 44-7-11 OF THE GENERAL LAWS OF RHODE ISLAND 1956, AS OF THE DATE PRINTED ABOVE.

Important Notice: Upcoming tax bill will be assessed as of December 31st in seller's name. It is the responsibility of the buyer/new homeowner to request a copy of the bill from the Tax Collector's office.

MAILED TO: City Council
City of Providence

MARC CASTALDI
DEPUTY TAX COLLECTOR

MARIA MANSOLILLO
ASSISTANT COLLECTOR

Summary | **Detail** | Notes

Year id	Sub System	Bill #	Billed	Adjustment	Balance	Late Charges	Total Due	1st Due	2nd Due	3rd Due	4th Due
2011	Real Estate	438919	$2,737.76	($298.94)	$2,438.82	$0.00	$2,438.82	$385.50	$684.44	$684.44	$684.44

(•) Balance Forward ( ) Balance Forward Detail ( ) Applied Records ( ) Cash Flow

Entry Date	Installment	Trans Type	Class Code	Amount	Balance	Amount Billed	Posted	Posting Stamp	Notes
7/22/2011	1 st	Billed	Real Estate Tax	$684.44	$684.44		Yes	7/22/2011 12:47:22 PM	
7/22/2011	2 nd	Billed	Real Estate Tax	$684.44	$1,368.88		Yes	7/22/2011 12:47:22 PM	
7/22/2011	3rd	Billed	Real Estate Tax	$684.44	$2,053.32		Yes	7/22/2011 12:47:22 PM	
7/22/2011	4th	Billed	Real Estate Tax	$684.44	$2,737.76	$2,737.76	Yes	7/22/2011 12:47:22 PM	
7/25/2011	1 st	Adjustment	Real Estate Tax	($298.94)	$2,438.82		Yes	7/25/2011 12:03:27 PM	Apply credit from A/R
				$2,438.82	$2,438.82	$2,737.76			

Query | Search | Bill (P/L) | Bill (Acct) | Dup Bill | Reverse Sort | Record Card | Exit

OMNI DEVELOPMENT CORPORATION

TO: CITY OF PROVIDENCE COUNCIL FINANCE COMMITTEE

Re: Abatement of Taxes
Turning Point I
24/26 Calla Street
1380 Broad Street

This Development was developed to provide housing for chronically homeless and/or disabled veterans. The funding for this project came from various state and federal and city sources. There are fourteen units of housing and three commercial spaces which are occupied at no rent to the neighborhood police, the RI Veterans Action Center and community space for the residents.

We started renting these units in February of this year and we were at full occupancy in June of this year. Based on the rent schedule that I have enclosed, when fully occupied the total rents would be approximately $83,000 per year which includes all subsidies. We provide heat and hot water for these units. The rents go from $-38.00 to $258.00 per month.

We are also obligated to provide supportive services to this clientele which includes counseling, job training and mental as well as physical support. Based on the fact that it is restricted for a maximum of forty years to be affordable to this group, this development is eligible for the 8% tax law. Under the 8% tax law scenario the tax bills on this property would be approximately $6,753. We are asking for abatement for the current tax bills as the acting City Assessor has indicated that she has filed the papers for next year to be taxed at the 8% tax law.

We are dealing with a very trying population of residents who have been chronically homeless since their discharge from military service. There are approximately 1,100 chronically homeless veterans in the State of Rhode Island with the majority calling Providence their domicile. As you can see, the only way this facility will be able to continue and stay open is if we are allowed the abatement for one year and paying the 8% on a go forward basis.

Joseph A. Caffey
President

810 Eddy Street, Providence, Rhode Island 02905 • 401/461-4442 • Fax 401/461-7108
www.omnidevelopmentcorp.com

RhodeIslandHousing

October 19, 2011

Mr. Joseph A. Caffey, President
Omni Development Corporation
810 Eddy Street
Providence, RI 02907

Re: Turning Point

Dear Mr. Caffey:

I am writing in response to your request for information regarding the financing, and associated deed restrictions, for the Turning Point development.

Turning Point was designed and constructed to provide affordable housing and supportive services to local veterans of the armed forces who are, or are at risk, of becoming homeless. RI Veterans Action Center will utilize one of the spaces available on the ground floor and provide meeting space and services, such as job training and case management, for the veterans who reside there. A variety of federal and state funding sources were combined to finance the development.

Two of those financing sources are administered by Rhode Island Housing using funding provided by the United States Department of Housing and Urban Development: HOME Investment Partnership (HOME) funds and Supportive Housing Program (SHP) funds under the McKinney-Vento Homeless Assistance Act.

In order to receive either HOME or SHP funds, the recipient must enter into a deed restriction that is recorded with the land records and establishes use restrictions for the property. In the case of HOME funding, 8 of the apartments at Turning Point must remain affordable and rented to tenants with a family income below 50% of area median income, adjusted for family size, and an additional 2 units must remain affordable and rented to tenants with a family income below 60% of area median income. This restriction continues until February 24, 2041, and is binding on subsequent owners of the property. This document has been filed in the Providence land evidence records at Book 10010, Page 147.

In the case of SHP funding, Turning Point must be operated to provide supportive housing and provide associated supportive services to tenants who are, or are at risk, of becoming homeless for at least 20 years following initial occupancy of the development. This restriction is also binding on subsequent owners of the property and has been filed in the Providence land evidence records at Book 9577, Page 246.

Please let me know if you need additional information.

Very truly yours,

Michael V. Milito

Michael V. Milito
Deputy Assistant Director for
Law and Human Resources

Turning Point

2011 Annual Income Calculation

1380 Broad Street plat/lot 058/0819

Unit #	# Beds	Resident Rent	Estimated Per Unit Operating Cost (PUPY)	Estimated Annual SHP Subsidy	Estimated Annual NOP Subsidy	Estimated Annual GPR
101	2	179				
201	2	211				
202	2	200				
203	1	228				
204	1	221				
205	1	158				
206	1	228				
301	2	106				
302	2	258				
303	1	-37				
304	2	-61				
305	1	-38				
Monthly Total		$ 1,653				
Annual Total		$ 19,836				
Annualized Op Cost P/U			$ 4,103	$ 22,626		
Annualized Service Cost P/U			$ 1,371			
					$ 29,295	
						$ 71,757
Estimated Annual Income for 2011 =		$ 71,757				
Estimated Annual Real Estate Tax Based on 8% Rule			$ 5,741			

Turning Point

2011 Annual Income Calculation

24/26 Calla Street plat/lot 058/0820

Unit #	# Beds	Resident Rent	Estimated Per Unit Operating Cost (PUPY)	Estimated Annual SHP Subsidy	Estimated Annual NOP Subsidy	Estimated Annual GPR
24 Calla	1	145				
26 Calla	1	748				
Monthly Total		$ 893				
Annual Total		$ 10,716				
Annualized Op Cost P/U			$ 4,103	$ 3,771		
Annualized Service Cost P/U			$ 1,371			
					$ 8,879	
						$ 12,650
Estimated Annual Income for 2011 =		**$ 12,650**				
Estimated Annual Real Estate Tax Based on 8% Rule			**$ 1,012**			

COPY

SUPPORTIVE HOUSING PROGRAM AGREEMENT

This Supportive Housing Program Agreement (this "Agreement") is entered into this _____day of November, 2009 by and between Omni Turning Point, LLC (hereinafter referred to as the "Sponsor"), and Rhode Island Housing and Mortgage Finance Corporation, a public corporation and an instrumentality of the State of Rhode Island and Providence Plantations, (hereinafter referred to as "Rhode Island Housing").

WITNESSETH

WHEREAS, Rhode Island Housing has been authorized by the Department of Housing and Urban Development (HUD) to allocate Supportive Housing Program funds to eligible Sponsors under Title IV of the Stewart B. McKinney Homeless Assistance Act by the National Affordable Housing Act (FINAL RULE, 24 CFR Part 583); and

WHEREAS, Rhode Island Housing's Supportive Housing Program is designed to provide housing and supportive services to homeless people and their families; and

WHEREAS, Rhode Island Housing is the primary Grantee for the Supportive Housing Program; and

WHEREAS, Rhode Island Housing desires to contract with Omni Turning Point, LLC as project Sponsor to provide the Scope of Work as hereinafter defined, and Omni Turning Point, LLC has agreed to provide same;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

1. FINAL RULE 24 CFR PART 583

Unless otherwise defined herein or unless a different meaning is required from the context in which they are used, all words and terms used in this Agreement are as defined in the Supportive Housing Program Final Rule, 24 CFR Part 583, attached to this Agreement as Attachment A, as the same may be amended from time to time (the "Rules and Regulations").

2. SCOPE OF WORK

The Sponsor agrees to provide the scope of work (the "Scope of Work") as set forth in Attachment B.

3. SUPPORTIVE HOUSING PROGRAM COMMITMENT

Subject to the terms and conditions contained in this Agreement, Rhode Island Housing agrees to disburse certain funds which disbursements shall constitute the

Supportive Housing Program proceeds that Sponsor shall be entitled to receive in accordance with the project budget set forth in Attachment C and all disbursements shall be made in accordance with the procedures set forth in the Rules and Regulations. In no instance shall Rhode Island Housing be liable for any costs incurred in excess of the Supportive Housing Program commitment, nor for any unauthorized or ineligible costs.

4. METHOD OF DISBURSEMENT

Funds will be disbursed by Rhode Island Housing upon written request. The Sponsor may not request disbursement of funds until funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed and the proposed use of the funds must be documented. Documentation shall include a general ledger report demonstrating sufficient detail of expenditures and vendor payments OR copies of invoices and receipts for vendor payments, and employee timesheets. All disbursements must be expended for eligible costs within three (3) days after receipt or returned to Rhode Island Housing for deposit. The Sponsor must also include with each funding request, the HMIS Certification and a copy of the HUD 40118 printed from HMIS that corresponds to the period for which funds are being requested. Disbursement of funds will be contingent upon satisfactory progress of program activity as determined by the HUD 40118 report.

5. COMMENCEMENT

This Agreement is effective upon execution by Rhode Island Housing. The Sponsor agrees that the housing and supportive service components of this program shall be carried out in accordance with this Agreement and the Rules and Regulations of the Supportive Housing Program (Attachment A) and that this Agreement shall terminate no later than three years from the mutually agreed HUD project start date, specified in Attachment D. In no event shall funds be obligated or spent after the termination date.

6. COMPLIANCE WITH STATE AND FEDERAL LAWS AND REGULATIONS

The Sponsor shall comply with all such applicable laws and regulations, specifically those required in Supportive Housing Program Final Rule 24 CFR part 583, including references in SHP Rule to the McKinney Act (42 U.S.C. 1381-113839).

7. EQUAL OPPORTUNITY

During the performance of this Agreement, the Sponsor must ensure that no otherwise qualified person shall be excluded from participation or employment, denied program benefits, or be subject to discrimination based on race, color, national origin, sex, age, handicap, religion, or religious preference, under any program or activity funded under this Agreement, as required by Title VI of the Civil Rights Act of 1964, the Fair Housing Act (42 U.S.C. 3601-29) and all implementing regulations, and the Age Discrimination Act of 1975, and all implementing regulations.

8. REPAYMENT OF SUPPORTIVE HOUSING PROGRAM FUNDS

If housing and supportive services are not provided in compliance with the requirements of Final Rule 24 Part 583, whether voluntarily or otherwise, an amount equal to the Supportive Housing Program funds disbursed under the program must be repaid to Rhode Island Housing. The sponsor agrees to immediately inform Rhode Island Housing in writing of any pending or threatened proceedings against or affecting the sponsor, or the sponsor's property, that could impact the performance of the sponsor of its obligations under this grant.

9. RIGHT TO INSPECT

Rhode Island Housing, its agents and designees shall have the right, from time to time, to review program operations and inspect housing for purposes of ensuring compliance with the terms and conditions of this Agreement and the Rules and Regulations.

The Sponsor agrees to permit Rhode Island Housing, its agents and designees (i) reasonable access to the Supportive Housing Program assisted-housing, and (ii) to examine its books and records, including all financial statements and records, from time to time, insofar as the same may apply to Sponsor's use of the Supportive Housing Program proceeds. The Sponsor further agrees to furnish such other information to Rhode Island Housing, as and when reasonably requested, for the purpose of determining Sponsor's compliance with this Agreement and the Rules and Regulations.

10. RECORD KEEPING

All records specified in the Rules and Regulations must be maintained by the Recipient for inspection by Rhode Island Housing. Additionally, Omni Turning Point, LLC will make available to Rhode Island Housing such documentation as is necessary to determine program compliance, including the following:

a. Documentation of Homeless Status for all clients served
b. Documentation of Client Disability, as required pursuant to HUD regulations
c. Documentation of the method's used for tracking client's eligibility and rent determination
d. Documentation on written procedures and staff training efforts regarding confidentiality and physical security of client records.
e. Documentation of all services provided to participants and participant progress
f. Collaborative agreements with qualified services providers, demonstrating adequacy and capacity to provide services to program participants
g. Verification of client's sources of income or employment in client files
h. Organization office staffing chart delineating staff roles and responsibilities
i. Staff job descriptions
j. Written procedures covering the recording of transactions, an accounting manual and a chart of accounts or other documentation of a proper accounting system.
k. Records of all SHP program related account transactions including deposits, disbursements, and balances.
l. Records supporting requests for payment and disbursement of funds.
m. Written policy and procedures for procurements
n. Code of Conduct governing employees, officers or agents engaged in the award and administration of contracts supported by SHP grant funds
o. Records of all written agreements, and contracts pertaining to the SHP project.
p. Audits and resolution of audit findings.
q. Records of any program fees received from all participants during the period of the grant
r. Signed program agreements for all residents, if applicable.

The following records must be submitted to Rhode Island Housing:

a. Annual Progress Report, on forms as required by Rhode Island Housing, within 30 days of the end of the program year.
b. Written policy on any program fees charged
c. Annual assurances of intent to continue project as funded
d. Annual line item budgets for use of SHP funds and match
e. One Year Budget for administrative funds
f. Audit and resolution of findings.
g. For projects utilizing Acquisition, Construction or Rehabilitation funds only:
    (i) commitment letters for financing
    (ii) closing documents

(iii) contracts with specifications
(iv) documentation of competitive contracting process

11. RECIPIENTS COVENANTS AND AGREEMENTS

Recipient covenants and agrees with Rhode Island Housing as follows:

a. All SHP proceeds shall be utilized for the assistance of persons who meet the homelessness criteria as defined in Supportive Housing Program Final Rule 24 CFR part 583, including references in SHP Rule to the McKinney Act (42 U.S.C. 1381-113839).

b. The Sponsor shall facilitate the participation of homeless persons as described in the Rules and Regulations (583.300 sections (f) and (g)).

c. This project shall be subject to monitoring by Rhode Island Housing. Monitoring results will be used for ranking of applications. Monitoring shall include progress on factors including: meeting program goals, expenditure of funds and program cost, leveraging of additional resources, discharge planning, etc.

d. The Sponsor agrees to participate in the Homeless Management Information System as described in the Data and Technical Standards Final Notice (FR Volume 69, No. 146)

e. Residents of an SHP funded housing program must be provided a process for appealing termination decisions within the managing organization.

f. The Sponsor must notify Rhode Island Housing of any changes in the approved budget governing the contract and receive approval from Rhode Island Housing and HUD prior to implementing said changes.

12. ANNUAL AUDIT

Sponsor will cause an annual financial audit to be undertaken by an independent certified public accountant acceptable to Rhode Island Housing, conducted in accordance with generally accepted accounting principles, supplemented by such detail and supporting data and schedules as Rhode Island Housing may from time to time reasonably determine. In addition, the audit shall comply with the requirements of OMB Circular A-133 and 24 CFR Part 85, if applicable.

13. INDEMNIFICATION

The Sponsor shall indemnify and hold Rhode Island Housing harmless from and against any and all claims, actions, costs, damages, losses or obligations, including

reasonable attorneys' fees arising out of or relating to, directly or indirectly, the performance by the Sponsor of its obligations under this Agreement. The obligations of the Sponsor under this provision shall survive termination of this Agreement.

14. TERMINATION OF AGREEMENT

a. This Agreement shall terminate on the Termination Date as previously defined.
b. Either party may terminate this Agreement for convenience by providing written notice to the other party at least ninety (90) days in advance of the termination date.
c. Rhode Island Housing may terminate this Agreement for an Event of Default as provided in Section 15.

15. EVENT OF DEFAULT; REMEDIES

a. Any one or more of the following acts or omissions of the Sponsor shall constitute an event of default hereunder ("Events of Default"):
   1. Failure to deliver services satisfactorily or on schedule; or
   2. Failure to submit any report required hereunder; or
   3. Failure to perform any of the other covenants and conditions of this Agreement.

b. Upon the occurrence of any Event of Default, Rhode Island Housing may take any one, or more, or all, of the following actions:
   1. Give the Sponsor a written notice specifying the Event of Default and requiring it to be remedied within fifteen (15) days from the date of notice; and if the Event of Default is not timely remedied, terminate this agreement, effective two (2) days after giving the Sponsor notice of termination;
   2. Give the Sponsor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of any payment due under this Agreement which would otherwise accrue to the Sponsor during the period from the date of such notice until such time as Rhode Island Housing determines that the Sponsor has cured the Event of Default, be forfeited by the Sponsor and retained by Rhode Island Housing;
   3. Set off against any other obligation Rhode Island Housing may owe to the Sponsor any damages Rhode Island Housing suffers by reason of any Event of Default;
   4. Treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

16. SEVERABILITY

If any provision of this Agreement shall be deemed unenforceable or invalid, such provision shall not affect, impair or invalidate any other provision of this Agreement.

17. AMENDMENTS

The parties hereto may amend this Agreement by their joint and mutual consent at any time in writing.

18. GOVERNING LAW

This Agreement shall be governed, construed, and interpreted under the laws of the State of Rhode Island and Providence Plantations.

19. NOTICE

All notices shall be delivered personally or by mail. If to Rhode Island Housing, notices shall be delivered to:

Rhode Island Housing & Mortgage Finance Corporation
44 Washington Street
Providence, R.I. 02903
Attention: Susan Bodington, Deputy Director of Programs

If to the Sponsor, notices shall be delivered to:

Omni Turning Point, LLC
810 Eddy Street
Providence, RI 02905
Attention: Joseph A. Caffey

[Signatures on following page]

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION

By: _____
Susan Bodington
Its: Deputy Director of Programs

OMNI TURNING POINT, LLC

By: Omni Development Corporation,
Its: Managing Member

By: _____
Joseph A. Caffey
Its: President

Attachment A

Rules and Regulations of the Supportive Housing Program.

Attachment B

Supportive Housing

Scope of Work

The attached Scope of Work is set forward in the attached Exhibit 2 (as approved by the US Department of Housing and Urban Development for the 2008 HUD Continuum of Care Homeless Assistance competition), and in the attached application submitted by Omni Turning Point, LLC to Rhode Island Housing and approved in the spring of 2007.

Attachment C

Budget

Attachment D

Supportive Housing
Program Commitment

1. Pursuant to this Agreement, Rhode Island Housing hereby commits an extended Grant amount not to exceed $612,248.00 from the Supportive Housing Program to Omni Turning Point, LLC as Sponsor to carry out the Permanent Supportive Housing program located at 1380 Broad Street & 24-26 Calla Street, Providence, RI, grant# RI01B700001, as described in the State of Rhode Island's 2007 application to HUD for Supportive Housing Program funds. The term of the grant shall run for a period of three years.

2. Rhode Island Housing agrees to make funds available to Omni Turning Point, LLC the Sponsor in accordance with funds committed through the HUD-approved budget. Therefore, (a) the Sponsor shall expend no more than $612,248 in the performance of the terms of this Agreement, (b) up to $375,500 will be available to the sponsor for Rehabilitation, (c) up to $24,500 will be available to the sponsor for New Construction, (d) up to $183,093 will be available to the sponsor for Operations, (e) up to $29,155 will be available for an Administrative allowance ($17,493 to the sponsor and $11,662 to Rhode Island Housing.

3. Such funds, as outlined in paragraphs 1 and 2 above, will be made available by Rhode Island Housing to the Sponsor no more frequently than monthly for eligible costs. These costs shall be due and payable only as set forth therein, which are defined as being those costs which are necessary and reasonable for proper and efficient administration and performance of the services to be provided under this Agreement. Procedures for making payments to the Sponsor shall be in accordance with applicable rules and regulations imposed by Rhode Island Housing and HUD. Request for payments must be submitted to Rhode Island Housing on a monthly basis.

4. The Sponsor is committed to begin grant operations within 90 days of the commencement of this Agreement. Rhode Island Housing has the discretion to extend this time period.

5. The Sponsor is committed to achieving program outcomes as identified in the previous approved Annual Progress Report or the Technical Submission, whichever is more recent. Program outcomes include residential stability, increased skills and income and greater self-determination, as defined by HUD.

PART 583—SUPPORTIVE HOUSING PROGRAM

Subpart A—General

Subpart B—Assistance Provided

Subpart C—Application and Grant Award Process

Subpart D—Program Requirements

Subpart E—Administration

AUTHORITY: 42 U.S.C. 11389 and 3535(d)
SOURCE: 58 FR 13871, Mar. 15, 1993, unless otherwise noted

Subpart A—General

§ 583.1 Purpose and scope.

(a) *General.* The Supportive Housing Program is authorized by title IV of the Stewart B. McKinney Homeless Assistance Act (the McKinney Act) (42 U.S.C. 11381–11389). The Supportive Housing program is designed to promote the development of supportive housing and supportive services, including innovative approaches to assist homeless persons in the transition from homelessness, and to promote the provision of supportive housing to homeless persons to enable them to live as independently as possible.

(b) *Components.* Funds under this part may be used for:

(1) Transitional housing to facilitate the movement of homeless individuals and families to permanent housing;

(2) Permanent housing that provides long-term housing for homeless persons with disabilities;

(3) Housing that is, or is part of, a particularly innovative project for, or alternative methods of, meeting the immediate and long-term needs of homeless persons; or

(4) Supportive services for homeless persons not provided in conjunction with supportive housing.

[58 FR 13871, Mar. 15, 1993, as amended at 61 FR 51175, Sept. 30, 1996]

§ 583.5 Definitions

As used in this part: *Applicant* is defined in section 422(1) of the McKinney Act (42 U.S.C 11382(1)). For purposes of this definition, governmental entities include those that have general governmental powers (such as a city or county), as well as those that have limited or special powers (such as public housing agencies).

Consolidated plan means the plan that a jurisdiction prepares and submits to HUD in accordance with 24 CFR part 91.

Date of initial occupancy means the date that the supportive housing is initially occupied by a homeless person for whom HUD provides assistance under this part. If the assistance is for an existing homeless facility, the *date of initial occupancy* is the date that

services are first provided to the residents of supportive housing with funding under this part.

Date of initial service provision means the date that supportive services are initially provided with funds under this part to homeless persons who do not reside in supportive housing. This definition applies only to projects funded under this part that do not provide supportive housing.

Disability is defined in section 422(2) of the McKinney Act (42 U.S.C 11382(2)).

Homeless person means an individual or family that is described in section 103 of the McKinney Act (42 U.S.C 11302).

Metropolitan city is defined in section 102(a)(4) of the Housing and Community Development Act of 1974 (42 U.S.C 5302(a)(4)). In general, metropolitan cities are those cities that are eligible for an entitlement grant under 24 CFR part 570, subpart D.

New construction means the building of a structure where none existed or an addition to an existing structure that increases the floor area by more than 100 percent.

Operating costs is defined in section 422(5) of the McKinney Act (42 U.S.C 11382(5)).

Outpatient health services is defined in section 422(6) of the McKinney Act (42 U.S.C. 11382(6)).

