

MORTGAGE NOTE

\$1,867,809.00

Place: Philadelphia, PA

Date: _____, 2023

FOR VALUE RECEIVED, Old First House LP ("Maker"), a limited partnership organized and existing under the laws of the Commonwealth of Pennsylvania, the General Partner of which is OFH Ventures, Inc., a Pennsylvania nonprofit corporation with offices at 1501 Cherry Street, Philadelphia, Pennsylvania 19102 ("General Partner") hereby promises to pay to the order of Ministers, Trustees, Elders and Deacons of the German Reformed Congregation in the City of Philadelphia in the Province of Pennsylvania ("Payee"), a Pennsylvania nonprofit corporation, with offices at 151 N. 4th Street, Philadelphia, PA 19106, at Payee's offices or at such other place as any holder of this Note may designate, the principal sum of One Million Eight Hundred Sixty-Seven Thousand Eight Hundred Nine Dollars (\$1,867,809.00).

Beginning on the date of this Note, the principal balance of this Note, shall bear interest of 4.02%, compounding annually.

This Note is issued to enable Maker to acquire a long-term leasehold interest in the property known as a portion of 322-40 Race Street, Philadelphia, PA 19106 (the "Property") for the construction of a multi-story affordable housing development (the "Project").

The entire principal balance of the Loan, or so much thereof as shall have been disbursed, together with any accrued interest thereon, shall be due and payable on the earlier of (i) the termination or conveyance of Maker's leasehold interest in the Property; (ii) the refinancing of the Project; (iii) the transfer of legal or equitable title to the Project; (iv) the occurrence of an Event of Default (as defined below) or (v) forty-two (42) years from the date of this Mortgage Note.

This Note is secured by a Fourth Leasehold Mortgage (the "Church Mortgage") on the Project, bearing even date herewith.

Maker may prepay the unpaid principal balance of this Note in full or in part without penalty. Each prepayment shall be accompanied by all accrued interest and all other sums then due and payable hereunder and under the Church Mortgage.

Each of the following will constitute an Event of Default if remaining uncured after the expiration of any applicable notice and cure period hereunder:

A. The occurrence of an Event of Default under any of the following:

- (1) Any of the other documents executed by Maker in connection with the Loan and the elapsing of any applicable notice and/or grace period;
- (2) Any other mortgage on the Project and elapsing of any applicable notice and/or grace periods.

B. Any representation or warranty contained in this Note, the Church Mortgage, or any other writing delivered to Payee in connection with this Note or any affidavit given by or on behalf of Maker pursuant to any provision of this Note or the Church Mortgage is found to be materially incorrect or untrue at the time given and such breach could have a material adverse effect on the Project or Payee;

C. Any attachment or seizure of or execution against the Project which is not dismissed or discharged or bonded against within sixty (60) days.

In case an Event of Default should occur, Payee may accelerate the maturity date of this Note and declare immediately due and payable:

- (1) The entire unpaid principal balance with interest accrued at the rate provided herein; and
- (2) Any other sum due and payable hereunder and under the Project Home Mortgage.

Notwithstanding anything to the contrary contained herein, Payee shall provide the Maker and Maker's limited partner notice of any Event of Default described above and the Maker and Maker's limited partner shall be provided at least thirty (30) days to cure any such occurrence (or such longer period as is reasonably necessary to cure such occurrence, provided that the Maker or Maker's limited partner proceeds with due diligence to cure such default). Payee shall accept or reject any cure of a default made or tendered by Maker's limited partner within the time for cure required herein on the same basis as if made or tendered by Maker on its own behalf.

Payment of any and all amounts due and owing by Maker hereunder may be enforced and recovered in whole or in part at any time at law or in equity by one or more of the remedies provided to the Payee herein, or as otherwise made available to Payee under applicable law and in any such case Payee may also recover all costs of suit and other expenses in connection therewith, together with reasonable attorney's fees for collection.

Prior to the earlier of : (i) the expiration of the Compliance Period (as defined in the Amended and Restated Agreement of Limited Partnership Agreement, dated on or about the date hereof (the "Partnership Agreement") or (ii) the termination of the "Standstill" period as defined in Section 8(l) of that certain Ground Lease by and between Maker and Payee dated as of the date hereof, Payee will not commence (i) foreclosure proceedings with respect to the Property under this Note and any other documents evidencing or securing this Loan (collectively, the "Loan Documents") or exercise any other rights or remedies it may have under the Loan Documents, including, but not limited to, accelerating the Loan, collecting rents, appoint (or seeking the appointment of) a receiver or exercising any other rights or remedies thereunder; or (ii) join with any other creditor in commencing any bankruptcy reorganization, arrangement, insolvency or liquidation proceedings with respect to the Maker (the "Standstill Restrictions") unless Maker's limited partner approves such exercise of such remedy in writing.

