

# Exhibit 5 - Performance Incentive Fees <sup>(1)</sup>

New Incentive Fees are highlighted

## 1. Fulls

		Base Fee Payout	Incentive Fee If Full Closes <small>New incentives are framed (2)</small>	Incentive Fee If Completion per Ch. 6 <sup>(6)</sup> <small>New incentives are framed (2)</small>
1.	Milestone: Completion of Due Diligence Timing: w/in 75 days of Acceptance (3)	30% of Base Fee	\$4,000	\$4,000
2.	Milestone: OMHAR Execution of RC Timing: w/in 150 days of acceptance (4)	40% of Base Fee	\$4,000	\$4,000
3.a.	Milestone: Closing Timing: if w/in 9 mos of acceptance (5) plus, if w/in 8 mos of acceptance, an additional	30% of Base Fee	\$2,500 <b style="border: 2px solid black;">\$2,500</b>	
3.b.	Milestone: Completion in accordance with Chapter 6 (6) Timing: w/in 9 months of acceptance			\$2,500
4.	Milestone: "Outstanding" Public Interest Survey (7)		\$2,500	\$2,500
5.	Milestone: Cost Savings: If 1.1 > (NPV / PPC) > 1.0 and if (NPV / PPC) > 1.1 (8)		\$2,500 \$2,500	
6.	Milestone: Use of Additional Funds in Full (9) and if Full closes with Additional Funds		\$2,500 \$2,500	
<b>Total Potential Incentive Fees (Fulls)</b>		100% of Base Fee	<b>\$25,500</b>	<b>\$13,000</b>

## 2. Lites

		Base Fee	Incentive Fee
1.a.	Milestone: <b>Tier 1 Lite</b> submission, approved by the Director Timing: w/in 75 days of Acceptance	100% of Base Fee	\$1,250
1.b.	Milestone: <b>Tier 2 Lite</b> submission, approved by the Director Timing: w/in 90 days of Acceptance	100% of Base Fee	\$1,250
1.c.	Milestone: <b>Full Converted to Lite</b> submission, approved by the Director Timing: w/in 180 days of Acceptance	100% of Base Fee	\$1,250
<b>Total Potential Incentive Fees (Lites)</b>		100% of Base Fee	<b>\$1,250</b>

## Exhibit 5 - Performance Incentive Fees (1)

### Notes:

(1) Earned performance incentive fees are available as additional fees upon mutual execution of the revised PRA, for all Projects in the Portfolio, for milestones achieved subsequent to revised PRA execution (as recorded in the MIS system). Incentive Fees are not available retroactively, i.e., for milestones achieved through December 31, 2001 (as recorded in the MIS system).

(2) Incentive #1 (Completion of Due Diligence) will be earned upon achievement of this milestone, and paid upon receipt by OMHAR of invoicing in accordance with the Guide. All other earned incentives are paid ONLY upon closing or Completion (in accordance with Chapter 6 of the Guide) of the Project and ONLY if the Project is closed or Completed within the 12 month period required by section 5.7 of the PRA. The 12 month period may be extended at the Director's discretion upon a showing of good cause.

(3) Due Diligence as defined.

(4) The 150 day milestone includes OMHAR review time (from complete submission to approval), not to exceed 30 days, in aggregate.

(5) Discontinued Fulls which are reactivated for restructuring are eligible for the \$2,500 closing Incentive Fee if closed within 120 days of reactivation date.

(6) Excludes Projects completed in accordance with Chapter 6 if the Completion is because the Project is Ineligible, or if the owner of the Project prepays the mortgage, opts out of the section 8 program, or otherwise withdraws the Project from the Mark to Market program.

(7) Based on an objective survey of the Project tenants, the Director will determine if the PAE has provided outstanding service in addressing the tenants' questions and concerns regarding the Debt Restructuring and has protected the public interest regarding promoting the availability of decent and affordable housing. Determination will be based upon Director's review of tenant responses to surveys distributed by PAE in tenant meetings and received by OMHAR directly from tenants.

(8) \$2,500 if the ratio of the NPV of the Section 8 subsidy savings over 20 yrs divided by the section 541(b) partial payment is greater than 1.0, and an additional \$2,500 if the ratio is 1.1 or greater.

(9) If PAE facilitates the use of Additional Funds (tax credit monies, e.g.), and if PAE is required by the Director to create and maintain multiple Plans (scenarios with and without the Additional Funds), the PAE shall be compensated \$2,500 for the additional work. If the Full Closes with these Additional Funds included, the PAE shall be compensated an additional \$2,500.