Permanent housing for homeless persons with disabilities is defined in section 424(c) of the McKinney Act (42 U.S.C 11384(c)).

Private nonprofit organization is defined in section 422(7) (A), (B), and (D) of the McKinney Act (42 U.S.C. 11382(7) (A), (B), and (D)). The organization must also have a functioning accounting system that is operated in accordance with generally accepted accounting principles, or designate an entity that will maintain a functioning accounting system for the organization in accordance with generally accepted accounting principles

Project is defined in sections 422(8) and 424(d) of the McKinney Act (42 U.S.C. 11382(8), 11384(d)).

Recipient is defined in section 422(9) of the McKinney Act (42 U.S.C. 11382(9)).

Rehabilitation means the improvement or repair of an existing structure or an addition to an existing structure that does not increase the floor area by more than 100 percent. Rehabilitation does not include minor or routine repairs.

State is defined in section 422(11) of the McKinney Act (42 U.S.C. 11382(11)).

Supportive housing is defined in section 424(a) of the McKinney Act (42 U.S.C. 11384(a)).

Supportive services is defined in section 425 of the McKinney Act (42 U.S.C 11385).

Transitional housing is defined in section 424(b) of the McKinney Act (42 U.S.C. 11384(b)). See also § 583.300(j).

Tribe is defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302).

Urban county is defined in section 102(a)(6) of the Housing and Community Development Act of 1974 (42 U.S.C 5302(a)(6)). In general, urban counties are those counties that are eligible for an entitlement grant under 24 CFR part 570, subpart D.

[61 FR 51175, Sept. 30, 1996]

Subpart B—Assistance Provided

§ 583.100 Types and uses of assistance.

(a) *Grant assistance.* Assistance in the form of grants is available for acquisition of structures, rehabilitation of structures, acquisition and rehabilitation of structures, new construction, leasing, operating costs for supportive housing, and supportive services, as described in §§ 583.105 through 583.125. Applicants may apply for more than one type of assistance.

(b) *Uses of grant assistance.* Grant assistance may be used to:

(1) Establish new supportive housing facilities or new facilities to provide supportive services;

(2) Expand existing facilities in order to increase the number of homeless persons served;

(3) Bring existing facilities up to a level that meets State and local government health and safety standards;.

(4) Provide additional supportive services for residents of supportive housing or for homeless persons not residing in supportive housing;

(5) Purchase HUD-owned single family properties currently leased by the applicant for use as a homeless facility under 24 CFR part 291; and

(6) Continue funding supportive housing where the recipient has received funding under this part for leasing, supportive services, or operating costs.

(c) *Structures used for multiple purposes*

Structures used to provide supportive housing or supportive services may also be used for other purposes, except that assistance under this part will be available

only in proportion to the use of the structure for supportive housing or supportive services.

(d) *Technical assistance.* HUD may offer technical assistance, as described in § 583.140.

[58 FR 13871, Mar. 15, 1993, as amended at 59 FR 36891, July 19, 1994]

§ 583.105 Grants for acquisition and rehabilitation.

(a) *Use.* HUD will grant funds to recipients to:

(1) Pay a portion of the cost of the acquisition of real property selected by the recipients for use in the provision of supportive housing or supportive services, including the repayment of any outstanding debt on a loan made to purchase property that has not been used previously as supportive housing or for supportive services;

(2) Pay a portion of the cost of rehabilitation of structures, including cost effective energy measures, selected by the recipients to provide supportive housing or supportive services; or

(3) Pay a portion of the cost of acquisition and rehabilitation of structures, as described in paragraphs (a)(1) and (2) of this section.

(b) *Amount.* The maximum grant available for acquisition, rehabilitation, or acquisition and rehabilitation is the lower of:

(1) $200,000; or

(2) The total cost of the acquisition, rehabilitation, or acquisition and rehabilitation minus the applicant's contribution toward the cost.

(c) *Increased amounts.* In areas determined by HUD to have high acquisition and rehabilitation costs, grants of more than $200,000, but not more than $400,000, may be available.

§ 583.110 Grants for new construction.

(a) *Use.* HUD will grant funds to recipients to pay a portion of the cost of new construction, including cost-effective energy measures and the cost of land associated with that construction, for use in the provision of supportive housing. If the grant funds are used for new construction, the applicant must demonstrate that the costs associated with new construction are substantially less than the costs associated with rehabilitation or that there is a lack of available appropriate units that could be rehabilitated at a cost less than new construction. For purposes of this cost comparison, costs associated with rehabilitation or new construction may include the cost of real property acquisition.

(b) *Amount.* The maximum grant available for new construction is the lower of:

(1) $400,000; or

(2) The total cost of the new construction, including the cost of land associated with that construction, minus the applicant's contribution toward the cost of same.

§ 583.115 Grants for leasing.

(a) *General.* HUD will provide grants to pay (as described in § 583.130 of this part) for the actual costs of leasing a structure or structures, or portions thereof, used to provide supportive housing or supportive services for up to five years.

(b)(1) *Leasing structures.* Where grants are used to pay rent for all or part of structures, the rent paid must be reasonable in relation to rents being charged in the area for comparable space. In addition, the rent paid may not exceed rents currently being charged by the same owner for comparable space.

(2) *Leasing individual units.* Where grants are used to pay rent for individual housing units, the rent paid must be reasonable in relation to rents being charged for comparable units, taking into account the location, size, type, quality, amenities, facilities, and management services. In addition, the rents may not exceed rents currently being charged by the same owner for comparable unassisted units, and the portion of rents paid with grant funds may not exceed HUD-determined fair market rents. Recipients may use grant funds in an amount up to one month's rent to pay the non-recipient landlord for any damages to leased units by homeless participants.

[58 FR 13871, Mar. 15, 1993, as amended at 59 FR 36891, July 19, 1994]

§ 583.120 Grants for supportive services costs.

(a) *General.* HUD will provide grants to pay (as described in § 583.130 of this part) for the actual costs of supportive services for homeless persons for up to five years. All or part of the supportive services may be provided directly by the recipient or by arrangement with public or private service providers.

(b) *Supportive services costs.* Costs associated with providing supportive services include salaries paid to providers of supportive services and any other costs directly associated with providing such services. For a transitional housing project, supportive services costs also include the costs of services provided to former residents of transitional housing to assist their adjustment to independent living. Such services may be

provided for up to six months after they leave the transitional housing facility.

[58 FR 13871, Mar. 15, 1993, as amended at 59 FR 36891, July 19, 1994]

§ 583.125 Grants for operating costs.

(a) *General.* HUD will provide grants to pay a portion (as described in § 583.130) of the actual operating costs of supportive housing for up to five years.

(b) *Operating costs.* Operating costs are those associated with the day-today operation of the supportive housing. They also include the actual expenses that a recipient incurs for conducting on-going assessments of the supportive services needed by residents and the availability of such services; relocation assistance under § 583.310, including payments and services; and insurance.

(c) *Recipient match requirement for operating costs.* Assistance for operating costs will be available for up to 75 percent of the total cost in each year of the grant term. The recipient must pay the percentage of the actual operating costs not funded by HUD. At the end of each operating year, the recipient must demonstrate that it has met its match requirement of the costs for that year.

[58 FR 13871, Mar. 15, 1993, as amended at 61 FR 51175, Sept. 30, 1996; 65 FR 30823, May 12, 2000]

§ 583.130 Commitment of grant amounts for leasing, supportive services, and operating costs

Upon execution of a grant agreement covering assistance for leasing, supportive services, or operating costs, HUD will obligate amounts for a period not to exceed five operating years. The total amount obligated will be equal to an amount necessary for the specified years of operation, less the recipient's share of operating costs.

(Approved by the Office of Management and Budget under OMB control number 2506–0112) [59 FR 36891, July 19, 1994]

§ 583.135 Administrative costs.

(a) *General.* Up to five percent of any grant awarded under this part may be used for the purpose of paying costs of administering the assistance.

(b) *Administrative costs.* Administrative costs include the costs associated with accounting for the use of grant funds, preparing reports for submission to HUD, obtaining program audits, similar costs related to administering the grant after the award, and staff salaries associated with these administrative costs. They do not include the costs of carrying out eligible activities under §§ 583.105 through 583.125.

[58 FR 13871, Mar. 15, 1993, as amended at 61 FR 51175, Sept. 30, 1996]

§ 583.140 Technical assistance.

(a) *General.* HUD may set aside funds annually to provide technical assistance, either directly by HUD staff or indirectly through third-party providers, for any supportive housing project. This technical assistance is for the purpose of promoting the development of supportive housing and supportive services as part of a continuum of care approach, including innovative approaches to assist homeless persons in the transition from homelessness, and promoting the provision of supportive housing to homeless persons to enable them to live as independently as possible.

(b) *Uses of technical assistance.* HUD may use these funds to provide technical assistance to prospective applicants, applicants, recipients, or other providers of supportive housing or services for homeless persons, for supportive housing projects. The assistance may include, but is not limited to, written information such as papers, monographs, manuals, guides, and brochures; person-to-person exchanges; and training and related costs.

(c) *Selection of providers.* From time to time, as HUD determines the need, HUD may advertise and competitively select providers to deliver technical assistance. HUD may enter into contracts, grants, or cooperative agreements, when necessary, to implement the technical assistance.

[59 FR 36892, July 19, 1994]

§ 583.145 Matching requirements.

(a) *General.* The recipient must match the funds provided by HUD for grants for acquisition, rehabilitation, and new construction with an equal amount of funds from other sources.

(b) *Cash resources.* The matching funds must be cash resources provided to the project by one or more of the following: the recipient, the Federal government, State and local governments, and private resources.

(c) *Maintenance of effort.* State or local government funds used in the matching contribution are subject to the maintenance of effort requirements described at § 583.150(a).

§ 583.150 Limitations on use of assistance.

(a) *Maintenance of effort.* No assistance provided under this part (or any State or local government funds used to supplement this assistance)

may be used to replace State or local funds previously used, or designated for use, to assist homeless persons.

(b) *Faith-based activities.* (1) Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the Supportive Housing Program. Neither the Federal government nor a State or local government receiving funds under Supportive Housing programs shall discriminate against an organization on the basis of the organization's religious character or affiliation.

(2) Organizations that are directly funded under the Supportive Housing Program may not engage in inherently religious activities, such as worship, religious instruction, or proselytization as part of the programs or services funded under this part. If an organization conducts such activities, the activities must be offered separately, in time or location, from the programs or services funded under this part, and participation must be voluntary for the beneficiaries of the HUD-funded programs or services.

(3) A religious organization that participates in the Supportive Housing Program will retain its independence from Federal, State, and local governments, and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that it does not use direct Supportive Housing Program funds to support any inherently religious activities, such as worship, religious instruction, or proselytization. Among other things, faith-based organizations may use space in their facilities to provide Supportive Housing Program-funded services, without removing religious art, icons, scriptures, or other religious symbols. In addition, a Supportive Housing Program-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

(4) An organization that participates in the Supportive Housing Program shall not, in providing program assistance, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief.

(5) Program funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities. Program funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. Where a structure is used for both eligible and inherently religious activities, program funds may not exceed the cost of those portions of the acquisition, construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to Supportive Housing Program funds in this part. Sanctuaries, chapels, or other rooms that a Supportive Housing Program-funded religious congregation uses as its principal place of worship, however, are ineligible for Supportive Housing Program-funded improvements. Disposition of real property after the term of the grant, or any change in use of the property during the term of the grant, is subject to government- wide regulations governing real property disposition (*see* 24 CFR parts 84 and 85).

(6) If a State or local government voluntarily contributes its own funds to supplement federally funded activities, the State or local government has the option to segregate the Federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.

(c) *Participant control of site.* Where an applicant does not propose to have control of a site or sites but rather proposes to assist a homeless family or individual in obtaining a lease, which may include assistance with rent payments and receiving supportive services, after which time the family or individual remains in the same housing without further assistance under this part, that applicant may not request assistance for acquisition, rehabilitation, or new construction.

[58 FR 13871, Mar. 15, 1993, as amended at 59 FR 36892, July 19, 1993; 68 FR 56407, Sept. 30, 2003]

§ 583.155 Consolidated plan.

(a) *Applicants that are States or units of general local government.* The applicant must have a HUD-approved complete or abbreviated consolidated plan, in accordance with 24 CFR part 91, and must submit a certification that the application for funding is consistent with the HUD-approved consolidated plan. Funded applicants must certify in a grant agreement that they are following the HUD-approved consolidated plan.

(b) *Applicants that are not States or units of general local government.* The applicant must submit a certification by the jurisdiction in which the proposed project will be located that the applicant's application for funding is consistent with the jurisdiction's HUD approved consolidated plan. The certification must be made by the unit of general local government or the State, in accordance with the consistency certification

provisions of the consolidated plan regulations, 24 CFR part 91, subpart F.

(c) *Indian tribes and the Insular Areas of Guam, the U.S. Virgin Islands, American Samoa, and the Northern Mariana Islands.* These entities are not required to have a consolidated plan or to make consolidated plan certifications. An application by an Indian tribe or other applicant for a project that will be located on a reservation of an Indian tribe will not require a certification by the tribe or the State. However, where an Indian tribe is the applicant for a project that will not be located on a reservation, the requirement for a certification under paragraph (b) of this section will apply.

(d) *Timing of consolidated plan certification submissions.* Unless otherwise set forth in the NOFA, the required certification that the application for funding is consistent with the HUD-approved consolidated plan must be submitted by the funding application submission deadline announced in the NOFA.

[60 FR 16380, Mar. 30, 1995]

Subpart C—Application and Grant Award Process

§ 583.200 Application and grant award

When funds are made available for assistance, HUD will publish a notice of funding availability (NOFA) in the FEDERAL REGISTER, in accordance with the requirements of 24 CFR part 4. HUD will review and screen applications in accordance with the requirements in section 426 of the McKinney Act (42 U.S.C. 11386) and the guidelines, rating criteria, and procedures published in the NOFA.

[61 FR 51176, Sept. 30, 1996]

§ 583.230 Environmental review.

(a) Activities under this part are subject to HUD environmental regulations in part 58 of this title, except that HUD will perform an environmental review in accordance with part 50 of this title prior to its approval of any conditionally selected applications for Fiscal Year 2000 and prior years that were received directly from private nonprofit entities and governmental entities with special or limited purpose powers. For activities under a grant that generally would be subject to review under part 58, HUD may make a finding in accordance with § 58.11(d) and may itself perform the environmental review under the provisions of part 50 of this title if the recipient objects in writing to the responsible entity's performing the review under part 58. Irrespective of whether the responsible entity in accord with part 58 (or HUD in accord with part 50) performs the environmental review, the recipient shall supply all available, relevant information necessary for the responsible entity (or HUD, if applicable) to perform for each property any environmental review required by this part. The recipient also shall carry out mitigating measures required by the responsible entity (or HUD, if applicable) or select alternate eligible property. HUD may eliminate from consideration any application that would require an Environmental Impact Statement (EIS).

(b) The recipient, its project partners and their contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish or construct property for a project under this part, or commit or expend HUD or local funds for such eligible activities under this part, until the responsible entity (as defined in § 58.2 of this title) has completed the environmental review procedures required by part 58 and the environmental certification and RROF have been approved or HUD has performed an environmental review under part 50 and the recipient has received HUD approval of the property. HUD will not release grant funds if the recipient or any other party commits grant funds (*i.e.*, incurs any costs or expenditures to be paid or reimbursed with such funds) before the recipient submits and HUD approves its RROF (where such submission is required).

[68 FR 56131, Sept. 29, 2003]

§ 583.235 Renewal grants.

(a) *General.* Grants made under this part, and grants made under subtitles C and D (the Supportive Housing Demonstration and SAFAH, respectively) of the Stewart B. McKinney Homeless Assistance Act as in effect before October 28, 1992, may be renewed on a noncompetitive basis to continue ongoing leasing, operations, and supportive services for additional years beyond the initial funding period. To be considered for renewal funding for leasing, operating costs, or supportive services, recipients must submit a request for such funding in the form specified by HUD, must meet the requirements of this part, and must submit requests within the time period established by HUD.

(b) *Assistance available.* The first renewal will be for a period of time not to exceed the difference between the end of the initial funding period and ten years from the date of initial occupancy or the date of initial service provision, as applicable. Any subsequent renewal will be for a period of time not to exceed five years. Assistance during each year of the renewal period, subject to maintenance of effort requirements under § 583.150(a) may be for:

(1) Up to 50 percent of the actual operating and leasing costs in the final year of the initial funding period;

(2) Up to the amount of HUD assistance for supportive services in the final year of the initial funding period; and

(3) An allowance for cost increases.

(c) *HUD review.* (1) HUD will review the request for renewal and will evaluate the recipient's performance in previous years against the plans and goals established in the initial application for assistance, as amended. HUD will approve the request for renewal unless the recipient proposes to serve a population that is not homeless, or the recipient has not shown adequate progress as evidenced by an unacceptably slow expenditure of funds, or the recipient has been unsuccessful in assisting participants in achieving and maintaining independent living. In determining the recipient's success in assisting participants to achieve and maintain independent living, consideration will be given to the level and type of problems of participants. For recipients with a poor record of success, HUD will also consider the recipient's willingness to accept technical assistance and to make changes suggested by technical assistance providers. Other factors which will affect HUD's decision to approve a renewal request include the following: a continuing history of inadequate financial management accounting practices, indications of mismanagement on the part of the recipient, a drastic reduction in the population served by the recipient, program changes made by the recipient without prior HUD approval, and loss of project site.

(2) HUD reserves the right to reject a request from any organization with an outstanding obligation to HUD that is in arrears or for which a payment schedule has not been agreed to, or whose response to an audit finding is overdue or unsatisfactory.

(3) HUD will notify the recipient in writing that the request has been approved or disapproved.

(Approved by the Office of Management and Budget under control number 2506–0112)

Subpart D—Program Requirements

§ 583.300 General operation.

(a) *State and local requirements.* Each recipient of assistance under this part must provide housing or services that are in compliance with all applicable State and local housing codes, licensing requirements, and any other requirements in the jurisdiction in which the project is located regarding the condition of the structure and the operation of the housing or services.

(b) *Habitability standards.* Except for such variations as are proposed by the recipient and approved by HUD, supportive housing must meet the following requirements:

(1) *Structure and materials.* The structures must be structurally sound so as not to pose any threat to the health and safety of the occupants and so as to protect the residents from the elements.

(2) *Access.* The housing must be accessible and capable of being utilized without unauthorized use of other private properties. Structures must provide alternate means of egress in case of fire.

(3) *Space and security.* Each resident must be afforded adequate space and security for themselves and their belongings

Each resident must be provided an acceptable place to sleep.

(4) *Interior air quality.* Every room or space must be provided with natural or mechanical ventilation. Structures must be free of pollutants in the air at levels that threaten the health of residents.

(5) *Water supply.* The water supply must be free from contamination.

(6) *Sanitary facilities.* Residents must have access to sufficient sanitary facilities that are in proper operating condition, may be used in privacy, and are adequate for personal cleanliness and the disposal of human waste.

(7) *Thermal environment.* The housing must have adequate heating and/or cooling facilities in proper operating condition.

(8) *Illumination and electricity.* The housing must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of residents. Sufficient electrical sources must be provided to permit use of essential electrical appliances while assuring safety from fire.

(9) *Food preparation and refuse disposal.* All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a sanitary manner.

(10) *Sanitary condition.* The housing and any equipment must be maintained in sanitary condition.

(11) *Fire safety.* (i) Each unit must include at least one battery-operated or hard-wired smoke detector, in proper working condition, on each occupied level of the unit. Smoke detectors must be located, to the extent practicable, in a hallway adjacent to a bedroom. If the unit is occupied by hearing- impaired persons, smoke detectors must have an alarm system designed for

hearing-impaired persons in each bedroom occupied by a hearing-impaired person.

(ii) The public areas of all housing must be equipped with a sufficient number, but not less than one for each area, of battery-operated or hard-wired smoke detectors. Public areas include, but are not limited to, laundry rooms, community rooms, day care centers, hallways, stairwells, and other common areas.

(c) *Meals.* Each recipient of assistance under this part who provides supportive housing for homeless persons with disabilities must provide meals or meal preparation facilities for residents.

(d) *Ongoing assessment of supportive services.* Each recipient of assistance under this part must conduct an ongoing assessment of the supportive services required by the residents of the project and the availability of such services, and make adjustments as appropriate.

(e) *Residential supervision.* Each recipient of assistance under this part must provide residential supervision as necessary to facilitate the adequate provision of supportive services to the residents of the housing throughout the term of the commitment to operate supportive housing. Residential supervision may include the employment of a full- or part-time residential supervisor with sufficient knowledge to provide or to supervise the provision of supportive services to the residents.

(f) *Participation of homeless persons.* (1) Each recipient must provide for the participation of homeless persons as required in section 426(g) of the McKinney Act (42 U.S.C. 11386(g)). This requirement is waived if an applicant is unable to meet it and presents a plan for HUD approval to otherwise consult with homeless or formerly homeless persons in considering and making policies and decisions. See also § 583.330(e).

(2) Each recipient of assistance under this part must, to the maximum extent practicable, involve homeless individuals and families, through employment, volunteer services, or otherwise, in constructing, rehabilitating, maintaining, and operating the project and in providing supportive services for the project.

(g) *Records and reports.* Each recipient of assistance under this part must keep any records and make any reports (including those pertaining to race, ethnicity, gender, and disability status data) that HUD may require within the timeframe required.

(h) *Confidentiality.* Each recipient that provides family violence prevention or treatment services must develop and implement procedures to ensure:

(1) The confidentiality of records pertaining to any individual services; and

(2) That the address or location of any project assisted will not be made public, except with written authorization of the person or persons responsible for the operation of the project.

(i) *Termination of housing assistance*

The recipient may terminate assistance to a participant who violates program requirements. Recipients should terminate assistance only in the most severe cases. Recipients may resume assistance to a participant whose assistance was previously terminated. In terminating assistance to a participant, the recipient must provide a formal process that recognizes the rights of individuals receiving assistance to due process of law. This process, at a minimum, must consist of:

(1) Written notice to the participant containing a clear statement of the reasons for termination;

(2) A review of the decision, in which the participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and

(3) Prompt written notice of the final decision to the participant.

(j) *Limitation of stay in transitional housing.* A homeless individual or family may remain in transitional housing for a period longer than 24 months, if permanent housing for the individual or family has not been located or if the individual or family requires additional time to prepare for independent living. However, HUD may discontinue assistance for a transitional housing project if more than half of the homeless individuals or families remain in that project longer than 24 months.

(k) *Outpatient health services.* Outpatient health services provided by the recipient must be approved as appropriate by HUD and the Department of Health and Human Services (HHS). Upon receipt of an application that proposes the provision of outpatient health services, HUD will consult with HHS with respect to the appropriateness of the proposed services.

(l) *Annual assurances.* Recipients who receive assistance only for leasing, operating costs or supportive services costs must provide an annual assurance for each year such assistance is received that the project will be operated for the purpose specified in the application.

(Approved by the Office of Management and Budget under control number 2506–0112) [58 FR 13871, Mar.

15, 1993, as amended at 59 FR 36892, July 19, 1994; 61 FR 51176, Sept. 30, 1996]

§ 583.305 Term of commitment; repayment of grants; prevention of undue benefits.

(a) *Term of commitment and conversion.* Recipients must agree to operate the housing or provide supportive services in accordance with this part and with sections 423 (b)(1) and (b)(3) of the McKinney Act (42 U.S.C. 11383(b)(1), 11383(b)(3)).

(b) *Repayment of grant and prevention of undue benefits.* In accordance with section 423(c) of the McKinney Act (42 U.S.C. 11383(c)), HUD will require recipients to repay the grant unless HUD has authorized conversion of the project under section 423(b)(3) of the McKinney Act (42 U.S.C. 11383(b)(3)).

