



Town of Reading Meeting Posting with Agenda

RECEIVED
TOWN CLERK
READING, MASS.

Board - Committee - Commission - Council:

Board of Selectmen

2013 NOV 21 P 1:42

Date: 2013-11-26

Time: 7:00 PM

Building: Reading Town Hall

Location: Selectmen Meeting Room

Address: 16 Lowell Street

Purpose: General Business

Meeting Called By: Paula Schena on behalf of Chairman James Bonazoli

Notices and agendas are to be posted 48 hours in advance of the meetings excluding Saturdays, Sundays and Legal Holidays. Please keep in mind the Town Clerk's hours of operation and make necessary arrangements to be sure your posting is made in an adequate amount of time. A listing of topics that the chair reasonably anticipates will be discussed at the meeting must be on the agenda.

All Meeting Postings must be submitted in typed format; handwritten notices will not be accepted.

Topics of Discussion:

- 1) **Reports and Comments**
 - a. Selectmen's Liaison Reports and Comments
 - b. Public Comment
 - c. Town Manager's/Assistant Town Manager's Report
- 2) **Open Session for topics not reasonably anticipated 48 hours in advance of the meeting**
- 3) **Proclamations/Certificates of Appreciation**
 - a. Certificate of Recognition – Grace Stroman
- 4) **Personnel & Appointments**
- 5) **Discussion/Action Items**
 - a. Update on Johnson Wood Project 7:20
 - b. Approve Amendment for Johnson Woods 7:35
(affordable housing)
 - c. Reading Coalition Against Substance Abuse Overview 7:45
 - d. Approve Liquor Licenses 8:15
 - e. Town Licenses – Options for Public Safety 8:30
 - f. Hearing – Washington Park Final Design 9:00
 - g. Hearing – Memorial Park Lighting 9:15
 - h. Recreation Update: Dog Park Opportunity; 9:30
Birch Meadow Master Plan; Regionalization
- 6) **Approval of Minutes**
 - a. October 30, 2013
 - b. November 5, 2013
- 7) **Licenses, Permits and Approvals**
- 8) **Executive Session**
- 9) **Correspondence**
 - copy a. 2013 FiOS TV for Business Annual Notice
 - copy b. FiOS TV Notice of programming changes

This Agenda has been prepared in advance and represents a listing of topics that the chair reasonably anticipates will be discussed at the meeting. However the agenda does not necessarily include all matters which may be taken up at this meeting.



Town of Reading Meeting Posting with Agenda

- copy c. Letter of resignation from Mary Connors from the Housing Authority
- copy d. Correspondence from MASS DOT re: Salting at Commuter Rail
"Highway/Railway" Crossings
- copy e. Correspondence from Xfinity re: Municipal Emergency Reporting Procedure
- copy f. Correspondence from Mystic Valley Elder Services re: FY13 Service Report
- copy g. Correspondence from Joshua Latham re: Renewal of 24 Hour Operation
License for 87 Walkers Brook Drive

| DRAFT - BOARD OF SELECTMEN | | | |
|-----------------------------------|---|-------------------------|-------------|
| 2013 | AGENDAS | | 2013 |
| | November 26, 2013 | | |
| Certificate | Grace Stroman (Girl Scout Gold Award) | LeLacheur | |
| | Update on Johnson Woods project | LeLacheur | 7:20 |
| | Approve amendment for Johnson Woods (affordable housing) | LeLacheur | 7:35 |
| | RCASA overview | McNamara | 7:45 |
| | Approve Liquor Licenses | LeLacheur | 8:15 |
| | Town Licenses - options for Public Safety | Cormier | 8:30 |
| | Recreation update: | | |
| HEARING | Washington Park final design | Feudo | 9:00 |
| HEARING | Memorial Park lighting | Feudo | 9:15 |
| | Dog Park opportunity; Birch Meadow Master Plan; Regionalization | Feudo | 9:30 |
| | | | |
| | December 10, 2013 | | |
| Office Hour | Marsie West | | 6:30 |
| Appointment | Appoint Library Trustee | joint mtg Lib Tr | 7:20 |
| | Accept Easements West Street | Zambouras | 7:40 |
| HEARING | Tax Classification | joint mtg BOA | 8:00 |
| | Review BOS/TM Goals | LeLacheur | 9:00 |
| | | | |
| | December 17, 2013 | | |
| Appointment | Appoint Housing Authority member | joint mtg RHA | 7:20 |
| EXECUTIVE SESSION | To consider the purchase, exchange, lease or value of real property. | LeLacheur | 7:30 |
| | Approve early openings/24 hour openings | LeLacheur | 8:30 |
| | Approve Other Licenses | LeLacheur | 8:45 |
| | Discuss desired Charter changes | LeLacheur | 9:00 |
| | Discuss desired Zoning changes | LeLacheur | 9:15 |
| | Town Manager Performance Evaluation | | 9:30 |
| | | | |