Notwithstanding anything herein to the contrary, Payee hereby makes subject and subordinate the payment of the principal of this Note and the other Loan Documents, together with any and all interest accrued or to accrue thereon and fees and expenses and other amounts incurred by Payee to the loans (the "Superior Loans") made by TD Bank, N.A., the Pennsylvania Housing Finance Agency, and the Philadelphia Housing Development Corporation (jointly, the "Superior Lenders"), to Maker, the documents evidencing, supporting or securing the Superior Loans (the "Superior Loan Documents"), the liens and all rights of Superior Lenders under the Superior Loan Documents, the payment of principal, interest, fees, costs and expenses and other amounts due and owing under the Superior Loan Documents (including interest accruing after the date on which Maker becomes subject to the jurisdiction of any federal or state debtor relief statute, whether or not recoverable against Maker) by Maker and any refinancing of the Superior Loans. Payee further agrees that upon completion of the Project, Maker intends to refinance then-outstanding debt with permanent financing (the "Permanent Refi Loan"). Payee agrees that it will make subject and subordinate the payment of the principal of this Note and the other Loan Documents, together with any and all interest accrued or to accrue thereon and fees and expenses and other amounts incurred by Payee to the Permanent Refi Loan by executing a reasonably acceptable subordination agreement and/or other appropriate instruments evidencing such intent to subordinate, and will not unreasonably withhold, condition, or delay execution of the same. Payee agrees that unless and until such time as the Superior Loans shall have been finally paid in full and Maker has complied in full with all of its obligations with respect to the Superior Loans and all Superior Loan Documents, it shall not, without the prior written consent of the Superior Lenders, in each instance, which consent may be withheld in the sole and absolute discretion of the Superior Lenders, take any action that would (i) place Maker in receivership, insolvency, reorganization or bankruptcy proceedings, (ii) levy against or place a lien on any assets of Maker or otherwise exercise any other rights or remedies under or in respect of the Loan or any Loan Documents (whether relating to a default and/or an event of default thereunder or otherwise), or (iii) amend or modify any Loan Document in any manner that would change or alter the rights of the Superior Lenders under any such instrument or agreement. Any assignment of the Loan, or any portion thereof or this Note or any other Loan Document without such consent of the Superior Lenders, shall be void ab initio and of no effect whatsoever. Any such acceleration or foreclosure shall also require the written consent of Maker's Limited Partner.

For so long as the Superior Loans remain outstanding, Payee shall not exercise any of the remedies provided for in this Note or the Mortgage or modify the terms of this Note without the prior written consent of the Superior Lenders, which consent may be withheld in the sole and absolute discretion of the Superior Lenders.

Notwithstanding anything to the contrary in this Note or the other Loan Documents, upon the distribution of any of Maker's assets, whether by reason of sale, reorganization, liquidation, dissolution, arrangement, bankruptcy, receivership, assignment for the benefit of creditors, foreclosure or otherwise, Superior Lenders shall be entitled to receive payment in full of the Superior Loans and all other amounts due Superior Lenders under the terms of the Superior Loan Documents (including, without limitation, interest arising subsequent to the date of the filing by or against Maker of any petition for relief under the United States Bankruptcy Code or the making of any assignment for the benefit of creditors, whether or not such interest is recoverable from or provable against Maker) prior to the payment of all or any part of the amounts due under this Note or the other Loan Documents.

The remedies of Payee shall be cumulative and concurrent and may be pursued singularly and successively or together at the sole discretion of the Payee, and may be exercised as often as the occasion therefor shall occur. The failure to exercise any such right or remedy shall in no event be construed as a waiver or release thereof.

Payee shall not be deemed by any act or omission to have waived any of its rights or remedies hereunder unless such waiver of any of its rights or remedies is stated to be such in a writing signed by the Payee, and then only to the extent specifically set forth in the writing. A waiver of one Event of Default shall not be construed as continuing or as a bar to or waiver of any right or remedy arising from a subsequent Event of Default.

All references herein to the singular as to Payee and Maker shall include the plural thereof.

The liability of Maker is joint and several. Maker hereby waives, to the extent legally able to be waived, presentment for payment, protest, and demand for notice of protest, demand for and notice of dishonor and notice of nonpayment of this Note, and consents that Payee may extend the time of payment and, at the request of Maker, otherwise modify the terms of payment of any part or the whole of the debt evidenced by this Note and such consent shall not alter or diminish the rights and liability of any person hereunder.

If any provision hereof is found by a court of competent jurisdiction to be prohibited or unenforceable, it shall be ineffective only to the extent of such prohibition or unenforceability, and such prohibition or unenforceability shall not invalidate the balance of such provision to the extent it is not prohibited or unenforceable, nor invalidate the other provisions hereof, all of which shall be liberally construed in favor of Payee in order to effect the provisions hereof.

It is also understood that Payee refers to Payee and its successors and assigns.

This Note is made, executed and delivered in the Commonwealth of Pennsylvania and shall be interpreted under the laws of the Commonwealth of Pennsylvania.

Notwithstanding any right granted to any limited partner of Maker by the General Partner pursuant to the Partnership Agreement (including, without limitation, the right of the limited partner to cause the General Partner to guarantee any operating cash deficits), Payee shall not have any right to, and shall not attempt to claim or assert any benefit or otherwise attempt to enforce, on its own behalf or on behalf of any other entity, any such benefit set forth in the Partnership Agreement. Payee further hereby agrees it is not a third party beneficiary of any rights or benefits granted to any limited partner under the Partnership Agreement or any related documents.

Maker by executing this Note, and Payee by accepting this Note, agree that no modification, assignment or amendment of this Note or the Mortgage, including without limitation changes to the interest rate, maturity, payment terms, or any waiver, reduction or deferral of the foregoing, shall be effective without the prior written consent of Maker's limited partner, which may be withheld, conditioned or delayed in the sole and absolute discretion of Maker's limited partner.

IN WITNESS WHEREOF, Maker has caused this Note to be executed the day and year first above written.

OLD FIRST HOUSE LP
By: OFH Ventures, Inc.
Its sole general partner

By: _____
David La Fontaine, President