[61 FR 51176, Sept. 30, 1996]

§ 583.310 Displacement, relocation, and acquisition.

(a) *Minimizing displacement.* Consistent with the other goals and objectives of this part, recipients must assure that they have taken all reasonable steps to minimize the displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of supportive housing assisted under this part.

(b) *Relocation assistance for displaced persons.* A displaced person (defined in paragraph (f) of this section) must be provided relocation assistance at the levels described in, and in accordance with, the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4601–4655) and implementing regulations at 49 CFR part 24.

(c) *Real property acquisition requirements* The acquisition of real property for supportive housing is subject to the URA and the requirements described in 49 CFR part 24, subpart B.

(d) *Responsibility of recipient.* (1) The recipient must certify (*i.e.*, provide assurance of compliance) that it will comply with the URA, the regulations at 49 CFR part 24, and the requirements of this section, and must ensure such compliance notwithstanding any third party's contractual obligation to the recipient to comply with these provisions.

(2) The cost of required relocation assistance is an eligible project cost in the same manner and to the same extent as other project costs. Such costs also may be paid for with local public funds or funds available from other sources.

(3) The recipient must maintain records in sufficient detail to demonstrate compliance with provisions of this section.

(e) *Appeals.* A person who disagrees with the recipient's determination concerning whether the person qualifies as a "displaced person," or the amount of relocation assistance for which the person is eligible, may file a written appeal of that determination with the recipient. A low-income person who is dissatisfied with the recipient's determination on his or her appeal may submit a written request for review of that determination to the HUD field office.

(f) *Definition of displaced person.* (1) For purposes of this section, the term "displaced person" means a person (family, individual, business, nonprofit organization, or farm) that moves from real property, or moves personal property from real property permanently as a direct result of acquisition, rehabilitation, or demolition for supportive housing projects assisted under this part. The term "displaced person" includes, but may not be limited to:

(i) A person that moves permanently from the real property after the property owner (or person in control of the site) issues a vacate notice, or refuses to renew an expiring lease in order to evade the responsibility to provide relocation assistance, if the move occurs on or after the date the recipient submits to HUD the application or application amendment designating the project site.

(ii) Any person, including a person who moves before the date described in paragraph (f)(1)(i) of this section, if the recipient or HUD determines that the displacement resulted directly from acquisition, rehabilitation, or demolition for the assisted project.

(iii) A tenant-occupant of a dwelling unit who moves permanently from the building/complex on or after the date of the "initiation of negotiations" (see paragraph (g) of this section) if the move occurs before the tenant has been provided written notice offering him or her the opportunity to lease and occupy a suitable, decent, safe and sanitary dwelling in the same building/complex, under reasonable terms and conditions, upon completion of the project. Such reasonable terms and conditions must include a monthly rent and estimated average monthly utility costs that do not exceed the greater of:

(A) The tenant's monthly rent before the initiation of negotiations and estimated average utility costs, or

(B) 30 percent of gross household income. If the initial rent is at or near the maximum, there must be a

reasonable basis for concluding at the time the project is initiated that future rent increases will be modest.

(iv) A tenant of a dwelling who is required to relocate temporarily, but does not return to the building/complex, if either:

(A) A tenant is not offered payment for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, or

(B) Other conditions of the temporary relocation are not reasonable.

(v) A tenant of a dwelling who moves from the building/complex permanently after he or she has been required to move to another unit in the same building/complex, if either:

(A) The tenant is not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move; or

(B) Other conditions of the move are not reasonable.

(2) Notwithstanding the provisions of paragraph (f)(1) of this section, a person does not qualify as a "displaced person" (and is not eligible for relocation assistance under the URA or this section), if:

(i) The person has been evicted for serious or repeated violation of the terms and conditions of the lease or occupancy agreement, violation of applicable Federal, State, or local or tribal law, or other good cause, and HUD determines that the eviction was not undertaken for the purpose of evading the obligation to provide relocation assistance;

(ii) The person moved into the property after the submission of the application and, before signing a lease and commencing occupancy, was provided written notice of the project, its possible impact on the person (e.g., the person may be displaced, temporarily relocated, or suffer a rent increase) and the fact that the person would not qualify as a "displaced person" (or for any assistance provided under this section), if the project is approved;

(iii) The person is ineligible under 49 CFR 24.2(g)(2); or

(iv) HUD determines that the person was not displaced as a direct result of acquisition, rehabilitation, or demolition for the project.

(3) The recipient may request, at any time, HUD's determination of whether a displacement is or would be covered under this section.

(g) *Definition of initiation of negotiations.* For purposes of determining the formula for computing the replacement housing assistance to be provided to a residential tenant displaced as a direct result of privately undertaken rehabilitation, demolition, or acquisition of the real property, the term "initiation of negotiations" means the execution of the agreement between the recipient and HUD.

(h) *Definition of project.* For purposes of this section, the term "project" means an undertaking paid for in whole or in part with assistance under this part. Two or more activities that are integrally related, each essential to the others, are considered a single project, whether or not all component activities receive assistance under this part.

[58 FR 13871, Mar. 15, 1993, as amended at 59 FR 36892, July 19, 1994]

§ 583.315 Resident rent.

(a) *Calculation of resident rent.* Each resident of supportive housing may be required to pay as rent an amount determined by the recipient which may not exceed the highest of:

(1) 30 percent of the family's monthly adjusted income (adjustment factors include the number of people in the family, age of family members, medical expenses and child care expenses). The calculation of the family's monthly adjusted income must include the expense deductions provided in 24 CFR 5.611(a), and for persons with disabilities, the calculation of the family's monthly adjusted income also must include the disallowance of earned income as provided in 24 CFR 5.617, if applicable;

(2) 10 percent of the family's monthly gross income; or

(3) If the family is receiving payments for welfare assistance from a public agency and a part of the payments, adjusted in accordance with the family's actual housing costs, is specifically designated by the agency to meet the family's housing costs, the portion of the payment that is designated for housing costs.

(b) *Use of rent.* Resident rent may be used in the operation of the project or may be reserved, in whole or in part, to assist residents of transitional housing in moving to permanent housing.

(c) *Fees.* In addition to resident rent, recipients may charge residents reasonable fees for services not paid with grant funds.

[58 FR 13871, Mar. 15, 1993, as amended at 59 FR 36892, July 19, 1994; 66 FR 6225, Jan. 19, 2001]

§ 583.320 Site control.

(a) *Site control.* (1) Where grant funds will be used for acquisition, rehabilitation, or new construction

to provide supportive housing or supportive services, or where grant funds will be used for operating costs of supportive housing, or where grant funds will be used to provide supportive services except where an applicant will provide services at sites not operated by the applicant, an applicant must demonstrate site control before HUD will execute a grant agreement (*e.g.*, through a deed, lease, executed contract of sale). If such site control is not demonstrated within one year after initial notification of the award of assistance under this part, the grant will be deobligated as provided in paragraph (c) of this section.

(2) Where grant funds will be used to lease all or part of a structure to provide supportive housing or supportive services, or where grant funds will be used to lease individual housing units for homeless persons who will eventually control the units, site control need not be demonstrated.

(b) *Site change.* (1) A recipient may obtain ownership or control of a suitable site different from the one specified in its application. Retention of an assistance award is subject to the new site's meeting all requirements under this part for suitable sites.

(2) If the acquisition, rehabilitation, acquisition and rehabilitation, or new construction costs for the substitute site are greater than the amount of the grant awarded for the site specified in the application, the recipient must provide for all additional costs. If the recipient is unable to demonstrate to HUD that it is able to provide for the difference in costs, HUD may deobligate the award of assistance.

(c) *Failure to obtain site control within one year.* HUD will recapture or deobligate any award for assistance under this part if the recipient is not in control of a suitable site before the expiration of one year after initial notification of an award.

§ 583.325 Nondiscrimination and equal opportunity requirements.

(a) *General.* Notwithstanding the permissibility of proposals that serve designated populations of disabled homeless persons, recipients serving a designated population of disabled homeless persons are required, within the designated population, to comply with these requirements for nondiscrimination on the basis of race, color, religion, sex, national origin, age, familial status, and disability.

(b) *Nondiscrimination and equal opportunity requirements.* The nondiscrimination and equal opportunity requirements set forth at part 5 of this title apply to this program. The Indian Civil Rights Act (25 U.S.C. 1301 et seq.) applies to tribes when they exercise their powers of self-government, and to Indian housing authorities (IHAs) when established by the exercise of such powers. When an IHA is established under State law, the applicability of the Indian Civil Rights Act will be determined on a case-by-case basis. Projects subject to the Indian Civil Rights Act must be developed and operated in compliance with its provisions and all implementing HUD requirements, instead of title VI and the Fair Housing Act and their implementing regulations.

(c) *Procedures.* (1) If the procedures that the recipient intends to use to make known the availability of the supportive housing are unlikely to reach persons of any particular race, color, religion, sex, age, national origin, familial status, or handicap who may qualify for admission to the housing, the recipient must establish additional procedures that will ensure that such persons can obtain information concerning availability of the housing.

(2) The recipient must adopt procedures to make available information on the existence and locations of facilities and services that are accessible to persons with a handicap and maintain evidence of implementation of the procedures.

(d) *Accessibility requirements.* The recipient must comply with the new construction accessibility requirements of the Fair Housing Act and section 504 of the Rehabilitation Act of 1973, and the reasonable accommodation and rehabilitation accessibility requirements of section 504 as follows:

(1) All new construction must meet the accessibility requirements of 24 CFR 8.22 and, as applicable, 24 CFR 100.205.

(2) Projects in which costs of rehabilitation are 75 percent or more of the replacement cost of the building must meet the requirements of 24 CFR 8.23(a). Other rehabilitation must meet the requirements of 24 CFR 8.23(b).

[58 FR 13871, Mar. 15, 1993, as amended at 59 FR 33894, June 30, 1994; 61 FR 5210, Feb. 9, 1996; 61 FR 51176, Sept. 30, 1996]

§ 583.330 Applicability of other Federal requirements

In addition to the requirements set forth in 24 CFR part 5, use of assistance provided under this part must comply with the following Federal requirements:

(a) *Flood insurance.* (1) The Flood Disaster Protection Act of 1973 (42 U.S.C 4001–4128) prohibits the approval of applications for assistance for acquisition or construction (including rehabilitation) for

supportive housing located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, unless:

(i) The community in which the area is situated is participating in the National Flood Insurance Program (see 44 CFR parts 59 through 79), or less than a year has passed since FEMA notification regarding such hazards; and

(ii) Flood insurance is obtained as a condition of approval of the application.

(2) Applicants with supportive housing located in an area identified by FEMA as having special flood hazards and receiving assistance for acquisition or construction (including rehabilitation) are responsible for assuring that flood insurance under the National Flood Insurance Program is obtained and maintained.

(b) The Coastal Barrier Resources Act of 1982 (16 U.S.C. 3501 *et seq.*) may apply to proposals under this part, depending on the assistance requested.

(c) *Applicability of OMB Circulars.* The policies, guidelines, and requirements of OMB Circular No. A–87 (Cost Principles Applicable to Grants, Contracts and Other Agreements with State and Local Governments) and 24 CFR part 85 apply to the award, acceptance, and use of assistance under the program by governmental entities, and OMB Circular Nos. A–110 (Grants and Cooperative Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations) and A–122 (Cost Principles Applicable to Grants, Contracts and Other Agreements with Nonprofit Institutions) apply to the acceptance and use of assistance by private nonprofit organizations, except where inconsistent with the provisions of the McKinney Act, other Federal statutes, or this part. (Copies of OMB Circulars may be obtained from E.O.P. Publications, room 2200, New Executive Office Building, Washington, DC 20503, telephone (202) 395–7332. (This is not a toll-free number.) There is a limit of two free copies.

(d) *Lead-based paint.* The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821–4846), the Residential Lead- Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851–4856), and implementing regulations at part 35, subparts A, B, J, K, and R of this title apply to activities under this program.

(e) *Conflicts of interest.* (1) In addition to the conflict of interest requirements in 24 CFR part 85, no person who is an employee, agent, consultant, officer, or elected or appointed official of the recipient and who exercises or has exercised any functions or responsibilities with respect to assisted activities, or who is in a position to participate in a decisionmaking process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure or for one year thereafter. Participation by homeless individuals who also are participants under the program in policy or decisionmaking under § 583.300(f) does not constitute a conflict of interest.

(2) Upon the written request of the recipient, HUD may grant an exception to the provisions of paragraph (e)(1) of this section on a case-by-case basis when it determines that the exception will serve to further the purposes of the program and the effective and efficient administration of the recipient's project. An exception may be considered only after the recipient has provided the following:

(i) For States and other governmental entities, a disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and

(ii) For all recipients, an opinion of the recipient's attorney that the interest for which the exception is sought would not violate State or local law.

(3) In determining whether to grant a requested exception after the recipient has satisfactorily met the requirement of paragraph (e)(2) of this section, HUD will consider the cumulative effect of the following factors, where applicable:

(i) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the project which would otherwise not be available;

(ii) Whether the person affected is a member of a group or class of eligible persons and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;

(iii) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decisionmaking process with respect to the specific assisted activity in question;

(iv) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (e)(1) of this section;

(v) Whether undue hardship will result either to the recipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and

(vi) Any other relevant considerations.

(f) *Audit.* The financial management systems used by recipients under this program must provide for audits in accordance with 24 CFR part 44 or part 45, as applicable. HUD may perform or require additional audits as it finds necessary or appropriate.

(g) Davis-Bacon Act. The provisions of the Davis-Bacon Act do not apply to this program.

[58 FR 13871, Mar. 15, 1993, as amended at 61 FR 5211, Feb. 9, 1996; 64 FR 50226, Sept. 15, 1999]

Subpart E—Administration

§ 583.400 Grant agreement.

(a) *General.* The duty to provide supportive housing or supportive services in accordance with the requirements of this part will be incorporated in a grant agreement executed by HUD and the recipient.

(b) *Enforcement.* HUD will enforce the obligations in the grant agreement through such action as may be appropriate, including repayment of funds that have already been disbursed to the recipient.

§ 583.405 Program changes.

(a) *HUD approval.* (1) A recipient may not make any significant changes to an approved program without prior HUD approval. Significant changes include, but are not limited to, a change in the recipient, a change in the project site, additions or deletions in the types of activities listed in § 583.100 of this part approved for the program or a shift of more than 10 percent of funds from one approved type of activity to another, and a change in the category of participants to be served. Depending on the nature of the change, HUD may require a new certification of consistency with the consolidated plan (see § 583.155).

(2) Approval for changes is contingent upon the application ranking remaining high enough after the approved change to have been competitively selected for funding in the year the application was selected.

(b) *Documentation of other changes.* Any changes to an approved program that do not require prior HUD approval must be fully documented in the recipient's records.

[58 FR 13871, Mar. 15, 1993, as amended at 61 FR 51176, Sept. 30, 1996]

§ 583.410 Obligation and deobligation of funds.

(a) *Obligation of funds.* When HUD and the applicant execute a grant agreement, funds are obligated to cover the amount of the approved assistance under subpart B of this part. The recipient will be expected to carry out the supportive housing or supportive services activities as proposed in the application.

(b) *Increases.* After the initial obligation of funds, HUD will not make revisions to increase the amount obligated.

(c) *Deobligation.* (1) HUD may deobligate all or parts of grants for acquisition, rehabilitation, acquisition and rehabilitation, or new construction:

(i) If the actual total cost of acquisition, rehabilitation, acquisition and rehabilitation, or new construction is less than the total cost anticipated in the application; or

(ii) If proposed activities for which funding was approved are not begun within three months or residents do not begin to occupy the facility within nine months after grant execution.

(2) HUD may deobligate the amounts for annual leasing costs, operating costs or supportive services in any year:

(i) If the actual leasing costs, operating costs or supportive services for that year are less than the total cost anticipated in the application; or

(ii) If the proposed supportive housing operations are not begun within three months after the units are available for occupancy.

(3) The grant agreement may set forth in detail other circumstances under which funds may be deobligated, and other sanctions may be imposed.

(4) HUD may:

(i) Readvertise the availability of funds that have been deobligated under this section in a notice of fund availability under § 583.200, or

(ii) Award deobligated funds to applications previously submitted in response to the most recently published notice of fund availability, and in accordance with subpart C of this part.

Technical Submission

Project Number: RI01B700001
Project Identifier: Turning Point

Exhibit 1: Project Summary

Exhibit 1 consists of Sections A-D which request selectee and sponsor information, project budget and milestones, program goals, and number of beds, participants and supportive services.

A. Selectee, and Sponsor Information - Fill in the information requested below. Fill in the HMIS Lead for HMIS projects. When the selectee is the same organization as the project sponsor, complete only the selectee information.

Selectee Name	Rhode Island Housing	Sponsor Name	Omni Development Corp.
Contact Person	Melissa Husband	Contact Person	Joseph A. Caffey
Phone	401-457-1113	Phone	401-462-4442
FAX Number	401-457-1140	FAX Number	401-461-7108
E-Mail Address	mhusband@rhodeislandhousing.org	E-Mail Address	jac@omnidevelopmentcorp.com
Street Address	44 Washington Street	Street Address	810 Eddy Street
City, State, Zip	Providence, RI 02903	City, State, Zip	Providence, RI 02905
HMIS Lead	RI Veterans Action Center	Contact Person	Johanne Washington
Street Address	Cranston Street	Phone	401-521-6711
City, State, Zip	Providence, RI 02907	E-Mail Address	theRIspirit@aol.com

B. Project Budget and Milestones - This section must be completed by all new selectees.

1. Chart 1 - Summary Project Budget

To complete Chart 1, Summary Project Budget, enter the amount of SHP funds requested by line-item in the first column. For leasing, supportive services, and operations, the amount entered should be for the SHP grant term selected. In the second column, enter the amount of other cash that will be contributed to the project. This amount plus the SHP request must equal the total budget amount for the project. The amounts you enter are for all structures in your project. Each line-item amount in this chart should match the amounts shown in Exhibits 2 through 8, as appropriate.

Requested grant term (1, 2, or 3 years): 3

Chart 1 - Summary Project Budget

	SHP Request	Applicant Cash	Total Project Budget
1. Acquisition			
2. Rehabilitation	375,500.00	2,584,625.17	2,960,125.17
3. New Construction	24,500.00		24,500.00
4. Subtotal (lines 1 thru 3)*	400,000.00	2,584,625.17	2,984,625.17
5. Real Property Leasing			
6. Supportive Services**			
7. Operations***	183,093.00	273,719.00	456,812.00
8. HMIS**			
9. SHP Request (subtotal lines 4 thru 8)	583,093.00	2,858,344.17	3,441,437.17
10. Administration (up to 5% of line 9)	29,155.00		29,155.00
11. Total SHP Request (total lines 9 and 10)	612,248.00	2,858,344.17	3,470,592.17

* By law SHP request for these activities cannot be more than 50% of the total acquisition, rehabilitation, and new construction budget.

** By law, SHP funds can be no more than 80% of the total supportive services or total HMIS budget.

*** By law, SHP can pay no more than 75% of the total operating budget.

Technical Submission (cont.)

Project Number: RI01B700001
Project Identifier: Turning Point
Exhibit 5: Operations
(all new projects requesting operating funds)

A. Operations Budget

Complete the chart below or reproduce it using available spreadsheet software. Only operating expenses for which a cash payment will be required for this project may be entered. Do not include the value of non-cash contributions, such as donated supplies. In the first column under operating costs, enter the requested information including type of expense and other information where indicated (see example in chart below). In the Year 1 column, enter the total amount of funds to be used to pay for the expense the first year. If the grant is multi-year, enter the total funds to be used for the second and third years. In the last column, total the amount of funds needed to help pay for the identified operating expense for the grant term. **Please ensure that the total operations request on Line 13, column (d) below, matches the amount you entered in your project's Summary Budget in Exhibit 1.**

Operating Costs	Year 1 (a)		Year 2 (b)		Year 3 (c)		Total (d)
Grounds maintenance mos, x no. of mos.	SHP OP Funds	Other OP Funds	SHP OP Funds	Other OP Funds	SHP OP Funds	Other OP Funds	
1. Maintenance/Repair Landscape, plow, common area	9,000.00	1,000.00	10,000.00	2,000.00	9,500.00	4,900.00	36,400.00
2. Staff (Time split - 70% services 30% operations) Case Manager		28,270.00		29,188.00		29,902.00	87,360.00
3. Utilities (water, sewer, electric and gas)	42,000.00	7,000.00	43,093.00	16,500.00	44,000.00	28,000.00	180,593.00
4. Equipment (lease/buy)							
5. Supplies (quantity)							
6. Insurance: Liability (Troy Pires & Allen Insurance)	8,000.00	2,000.00	8,500.00	3,500.00	9,000.00	5,400.00	36,400.00
7. Vacancy 5%		6,155.00		7,385.00		8,862.00	22,402.00
8. Relocation (no. of persons)							
9. Food (perishable/non-perishable,							
10. Other Operating Costs (mgm fee, ,000, taxes, 14,000/debt service ,730)		25,730.00		30,876.00		37,051.00	93,657.00
11. SHP REQUEST**	59,000.00		61,593.00		62,500.00		183,093.00
12. Selectee's Match *** (Line 13 minus line 11)		70,155.00		89,449.00		114,115.00	273,719.00
13. Total Operating Budget	59,000.00	70,155.00	61,593.00	89,449.00	62,500.00	176,615.00	456,812.00

** The SHP request for Years 1, 2, and 3 cannot be more than 75% of the total operating budget for those years.
***See page 35 for information regarding documenting match.

Technical Submission (cont.)

Project Number: RI01B700001
Project Identifier: Turning Point
Exhibit 7: Administration
(all new projects requesting administration funds)

A. Administrative Costs

Please complete the chart below for your administrative costs budget. If you are a selectee who will also be the project sponsor, complete Lines 1 through 6. If you are the selectee and a differentorganization will be the project sponsor, complete lines 1 through 8.

In the first column, fill in the administrative activity to be paid for using SHP funds. In the Year 1 column, enter the amount of SHP funds to be used to pay administrative costs in the first year. If the grant is multi-year, enter the amount of SHP funds to be used for Year 2, and if applicable, Year 3. In the last column, (d), total the amount of SHP funds requested for the full grant term. **Please ensure that the total requested for administrative costs for the entire grant term, Line 6, column (d), matches that which you entered in your project's Summary Budget in Exhibit 1.**

Administrative Costs	Year 1 (a)	Year 2 (b)	Year 3 (c)	Total (d)
1. Administrative Activity: Preparation of APR, staff time spent reviewing/verifying invoices for grant funds, and maintaining records of the use of those funds	9,718.00	9,718.00	9,718.00	29,155.00
2. Administrative Activity:				
3. Administrative Activity:				
4. Administrative Activity:				
5. Administrative Activity:				
6. **SHP REQUEST FOR ADMINISTRATIVE COSTS**	9,718.00	9,718.00	9,718.00	29,155.00
7. **Amount for Selectee**	3,888.00	3,887.00	3,887.00	11,662.00
8. **Amount for Project Sponsor**	5,831.00	5,831.00	5,831.00	17,493.00

B. Plan for Distribution of Administration Funds

If the selectee **is not the same** organization as the project sponsor, attach a description of the selectee's plan for distributing its administrative funding to address all, or a portion of the project sponsor's administrative needs. Include a description of how the project sponsor was consulted in formulating the plan.

PROJECT NARRATIVE

The Turning Point/the 1380 Broadway and 24-26 Calla buildings will be a supportive housing community for Veterans in South Providence.

Supportive Services will be provided b y the Rhode Island Veterans Action Center (RIVAC), the property will consist of 14 housing units for low income veterans who are disabled and experiencing homelessness. Ten of the 14 units will be set aside for veterans who are chronically homeless.

