

## EXHIBIT 2

### Terms To Be Included in Replacement Town Regulatory Agreement

1. Subsidizing Agency Regulatory Agreement. Construction and/or permanent financing for the Project will be obtained from the Massachusetts Development Finance Agency or another qualified subsidizing agency (the "Subsidizing Agency"). As a component of such financing, Developer will be entering into a Regulatory Agreement and other agreements with respect to the Project which, inter alia, will set forth certain restrictions as to low or moderate income housing to be provided as part of the Project as the same may be hereafter extended or amended (the "Subsidizing Agency Agreements").
2. Regulatory Agreements. It is the intention of the Comprehensive Permit that the Project would, in perpetuity and without interruption, be subject to a suitable regulatory agreement consistent with the Comprehensive Permit governing the low or moderate income housing (the "Affordable Units") in the Project. For so long as the Subsidizing Agency Agreements are in effect, the Subsidizing Agency Agreements satisfy in full the requirements set forth in Conditions 9 and 10 for a regulatory agreement. From and immediately after the expiration or termination of the Subsidizing Agency Agreements, an Agreement shall be entered containing the terms of this exhibit to satisfy the requirements of Conditions 9 and 10 of the Comprehensive Permit (the "Town Regulatory Agreement.")
3. Affordability Requirements. Pursuant to the terms of Condition 6 of the Comprehensive Permit, the Developer will restrict certain units in the Project (the "Affordable Units") as follows: either (i) twenty percent (20%) of the units in the Project to be occupied and rented by households earning not more than fifty percent (50%) of the median income for the Boston area, adjusted for household size ("AMI"); or (ii) twenty five (25%) of the units in the Project to be occupied and rented by households earning not more than eighty percent (80%) of the AMI. During the Subsidy Period (as defined below), rents for the Affordable Units shall be no greater than those permitted by the Subsidizing Agency Agreements, all in accordance with the applicable rules, regulations and guidelines of the Subsidizing Agency. Without derogating from the provisions of Paragraph 5 below relative to the exclusive jurisdiction of the Subsidizing Agency to monitor and enforce the affordability requirements, during the period (hereinafter, the "Subsidy Period") that the Subsidizing Agency Agreements are in force and effect, the Developer shall provide a copy to the Town, care of the Select Board, of any statements, reports, notices or certifications made by the Developer to the Subsidizing Agency (or its monitoring agent) relative to the Developer's compliance with the affordability requirements in the Subsidizing Agency Agreements contemporaneously with the Developer's delivery of the documents to the Subsidizing Agency. From and after the Subsidy Period, the Affordable Units shall continue to be restricted as set forth in the preceding paragraph in accordance with the applicable rules, regulations and guidelines of the Subsidizing Agency (or its successor agency) that existed prior to the expiration or termination of the Subsidizing Agency Agreements, all as though the Subsidizing Agency Agreements were still in force and effect. To the extent that the Subsidizing Agency (or its successor

agency) has ceased to promulgate such applicable rules, regulations and policies, then the Affordable Units shall be determined based on substitute regulations of a federal or state governmental agency providing subsidies for low or moderate income housing as shall be reasonably determined by the Developer and the Town, in order to ensure the continued availability of the Affordable Units for the purposes set forth herein and in the Comprehensive Permit for the entire term of the Agreement. Further, if after the Subsidy Period, M.G.L. c. 40B (or its successor statute) still provides a mandate for municipalities to provide low or moderate income housing, then the Developer agrees to continue to operate and manage the Project as would permit the Project to be credited toward the Town's Subsidized Housing Inventory for purposes of Chapter 40B. The Select Board shall establish reasonable rules and protocols to govern the monitoring of the affordability requirements, including any reporting and notice obligations, and may designate an entity to serve as its monitoring agent to monitor the Developer's compliance with the affordability requirements. The selection of tenants in the event of unit vacancies shall be governed by the applicable rules of the Subsidizing Agency just prior to the expiration or termination of the Subsidizing Agency Agreements, and in the absence of such rules, by the rules of another subsidizing agency that are reasonably acceptable to the Town and the Developer.

4. Local Preference. In accordance with the terms of the Comprehensive Permit, to the maximum extent permitted by law, Brookline residents shall have first preference for the rental of 70% of the Affordable Units, all in accordance with the terms of Condition 7 of the Comprehensive Permit.
5. Monitoring and Enforcement. During the Subsidy Period, the Subsidizing Agency shall have exclusive authority and jurisdiction for all monitoring, oversight and enforcement functions with respect to the Affordable Units, including without limitation, provision of the Affordable Units, monitoring eligibility for tenancy, calculation of affordable rentals and all matters related to limited dividend restrictions. Notwithstanding the foregoing, throughout the term of this Agreement, the Town shall have the right to monitor the Developer's compliance with the local preference requirement set forth in Paragraph 4 above, and the Developer shall reasonably cooperate with the Town in its tenant selection processes to ensure that the local preference set forth herein is complied with, to the maximum extent permitted by law and the requirements of the Subsidizing Agency. From and after the Subsidy Period, the Town shall have the right to monitor the Developer's compliance with the terms of Paragraphs 3 and 4 above. The Town may retain a monitoring agent (the "Town Monitoring Agent") the reasonable fees for which shall be paid by the Developer (as provided in Condition 10 of the Comprehensive Permit), to monitor the Developer's compliance with the requirements of the Town Regulatory Agreement. The Developer agrees to submit to the Town Monitoring Agent all certifications in the same form, and with the same level of detail, as were made by the Developer to the Subsidizing Agency during the Subsidy Period relative to its compliance with the provisions of Paragraph 3 above.
6. Term of Town Regulatory Agreement. The Town Regulatory Agreement and all of the covenants, agreements and restrictions contained therein shall be deemed to be an

affordable housing restriction as that term is defined in G.L. c. 184, § 31 and as that term is used in G.L. c.184, § 26, 31, 32 and 33. The Town Regulatory Agreement shall be made for the benefit of the Town, and the Town shall be deemed to be the holder of the affordable housing restriction created thereby. The Town has determined that the acquiring of such affordable housing restriction is in the public interest. The term of the Town Regulatory Agreement, the rental restrictions, and other requirements provided therein shall remain for so long as the Project exists. The Town Regulatory Agreement and the covenants, agreements and restrictions contained herein shall be covenants running with the land, encumbering the Development for the term thereof, and shall be: (i) binding upon Developer's successors in title; (ii) not merely personal covenants of Developer; and (iii) binding on Developer, its successors and assigns for the term thereof, and shall inure to the benefit of the parties thereto and their respective successors and assigns. Any and all requirements of the laws of the Commonwealth of Massachusetts to be satisfied in order for the provisions of the Town Regulatory Agreement to constitute restrictions and covenants running with the land shall be deemed to be satisfied in full and that any requirements of privileges of estate are shall also be deemed to be satisfied in full. Promptly upon the execution thereof, Developer shall cause the Town Regulatory to be recorded in the Norfolk Registry of Deeds (or, if the Property consists of registered land, to be filed in the Norfolk Registry District of the Land Court). Developer shall pay all fees and charges incurred in connection with such recording or filing.