

LEASE OPTION AGREEMENT

THIS LEASE OPTION AGREEMENT ("Option") is made and entered into as of November __, 2014, by and between **BIBLE WAY CHURCH OF THE LORD JESUS CHRIST**, a Pennsylvania non-profit corporation ("Bibleway"), and **GARDNER DEVELOPMENT, LLC**, a Missouri limited liability company, as nominee for GBW Senior Apartments, LP a to-be-formed Pennsylvania limited partnership ("Optionee").

WITNESETH:

WHEREAS, Bibleway owns that certain parcel of land commonly known as 5140-5148 Lancaster Avenue and 5149-5159 Warren Street, Philadelphia Pennsylvania, and more particularly described on Exhibit A attached hereto and incorporated herein (the "Land"); and

WHEREAS, the Optionee intends to utilize low-income housing tax credits to assist in the development and construction of Greater Bible Way Temple Senior Apartments, to comprise 53 housing units on the Land (the "Buildings," and together with the Land, the "Project"); and

WHEREAS, in connection with the application for low-income housing tax credits ("Tax Credits"), the Optionee must demonstrate that it has site control over the Project; and

WHEREAS, the Land will be leased by Bibleway to the Optionee under a long-term ground lease ("Ground Lease"); and

WHEREAS, Bibleway and Optionee desire to enter into this Option describing their mutual intention to enter into the Ground Lease; and

NOW THEREFORE, in consideration of ten dollars (\$10.00) and the mutual covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Bibleway and the Optionee agree as follows:

1. **Option.** At any time on or before the latest of (i) August 30, 2016 or (ii) if Optionee receives an award of tax credits in 2015 or 2016, then at any time on or before the date twelve months after notification of such award of tax credits, Optionee will have the right and option to lease the Land pursuant to the Ground Lease. Optionee may exercise the option granted herein at any time during the time period set forth above by notifying Bibleway in writing at least thirty (30) days prior to the date the Ground Lease will become effective.
2. **Terms and Conditions of Ground Lease.** The material terms of the Ground Lease shall be as follows:
 - (a) The term of the Ground Lease shall be 99 years. The annual rent under the Ground Lease shall be \$100.00 per year.

- (b) Title to the Lease shall be good and marketable, and free and clear of all liens, charges, encumbrances, encroachments, easements, restrictions, leases, tenancies, occupancies or agreements or other matters unduly burdening the development and construction of the Project other than any mortgages placed upon the Project in connection with the financing of the Project and tax credit restrictive covenants.
 - (c) The Optionee will be responsible for all operating expenses of the Buildings, including insurance.
 - (d) The Project will be subject to applicable regulatory requirements, including relations relating to projects allocated Tax Credits under Section 42 of the Internal Revenue Code and regulations applicable to any financing of the Project.
 - (e) Neither Bibleway nor the Optionee will have the right to transfer or assign its rights under the Ground Lease, except with the consent of the other and, if applicable, of the Pennsylvania Housing Finance Agency (the "Agency") and HUD.
 - (f) The Ground Lease shall be subject to the approval of the Agency, and shall include such provisions as may be required by the Agency.
3. **Mortgages.** The Optionee will be permitted to assign or encumber its leasehold interest under the Ground Lease as security for debt financing for the Project. Such assignments or encumbrances will be subject to the approval of Bibleway and the Agency, as applicable.
4. **Recording.** This Agreement shall not be recorded, although the Ground Lease (or a memorandum thereof) is expected to be recorded or memorialized in the appropriate office of public records. All costs of transfer and recordation will be borne by the Optionee as a project expense, and not by Bibleway.
5. **Notices:** Any and all notices, elections, demands or communications permitted or required to be made under this Option shall be in writing, signed by the party giving such notice, and shall be delivered in person or sent by registered or certified mail to the other party hereto. The date of personal delivery or the date of such mailing, as the case may be, shall be the date that such notice or election shall be deemed to have been given. For the purpose of this Option:
- The address of Bibleway is: Bibleway Church of the Lord Jesus Christ
1461 North 52nd & Bible Way
Philadelphia, Pennsylvania 19131
Attn: Bishop Peterson
- The address of Optionee is: Gardner Development, LLC
8000 Maryland Avenue, Suite 910
Clayton, Missouri 63105
Attn: Michael C. Gardner
6. **Conformance to QAP.** The parties intend that this Option shall conform to and satisfy all

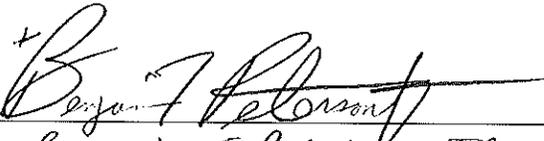
requirements of the Pennsylvania Qualified Allocation Plan (“QAP”) for property control. In the event of any inconsistency between any QAP requirement and the provisions of this Option, or in the event of a failure to include a provision necessary to satisfy such QAP requirements, then this Option shall be construed to incorporate a provision satisfying such QAP requirements.

7. **Choice of Law.** This Option shall be governed by and construed in accordance with the laws of the State of Pennsylvania.
8. **No Assignment.** The Optionee shall not assign its interest in the Option without the prior written consent of Bibleway, except that Gardner Development, LLC may assign its interest in this Agreement to GBW Senior Apartments, LP or other affiliate upon its organization.
9. **Counterparts.** This Option may be executed in multiple original counterparts, each of which shall constitute an original document binding upon the party or parties signing the same. It shall not be necessary that all parties sign all counterparts and this Option shall be binding if each party shall have executed at least one counterpart.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties herein have set their hands and seals as of the day and year first above written.

**BIBLEWAY CHURCH OF THE LORD JESUS
CHRIST**

By: 
Name: BENJAMIN F. PETERS, JR.
Title: Sr. PASTOR

GARDNER DEVELOPMENT, LLC

By: 
Michael C. Gardner, Manager
Joseph Chambers, Managing Director

Exhibit A

Description of Land