There will be a multipurpose space on the ground floor, the supportive services provided by the RIVAC include full service assistance in obtaining VA Benefits and healthcare, outreach and job placement services, workplace skills training computer literacy courses and Activities of Daily Living (ADL) services, transportation, case management and referrals for mental health and substance abuse services.

The site calls for the demolition of the current building and new construction of a new building on 1380 Broadway and the rehabilitation of 2 units on Calla Street.

The project is a three story mixed use building consisting of 12 units, 9, one bedroom units and 3 two bedroom units; along with an additional 3,500 square feet of ground floor commercial space, of which 300 square feet has been designated for a Providence Police Substation. The other 2 units will be 2 one bedroom units renovated at the Calla Street site, which is adjacent to 1380 Broadway. The project will add over 13,581 square feet of new construction on Broad Street and 1,200 square feet of rehabilitation on Calla Street. They both will act as an anchor and gateway to the Washington Park neighborhood.

OUTREACH PLAN

The outreach plan will target chronically homeless individuals and long term homeless families and incorporate several strategies. The RIVAC already provides a number of services to homeless veterans and are uniquely position to identify chronically homeless veterans. RIVAC will be the point of contact and support. They are one of six nonprofit Veterans Service Organizations nationwide that has been approved to represent individuals so they may obtain VA benefits from the Federal Government. In addition, they work closely with the State Veterans Affair's Office, State's Veterans Home in Bristol, and the VA Hospital in Providence, as well as other homeless support groups in the state. The RIVAC will also outreach to shelters across the state to identify veterans.

Address of structure

The property address was changed from the previous address due to the fact that we were able to achieve site control for the city owned parcels located at 1380 Broad Street and 24-26 Calla Street. We could not reach an agreed upon purchase price for the site previously submitted.

The new site is in a superior location close to public transportation and located within the gateway to Washington Park. The 1380 Broad Street site is located at the corner of Broad and Morton Streets. The development of this site would include the demolition of the existing paved site, non conforming commercial space and attached residential building. The existing lots 46 & 59 would be merged to create a lot with land area of 14,859 square feet in the C-1 and CCOD Zones.

All utilities could be accessed from either Broad or Morton Streets, although Morton Street would be our first choice. The proposed development will be designed in accordance to the Commercial Corridor Overlay District guidelines and current G1 zoning. The proposed building would be built on the Broad and Morton property lines and would reestablish the importance of the street façade and missing corner identity.

At the rear of the site a fenced, landscaped parking and private green space will be created for the tenants with controlled access only from Morton Street. The impact on the neighborhood would be reduced by the residential/office use of the site.

Our intent is to renovate 24-26 Calla Street (2 additional 1 bedroom units) into additional housing for the homeless veterans program bringing our total number of residential units to 14.

COPY

RHODE ISLAND HOUSING RESOURCES COMMISSION
NEIGHBORHOOD OPPORTUNITIES PROGRAM
Family Housing Fund

PART I: AGREEMENT SIGNATORY SHEET

This Agreement (the "Agreement") is entered into as of October 6, 2009 by and between the STATE OF RHODE ISLAND HOUSING RESOURCES COMMISSION (the "Commission"), with a mailing address of One Capitol Hill, 3rd Floor, Providence, Rhode Island 02908, and OMNI TURNING POINT LLC (the "Contractor"). The Contractor agrees to the terms and conditions of this Agreement and to implement the Neighborhood Opportunities Program (the "Program") in accordance with the Rules and Regulations filed with the Rhode Island Secretary of State in accordance with the provisions of Chapter 42-35 of the General Laws of Rhode Island of 1956, as amended (the "Rules and Regulations"). This Agreement consists of this signatory sheet, general terms and conditions, scope of work, and certifications and assurances.

Contractor: Omni Turning Point LLC
Address: 810 Eddy Street, Providence, Rhode Island 02905
Phone: 401-461-4442

~~Project Address: 1380 Broad Street and 24-26 Calla Street, Providence, Rhode Island 02905~~

Amount: Total Commitment: $189,240.00 Operating Funds Only

This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed an original but all such counterparts shall constitute one and the same instrument.

APPROVAL BY COMMISSION

STATE OF RHODE ISLAND
HOUSING RESOURCES COMMISSION

By: Noreen Shawcross
Name: Noreen Shawcross
Title: Executive Director

APPROVAL BY CONTRACTOR

OMNI TURNING POINT LLC

By: Omni Development Corporation,
its Managing Member

By: Joseph A. Caffey
Name: Joseph A. Caffey
Title: President

PART II: AGREEMENT GENERAL TERMS AND CONDITIONS

WHEREAS, the Commission has adopted Rules and Regulations to allocate funds for the Neighborhood Opportunities Program (the "Program") to eligible Contractors subject to the Rules and Regulations filed with the Rhode Island Secretary of State in accordance with the provisions of Chapter 42-35 of the General Laws of Rhode Island of 1956, as amended (the "Rules and Regulations").

WHEREAS, the Compensation Base Value of this Agreement shall be subject to availability of funds to the State for this Agreement. Whether funding availability is reduced because of executive or legislative actions or because of any fiscal limitations not presently anticipated, the State, at its sole discretion, may reduce the value of this Agreement for work remaining or eliminate the value of this Agreement for work remaining as a whole, or may reduce or eliminate any uncompleted budget line item(s) to accommodate funding availability amendments. Developer shall be notified in writing of such amendments.

WHEREAS, the Program will enable very low-income tenants to lease housing units at affordable rents as defined in the Rules and Regulations; and

WHEREAS, the Contractor is an eligible participant; and

WHEREAS, the Commission has approved funding of this application.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

Section 1. Rules and Regulations. Unless otherwise defined herein or unless a different meaning is required from the context in which they are used, all words and terms used in this Agreement are as defined in the Rules and Regulations applicable to the Program (Attachment C) as the same may be amended from time to time.

Section 2. Definitions. As used herein:

a) "Agreement" shall mean this Agreement and any and all attachments hereto.
b) "Units" shall have the meaning set forth in Part III of this Agreement.

Section 3. Commitment. Subject to the terms and conditions contained in this Agreement, the Commission agrees to disburse "Operating Subsidy Funds" (as defined in Part III of this Agreement) to the Contractor. Such disbursements shall not, in the aggregate, exceed that amount designated as the Commitment and all disbursements shall be made in accordance with the procedures set forth in the Rules and Regulations. In no instance shall the Commission be liable for any costs incurred in excess of the commitment, nor for any unauthorized or ineligible costs.

Section 4. Method of Disbursement. Funds will be disbursed from an escrow account established on behalf of the Contractor by Rhode Island Housing and Mortgage Finance Corporation ("Rhode Island Housing") acting in its administrative capacity as designated by the Commission.

Section 5. Commencement. This Agreement is effective upon the execution and delivery thereof by the Commission. The Contractor agrees that it shall not commence activity funded under this Agreement or become obligated with respect to any costs prior to the Contractor's execution of this Agreement.

Section 6. Terms of Subsidy. The terms of the Subsidy to be disbursed hereunder shall be specified in Part III hereto.

Section 7. Legal Authority. The Contractor certifies that it possesses the legal authority to accept funds under the Program and to conduct the program described in this Agreement by executing Part I: Agreement Signatory Sheet.

Section 8. Waivers, Amendments, Modifications. No conditions or provisions of this Agreement shall be waived unless approved by the Commission in writing. The Commission may, from time to time, permit changes in the Scope of Services or approved budget of the Agreement to be performed hereunder. Such changes which are mutually agreed upon by and between the Commission and the Contractor shall be made part of the Agreement.

Section 9. Integration Clause. The Commission and the Contractor hereby mutually agree that this Agreement is the full and complete Agreement between the two parties and that there are no oral agreements or understandings between the parties other than those covered herein.

Section 10. Assignability. The Contractor shall not assign any interest in this Agreement and shall not transfer any interest in the same (whether by assignment or notation) without prior written consent of the Commission. Notice of any such assignment or transfer shall be furnished promptly to the Commission.

Section 11. Conflict of Interest. No elected or appointed State or municipal official (officer or member) shall, while serving as such, have any financial interest, direct or indirect, or engage in any business, employment transaction, or professional activity or incur any obligation of any nature which is in substantial conflict with the proper discharge of his/her duties or employment in the public interest and of his/her responsibilities as prescribed in Title 36, Chapter IV, of the General Laws of Rhode Island.

Section 12. Discrimination Prohibited. No person in Rhode Island shall on the grounds of race, creed, color, sex, national origin or sexual orientation be excluded from participation in, be denied the proceeds of, or be subject to discrimination in the performance of the Agreement.

Section 13. Discrimination in Employment Prohibited. The Contractor will not discriminate against any employee in the performance of this Agreement or against any applicant for employment in the performance of this Agreement because of race, creed, color, sex, national origin or sexual orientation. The Contractor will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, creed, color, sex, national origin or sexual orientation. This requirement shall apply to, but not be limited to, the following: employment, upgrading, promotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

Section 14. Access to Records. The Commission and State, and duly authorized officials of the Commission and State government shall have full access to and the right to examine pertinent documents, papers, records, and books of the Contractor and of persons or organizations the Contractor may contract with which involve transactions related to this Agreement.

Section 15. Records Retention. The Contractor shall retain all documents, papers, records, and books that are pertinent to this Agreement for a period of three (3) years following the termination of the Agreement, or until all audit findings have been resolved, whichever is later.

Section 16. Default. If any of the following events shall occur and be continuing (each an "Event of Default"):

(i) the Contractor fails to pay any fees, costs and expenses when due;

(ii) all or any part of the project funded with proceeds of the Operating Subsidy Funds (the "Project") is under actual or purported attachment, garnishment or trustee process;

(iii) a breach by any person, other than the Commission, of any covenant, agreement or condition set forth in this Agreement or any agreement, document or instrument executed in connection herewith;

(iv) the Contractor violates any restriction or building, zoning, subdivision, environmental or health laws or ordinances affecting all or any part of the Project;

(v) all or any part of the Project shall be or become subject to any lien or encumbrance not consented to in writing by the Commission;

(vi) assigns or attempts to assign any interest in the Project;

(vii) all or any part of the Project is conveyed or encumbered in any way (whether voluntary or involuntary) without the prior written consent of the Commission;

(viii) the Contractor merges or consolidates with any person or entity;

(ix) any breach or non-compliance by the Contractor of the Rules and Regulations pertaining to the Program or the terms and conditions of this Agreement; or

(x) the Contractor shall be adjudicated insolvent, or such person fails to pay, or admits in writing such person's inability to pay, such person's debts as they mature, or makes a general assignment for the benefit of creditors; or the Contractor shall apply for or consent to the appointment of any receiver, custodian, trustee or similar officer for itself or for all or any substantial part of its property, or such receiver, custodian, trustee or similar officer shall be appointed without the application or consent of the such person; or the Contractor shall institute (by petition, application, answer, consent or otherwise), or take any action to authorize the institution of, any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, liquidation or similar proceeding relating to such person under the laws of any jurisdiction; or any such proceeding shall be instituted (by petition, application or otherwise) against the Contractor and such proceeding shall not be dismissed within sixty (60) days after being instituted;

then, (1) upon the occurrence of any Event of Default described in the immediately preceding clause (x), this Agreement shall be suspended and the Commission shall have no obligation to advance Operating Subsidy Funds under any this Agreement, and (2) upon the occurrence of any other Event of Default, the Commission may suspend this Agreement and withhold further payment of Operating Subsidy Funds or prohibit the Contractor from incurring additional obligations of Operating Subsidy Funds, pending corrective action by the Contractor.

Section 17. Termination. Upon an Event of Default, the Commission may terminate this Agreement by giving the Contractor at least thirty (30) days prior written notice of such termination and specifying the effective date thereof and the cause for the termination. Payments made to the Contractor from the escrow account established on behalf of the Contractor by Rhode Island Housing, or recoveries by the Commission, shall be in accordance with the legal rights and liabilities of the parties.

Section 18. Repayment of Funds. Intentionally Omitted

Section 19. Exception. The Contractor will not be in default with the provisions set forth in this Agreement if the sale or disposition of the Project results in the continued use of the Project in compliance with the terms of this Agreement.

Section 20. Interest of Contractor. The Contractor covenants that the Contractor presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. The Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed by the Contractor.

Section 21. Officials not to Benefit. No member of or delegate to the Congress of the United States of America shall be entitled to any share or part hereof or to any benefit to arise herein.

Section 22. Copyright. No reports, maps, or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of the Contractor.

Section 23. Governing Law. This Agreement is deemed executed and delivered in the City of Providence, State of Rhode Island, and all questions arising out of or under this Agreement shall be governed by the laws of the State of Rhode Island without giving effect to its conflict of laws provisions.

Section 24. Severability Clause. Each article of this Agreement and each part of each section is hereby declared to be an independent section. If any article or section is held to be void, ineffective, or unconstitutional for any cause, it shall not be deemed to affect any other article or section hereof; and all other parts shall continue in full force and effect.

Section 25. Affordability. The Commission shall enforce the Rules and Regulations of the Program as set forth in this Agreement for the duration of the Agreement period. The term of the restriction shall be for a period of thirty (30) years from the date of initial occupancy of any Unit covered by this Agreement. The Contractor will lease each Unit to individuals at or below 40% of State median income.

Section 26. Housing Quality Standards. The Contractor shall maintain each Unit assisted under this Program in compliance with HUD Housing Quality Standards and the State of Rhode Island Housing Maintenance and Occupancy Code.

Section 27. Right to Inspect. The Commission, its agents and designees shall have the right from time to time to inspect each Unit funded under this Program for the purpose of ensuring compliance with the terms and conditions of this Agreement and the Rules and Regulations relating to the Program. The Contractor agrees to permit the Commission, its agents and designees reasonable access to each Unit to examine the Contractor's books and records, including financial statements and records, from time to time, insofar as the same may apply to the Contractor's use of Operating Subsidy Funds.

Section 28. Indemnification. The Contractor shall hold harmless and indemnify the Commission from and against any and all claims, costs and/or damages (including reasonable attorneys' fees and costs) arising from any injury or damage to persons or property that may occur as a result of work performed in connection with the acquisition, construction and/or rehabilitation of the Units. The Contractor's indemnification of the Commission shall survive the disbursement of any Operating Subsidy Funds hereunder and the termination of this Agreement.

Section 29. Notification of Acceptance of Applications. The Developer agrees to notify the Commission of its intention to accept applications for Units a minimum of two weeks prior to accepting applications for Units.

PART III: CONTRACTUAL AGREEMENT

A. Commitment of Operating Subsidy.

Operating Subsidy Funds are awarded to: OMNI TURNING POINT LLC

The Commission hereby commits an amount up to $189,240.00 (the "Operating Subsidy Funds") for fourteen (14) Units located at 1380 Broad Street and 24-26 Calla Street in Providence, Rhode Island, 02905, in accordance with the budget in Attachment B hereto. The Contractor agrees to operate the Units in accordance with the Affordability terms set forth in Section 25 of this Agreement and subject to State appropriation.

B. Special Conditions.

1. The Contractor shall not obligate nor expend Operating Subsidy Funds until a release of such Funds has been issued by the Commission.

2. The Contractor shall comply with Attachment A Certifications and Assurances, which has been executed and delivered by the Contractor.

3. Upon the execution and delivery of this Agreement, the Operating Subsidy Funds will be deposited and maintained in an escrow account on behalf of the Contractor to be administered by Rhode Island Housing acting as agent for the Commission.

C. Proceeds.

1. Intentionally Omitted.

2. Operating Subsidy Funds. Operating Subsidy Funds shall be disbursed by Rhode Island Housing on a maximum of a quarterly basis per annum. Disbursements shall be made in four (4) equal installments based upon the Contractor's prior year operating deficit as documented in accordance with the reporting requirements set forth below. Disbursement of Operating Subsidy Funds during year one (1) will be based on the estimated financing gap as determined by the Commission. The amount of each disbursement shall be limited to the amount needed for payment of eligible operating expenses incurred during the previous quarter of Unit occupancy and the Contractor shall certify the same to Rhode Island Housing in writing. All disbursements must be expended for eligible costs within fifteen (15) after receipt or returned to the Commission for deposit. Disbursements shall continue quarterly until all escrowed operating funds have been expended. Any Operating Subsidy Funds unexpended after 30 years shall be returned to Rhode Island Housing. Operating Subsidy Funds disbursed hereunder shall not be repaid to, and are not otherwise recoverable by, the Commission.

D. Reporting Requirements.

1. Audit Standards. The Contractor shall perform an annual audit in accordance with OMB Circular A-133, as applicable. Rhode Island Housing, acting as administrative agent for the Commission, reserves the right to request a copy of the Contractor's annual audit. In any event, the Contractor shall be responsible for providing an annual statement of income and

expenses within sixty (60) days of the close of its fiscal year or with ten (10) days of a request for such statement by Rhode Island Housing.

2. Operating Financial Report. The Contractor shall provide a quarterly statement of income and expenses expended in conducting the Program. The Contractor shall provide this statement even if Operating Subsidy Funds are not drawn down for the quarter.

3. Annual Report. The Contractor shall submit to the Commission an Annual Report of activities conducted during the previous year in the report form as required by the Commission.

E. Client Participation. The Contractor shall, to extent practicable, involve homeless individuals and families in the construction, renovation, maintenance and operation of Units funded under this Program and in the provision of services for occupants of Units assisted under this Program.

F. Matching Funds. The Contractor agrees to provide matching supplemental funds as identified in the application and to document these resources to the Commission.

G. Rent Restrictions. The Contractor agrees to lease the Units to individuals or families with an annual gross income at or below 40% of State median income. Rent including utilities for Units funded under the Family Housing Program shall be set at the greater of 30% of gross monthly household income or the minimum rent defined at section 2.16 of the Rules and Regulations.

Attachment A

STATE OF RHODE ISLAND
RHODE ISLAND HOUSING RESOURCES COMMISSION

CERTIFICATIONS AND ASSURANCES

The Contractor, OMNI TURNING POINT LLC, hereby certifies and assures that:

1. It possesses the legal authority to make application for an award under this Program.

2. It will comply with the requirements concerning the continued use of Units funded under this Program.

3. It will conduct Program activities in conformity with the nondiscrimination and equal opportunity requirements contained in 24 CFR 576.57(a) and the other requirements of applicable federal law.

4. It certifies that it will administer, in good faith, a policy designed to ensure that Units funded under this Program are free from illegal use, possession or distribution of drugs or alcohol by its beneficiaries in accordance with Section 402 of the 1988 Amendments and in accordance with the requirements of the Governor's Executive Order No. 89-14.

By: Joseph A Caffey

Name: Joseph A. Caffey
Title: President, Omni Development Corporation, the Managing Member of Omni Turning Point LLC
Date: Sept 29, 2009

Attachment B

Any amendments to the budget or schedule must be approved by the Commission in writing prior to adoption.

Contractor: OMNI TURNING POINT LLC
Approved Budget for:
NEIGHBORHOOD OPPORTUNITIES PROGRAM
Family Housing Fund
Property located at: 1308 Broad Street and 24-26 Calla Street, Providence, Rhode Island
Fourteen (14) units

Operating Budget

Annual Income

Total Annual Rent	NOP $385 x 14 x 12	$64,680
Less Vacancy Rate of 5%		$3,234
Net Rental Income		$61,446
Add NOP Subsidy*		$18,924
Add SHP Subsidy		$59,165
Add Commercial Rent		$24,000
Effective Gross Income		**$163,535**

Annual Expenses

Management Fees	$7,338
Utilities	$55,000
Maintenance	$14,000
Taxes	$10,000
Insurance	$12,000
Reserves & Capital Expenditures	$4,200
Property Management	$7,338
Supportive Services	$20,000
Other Staff	$28,270
Total Operating Expenses	**$150,808**

Annual Cash Flow

Effective Gross Income	$163,535
Total Operating Expenses	$150,808
Net Operating Income	**$12,727**
Cash Flow	**$12,727**

***NOP – Projected maximum 10 year subsidy of $189,240.00**

Schedule

Funding Commitments	August 2009
Acquisition	August 2009
Completion of Design/Engineering	August 2009
Completion of Specifications	August 2009
Completion of Permitting	September 2009
Bid Opening	September 2009
Start Construction	September 2009
Construction Completion	September 2010
Full Occupancy	October 2010

Attachment C

RULES AND REGULATIONS OF THE COMMISSION
APPLICABLE TO THE NEIGHBORHOOD OPPORTUNITIES PROGRAM

Part I. General Description

SECTION 1 PROGRAM PURPOSES

1.1 Program Purposes and Objectives. The Rhode Island Housing Resources Commission (the "Commission") hereby promulgates Rules and Regulations (the "Regulations") applicable to the Neighborhood Opportunities Program (NOP) through the Permanent Supportive Housing Fund ("PSH"), the Family Housing Fund ("FHF") and the Building Better Communities Fund ("BBC"). The primary purpose of these programs is to increase the supply of decent, safe, sanitary and affordable rental housing for very low, low and moderate-income families and individuals and to revitalize local neighborhoods. The NOP shall be consistent with the State Strategic Housing Plan and State Land Use Plan.

1.1.1 Under the PSH, funds will be awarded to provide gap financing and operating support for the acquisition, construction, or rehabilitation of rental housing for individuals/families who have a determination of disability by a qualified professional and who require on-going supportive services. The primary purpose of the PSH is to produce units of permanent affordable rental housing for disabled families and individuals with very low income who are homeless or at risk of being homeless.

1.1.2 Under the FHF, funds will be awarded to provide gap financing and operating support for the acquisition, construction, or rehabilitation of rental housing to ensure rents are affordable to individuals and families working at or near minimum wage.

1.1.3 Under the BBC, funds will be awarded to provide gap financing to (i) acquire, clear, develop or rehabilitate vacant buildings or lots; (ii) assist in the redevelopment of vacant or underutilized commercial or industrial properties; (iii) acquire, develop, construct, rehabilitate, or replace commercial, mixed-use or community projects that enhance neighborhood revitalization; (iv) construct, acquire, finance or rehabilitate housing for homeownership that includes rental units, for families earning up to 120% of median income.

1.1.4 Approval of proposals under the NOP is subject to appropriation.

SECTION 2 DEFINITIONS

2.1 Definitions. As used in these regulations.

2.2 "Act" means the Rhode Island Housing Resources Commission Act of 1998 more particularly set forth in Chapter 128 of Title 42 of the Rhode Island General Laws of 1956, as amended.

2.3 "**Approved affordable housing plan**", means a plan prepared and adopted by a town or city to meet requirements of chapter 45-53 or to meet the requirements of subsection 45-22.2-10(f) of Rhode Island General Laws that has been reviewed and approved by the director of administration pursuant to RI General Laws, Section 45-22.2-9.

2.4 "**At-risk of being homeless**" means persons who have received notice of eviction, and/or who are experiencing difficulty due to the inability to pay rent, and is inclusive of persons residing in institutions who have been unsuccessful in locating housing.

2.5 "**BBC**" means Building Better Communities Fund.

2.6 "**Capacity**" means experience in implementing financially sound housing programs as well as the ability to provide or coordinate necessary supportive services if applicable.

2.7 "**Commission**" means the State of Rhode Island Housing Resources Commission, a public corporation existing under this Act.

2.8 "**Disability**" means a physical, mental or emotional impairment, confirmed by a qualified professional, who may be a licensed physician or licensed behavioral health professional. The disability may be of long-term or unknown duration and impedes an individual's ability to live independently.

2.9 "**Family**" means household with children.

2.10 "**FHF**" means Family Housing Fund

2.11 "**Homeownership activities**" may include, but are not limited to: acquisition; construction; rehabilitation: and down payment and closing cost assistance.

2.12 "**HUD**" means the United States Department of Housing and Urban Development.

2.13 "**Income**" shall be defined as gross annual income which includes but is not limited to: gross wages, salaries, overtime pay, commissions, fees, tips, bonuses, public assistance, retirement and pension benefits, Workmen's Compensation, Temporary Disability Insurance, Supplemental Security Income (SSI), and interest income from assets.

2.14 "**MFI**" means the median family income of the area, as determined by the United States Department of Housing and Urban Development adjusted for family size.

2.15 "**Minimum rent for PSH**" means rent calculated at 30% of the federal gross monthly Supplemental Security Disability Income (SSDI).

2.16 "**Minimum rent for FHF**" means rent calculated at 30% of gross monthly household income for individuals and families working at minimum wage for 40 hours per week

2.17 "**Mixed-use development**" means developments that incorporate commercial/retail space with residential units.

2.18 "**Neighborhood revitalization area**" means a neighborhood designated in a revitalization plan including but not limited to: a State Enterprise Zone; a Growth Center; a Main Street area; a Neighborhood Revitalization area; and a Community Development area.

2.19 "**Operating cost,**" means costs associated with the day-to-day operation of a Development. Some examples include: maintenance and repair, operations staff, taxes, utilities, equipment, supplies and insurance.

2.20 "**PHA**" means Public Housing Authority

2.21 "**Development**" means unit(s), site(s), or an entire building. Development includes all the activities associated with the site and building.

2.22 "**Proposal**" means any eligible activity or group of activities necessary to implement a single program or Development.

2.23 "**Permanent Supportive Housing**" means long-term and community-based housing in conjunction with necessary supportive services and/or supervision for persons with disabilities as defined in 2.8.

2.24 "**PSH**" means Permanent Supportive Housing Fund

2.25 "**Public facility**" means any non-residential facility owned and operated by a public agency.

2.26 "**Rhode Island Housing**" means Rhode Island Housing and Mortgage Finance Corporation, a public corporation organized and existing under Chapter 55 of Title 42 of the Rhode Island General Laws, as amended.

2.27 "**Supportive services**" may include, but are not limited to: case management: education; employment and training: behavioral health counseling; life skills development; and supervision.

2.28 "**Term of affordability**" for the purpose of these programs means consistency with RIGL 45-53-3 (5) which require that the housing shall remain affordable for a period of not less than thirty (30) years.

2.29 "**Unit**" for Permanent Supportive Housing may include a bedroom with shared bath and kitchen facilities.

2.30 "**Very low income**" for the purpose of these programs means annual gross income at or less than 40% of State median family income.

SECTION 3 ALLOCATION OF FUNDS

3.1 Eligible Applicants. Generally eligible applicants include non-profit organizations with 501(c) 3 status, Community Housing Development Organizations, private for-profit entities, limited partnerships, any of the 39 cities and towns incorporated in the State of Rhode Island and Public Housing Authorities.

3.2 Low Income Targeting. PSH and FHF Developments must benefit very low-income individuals and families with gross annual incomes at or below 40% of the State median income.

3.3 Priorities.

3.3.1 Developments located near public transportation and services.

3.3.2 Developments located in neighborhood revitalization areas or consistent with an Approved affordable housing plan and/or State Land Use Plan.

3.3.3 Developments that include the rehabilitation of existing properties.

3.3.4 FHF Developments that target homeless individuals or families.

3.3.5 Applicants that have nonprofit status.

3.3.6 Developments that do not involve relocation.

3.3.7 Collaborative efforts between experienced development entities and service providers.

3.4 Funding shall be the minimum necessary to make a development feasible.

3.4.1 Applicants may receive capital funding up to $50,000 per unit and an operating subsidy sufficient to cover the gap between gross rents and the actual Operating costs of each NOP unit for a minimum period of ten years.

3.4.2 Developments must leverage at least 50% of the total cost of development from other funding sources.

3.4.3 Rent plus utilities will be set at 30% of gross monthly household income. A minimum gross rent shall be charged as defined in 2.15 or 2.16, as applicable. Rents received in excess of the minimum rent shall be applied to offset and extend the operating subsidy.

3.4.4 Funds allocated to the operating subsidy shall be held in escrow and invested to maximize the available subsidy.

3.4.5 Approved operating subsidies will be paid quarterly to the Development.

SECTION 4 ELIGIBLE PROGRAM COSTS

4.1 FHF eligible costs may include: acquisition of property; rehabilitation or construction; operating subsidy; and relocation

4.2 PSH eligible costs may include: acquisition of property; rehabilitation or construction; operating subsidy; case management services; and relocation

4.3 FHF and PSH will not be used for public facilities or loan pools.

SECTION 5 REHABILITATION STANDARDS

5.1 Each project must meet the Section 8 Existing Housing Quality Standards. At the discretion of the Commission more substantial rehabilitation may be required. Developers will be required to submit a work plan and a preliminary cost estimate for the development.

5.2 Recipients will be required to comply with the current HUD Lead Safe Housing Regulations and asbestos mitigation rules and applicable State lead laws.

SECTION 6 ELIGIBLE RESIDENTS

6.1 Eligible residents of FHF developments. Individuals and Families whose initial gross annual income does not exceed 40% of the State median family income.

6.2 Eligible residents for PSH developments. Individuals or Families who have a determination of disability by a qualified professional and who may be homeless or at risk of becoming homeless and whose gross annual income is initially at or below 40% of the State median family income.

6.3 Tenants who are no longer eligible residents due to income may continue to reside in the Development and pay 30% of gross income for rent. The next available unit shall be rented to an eligible resident.

SECTION 7 RENTS

7.1 FHF Rents. Rents will be established at the greater of 30% of gross monthly income minus utility allowances, or the minimum rent as defined under Section 2.16

7.2. PSH Rent. Rents will be established at the greater of 30% of gross monthly income minus utility allowances, or the minimum rent as defined under Section 2.15

7.3 Income will be certified prior to initial occupancy to demonstrate eligibility and to determine rent. Incomes will be recertified annually to determine rental payments, but may be recertified more frequently due to substantial changes in income.

SECTION 8 APPLICATION PROCESS

8.1 Applications for Funding. The Commission will announce a Request for Proposals from qualified organizations for funding and will make available the required applications for the FHF and the PSH. The deadline for receipt of applications will be disclosed in the Request for Proposals.

8.2 Review of Applications. Applications shall be reviewed by Commission staff to determine eligibility, Capacity of applicant and for the financial feasibility of the proposal. Recommendations will be presented to the Commission for final approval.

8.3 Scoring of Applications. The Neighbor Opportunities Program Committee of the Commission will make recommendations for funding to the Commission based on application scores.

SECTION 9 SCORING

9.1 All applications will be reviewed by the Commission staff based on a maximum of 100 points in accordance with the following criteria:

9.1.1 The extent to which the application addresses any of the priorities set forth in these regulations.

- Developments that are located in neighborhood revitalization areas
- Developments that include the rehabilitation of existing properties
- Developments that are consistent with an Approved affordable housing plan and/or State Land Use Plan.
- FHF Developments that target homeless individuals and families
- Developments that are located near public transportation and services
- Applicants with nonprofit status
- Developments that are collaborative efforts
- Developments that do not cause permanent relocation

9.1.2 Development feasibility

9.1.3 Commitment of funds

- Private resources to be leveraged by the proposal
- Other public funding committed to the activity

9.1.4 Readiness to proceed

9.1.5 Capacity of the applicant to undertake the proposed activity

9.1.6 Cost of the proposal per family or individual benefiting

9.1.7 Acquisition and/or rehabilitation of at least three (3) housing units

9.1.8 The extent to which the development promotes a more equitable distribution of affordable housing units throughout the State

SECTION 10REQUIREMENTS

10.1 Term of commitment. All recipients must agree to operate FHF and PSH Developments for the Term of affordability. Upon the depletion of the operating subsidy, the Development sponsor may request a change of use to serve individuals and families with incomes not to exceed 50% of the State median family income.

10.2 Repayment of funds. If the Development is not operated to provide direct benefit to very low income persons for a minimum of 10 years following the date of initial occupancy or service provision, the capital funds advanced must be repaid.

10.3 Exception. A sponsor will not be required to comply with the provisions set forth in Section 10.2 if the sale or disposition of the Development results in the continued use of the Development for the PSH or FHF.

10.4 Terms of the Agreement. The terms of the Agreement may be negotiated where conflicts exist with other funding sources.

SECTION 11 PROGRAM ADMINISTRATION

11. 1 Contracting. All contracts shall be awarded through a competitive process and shall be approved by the Commission.

11.2 Administration. The Commission shall designate Rhode Island Housing to administer and monitor these programs.

11.3 Monitoring. To ensure compliance with the requirements set forth in these Regulations, Rhode Island Housing may require information and reports on Developments financed hereunder and may conduct site visits and inspections.

Part III. Building Better Communities Fund

SECTION 12ALLOCATION OF FUNDS

12.1 Eligible Applicants. Eligible applicants include nonprofit organizations with 501(c)3 status who are located, conduct business and/or provide services in Rhode Island, any of the 39 cities and towns incorporated in the State of Rhode Island and Public Housing Authorities and for-profit entities working in partnership with any other eligible applicant.

12.2. Priorities.

12.2.1 Developments that include the acquisition and rehabilitation of existing buildings and/or vacant lots.

12.2.2 Developments located in neighborhood revitalization areas or consistent with an Approved affordable housing plan and/or State Land Use Plan.

12.2.3 Developments that provide homeownership opportunities.

12.2.4 Developments that do not involve resident relocation.

12.2.5 Collaborative efforts between experienced development entities and service providers or municipalities.

12.2.6 Developments located in a neighborhood in which affordable housing is being developed.

12.2.7 Developments that serve to revitalize low and moderate-income neighborhoods.

12.2.8 Developments may include mobile home park conversion including acquisition, infrastructure improvements and the financing of replacement housing.

12.2.9 Preservation of existing affordable housing units is a low priority for the BBC.

12.2.10 Funding

12.2.10.1 Funding shall be the minimum amount necessary for the feasibility of the proposed development.

12.2.10.2 Developments must leverage at least 50% of total development cost from other public (federal, state, and local) and private funding sources.

12.2.10.3 Funds will be granted to the applicant provided that the Development remains in compliance with the terms of the program with the exception that funding for property owned by private for-profit entities. Funding of projects owned by private for-profit entities shall be in the form of a loan with terms appropriate to the Development.

SECTION 13 ELIGIBLE PROGRAM ACTIVITIES

13.1 Eligible costs may include: acquisition, rehabilitation, new construction, demolition and site remediation.

13:2 Funding must directly or indirectly enhance housing activities.

13. 3 Funds will not be used for public facilities and loan pools.

SECTION 14REHABILITATION STANDARDS

14.1 Each project, at a minimum must meet the HUD Section 8 Existing Housing Quality Standards. At the discretion of the Commission a more substantial rehabilitation may be required. Developers will be required to submit a work plan and preliminary cost estimates for the development.

14.2 Recipients will be required to comply with the current HUD Lead Safe Housing Regulations and asbestos mitigation rules and applicable State lead laws.

SECTION 15 AFFORDABILITY REQUIREMENTS

15.1 Eligible residents of homeownership developments. Families whose gross annual income does not exceed 120% of State median family income.

15.2 Eligible residents of rental property. Families whose gross annual income does not exceed the State median family income and whose rent does not exceed the Fair Market Rent or an exception rent approved by HUD.

15.3 Terms of affordability. Units assisted hereunder must remain affordable for a minimum of thirty (30) years.

SECTION 16 APPLICATION PROCESS

16.1 Applications for Funding. The Commission will announce a Request for Proposals from qualified organizations for funding and will make available the required applications for the BBC. The deadline for receipt of applications will be disclosed in the Request for Proposals.

16.2 Review of Applications. Rhode Island Housing staff shall review applications to determine eligibility, capacity of applicant and financial feasibility.

16.3 Scoring of Applications. The Neighborhood Opportunities Program Committee of the Commission will score applications and make recommendations for funding to the Commission based on application scores.

SECTION 17 EVALUATION PROCESS

17.1 All applications will be evaluated by Commission staff in accordance with the following criteria:

17.1.1 The extent to which the application addresses any of the priorities set forth in Section 12.2 of these Regulations.

17.1.2 Developments that promote a statewide equitable distribution of funds.

17.1.3 Extent to which the Development promotes the revitalization of low and moderate income neighborhoods.

17.1.4 All projects must fully encompass the intent of the program.

17.1.5 Development feasibility including a long-term plan to maintain the property, readiness to proceed, and commitment of other funds.

17.1.6 Capacity of the applicant to undertake the proposed activity.

SECTION 18 PROGRAM ADMINISTRATION

18.1 Contracting. All contracts shall be awarded through a competitive process and shall be approved by the Commission.

18.2 Administration. The Commission shall designate Rhode Island Housing to administer and monitor these programs

18.3 Monitoring. To ensure compliance with the requirements set forth in these Regulations, Rhode Island Housing may require information and reports on Developments financed hereunder and may conduct site visits and inspections.

CITY OF PROVIDENCE, RI

2011 REAL ESTATE TAX BILL

MAKE CHECKS PAYABLE TO:
CITY OF PROVIDENCE TAX COLLECTOR

MAIL PAYMENTS TO:
CITY OF PROVIDENCE
P.O. BOX 9100
PROVIDENCE, RI 02940-9100

TO PAY BY CREDIT CARD 1-866-290-8105
OR VISIT
WWW.PAYBILL.COM/PROVIDENCETAXES
There is a nominal fee for this service.

TAX BILLS $100.00 OR LESS MUST BE PAID IN FULL

OMNI TURNING POINT LLC
810 EDDY ST
PROVIDENCE, RI 02903

DESCRIPTION	VALUATION	TAX
Assessed Values as of December 31st, 2010 Plat# 058 Lot# 0819 For Property Located at: 1380 Broad St, Providence		
Land	155,200.00	
Building/Improvements	1,158,000.00	
Total Value	1,313,200.00	48,260.12
TOTAL:		$48,260.12

Contact Information:
Tax Assessor (401) 421-5900
Tax Collector (401) 331-5252

TAX	Municipal	School	Total
Real	$22.59	$9.30	$31.89
Real Commercial	$26.03	$10.72	$36.75
Excise	$42.50	$17.50	$60.00
Tangible	$39.52	$16.28	$55.80

Register for E-mail notification: www.providenceri.com/taxpay

PLEASE PRESENT ENTIRE BILL WHEN MAKING PAYMENTS IN PERSON. TAXES MAY BE PAID IN QUARTERLY INSTALLMENTS ON AUGUST 24, 2011, OCTOBER 24, 2011, JANUARY 24, 2012 AND APRIL 24, 2012. TAXES NOT PAID BY THE DUE DATE ARE DELINQUENT AND WILL CARRY AN INTEREST CHARGE FROM JULY 1, 2011 ON THE ENTIRE UNPAID BALANCE OF THE TAX. FAILURE TO RECEIVE THIS NOTICE DOES NOT AFFECT THE VALIDITY OF THE TAXES OR SUBSEQUENT CHARGES.

2011 CITY OF PROVIDENCE RI — QUARTERLY 4 PAYMENT — Collector's Stub

MUST BE PAID ON OR BEFORE APRIL 24, 2012

Plat# 058 Lot# 0819

TOTAL TAX	4TH PAYMENT
48,260.12	12,065.03

NAME
OMNI TURNING POINT LLC

IF THE REMAINING OR ANY SUBSEQUENT INSTALLMENT IS NOT PAID BEFORE DUE DATE, THE WHOLE TAX OR ANY BALANCE THEREOF SHALL AT ONCE BECOME DUE AND PAYABLE WITH INTEREST AT THE RATE OF 12 PERCENT PER ANNUM FROM JULY 1, 2011.

FOR PROPER CREDIT DETACH AND RETURN THIS STUB WITH YOUR PAYMENT

0026678814000001206503 9

2011 CITY OF PROVIDENCE RI — QUARTERLY 3 PAYMENT — Collector's Stub

MUST BE PAID ON OR BEFORE JANUARY 24, 2012

Plat# 058 Lot# 0819

TOTAL TAX	3RD PAYMENT
48,260.12	12,065.03

NAME
OMNI TURNING POINT LLC

IF THE REMAINING OR ANY SUBSEQUENT INSTALLMENT IS NOT PAID BEFORE DUE DATE, THE WHOLE TAX OR ANY BALANCE THEREOF SHALL AT ONCE BECOME DUE AND PAYABLE WITH INTEREST AT THE RATE OF 12 PERCENT PER ANNUM FROM JULY 1, 2011.

FOR PROPER CREDIT DETACH AND RETURN THIS STUB WITH YOUR PAYMENT

0026678814000001206503 9

2011 CITY OF PROVIDENCE RI — QUARTERLY 2 PAYMENT — Collector's Stub

MUST BE PAID ON OR BEFORE OCTOBER 24, 2011

Plat# 058 Lot# 0819

TOTAL TAX	2ND PAYMENT
48,260.12	12,065.03

NAME
OMNI TURNING POINT LLC

IF THE REMAINING OR ANY SUBSEQUENT INSTALLMENT IS NOT PAID BEFORE DUE DATE, THE WHOLE TAX OR ANY BALANCE THEREOF SHALL AT ONCE BECOME DUE AND PAYABLE WITH INTEREST AT THE RATE OF 12 PERCENT PER ANNUM FROM JULY 1, 2011.

FOR PROPER CREDIT DETACH AND RETURN THIS STUB WITH YOUR PAYMENT

0026678814000001206503 9

2011 CITY OF PROVIDENCE RI — QUARTERLY 1 PAYMENT — Collector's Stub

MUST BE PAID ON OR BEFORE AUGUST 24, 2011

PRIOR YEAR DUE	PRIOR INTEREST DUE	1st Quarter Tax	1ST PAYMENT
0.00	0.00	12,065.03	12,065.03

NAME
OMNI TURNING POINT LLC

IF THE REMAINING OR ANY SUBSEQUENT INSTALLMENT IS NOT PAID BEFORE DUE DATE, THE WHOLE TAX OR ANY BALANCE THEREOF SHALL AT ONCE BECOME DUE AND PAYABLE WITH INTEREST AT THE RATE OF 12 PERCENT PER ANNUM FROM JULY 1, 2011.

FOR PROPER CREDIT DETACH AND RETURN THIS STUB WITH YOUR PAYMENT

Plat# 058 Lot# 0819

0026678814000001206503 9

MAKE CHECKS PAYABLE TO:
CITY OF PROVIDENCE TAX COLLECTOR

MAIL PAYMENTS TO:
CITY OF PROVIDENCE
P.O. BOX 9100
PROVIDENCE, RI 02940-9100

TO PAY BY CREDIT CARD 1-866-290-8105
OR VISIT
WWW.PAYBILL.COM/PROVIDENCETAXES
There is a nominal fee for this service.

TAX BILLS $100.00 OR LESS MUST BE PAID IN FULL

DESCRIPTION	VALUATION	TAX
Assessed Values as of December 31st, 2010 Plat# 058 Lot# 0820		
For Property Located at: 24 Calla St, Providence		
Land	37,600.00	
Building/Improvements	63,400.00	
Total Value	101,000.00	3,220.92
Non-Owner Homestead 2-5 Family	-15,150.00	-483.13
TOTAL:		$2,438.82

Contact Information:
Tax Assessor (401) 421-5900
Tax Collector (401) 331-5252

TAX	Municipal	School	Total
Real	$22.59	$9.30	$31.89
Real Commercial	$26.03	$10.72	$36.75
Excise	$42.50	$17.50	$60.00
Tangible	$39.52	$16.28	$55.80

Register for E-mail notification: www.providenceri.com/taxpay

PLEASE PRESENT ENTIRE BILL WHEN MAKING PAYMENTS IN PERSON. TAXES MAY BE PAID IN QUARTERLY INSTALLMENTS ON AUGUST 24, 2011, OCTOBER 24, 2011, JANUARY 24, 2012 AND APRIL 24, 2012. TAXES NOT PAID BY THE DUE DATE ARE DELINQUENT AND WILL CARRY AN INTEREST CHARGE FROM JULY 1, 2011 ON THE ENTIRE UNPAID BALANCE OF THE TAX. FAILURE TO RECEIVE THIS NOTICE DOES NOT AFFECT THE VALIDITY OF THE TAXES OR SUBSEQUENT CHARGES.

CITY OF PROVIDENCE, RI
2011 REAL ESTATE TAX BILL

OMNI TURNING POINT LLC
810 EDDY ST
PROVIDENCE, RI 02903

2011 CITY OF PROVIDENCE RI
QUARTERLY 4 PAYMENT
Collector's Stub
MUST BE PAID ON OR BEFORE APRIL 24, 2012

Plat# 058 Lot# 0820

TOTAL TAX	4TH PAYMENT
2,438.82	684.44

NAME
OMNI TURNING POINT LLC

IF THE REMAINING OR ANY SUBSEQUENT INSTALLMENT IS NOT PAID BEFORE DUE DATE, THE WHOLE TAX OR ANY BALANCE THEREOF SHALL AT ONCE BECOME DUE AND PAYABLE WITH INTEREST AT THE RATE OF 12 PERCENT PER ANNUM FROM JULY 1, 2011.

FOR PROPER CREDIT DETACH AND RETURN THIS STUB WITH YOUR PAYMENT

00266788270000000684444

2011 CITY OF PROVIDENCE RI
QUARTERLY 3 PAYMENT
Collector's Stub
MUST BE PAID ON OR BEFORE JANUARY 24, 2012

Plat# 058 Lot# 0820

TOTAL TAX	3RD PAYMENT
2,438.82	684.44

NAME
OMNI TURNING POINT LLC

IF THE REMAINING OR ANY SUBSEQUENT INSTALLMENT IS NOT PAID BEFORE DUE DATE, THE WHOLE TAX OR ANY BALANCE THEREOF SHALL AT ONCE BECOME DUE AND PAYABLE WITH INTEREST AT THE RATE OF 12 PERCENT PER ANNUM FROM JULY 1, 2011.

FOR PROPER CREDIT DETACH AND RETURN THIS STUB WITH YOUR PAYMENT

00266788270000000684444

2011 CITY OF PROVIDENCE RI
QUARTERLY 2 PAYMENT
Collector's Stub
MUST BE PAID ON OR BEFORE OCTOBER 24, 2011

Plat# 058 Lot# 0820

TOTAL TAX	2ND PAYMENT
2,438.82	684.44

NAME
OMNI TURNING POINT LLC

IF THE REMAINING OR ANY SUBSEQUENT INSTALLMENT IS NOT PAID BEFORE DUE DATE, THE WHOLE TAX OR ANY BALANCE THEREOF SHALL AT ONCE BECOME DUE AND PAYABLE WITH INTEREST AT THE RATE OF 12 PERCENT PER ANNUM FROM JULY 1, 2011.

FOR PROPER CREDIT DETACH AND RETURN THIS STUB WITH YOUR PAYMENT

00266788270000000684444

2011 CITY OF PROVIDENCE RI
QUARTERLY 1 PAYMENT
Collector's Stub
MUST BE PAID ON OR BEFORE AUGUST 24, 2011

PRIOR YEAR DUE	PRIOR INTEREST DUE	1st Quarter Tax	1ST PAYMENT
0.00	0.00	684.44	385.50

NAME
OMNI TURNING POINT LLC

IF THE REMAINING OR ANY SUBSEQUENT INSTALLMENT IS NOT PAID BEFORE DUE DATE, THE WHOLE TAX OR ANY BALANCE THEREOF SHALL AT ONCE BECOME DUE AND PAYABLE WITH INTEREST AT THE RATE OF 12 PERCENT PER ANNUM FROM JULY 1, 2011.

FOR PROPER CREDIT DETACH AND RETURN THIS STUB WITH YOUR PAYMENT

Plat# 058 Lot# 0820

00266788270000000385501

B

THE CITY OF PROVIDENCE

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RESOLUTION OF THE CITY COUNCIL

No.

Approved

RESOLVED, That the taxes assessed upon Assessor's Plat 58, Lot 819 (1380 Broad Street) (a/k/a Omni Turning Point, LLC), for the year 2010, are hereby cancelled.

assessor that the new construction is being used for the purpose for which it was constructed, the assessor shall determine the increment by which assessment for the completed construction exceeds the assessment on the tax roll for the immediately preceding assessment date. He or she shall prorate the amount from the date of issuance of the certificate of occupancy or the date on which the new construction was first used for the purpose for which it was constructed, as the case may be, to the assessment date immediately following and shall add the increment as prorated to the tax role for the immediately preceding assessment date and shall within five (5) days notify the record owner as appearing on the tax roll and tax collector of the additional assessment.

(d) Any person claiming to be aggrieved by the action of the assessor under this section may appeal to the assessment board of review within sixty (60) days from notification of the additional assessment or to superior court as provided.

(e) Upon receipt of the notice from the assessor, the tax collector shall, if the notice is received after the normal billing date, within ten (10) days thereafter mail or hand a bill to the owner based upon an amount prorated by the assessor. The tax is due and payable and collectible as other municipal taxes and subject to the same liens and processes of collection; provided, that the tax is due and payable in an initial or single installment due and payable not sooner than thirty (30) days after the date the bill is mailed or handed to the owner, and in any remaining, regular installments, as they are due and payable, and the several installments of a tax due and payable are equal.

(f) Nothing in this section authorizes the collection of taxes twice in respect of the land upon which the new construction is located.

(g) This section applies only to taxes levied and property assessed in the town of Hopkinton.

History of Section.
P.L. 1995, ch. 363, § 1.

44-5-13.11. Qualifying low-income housing — Assessment and taxation.

Any residential property that has been issued an occupancy permit on or after January 1, 1995, after substantial rehabilitation as defined by the U.S. Department of Housing and Urban Development and is encumbered by a covenant recorded in the land records in favor of a governmental unit or Rhode Island housing and mortgage finance corporation restricting either or both the rents that may be charged to tenants of the property or the incomes of the occupants of the property, is subject to a tax that equals eight percent (8%) of the property's previous years' gross scheduled rental income or a lesser percentage as determined by each municipality.

28
MUNICIPALITY

CERTIFICATE OF USE AND OCCUPANCY

PM_ID: 58059

No. C-20110006

THIS IS TO CERTIFY that the

Erect a new three story mixed use building - 3 commercial space and twelve apartments.
Bsath - 1/4/2011 1:33:39 PM

Erected on Plat / Lot: 058-0819-0000
Street and No.: **1380 Broad St**
Owner: Omni Turning Point LLC, 810 Eddy St, Providence, RI 02903

Zone: C-1
Architect / Engineer:
David. A. Presbrey
Info: c/o: , Tel.: , Lic.: 448, exp.:

Contractor:
The Bailey Group
Info: c/o: Mark Hashway, Tel.: (401)921-6100, Lic.: 30586, exp.:9/1/11

Building Permit No.: Alternate Permit No.:
has been inspected and the following occupancy thereof
is hereby authorized : Use Group: R-2
B
Construction Type: 5B Sprinkler:

Occupancies:

	Design Occupancy Load	Floor Use
Basement		Slabs
1st Fl		off/1apt/police sub/tenant TBD
2nd Fl		6 apartments
3rd Fl		5 apartments
4th Fl		N/A
Other		N/A

Remarks:
Separate permit for tenant space to be determined.

Bsath - 1/24/2011 3:11:26 PM

Code Edition:

1/25 20 11

certificate must be posted where required by the State Building
d permanently maintained in a conspicuous place at or close to the
he building or structure referred to above.

APPROVED FOR FINAL INSPECTION:

1/24 20 11

ELECTRICAL INSPECTOR

Jan 24 20 11

MECHANICAL INSPECTOR

1-24 20 11

PLUMBING INSPECTOR

1-24 20 11

STRUCTURES

1/25 20 11

STATE OR ASSISTANT DEPUTY
FIRE PREVENTION

1.25 20 11

STATE OR ASSISTANT DEPUTY
FIRE ALARM

Upon recording return to:
Carol A. Ventura, Director of Development
Rhode Island Housing
44 Washington Street
Providence, Rhode Island 02903

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
HOME INVESTMENT PARTNERSHIPS PROGRAM

DEED RESTRICTION

This Deed Restriction is entered into as of May 23, 2011 by and between RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION, a corporation, instrumentality and agency of the State of Rhode Island with a mailing address of 44 Washington Street, Providence, Rhode Island 02903, ("Rhode Island Housing") and OMNI TURNING POINT LLC, (the "Recipient") (as such Deed Restriction may be amended from time to time, this "Deed Restriction").

WITNESSETH:

A. the Recipient owns that certain real property located at 1380 Broad Street, Providence, Rhode Island 02905, as more fully described in Exhibit A attached hereto and made a part hereof (the "Real Property");

B. Rhode Island Housing and the Recipient have entered into that certain HOME Investment Partnerships Agreement, dated as of September 30, 2009, (as amended from time to time, the "HOME Agreement") (capitalized terms used in this Deed Restriction and not otherwise defined herein shall have the meanings ascribed thereto in the HOME Agreement);

C. pursuant to the HOME Agreement, the Recipient has received a grant of Five Hundred Thousand and 00/100 DOLLARS ($500,000.00) under the HOME Program (the "HOME Funds");

D. the Recipient has constructed fourteen (14) rental units for very low-income households on the Real Property. Ten (10) one-bedroom rental units are HOME assisted (the "Rental Units") (collectively, hereinafter the Rental Units shall be referred to as the "Dwelling") and together with the Real Property and any other improvements thereon, collectively, the "Premises"); and

NOW THEREFORE, as an inducement to, and in consideration of, Rhode Island Housing making the HOME Funds available to the Recipient and of the promises and covenants hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which is acknowledged by the parties hereto, the parties hereto hereby agree as follows:

1. Affordability Period.

(a) This Deed Restriction shall remain in effect for a period of thirty (30) years commencing on February 25, 2011 and ending on February 24, 2041 (the "Termination Date") (such period, the "Affordability Period"). On and after the Termination Date, this Deed Restriction shall be of no further force or effect.

(b) During the Affordability Period and commencing on the date hereof, the rents charged by the Recipient for each Dwelling shall remain affordable and shall not exceed the rent schedule and utility allowance as established from time to time by the Department of Housing and Urban Development of the United States of America ("HUD") pursuant to the HOME Program.

(c) During the Affordability Period, eight (8) of the Dwellings shall be rented to a very low income tenant whose gross annual household income, adjusted for family size, does not exceed fifty percent (50%) of area median income as established and published by HUD from time to time. With respect to any Dwelling, total rent, including utilities, during any period shall not exceed the low HOME rent as established by HUD for such period.

(d) During the Affordability Period, two (2) of the Dwellings shall be rented to a very low income tenant whose gross annual household income, adjusted for family size, does not exceed sixty percent (60%) of area median income as established and published by HUD from time to time. With respect to any Dwelling, total rent, including utilities, during any period shall not exceed the high HOME rent as established by HUD for such period.

(e) Except as provided in Section 2(a) hereof, each Dwelling shall remain affordable during the Affordability Period without regard to the term of any mortgage on such Dwelling or to any transfer of ownership thereof.

(f) Each Dwelling shall qualify as affordable despite temporary noncompliance with Section 1(b) above if (i) such noncompliance is caused by increases in the incomes of existing tenants, and (ii) such action satisfactory to Rhode Island Housing in its sole discretion is being taken by the Recipient to ensure that all vacancies are filled in accordance with Section 1 hereof until such noncompliance is corrected. A tenant of a Dwelling who ceases to qualify as low-income shall pay as rent the lesser of (i) the amount payable by the tenant under State or local law, as

applicable, and (ii) thirty percent (30%) of such tenant's adjusted monthly income, as recertified to the Recipient annually.

(g) Notwithstanding any provisions of this Section 1 to the contrary, if the Mortgage is insured by HUD, the Affordability Period shall in no event be shorter than the term of the Mortgage.

2. **Resale Requirements In The Event Of Foreclosure.**

(a) With respect to all or any part of the Real Property, if the affordability restrictions set forth in the Loan Documents are terminated before the expiration of the Affordability Period upon the occurrence of a "Termination Event" (as defined below), such affordability restrictions shall be reinstated upon the terms thereof in effect as of the date on which they were so terminated if, during the Affordability Period, the owner of record of such Real Property obtains a direct or indirect ownership interest in such Real Property. "Termination Event" shall mean, with respect to all or any part of the Real Property, a foreclosure thereof, transfer in lieu of foreclosure thereof, or an assignment of an FHA insured mortgage encumbering such Real Property to HUD, *provided that* prior to such Termination Event the mortgagee shall provide Rhode Island Housing with notice of such proposed Termination Event and thereafter upon receipt by Rhode Island Housing of such notice, such mortgagee shall allow Rhode Island Housing the opportunity to cure the default within thirty (30) days after receipt of such notice. In addition to Rhode Island Housing's right to cure, Rhode Island Housing shall have the right on twenty (20) days notice to purchase at par, plus any accrued and unpaid interest, such lender's loan. Such purchase shall occur within thirty (30) days of Rhode Island Housing's notice to such lender that Rhode Island Housing intends to exercise its right to purchase the loan.

(b) The Recipient shall promptly provide notice to Rhode Island Housing of any impending foreclosure or transfer in lieu of foreclosure so that Rhode Island Housing can determine whether the Affordability Period shall be suspended.

(c) If at any time following transfer by foreclosure or transfer in lieu of foreclosure, but still during the term of the Affordability Period, the owner of record prior to such foreclosure or transfer in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or has had family or business ties, obtains an ownership interest in the Real Property, the Affordability Period shall be reinstated according to its original terms.

3. **Recording And Filing; Covenants To Run With The Real Property.**

(a) Upon execution and delivery hereof by the Recipient, Rhode Island Housing shall cause this Deed Restriction and all amendments hereto to be recorded and filed in the official public land evidence records of the city or town in which the Real Property is located.

(b) The Recipient intends, declares and covenants, on behalf of itself and its heirs, transferees, successors and assigns of the Real Property, that during the Affordability Period this Deed Restriction and the covenants and restrictions set forth in this Deed Restriction (i) shall run with the Real Property, shall encumber the Real Property during the Affordability Period, and shall be binding upon such heirs, transferees, successors and assigns, and (ii) are not merely a personal covenant of the Recipient. The Recipient hereby agrees that any and all requirements of the laws of the State of Rhode Island required to be satisfied in order for the provisions of this Deed Restriction to become effective and constitute deed restrictions and covenants running with the Real Property are deemed to be satisfied in full, and that any requirements of privity of estate are deemed satisfied or, in the alternative, that an equitable servitude has been created to insure that these restrictions and covenants run with the Real Property. During the Affordability Period, each and every contract, deed or other instrument hereafter executed conveying the Real Property or any portion thereof shall expressly provide that such conveyance is subject to this Deed Restriction; *provided, however,* the restrictions and covenants contained herein shall survive and be effective regardless of whether such contract, deed or other instrument provides that such conveyance is subject to this Deed Restriction.

(c) If the Recipient desires to sell, convey or otherwise transfer the Premises, the Recipient shall promptly notify Rhode Island Housing in writing of such intent ("Notice of Intent to Transfer") by certified mail return receipt requested.

4. **Default By Recipient.**

(a) The occurrence of any default by the Recipient of the obligations and duties imposed on the Recipient under this Deed Restriction shall automatically constitute an Event of Default under the HOME Agreement and the other Loan Documents.

5. **Miscellaneous Provisions.**

(a) Successors and Assigns. This Deed Restriction shall be binding upon the parties hereto and their respective heirs, transferees, successors and assigns.

(b) Governing Law. This Deed Restriction is being executed and delivered in the State of Rhode Island and shall in all respects be governed, construed, applied and enforced in accordance with the laws of said State (without giving effect to its conflict of laws principles) and, where applicable, the laws of the United States of America and Rhode Island Housing's rules and regulations applicable to the HOME Program, as they may be amended from time to time.

(c) Severability; Amendments. If any provision of this Deed Restriction shall be deemed unenforceable or invalid, such provision shall not affect, impair or invalidate any other provision of this Deed Restriction. This Deed Restriction may only be amended by written agreement executed by each of the Recipient and Rhode Island Housing.

(d) Notices. All notices to be given pursuant to this Deed Restriction shall be in writing and shall be deemed given when mailed by certified or registered mail, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing to the other parties hereto. Rhode Island Housing and the Recipient may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communication shall be sent.

To Rhode Island Housing:	Rhode Island Housing 44 Washington Street Providence, Rhode Island 02903 Attention: Deputy Director for Programs
To the Recipient:	Omni Turning Point LLC 810 Eddy Street Providence, RI 02907 Attention: President

(e) Amendment. The Recipient agrees that it will take all actions necessary to effect amendments to this Deed Restriction as may be necessary to comply with the Internal Revenue Code and any and all applicable rules, regulations, policies, procedures, rulings or other official statements.

(f) Maintenance of the Premises. The Recipient, for itself, its successors and assigns hereby covenants and agrees that it shall maintain the Premises in good condition and repair throughout the owner's period of ownership. In the event, Rhode Island Housing determines, at its sole discretion, that the Premises have fallen below the good condition and repair standard, it shall notify the Recipient in writing of the specific conditions leading to said findings. The Recipient shall bring the Premises back to the standard of good condition and repair, as solely judged by Rhode Island Housing

within sixty (60) days of being notified. Failure to comply within the prescribed period, shall constitute a breach of this Deed Restriction and the Loan Documents.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have each caused this Deed Restriction to be duly executed and delivered by their respective duly authorized representatives as of the day and year set forth above.

WITNESS:

RECIPIENT:

OMNI TURNING POINT LLC
By: Omni Development Corporation, its Managing Member

By: _____
Joseph A. Caffey
President

STATE OF RHODE ISLAND
County of Providence

In Providence, in said County and State, on the 18 day of May, 2011, before me personally appeared the within-named Joseph A. Caffey, to me known and known by me to be the President of Omni Development Corporation, the Managing Member of Omni Turning Point LLC and the person executing these presents on behalf of Omni Turning Point LLC, the party executing the foregoing instrument, and he acknowledged said instrument by him so executed to be his free act and deed in such capacity and the free act and deed of Omni Turning Point LLC.

_____
Notary Public: [illegible] #1112
My Commission Expires: Jan 17, 2013
Stephen T Napolitano

[signatures continue on next page]

WITNESS:

Marilena A. Di Cristofano

RHODE ISLAND HOUSING AND
MORTGAGE FINANCE CORPORATION

By: Susan E. Bodington
Susan E. Bodington
Deputy Director for Programs

STATE OF RHODE ISLAND
County of Providence

In Providence, in said County and State, on the 23rd day of May, 2011, before me personally appeared the within-named Susan E. Bodington, to me known and known by me to be the Deputy Director for Programs of Rhode Island Housing and Mortgage Finance Corporation and the person executing these presents on behalf of Rhode Island Housing and Mortgage Finance Corporation, the party executing the foregoing instrument, and she acknowledged said instrument by her so executed to be her free act and deed in such capacity and the free act and deed of Rhode Island Housing and Mortgage Finance Corporation.

Marilena A. Di Cristofano
Notary Public: Marilena A. Di Cristofano
My Commission Expires: 1/28/2015

Exhibit "A"

PARCEL A

That certain tract or parcel of land, with all buildings and improvements thereon, situated on the easterly side of Broad Street and northerly side of Morton Street, in the City and County of Providence, State of Rhode Island, bounded and described as follows:

Beginning at the point of intersection of the easterly line of Broad Street with the northerly line of Morton Street. Said point being the southwest corner of the herein described parcel;

Thence northerly along the easterly line of said Broad Street a distance of ninety-seven and 50/100 (97.50) feet to land now or formerly of Victoria Nameika Chester;

Thence turning an interior angle of 72°-18'-00" and running easterly bounding northerly in part said Victoria Nameika Chester land, in part land now or formerly of Ardomis Aracena, and in part land now or formerly of Celilia Delacruz a distance of one hundred fifteen and 88/100 (115.88) feet to an angle;

Thence continuing at an interior angle of 179°-35'-00" easterly bounding northerly in part land now or formerly of Rhode Island Housing Development Corporation and in part land now or formerly of Paulino A. and Maria T. DeJesus a distance of sixty-one and 84/100 (61.84) feet to land now or formerly of Cambridge Associates, Inc.;

Thence turning an interior angle of 87°-39'-00" and running southerly bounding easterly said Cambridge Associates, Inc. land a distance of sixty-one and 47/100 (61.47) feet to a corner;

Thence turning an interior angle of 90°-00'-00" and running westerly a distance of two and 50/100 (2.50) feet to a corner;

Thence turning an interior angle of 270°-00'-00" and running southerly bounding easterly said Cambridge Associates, Inc. land a distance of thirty-eight and 00/100 (38.00) feet to northerly line of Morton Street;

Thence turning an interior angle of 90°-00'-00" and running westerly along the northerly line of said Morton Street a distance of one hundred forty and 94/100 (140.94) feet to the point and place of beginning. The last mentioned course forms an interior angle of 110°-28'-00" with the first mentioned course.

The above-described parcel contains an area of 15,312 square feet of land and is shown on a plan entitled "Administrative Subdivision, Assessor's Plat 58 Lots 446, 59, 16 and 236, Providence, RI". Prepared for Omni Development Corporation by Engelhardt Surveying, LLC, Warwick, RI, Scale 1"=20', Date: October, 2009.

Subject to an Easement on Parcel A, as recorded in Book 9566 at Page 191.

PARCEL B

That certain tract or parcel of land, with all buildings and improvements thereon, situated on the southerly side of Calla Street, in the City and County of Providence, State of Rhode Island, bounded and described as follows:

Beginning at a point on the southerly line of Calla Street, said point being one hundred fifty-four and 45/100 (154.45) feet from the easterly line of Broad Street as measured along the southerly line of Calla Street and being the northeast corner of land now or formerly of Celilia Delacruz and the northwest corner of the herein described parcel;

Thence easterly along the southerly line of Calla Street a distance of forty and 00/100 (40.00) feet to land now or formerly of Paulino A. and Maria T. DeJesus;

Thence turning an interior angle of 90°-01'-50" and running southerly bounding easterly said DeJesus land a distance of ninety-five and 41/100 (95.41) feet to land now or formerly of Rhode Island Housing Development Corporation;

Thence turning an interior angle of 92°-21'-00" and running westerly bounding southerly said Rhode Island Housing Development Corporation land a distance of forty and 03/100 (40.03) feet to land now or formerly of Celilia Delacruz;

Thence turning an interior angle of 87°-39'-00" and running northerly bounding westerly said Delacruz land a distance of ninety-seven and 08/100 (97.08) feet to the point and place of beginning. The last mentioned course forms an interior angle of 89°-58'-10" with the first mentioned course.

The above-described parcel contains an area of 3,850 square feet of land and is shown on a plan entitled "Administrative Subdivision, Assessor's Plat 58 Lots 446, 59, 16 and 236, Providence, RI". Prepared for Omni Development Corporation by Engelhardt Surveying, LLC, Warwick, RI, Scale 1"=20', Date: October, 2009.

Property Address:

1374-1380 Broad Street, 24R Calla Street, 24 Calla Street,
19 Morton Street
Providence, Rhode Island 02903

U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT

SETTLEMENT STATEMENT

1. [ ] FHA 2. [ ] FmHA 3. [X] CONV. UNINS. 4. [ ] VA 5. [ ] CONV. INS.

6. FILE NUMBER: 2009-0656

7. LOAN NUMBER:

8. MORTGAGE INS CASE NUMBER:

C. NOTE: *This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "[POC]" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.*

1.0 3/98 (2009-0656.PFD/2009-0656/16)

D. NAME AND ADDRESS OF BORROWER:	E. NAME AND ADDRESS OF SELLER:	F. NAME AND ADDRESS OF LENDER:
Omni Turning Point, LLC 810 Eddy Street Providence, RI 02903	Rhode Island Housing Development Corporation 44 Washington Street Providence, RI 02903	Rhode Island Housing and Mortgage Finance Corp. 44 Washington Street Providence, RI 02903

G. PROPERTY LOCATION:	H. SETTLEMENT AGENT:	I. SETTLEMENT DATE:
1380 Broad Street, 24R Calla St., 24 Calla St. Providence, RI 02905 Providence County, Rhode Island	McGunagle & Reidy, LTD PLACE OF SETTLEMENT 2088 Broad Street Cranston, RI 02905	November 18, 2009

J. SUMMARY OF BORROWER'S TRANSACTION		K. SUMMARY OF SELLER'S TRANSACTION	
100. GROSS AMOUNT DUE FROM BORROWER:		**400. GROSS AMOUNT DUE TO SELLER:**	
101. Contract Sales Price	201,025.00	401. Contract Sales Price	201,025.00
102. Personal Property		402. Personal Property	
103. Settlement Charges to Borrower (Line 1400)	5,028.00	403.	
104.		404.	
105.		405.	
Adjustments For Items Paid By Seller in advance		*Adjustments For Items Paid By Seller in advance*	
106. City/Town Taxes to		406. City/Town Taxes to	
107. County Taxes to		407. County Taxes to	
108. Assessments to		408. Assessments to	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
GROSS AMOUNT DUE FROM BORROWER	206,053.00	*420. GROSS AMOUNT DUE TO SELLER*	201,025.00
200. AMOUNTS PAID BY OR IN BEHALF OF BORROWER:		**500. REDUCTIONS IN AMOUNT DUE TO SELLER:**	
201. Deposit or earnest money		501. Excess Deposit (See Instructions)	
202. Principal Amount of New Loan(s)	201,025.00	502. Settlement Charges to Seller (Line 1400)	
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff of first Mortgage	
205.		505. Payoff of second Mortgage	
206.		506.	
207.		507.	
208.		508.	
209.		509.	
Adjustments For Items Unpaid By Seller		*Adjustments For Items Unpaid By Seller*	
210. City/Town Taxes to		510. City/Town Taxes to	
211. County Taxes to		511. County Taxes to	
212. Assessments to		512. Assessments to	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. TOTAL PAID BY/FOR BORROWER	201,025.00	*520. TOTAL REDUCTION AMOUNT DUE SELLER*	
300. CASH AT SETTLEMENT FROM/TO BORROWER:		**600. CASH AT SETTLEMENT TO/FROM SELLER:**	
301. Gross Amount Due From Borrower (Line 120)	206,053.00	601. Gross Amount Due To Seller (Line 420)	201,025.00
302. Less Amount Paid By/For Borrower (Line 220)	(201,025.00)	602. Less Reductions Due Seller (Line 520)	( )
303. CASH (X FROM) (TO) BORROWER	5,028.00	*603. CASH (X TO) (FROM) SELLER*	201,025.00

HUD-1 (3-86) RESPA, HB4305.2

Division of Commission (line 700) as Follows:	BORROWER'S FUNDS AT SETTLEMENT	SELLER'S FUNDS AT SETTLEMENT
701. $ to		
702. $ to		
703. Commission Paid at Settlement		
704. to		
800. ITEMS PAYABLE IN CONNECTION WITH LOAN		
Loan Origination Fee % to		
Loan Discount % to		
803. Appraisal Fee to		
804. Credit Report to		
805. Lender's Inspection Fee to		
806. Mortgage Ins. App. Fee to		
807. Assumption Fee to		
808.		
809.		
810.		
811.		
900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE		
901. Interest From to @ $ /day (days %)		
902. Mortgage Insurance Premium for months to		
903. Hazard Insurance Premium for 1.0 years to		
904.		
905.		
1000. RESERVES DEPOSITED WITH LENDER		
1001. Hazard Insurance months @ $ per month		
1002. Mortgage Insurance months @ $ per month		
1003. City/Town Taxes months @ $ per month		
1004. County Taxes months @ $ per month		
1005. Assessments months @ $ per month		
1006. months @ $ per month		
1007. months @ $ per month		
1008. Aggregate Adjustment months @ $ per month		
1100. TITLE CHARGES		
1101. Settlement or Closing Fee to		
1102. Abstract or Title Search to		
1103. Survey Work on Easement to Engelhardt Surveying, LLC	425.00	
1104. Title Insurance Binder to		
1105. Attorney's Fees and costs to Law Office of Ronald C. Markoff	4,603.00	
1106. Notary Fees to		
1107. Attorney's Fees to McGunagle & Reidy, LTD POC		
(includes above item numbers:)		
1108. Title Insurance to		
(includes above item numbers:)		
1109. Lender's Coverage $		
1110. Owner's Coverage $		
1111.		
1112.		
1113.		
1200. GOVERNMENT RECORDING AND TRANSFER CHARGES		
1201. Recording Fees: Deed $; Mortgage $; Releases $		
1202. City/County Tax/Stamps: Deed ; Mortgage		
1203. State Tax/Stamps: Revenue Stamps ; Mortgage		
1204. City/Town of Providence		
1205. City/Town of Providence		
1300. ADDITIONAL SETTLEMENT CHARGES		
1301. Survey to		
1302. Pest Inspection to		
1303. Courier Fees		
1304.		
1305. Wire Fee		
1400. TOTAL SETTLEMENT CHARGES (Enter on Lines 103, Section J and 502, Section K)	5,028.00	

By signing page 1 of this statement, the signatories acknowledge receipt of a completed copy of page 2 of this two page statement.

Certified to be a true copy.

JAC

McGunagle & Reidy, LTD
Settlement Agent

Borrower: Omni Turning Point, LLC
Seller: Rhode Island Housing Development Corporation
Lender: Rhode Island Housing and Mortgage Finance Corp.
Settlement Agent: McGunagle & Reidy, LTD
(401)941-2088
Place of Settlement: 2088 Broad Street
Cranston, RI 02905
Settlement Date: November 18, 2009
Property Location: 1380 Broad Street, 24R Calla St., 24 Calla St
Providence, RI 02905
Providence County, Rhode Island

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

Omni Turning Point, LLC

BY: Omni Development Corporation, its manager

President

Rhode Island Housing Development Corporation

BY: Susan Barlow
Deputy Director of Programs

To the best of my knowledge, the HUD-1 Settlement Statement which I have prepared is a true and accurate account of the funds which were received and have been or will be disbursed by the undersigned as part of the settlement of this transaction.

McGunagle & Reidy, LTD
Settlement Agent

WARNING: It is a crime to knowingly make false statements to the United States on this or any similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

John J. Gelati
Assessor

David N. Cicilline
Mayor

Finance Department, City Assessor

"Building Pride In Providence"

November 17, 2009

Mr Joseph Caffey, Executive Director
Omni Development
810 Eddy St
Providence, RI 02905

Re: Omni Turning Point LLC

Dear Mr, Caffey:

This letter is written in response your request dated November 2, 2009 with reference to the applicability of Rhode Island General Laws 44-5-13.11 to your project located on 1380 Broad St in Providence Rhode Island, consisting of 14 low income units. It has been the City's position that new construction housing does qualify for tax treatment in accordance with Rhode Island General Laws 44-5-13.11 as long as the other requirements of the statute are met.

Based on your representations, it appears that upon the issuance of a Certificate of Occupancy for the entire property, the property would be assessed such that the tax would equal eight (8%) percent of the property's annual gross scheduled rental income.

Sincerely,

John Gelati
City Tax Assessor

Omni Turning Point LLC
810 Eddy St
Providence, RI 02903

To Pay by Credit Card:
Call 1-866-290-8105 or visit
www.paybill.com/providencetaxes
THERE IS A NOMINAL FEE FOR THIS SERVICE
THIS IS THE ONLY NOTICE YOU WILL RECEIVE

If the first or any subsequent installment of this bill is not paid on the due date, the whole tax or any balance thereof shall immediately become due and payable at the rate of 12% per annum from July 1, 2010.

	VALUATION	ANNUAL TAX
Assessed Values as of December 31st, 2009 Plat# 058 Lot# 0819 For Property Located at: 1380 Broad St, Providence		
Land	155,200.00	
Building/Improvements	29,000.00	
Total Value	184,200.00	5,596.00

If taxes are paid by your mortgage company please forward this bill to them

General

Tax	Municipal	School	Total	TOTAL DUE.	5,596.00
Real	$21.74	$8.64	$30.38		
Real Commercial	$24.12	$9.58	$33.70		
Tangible	$38.39	$15.24	$53.63		
Excise	$54.96	$21.82	$76.78		

Contact Information:
Tax Assessor (401) 421-5900
Tax Collector (401) 331-5252

Register for E-mail notification: www.providenceri.com/taxpay

City of Providence 4th Quarter
2010 Real Estate Tax

DUE DATE
4/24/2011

Omni Turning Point LLC
810 Eddy St
Plat# 058 Lot# 0819

Due This Quarter: 1,399.00

PLEASE RETURN THIS STUB WITH YOUR PAYMENT

00250078840000001399006

THIS ORIGINAL DOCUMENT PRINTED ON CHEMICAL REACTIVE PAPER WITH MICROPRINTED BORDER

5702

Sovereign

OMNI DEVELOPMENT CORPORATION

810 Eddy Street - Providence, Rhode Island 02905
401/461-4442 FAX 401/461-7108

5-7515/110

DATE Apr 5, 2011

AMOUNT *********$1,399.00

Security Features Included. Details on back.

One Thousand Three Hundred Ninety-Nine and 00/100 Dollars

CITY COLLECTOR
CITY OF PROVIDENCE
25 DORRANCE STREET
PROVIDENCE, RI 02903-1788

AUTHORIZED SIGNATURE

SAFEGUARD SECURE

THIS DOCUMENT CONTAINS HEAT SENSITIVE INK. TOUCH OR PRESS HERE. RED IMAGE DISAPPEARS WITH HEAT

⑈005702⑈ ⑆011075150⑆ 4730014894⑈

State of Rhode Island and Providence Plantations

A. Ralph Mollis

Secretary of State

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

I, A. RALPH MOLLIS, Secretary of State of the State of Rhode Island and Providence Plantations, hereby certify that this document, duly executed in accordance with the provisions of Title 7 of the General Laws of Rhode Island, as amended, has been filed in this office on this day:

May 01, 2009 3:43 PM

A. RALPH MOLLIS

Secretary of State

0-1117-0

RI SOS Filing Number: 200945420310 Date: 05/01/2009 3:43 PM

State of Rhode Island and Providence Plantations
Office of the Secretary of State

Fee: $150.00

Corporations Division
148 W. River Street
Providence, Rhode Island 02904-2615
Telephone: (401) 222-3040

Limited Liability Company
Articles of Organization
(Chapter 7-16-6 of the General Laws of Rhode Island, 1956, as amended)

ARTICLE I

The name of the limited liability company is: Omni Turning Point LLC

ARTICLE II

The street address (post office boxes are not acceptable) of the limited liability company's registered agent in Rhode Island is:

No. and Street: ONE PARK ROW
SUITE 300
City or Town: PROVIDENCE State: RI Zip: 02903

The name of the resident agent at such address is: ROBERT B. BERKELHAMMER

ARTICLE III

Under the terms of these Articles of Organization and any written operating agreement made or intended to be made, the limited liability company is intended to be treated for purposes of federal income taxation as:
Check one box only

___ a partnership ___ a corporation X disregarded as an entity separate from its member

ARTICLE IV

The address of its principal office of the limited liability company if it is determined at the time of organization:

No. and Street: 810 EDDY STREET
City or Town: PROVIDENCE State: RI Zip: 02903 Country: USA

ARTICLE V

The limited liability company has the purpose of engaging in any lawful business, unless a more limited purpose is set forth in Article VI of these Articles of Organization.

The period of its duration is: ___ Perpetual ___

ARTICLE VI

Additional provisions, if any, not inconsistent with law, which members elect to have set forth in these Articles of Organization, including, but not limited to, any limitation of the purposes or any other provision which may be included in an operating agreement:

ARTICLE VII

The limited liability company is to be managed by its ___ Members or X Managers (check one)
(If managed by Members, go to ARTICLE VIII)

The name and address of each manager (If LLC is managed by Members, DO NOT complete this section):

Title	Individual Name First, Middle, Last, Suffix	Address Address, City or Town, State, Zip Code, Country
MANAGER	OMNI DEVELOPMENT CORPORATION	810 EDDY STREET PROVIDENCE, RI 02903 USA

ARTICLE VIII

The date these Articles of Organization are to become effective, not prior to, nor more than 30 days after the filing of these Articles of Organization.

Later Effective Date:

This electronic signature of the individual or individuals signing this instrument constitutes the affirmation or acknowledgement of the signatory, under penalties of perjury, that this instrument is that individual's act and deed or the act and deed of the company, and that the facts stated herein are true, as of the date of the electronic filing, in compliance with R.I. Gen. Laws § 7-16.

Signed this 1 Day of May, 2009 at 3:45:45 PM by the Authorized Person.

ROBERT B. BERKELHAMMER

Address of Authorized Signer:
ONE PARK ROW, SUITE 300
PROVIDENCE, RI 02903

Form No. 400
Revised 09/07

OPERATING AGREEMENT OF

Omni Turning Point LLC

THIS AGREEMENT, made and adopted as of May 1, 2009, (the "Agreement"), by OMNI DEVELOPMENT CORPORATION, a Rhode Island nonprofit corporation, and such other persons who from time to time may become Members of Omni Turning Point LLC (the "Company") in accordance with law or the terms hereof (hereinafter referred to as the "Member" or collectively as the "Members").

RECITALS

WHEREAS, the Company was formed on May 1, 2009, as a limited liability company pursuant to the provisions of the Rhode Island Limited Liability Company Act, Chapter 7-16 of the General Laws of Rhode Island (the "Act"); and

WHEREAS, the Members desire to adopt this Agreement for the operation and management of the Company;

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein, the Members hereby agree as follows:

ARTICLE I

FORMATION AND MEMBERSHIP

SECTION 1.01. Formation. The Company has been organized as a limited liability company pursuant to the Act. The Act shall govern the rights and liabilities of the parties hereto except as otherwise expressly stated.

SECTION 1.02. Sole Member. Omni Development Corporation shall be the sole Member of the Company, owning 100% of the Membership interests.

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
G.P.O. BOX 1680
BROOKLYN, NY 11202

DEPARTMENT OF THE TREASURY

RECEIVED
MAY 26 1993

Date: MAY 24 1993

Employer Identification Number:
22-2721731
Contact Person:
RUDOLPH JONES
Contact Telephone Number:
(718) 488-2235

OMNI DEVELOPMENT CORPORATION
391 PINE STS
PROVIDENCE, RI 02903-4517

Addendum Applies:
No

Dear Applicant:

Based on the information you recently submitted, we have classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Internal Revenue Code because you are described in section 509(a)(2).

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in 501(c)(3) is still in effect.

This classification is based on the assumption that your operations will continue as you have stated. If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status.

This supersedes our letter dated December 19, 1986.

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(2) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(2) organization.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of $100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

You are required to file Form 990 only if your gross receipts each year are normally more than $25,000. For guidance in determining whether your gross receipts are "normally" more than $25,000, see the instructions for Form 990. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of $10 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed $5,000 or 5 percent of your gross receipts for the year, whichever is less. This penalty may also be charged if a return is not complete, so please be sure your return is

OMNI DEVELOPMENT CORPORATION

complete before you file it.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

Herbert J. Huff

Herbert J. Huff
District Director

C

THE CITY OF PROVIDENCE

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RESOLUTION OF THE CITY COUNCIL

No.

Approved

RESOLVED, That the taxes assessed upon Assessor's Plat 58, Lot 820 (24 Calla Street) (a/k/a Omni Turning Point, LLC), for the year 2010, are hereby cancelled.

assessor that the new construction is being used for the purpose for which it was constructed, the assessor shall determine the increment by which assessment for the completed construction exceeds the assessment on the tax roll for the immediately preceding assessment date. He or she shall prorate the amount from the date of issuance of the certificate of occupancy or the date on which the new construction was first used for the purpose for which it was constructed, as the case may be, to the assessment date immediately following and shall add the increment as prorated to the tax role for the immediately preceding assessment date and shall within five (5) days notify the record owner as appearing on the tax roll and tax collector of the additional assessment.

(d) Any person claiming to be aggrieved by the action of the assessor under this section may appeal to the assessment board of review within sixty (60) days from notification of the additional assessment or to superior court as provided.

(e) Upon receipt of the notice from the assessor, the tax collector shall, if the notice is received after the normal billing date, within ten (10) days thereafter mail or hand a bill to the owner based upon an amount prorated by the assessor. The tax is due and payable and collectible as other municipal taxes and subject to the same liens and processes of collection; provided, that the tax is due and payable in an initial or single installment due and payable not sooner than thirty (30) days after the date the bill is mailed or handed to the owner, and in any remaining, regular installments, as they are due and payable, and the several installments of a tax due and payable are equal.

(f) Nothing in this section authorizes the collection of taxes twice in respect of the land upon which the new construction is located.

(g) This section applies only to taxes levied and property assessed in the town of Hopkinton.

History of Section.
P.L. 1995, ch. 363, § 1.

44-5-13.11. Qualifying low-income housing — Assessment and taxation.

Any residential property that has been issued an occupancy permit on or after January 1, 1995, after substantial rehabilitation as defined by the U.S. Department of Housing and Urban Development and is encumbered by a covenant recorded in the land records in favor of a governmental unit or Rhode Island housing and mortgage finance corporation restricting either or both the rents that may be charged to tenants of the property or the incomes of the occupants of the property, is subject to a tax that equals eight percent (8%) of the property's previous years' gross scheduled rental income or a lesser percentage as determined by each municipality.

28
MUNICIPALITY

CERTIFICATE OF USE AND OCCUPANCY

PM_ID: 58058

No. C-20110005

THIS IS TO CERTIFY that the

Complete interior and exterior renovation.
Bsath - 1/4/2011 1:18:25 PM

Erected on Plat / Lot: 058-0820-0000

Street and No.: **24-26 Calla Street**

Owner: Omni Turning Point LLC, 810 Eddy St, Providence, RI 02903

Zone: R-2

Architect / Engineer:

Info:

Contractor:

The Bailey Group
Info: c/o: Mark Hashway, Tel.: (401)921-6100, Lic.: 30586, exp.:9/1/11

Building Permit No.: 1621/2009 Alternate Permit No.:

has been inspected and the following occupancy thereof is hereby authorized : Use Group: R-3

Construction Type: 5B Sprinkler:

Occupancies:

	Design Occupancy Load	Floor Use
Basement		Storage/utility
1st Fl		One apartment
2nd Fl		One apartment
3rd Fl		N/A
4th Fl		N/A
Other		N/A

Remarks:

Code Edition:

This certificate must be posted where required by the State Building Code and permanently maintained in a conspicuous place at or close to the building or structure referred to above.

1/25 20 11

Building Official Kenny Anderson

N/A

APPROVED FOR FINAL INSPECTION:

1/5/11 20 11

ELECTRICAL INSPECTOR

20 11

MECHANICAL INSPECTOR

20 11

PLUMBING INSPECTOR

1-24 20 11

STRUCTURES

1-7 2011

For location of smoke/CO devices or

STATE OR ASSISTANT DEPUTY
FIRE PREVENTION

20

N/A

STATE OR ASSISTANT DEPUTY
FIRE ALARM

Upon recording return to:
Carol A. Ventura, Director of Development
Rhode Island Housing
44 Washington Street
Providence, Rhode Island 02903

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
HOME INVESTMENT PARTNERSHIPS PROGRAM

DEED RESTRICTION

This Deed Restriction is entered into as of May 23, 2011 by and between RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION, a corporation, instrumentality and agency of the State of Rhode Island with a mailing address of 44 Washington Street, Providence, Rhode Island 02903, ("Rhode Island Housing") and OMNI TURNING POINT LLC, (the "Recipient") (as such Deed Restriction may be amended from time to time, this "Deed Restriction").

WITNESSETH:

A. the Recipient owns that certain real property located at 1380 Broad Street, Providence, Rhode Island 02905, as more fully described in Exhibit A attached hereto and made a part hereof (the "Real Property");

B. Rhode Island Housing and the Recipient have entered into that certain HOME Investment Partnerships Agreement, dated as of September 30, 2009, (as amended from time to time, the "HOME Agreement") (capitalized terms used in this Deed Restriction and not otherwise defined herein shall have the meanings ascribed thereto in the HOME Agreement);

C. pursuant to the HOME Agreement, the Recipient has received a grant of Five Hundred Thousand and 00/100 DOLLARS ($500,000.00) under the HOME Program (the "HOME Funds");

D. the Recipient has constructed fourteen (14) rental units for very low-income households on the Real Property. Ten (10) one-bedroom rental units are HOME assisted (the "Rental Units") (collectively, hereinafter the Rental Units shall be referred to as the "Dwelling") and together with the Real Property and any other improvements thereon, collectively, the "Premises"); and

NOW THEREFORE, as an inducement to, and in consideration of, Rhode Island Housing making the HOME Funds available to the Recipient and of the promises and covenants hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which is acknowledged by the parties hereto, the parties hereto hereby agree as follows:

1. **Affordability Period.**

(a) This Deed Restriction shall remain in effect for a period of thirty (30) years commencing on February 25, 2011 and ending on February 24, 2041 (the "Termination Date") (such period, the "Affordability Period"). On and after the Termination Date, this Deed Restriction shall be of no further force or effect.

(b) During the Affordability Period and commencing on the date hereof, the rents charged by the Recipient for each Dwelling shall remain affordable and shall not exceed the rent schedule and utility allowance as established from time to time by the Department of Housing and Urban Development of the United States of America ("HUD") pursuant to the HOME Program.

(c) During the Affordability Period, eight (8) of the Dwellings shall be rented to a very low income tenant whose gross annual household income, adjusted for family size, does not exceed fifty percent (50%) of area median income as established and published by HUD from time to time. With respect to any Dwelling, total rent, including utilities, during any period shall not exceed the low HOME rent as established by HUD for such period.

(d) During the Affordability Period, two (2) of the Dwellings shall be rented to a very low income tenant whose gross annual household income, adjusted for family size, does not exceed sixty percent (60%) of area median income as established and published by HUD from time to time. With respect to any Dwelling, total rent, including utilities, during any period shall not exceed the high HOME rent as established by HUD for such period.

(e) Except as provided in Section 2(a) hereof, each Dwelling shall remain affordable during the Affordability Period without regard to the term of any mortgage on such Dwelling or to any transfer of ownership thereof.

(f) Each Dwelling shall qualify as affordable despite temporary noncompliance with Section 1(b) above if (i) such noncompliance is caused by increases in the incomes of existing tenants, and (ii) such action satisfactory to Rhode Island Housing in its sole discretion is being taken by the Recipient to ensure that all vacancies are filled in accordance with Section 1 hereof until such noncompliance is corrected. A tenant of a Dwelling who ceases to qualify as low-income shall pay as rent the lesser of (i) the amount payable by the tenant under State or local law, as

applicable, and (ii) thirty percent (30%) of such tenant's adjusted monthly income, as recertified to the Recipient annually.

(g) Notwithstanding any provisions of this Section 1 to the contrary, if the Mortgage is insured by HUD, the Affordability Period shall in no event be shorter than the term of the Mortgage.

2. **Resale Requirements In The Event Of Foreclosure.**

(a) With respect to all or any part of the Real Property, if the affordability restrictions set forth in the Loan Documents are terminated before the expiration of the Affordability Period upon the occurrence of a "Termination Event" (as defined below), such affordability restrictions shall be reinstated upon the terms thereof in effect as of the date on which they were so terminated if, during the Affordability Period, the owner of record of such Real Property obtains a direct or indirect ownership interest in such Real Property. "Termination Event" shall mean, with respect to all or any part of the Real Property, a foreclosure thereof, transfer in lieu of foreclosure thereof, or an assignment of an FHA insured mortgage encumbering such Real Property to HUD, *provided that* prior to such Termination Event the mortgagee shall provide Rhode Island Housing with notice of such proposed Termination Event and thereafter upon receipt by Rhode Island Housing of such notice, such mortgagee shall allow Rhode Island Housing the opportunity to cure the default within thirty (30) days after receipt of such notice. In addition to Rhode Island Housing's right to cure, Rhode Island Housing shall have the right on twenty (20) days notice to purchase at par, plus any accrued and unpaid interest, such lender's loan. Such purchase shall occur within thirty (30) days of Rhode Island Housing's notice to such lender that Rhode Island Housing intends to exercise its right to purchase the loan.

(b) The Recipient shall promptly provide notice to Rhode Island Housing of any impending foreclosure or transfer in lieu of foreclosure so that Rhode Island Housing can determine whether the Affordability Period shall be suspended.

(c) If at any time following transfer by foreclosure or transfer in lieu of foreclosure, but still during the term of the Affordability Period, the owner of record prior to such foreclosure or transfer in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or has had family or business ties, obtains an ownership interest in the Real Property, the Affordability Period shall be reinstated according to its original terms.

3. **Recording And Filing; Covenants To Run With The Real Property.**

(a) Upon execution and delivery hereof by the Recipient, Rhode Island Housing shall cause this Deed Restriction and all amendments hereto to be recorded and filed in the official public land evidence records of the city or town in which the Real Property is located.

(b) The Recipient intends, declares and covenants, on behalf of itself and its heirs, transferees, successors and assigns of the Real Property, that during the Affordability Period this Deed Restriction and the covenants and restrictions set forth in this Deed Restriction (i) shall run with the Real Property, shall encumber the Real Property during the Affordability Period, and shall be binding upon such heirs, transferees, successors and assigns, and (ii) are not merely a personal covenant of the Recipient. The Recipient hereby agrees that any and all requirements of the laws of the State of Rhode Island required to be satisfied in order for the provisions of this Deed Restriction to become effective and constitute deed restrictions and covenants running with the Real Property are deemed to be satisfied in full, and that any requirements of privity of estate are deemed satisfied or, in the alternative, that an equitable servitude has been created to insure that these restrictions and covenants run with the Real Property. During the Affordability Period, each and every contract, deed or other instrument hereafter executed conveying the Real Property or any portion thereof shall expressly provide that such conveyance is subject to this Deed Restriction; *provided, however,* the restrictions and covenants contained herein shall survive and be effective regardless of whether such contract, deed or other instrument provides that such conveyance is subject to this Deed Restriction.

(c) If the Recipient desires to sell, convey or otherwise transfer the Premises, the Recipient shall promptly notify Rhode Island Housing in writing of such intent ("Notice of Intent to Transfer") by certified mail return receipt requested.

4. **Default By Recipient.**

(a) The occurrence of any default by the Recipient of the obligations and duties imposed on the Recipient under this Deed Restriction shall automatically constitute an Event of Default under the HOME Agreement and the other Loan Documents.

5. **Miscellaneous Provisions.**

(a) Successors and Assigns. This Deed Restriction shall be binding upon the parties hereto and their respective heirs, transferees, successors and assigns.

(b) Governing Law. This Deed Restriction is being executed and delivered in the State of Rhode Island and shall in all respects be governed, construed, applied and enforced in accordance with the laws of said State (without giving effect to its conflict of laws principles) and, where applicable, the laws of the United States of America and Rhode Island Housing's rules and regulations applicable to the HOME Program, as they may be amended from time to time.

(c) Severability; Amendments. If any provision of this Deed Restriction shall be deemed unenforceable or invalid, such provision shall not affect, impair or invalidate any other provision of this Deed Restriction. This Deed Restriction may only be amended by written agreement executed by each of the Recipient and Rhode Island Housing.

(d) Notices. All notices to be given pursuant to this Deed Restriction shall be in writing and shall be deemed given when mailed by certified or registered mail, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing to the other parties hereto. Rhode Island Housing and the Recipient may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communication shall be sent.

To Rhode Island Housing:	Rhode Island Housing 44 Washington Street Providence, Rhode Island 02903 Attention: Deputy Director for Programs
To the Recipient:	Omni Turning Point LLC 810 Eddy Street Providence, RI 02907 Attention: President

(e) Amendment. The Recipient agrees that it will take all actions necessary to effect amendments to this Deed Restriction as may be necessary to comply with the Internal Revenue Code and any and all applicable rules, regulations, policies, procedures, rulings or other official statements.

(f) Maintenance of the Premises. The Recipient, for itself, its successors and assigns hereby covenants and agrees that it shall maintain the Premises in good condition and repair throughout the owner's period of ownership. In the event, Rhode Island Housing determines, at its sole discretion, that the Premises have fallen below the good condition and repair standard, it shall notify the Recipient in writing of the specific conditions leading to said findings. The Recipient shall bring the Premises back to the standard of good condition and repair, as solely judged by Rhode Island Housing

within sixty (60) days of being notified. Failure to comply within the prescribed period, shall constitute a breach of this Deed Restriction and the Loan Documents.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have each caused this Deed Restriction to be duly executed and delivered by their respective duly authorized representatives as of the day and year set forth above.

WITNESS:

RECIPIENT:

OMNI TURNING POINT LLC
By: Omni Development Corporation, its Managing Member

By: _____
Joseph A. Caffey
President

STATE OF RHODE ISLAND
County of Providence

In Providence, in said County and State, on the 18 day of May, 2011, before me personally appeared the within-named Joseph A. Caffey, to me known and known by me to be the President of Omni Development Corporation, the Managing Member of Omni Turning Point LLC and the person executing these presents on behalf of Omni Turning Point LLC, the party executing the foregoing instrument, and he acknowledged said instrument by him so executed to be his free act and deed in such capacity and the free act and deed of Omni Turning Point LLC.

_____
~~Notary Public:~~ Notary Public #1112
My Commission Expires: Jan 17, 2013
Stephen T Hapolitano

[signatures continue on next page]

WITNESS:

RHODE ISLAND HOUSING AND
MORTGAGE FINANCE CORPORATION

Marilena A. Di Cristofano

By: Susan E. Bodington
Susan E. Bodington
Deputy Director for Programs

STATE OF RHODE ISLAND
County of Providence

In Providence, in said County and State, on the 23rd day of May, 2011, before me personally appeared the within-named Susan E. Bodington, to me known and known by me to be the Deputy Director for Programs of Rhode Island Housing and Mortgage Finance Corporation and the person executing these presents on behalf of Rhode Island Housing and Mortgage Finance Corporation, the party executing the foregoing instrument, and she acknowledged said instrument by her so executed to be her free act and deed in such capacity and the free act and deed of Rhode Island Housing and Mortgage Finance Corporation.

Marilena A. Di Cristofano
Notary Public: Marilena A. Di Cristofano
My Commission Expires: 1/28/2015

Exhibit "A"

PARCEL A

That certain tract or parcel of land, with all buildings and improvements thereon, situated on the easterly side of Broad Street and northerly side of Morton Street, in the City and County of Providence, State of Rhode Island, bounded and described as follows:

Beginning at the point of intersection of the easterly line of Broad Street with the northerly line of Morton Street. Said point being the southwest corner of the herein described parcel;

Thence northerly along the easterly line of said Broad Street a distance of ninety-seven and 50/100 (97.50) feet to land now or formerly of Victoria Nameika Chester;

Thence turning an interior angle of 72°-18'-00" and running easterly bounding northerly in part said Victoria Nameika Chester land, in part land now or formerly of Ardomis Aracena, and in part land now or formerly of Celilia Delacruz a distance of one hundred fifteen and 88/100 (115.88) feet to an angle;

Thence continuing at an interior angle of 179°-35'-00" easterly bounding northerly in part land now or formerly of Rhode Island Housing Development Corporation and in part land now or formerly of Paulino A. and Maria T. DeJesus a distance of sixty-one and 84/100 (61.84) feet to land now or formerly of Cambridge Associates, Inc.;

Thence turning an interior angle of 87°-39'-00" and running southerly bounding easterly said Cambridge Associates, Inc. land a distance of sixty-one and 47/100 (61.47) feet to a corner;

Thence turning an interior angle of 90°-00'-00" and running westerly a distance of two and 50/100 (2.50) feet to a corner;

Thence turning an interior angle of 270°-00'-00" and running southerly bounding easterly said Cambridge Associates, Inc. land a distance of thirty-eight and 00/100 (38.00) feet to northerly line of Morton Street;

Thence turning an interior angle of 90°-00'-00" and running westerly along the northerly line of said Morton Street a distance of one hundred forty and 94/100 (140.94) feet to the point and place of beginning. The last mentioned course forms an interior angle of 110°-28'-00" with the first mentioned course.

The above-described parcel contains an area of 15,312 square feet of land and is shown on a plan entitled "Administrative Subdivision, Assessor's Plat 58 Lots 446, 59, 16 and 236, Providence, RI". Prepared for Omni Development Corporation by Engelhardt Surveying, LLC, Warwick, RI, Scale 1"=20', Date: October, 2009.

Subject to an Easement on Parcel A, as recorded in Book 9566 at Page 191.

PARCEL B

That certain tract or parcel of land, with all buildings and improvements thereon, situated on the southerly side of Calla Street, in the City and County of Providence, State of Rhode Island, bounded and described as follows:

Beginning at a point on the southerly line of Calla Street, said point being one hundred fifty-four and 45/100 (154.45) feet from the easterly line of Broad Street as measured along the southerly line of Calla Street and being the northeast corner of land now or formerly of Celilia Delacruz and the northwest corner of the herein described parcel;

Thence easterly along the southerly line of Calla Street a distance of forty and 00/100 (40.00) feet to land now or formerly of Paulino A. and Maria T. DeJesus;

Thence turning an interior angle of 90°-01'-50" and running southerly bounding easterly said DeJesus land a distance of ninety-five and 41/100 (95.41) feet to land now or formerly of Rhode Island Housing Development Corporation;

Thence turning an interior angle of 92°-21'-00" and running westerly bounding southerly said Rhode Island Housing Development Corporation land a distance of forty and 03/100 (40.03) feet to land now or formerly of Celilia Delacruz;

Thence turning an interior angle of 87°-39'-00" and running northerly bounding westerly said Delacruz land a distance of ninety-seven and 08/100 (97.08) feet to the point and place of beginning. The last mentioned course forms an interior angle of 89°-58'-10" with the first mentioned course.

The above-described parcel contains an area of 3,850 square feet of land and is shown on a plan entitled "Administrative Subdivision, Assessor's Plat 58 Lots 446, 59, 16 and 236, Providence, RI". Prepared for Omni Development Corporation by Engelhardt Surveying, LLC, Warwick, RI, Scale 1"=20', Date: October, 2009.

Property Address:

1374-1380 Broad Street, 24R Calla Street, 24 Calla Street,
19 Morton Street
Providence, Rhode Island 02903

	PAID FROM BORROWER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
700. TOTAL COMMISSION Based on Price $ @ %		
Division of Commission (line 700) as Follows:		
701. $ to		
702. $ to		
703. Commission Paid at Settlement		
704. to		
800. ITEMS PAYABLE IN CONNECTION WITH LOAN		
Loan Origination Fee % to		
Loan Discount % to		
803. Appraisal Fee to		
804. Credit Report to		
805. Lender's Inspection Fee to		
806. Mortgage Ins. App. Fee to		
807. Assumption Fee to		
808.		
809.		
810.		
811.		
900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE		
901. Interest From to @ $ /day (days %)		
902. Mortgage Insurance Premium for months to		
903. Hazard Insurance Premium for 1.0 years to		
904.		
905.		
1000. RESERVES DEPOSITED WITH LENDER		
1001. Hazard Insurance months @ $ per month		
1002. Mortgage Insurance months @ $ per month		
1003. City/Town Taxes months @ $ per month		
1004. County Taxes months @ $ per month		
1005. Assessments months @ $ per month		
1006. months @ $ per month		
1007. months @ $ per month		
1008. Aggregate Adjustment months @ $ per month		
1100. TITLE CHARGES		
1101. Settlement or Closing Fee to		
1102. Abstract or Title Search to		
1103. Survey Work on Easement to Engelhardt Surveying, LLC	425.00	
Title Insurance Binder to		
1105. Attorney's Fees and costs to Law Office of Ronald C. Markoff	4,603.00	
1106. Notary Fees to		
1107. Attorney's Fees to McGunagle & Reidy, LTD POC		
(includes above item numbers:)		
1108. Title Insurance to		
(includes above item numbers:)		
1109. Lender's Coverage $		
1110. Owner's Coverage $		
1111.		
1112.		
1113.		
1200. GOVERNMENT RECORDING AND TRANSFER CHARGES		
1201. Recording Fees: Deed $; Mortgage $; Releases $		
1202. City/County Tax/Stamps: Deed ; Mortgage		
1203. State Tax/Stamps: Revenue Stamps ; Mortgage		
1204. City/Town of Providence		
1205. City/Town of Providence		
1300. ADDITIONAL SETTLEMENT CHARGES		
1301. Survey to		
1302. Pest Inspection to		
1303. Courier Fees		
1304.		
1305. Wire Fee		
1400. TOTAL SETTLEMENT CHARGES (Enter on Lines 103, Section J and 502, Section K)	5,028.00	

By signing page 1 of this statement, the signatories acknowledge receipt of a completed copy of page 2 of this two page statement.

Certified to be a true copy.

McGunagle & Reidy, LTD
Settlement Agent

JAC

(2009-0656 / 2009-0656 / 16)

ACKNOWLEDGMENT OF RECEIPT OF SETTLEMENT STATEMENT

Borrower: Omni Turning Point, LLC
Seller: Rhode Island Housing Development Corporation
Lender: Rhode Island Housing and Mortgage Finance Corp.
Settlement Agent: McGunagle & Reidy, LTD
(401)941-2088
Place of Settlement: 2088 Broad Street
Cranston, RI 02905
Settlement Date: November 18, 2009
Property Location: 1380 Broad Street, 24R Calla St., 24 Calla St
Providence, RI 02905
Providence County, Rhode Island

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

Omni Turning Point, LLC

BY: Omni Development Corporation, its manager

President

Rhode Island Housing Development Corporation

BY: Susan Bolinta
Deputy Director of Programs

To the best of my knowledge, the HUD-1 Settlement Statement which I have prepared is a true and accurate account of the funds which were received and have been or will be disbursed by the undersigned as part of the settlement of this transaction.

McGunagle & Reidy, LTD
Settlement Agent

WARNING: It is a crime to knowingly make false statements to the United States on this or any similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

John J. Gelati
Assessor

David N. Cicilline
Mayor

Finance Department, City Assessor

"Building Pride In Providence"

November 17, 2009

Mr Joseph Caffey, Executive Director
Omni Development
810 Eddy St
Providence, RI 02905

Re: Omni Turning Point LLC

Dear Mr, Caffey:

This letter is written in response your request dated November 2, 2009 with reference to the applicability of Rhode Island General Laws 44-5-13.11 to your project located on 1380 Broad St in Providence Rhode Island, consisting of 14 low income units. It has been the City's position that new construction housing does qualify for tax treatment in accordance with Rhode Island General Laws 44-5-13.11 as long as the other requirements of the statute are met.

Based on your representations, it appears that upon the issuance of a Certificate of Occupancy for the entire property, the property would be assessed such that the tax would equal eight (8%) percent of the property's annual gross scheduled rental income.

Sincerely,

John Gelati
City Tax Assessor

A.

U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT

SETTLEMENT STATEMENT

B. TYPE OF LOAN:

1. [ ] FHA 2. [ ] FmHA 3. [X] CONV. UNINS. 4. [ ] VA 5. [ ] CONV. INS.

6. FILE NUMBER: 2009-0656

7. LOAN NUMBER:

8. MORTGAGE INS CASE NUMBER:

C. NOTE: *This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "[POC]" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.*

1.0 3/98 (2009-0656.PFD/2009-0656/16)

D. NAME AND ADDRESS OF BORROWER:	E. NAME AND ADDRESS OF SELLER:	F. NAME AND ADDRESS OF LENDER:
Omni Turning Point, LLC 810 Eddy Street Providence, RI 02903	Rhode Island Housing Development Corporation 44 Washington Street Providence, RI 02903	Rhode Island Housing and Mortgage Finance Corp. 44 Washington Street Providence, RI 02903

G. PROPERTY LOCATION:	H. SETTLEMENT AGENT:	I. SETTLEMENT DATE:
1380 Broad Street, 24R Calla St., 24 Calla St. Providence, RI 02905 Providence County, Rhode Island	McGunagle & Reidy, LTD PLACE OF SETTLEMENT 2088 Broad Street Cranston, RI 02905	November 18, 2009

J. SUMMARY OF BORROWER'S TRANSACTION		
100. GROSS AMOUNT DUE FROM BORROWER:		
101. Contract Sales Price		201,025.00
102. Personal Property		
103. Settlement Charges to Borrower (Line 1400)		5,028.00
104.		
105.		
Adjustments For Items Paid By Seller in advance		
106. City/Town Taxes	to	
107. County Taxes	to	
108. Assessments	to	
109.		
110.		
111.		
112.		
GROSS AMOUNT DUE FROM BORROWER		206,053.00
200. AMOUNTS PAID BY OR IN BEHALF OF BORROWER:		
201. Deposit or earnest money		
202. Principal Amount of New Loan(s)		201,025.00
203. Existing loan(s) taken subject to		
204.		
205.		
206.		
207.		
208.		
209.		
Adjustments For Items Unpaid By Seller		
210. City/Town Taxes	to	
211. County Taxes	to	
212. Assessments	to	
213.		
214.		
215.		
216.		
217.		
218.		
219.		
220. TOTAL PAID BY/FOR BORROWER		201,025.00
300. CASH AT SETTLEMENT FROM/TO BORROWER:		
301. Gross Amount Due From Borrower (Line 120)		206,053.00
302. Less Amount Paid By/For Borrower (Line 220)		(201,025.00)
303. CASH (X FROM) (TO) BORROWER		5,028.00

K. SUMMARY OF SELLER'S TRANSACTION		
400. GROSS AMOUNT DUE TO SELLER:		
401. Contract Sales Price		201,025.00
402. Personal Property		
403.		
404.		
405.		
Adjustments For Items Paid By Seller in advance		
406. City/Town Taxes	to	
407. County Taxes	to	
408. Assessments	to	
409.		
410.		
411.		
412.		
420. GROSS AMOUNT DUE TO SELLER		201,025.00
500. REDUCTIONS IN AMOUNT DUE TO SELLER:		
501. Excess Deposit (See Instructions)		
502. Settlement Charges to Seller (Line 1400)		
503. Existing loan(s) taken subject to		
504. Payoff of first Mortgage		
505. Payoff of second Mortgage		
506.		
507.		
508.		
509.		
Adjustments For Items Unpaid By Seller		
510. City/Town Taxes	to	
511. County Taxes	to	
512. Assessments	to	
513.		
514.		
515.		
516.		
517.		
518.		
519.		
520. TOTAL REDUCTION AMOUNT DUE SELLER		
600. CASH AT SETTLEMENT TO/FROM SELLER:		
601. Gross Amount Due To Seller (Line 420)		201,025.00
602. Less Reductions Due Seller (Line 520)		( )
603. CASH (X TO) (FROM) SELLER		201,025.00

Omni Turning Point LLC
810 Eddy St
Providence, RI 02903

To Pay by Credit Card:
Call 1-866-290-8105 or visit
www.paybill.com/providencetaxes
THERE IS A NOMINAL FEE FOR THIS SERVICE
THIS IS THE ONLY NOTICE YOU WILL RECEIVE

If the first or any subsequent installment of this bill is not paid on the due date, the whole tax or any balance thereof shall immediately become due and payable at the rate of 12% per annum from July 1, 2010.

	VALUATION	ANNUAL TAX
Assessed Values as of December 31st, 2009 Plat# 058 Lot# 0820		
For Property Located at: 24 Calla St, Providence		
Land	37,600.00	
Building/Improvements	28,000.00	
Total Value	65,600.00	1,992.96
Non-Owner Homestead 2-5 Family	0.00	0.00

If taxes are paid by your mortgage company please forward this bill to them

General 13/10-08

Tax	Municipal	School	Total	TOTAL DUE	1,992.96
Real	$21.74	$8.64	$30.38		
Real Commercial	$24.12	$9.58	$33.70		
Tangible	$38.39	$15.24	$53.63		
Excise	$54.96	$21.82	$76.78		

Contact Information:
Tax Assessor (401) 421-5900
Tax Collector (401) 331-5252

Register for E-mail notification: www.providenceri.com/taxpay

City of Providence 4th Quarter
2010 Real Estate Tax

Omni Turning Point LLC
810 Eddy St
Plat# 058 Lot# 0820

DUE DATE
4/24/2011

Due This Quarter: 498.24

PLEASE RETURN THIS STUB WITH YOUR PAYMENT

0025007897000000498245

ORIGINAL DOCUMENT PRINTED ON CHEMICAL REACTIVE PAPER WITH MICROPRINTED BORDER

5701

Sovereign

OMNI DEVELOPMENT CORPORATION
810 Eddy Street • Providence, Rhode Island 02905
401/461-4442 FAX 401/461-7108

5-7515/110

DATE	AMOUNT
Apr 5, 2011	**********$498.24

Four Hundred Ninety-Eight and 24/100 Dollars

CITY COLLECTOR
CITY OF PROVIDENCE
25 DORRANCE STREET
PROVIDENCE, RI 02903-1788

AUTHORIZED SIGNATURE

SAFEGUARD SECURE

THIS DOCUMENT CONTAINS HEAT SENSITIVE INK. TOUCH OR PRESS HERE. REDIMAGE DISAPPEARS WITH HEAT

⑈005701⑈ ⑆011075150⑆ 4730014894 8⑈

State of Rhode Island and Providence Plantations

A. Ralph Mollis

Secretary of State

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

I, A. RALPH MOLLIS, Secretary of State of the State of Rhode Island and Providence Plantations, hereby certify that this document, duly executed in accordance with the provisions of Title 7 of the General Laws of Rhode Island, as amended, has been filed in this office on this day:

May 01, 2009 3:43 PM

A. RALPH MOLLIS

Secretary of State

0-1117-0

RI SOS Filing Number: 200945420310 Date: 05/01/2009 3:43 PM

State of Rhode Island and Providence Plantations
Office of the Secretary of State

Fee: $150.00

Corporations Division
148 W. River Street
Providence, Rhode Island 02904-2615
Telephone: (401) 222-3040

Limited Liability Company
Articles of Organization
(Chapter 7-16-6 of the General Laws of Rhode Island, 1956, as amended)

ARTICLE I

The name of the limited liability company is: Omni Turning Point LLC

ARTICLE II

The street address (post office boxes are not acceptable) of the limited liability company's registered agent in Rhode Island is:

No. and Street: ONE PARK ROW
SUITE 300
City or Town: PROVIDENCE State: RI Zip: 02903

The name of the resident agent at such address is: ROBERT B. BERKELHAMMER

ARTICLE III

Under the terms of these Articles of Organization and any written operating agreement made or intended to be made, the limited liability company is intended to be treated for purposes of federal income taxation as:
Check one box only

___ a partnership ___ a corporation X disregarded as an entity separate from its member

ARTICLE IV

The address of its principal office of the limited liability company if it is determined at the time of organization:

No. and Street: 810 EDDY STREET
City or Town: PROVIDENCE State: RI Zip: 02903 Country: USA

ARTICLE V

The limited liability company has the purpose of engaging in any lawful business, unless a more limited purpose is set forth in Article VI of these Articles of Organization.

The period of its duration is: ___ Perpetual ___

ARTICLE VI

Additional provisions, if any, not inconsistent with law, which members elect to have set forth in these Articles of Organization, including, but not limited to, any limitation of the purposes or any other provision which may be included in an operating agreement:

ARTICLE VII

The limited liability company is to be managed by its __ Members or X Managers (check one)
(If managed by Members, go to ARTICLE VIII)

The name and address of each manager (If LLC is managed by Members, DO NOT complete this section):

Title	Individual Name First, Middle, Last, Suffix	Address Address, City or Town, State, Zip Code, Country
MANAGER	OMNI DEVELOPMENT CORPORATION	810 EDDY STREET PROVIDENCE, RI 02903 USA

ARTICLE VIII

The date these Articles of Organization are to become effective, not prior to, nor more than 30 days after the filing of these Articles of Organization.

Later Effective Date:

This electronic signature of the individual or individuals signing this instrument constitutes the affirmation or acknowledgement of the signatory, under penalties of perjury, that this instrument is that individual's act and deed or the act and deed of the company, and that the facts stated herein are true, as of the date of the electronic filing, in compliance with R.I. Gen. Laws § 7-16.

Signed this 1 Day of May, 2009 at 3:45:45 PM by the Authorized Person.

ROBERT B. BERKELHAMMER

Address of Authorized Signer:
ONE PARK ROW, SUITE 300
PROVIDENCE, RI 02903

Form No. 400
Revised 09/07

OPERATING AGREEMENT OF

Omni Turning Point LLC

THIS AGREEMENT, made and adopted as of May 1, 2009, (the "Agreement"), by OMNI DEVELOPMENT CORPORATION, a Rhode Island nonprofit corporation, and such other persons who from time to time may become Members of Omni Turning Point LLC (the "Company") in accordance with law or the terms hereof (hereinafter referred to as the "Member" or collectively as the "Members").

RECITALS

WHEREAS, the Company was formed on May 1, 2009, as a limited liability company pursuant to the provisions of the Rhode Island Limited Liability Company Act, Chapter 7-16 of the General Laws of Rhode Island (the "Act"); and

WHEREAS, the Members desire to adopt this Agreement for the operation and management of the Company;

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein, the Members hereby agree as follows:

ARTICLE I

FORMATION AND MEMBERSHIP

SECTION 1.01. Formation. The Company has been organized as a limited liability company pursuant to the Act. The Act shall govern the rights and liabilities of the parties hereto except as otherwise expressly stated.

SECTION 1.02. Sole Member. Omni Development Corporation shall be the sole Member of the Company, owning 100% of the Membership interests.

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
G.P.O. BOX 1680
BROOKLYN, NY 11202

DEPARTMENT OF THE TREASURY

RECEIVED
MAY 26 1993

Date: MAY 24 1993

Employer Identification Number:
22-2721731
Contact Person:
RUDOLPH JONES
Contact Telephone Number:
(718) 488-2235

OMNI DEVELOPMENT CORPORATION
391 PINE STS
PROVIDENCE, RI 02903-4517

Addendum Applies:
No

Dear Applicant:

Based on the information you recently submitted, we have classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Internal Revenue Code because you are described in section 509(a)(2).

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in 501(c)(3) is still in effect.

This classification is based on the assumption that your operations will continue as you have stated. If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status.

This supersedes our letter dated December 19, 1986.

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(2) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(2) organization.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of $100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

You are required to file Form 990 only if your gross receipts each year are normally more than $25,000. For guidance in determining whether your gross receipts are "normally" more than $25,000, see the instructions for Form 990. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of $10 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed $5,000 or 5 percent of your gross receipts for the year, whichever is less. This penalty may also be charged if a return is not complete, so please be sure your return is

OMNI DEVELOPMENT CORPORATION

complete before you file it.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

Herbert J. Huff

Herbert J. Huff
District Director