| DRAFT - BOARD OF SELECTMEN | | | |
|-----------------------------------|--|------------------------|-----------------|
| 2013 | AGENDAS | | 2013 |
| Future Agendas | | | |
| | Fees & licenses | LeLacheur | JAN '14 |
| | MWRA | LeLacheur | FEB '14 |
| | Policy on AHTF w/ Reading Housing Auth. | LeLacheur | FEB '14 |
| | Technology Update: Website; Document Storage; Permits & Lic.; Assessing; new Customer Service App | LeLacheur | MAR '14 |
| | Strout Avenue Master Plan (complete after Town Forest planning work is done) | Feudo | |
| | Adopt PTTTF recommendations | LeLacheur | |
| | Regionalization of other functions | LeLacheur | |
| | Policy on Trust Fund Commissioners | Heffernan | |
| | Lyme Disease mitigation strategy | Clay | |
| Recurring Items | | | |
| | Town Accountant Report | Jan-Apr-Jul-Oct | Qtrly |
| | Review BOS/TM Goals | Mar-July-Dec | Tri-ann |
| | Review Customer Service survey results | Jan & July | Semi-ann |
| | RCTV members Report | Apr & Oct | Semi-ann |
| | CAB (RMLD) member Report | Apr & Oct | Semi-ann |
| | MAPC member Report | Apr & Oct | Semi-ann |
| | Review Regionalization efforts | Jun & Dec | Semi-ann |
| | Reading Housing Authority Report | March | Annual |
| | Reading Ice Arena Report | October | Annual |
| | Appointments of BCCs | June | Annual |
| | Approve Classification & Compensation | June | Annual |
| | Tax Classification Hearing | Oct/Nov | Annual |
| | Approve licenses | December | Annual |
| | Appoint Town Counsel | December | Annual |

| DRAFT - BOARD OF SELECTMEN AGENDAS | | | |
|---|--|---------------------------------|---------------------------------|
| 2014 | | | 2014 |
| <i>11/20/2013</i> | | Staff Responsibility | Estimated Start time |
| | January 14, 2014 | Workshop | |
| Office Hour | Ben Tafoya | | 6:30 |
| | FY15 Town Budget | LeLacheur | 7:00 |
| | | | |
| | January 21, 2014 | Workshop | |
| | FY15 Town Budget | LeLacheur | 7:00 |
| | | | |
| | January 29, 2014 - Financial Forum | | |
| | | | |
| | February 11, 2014 | | |
| Office Hour | John Arena | | 6:30 |
| | MWRA update | | 7:20 |
| | Review Customer Service survey results | LeLacheur | 8:30 |
| | Review BOS/TM Goals | LeLacheur | 9:00 |
| | | | |
| | February 25, 2014 | | |
| | | | |
| | March 4, 2014 | | |
| Office Hour | James Bonazoli | | 6:30 |
| HEARING | Close Annual Town Meeting Warrant | | 8:00 |
| | | | |
| | March 18, 2014 | | |
| informational | Library "Big Read" Event | Urell | |
| | Appoint Town Accountant | | |
| | | | |
| | April 1, 2014 | | |
| Office Hour | Dan Ensminger | | 6:30 |
| | | | |
| | April 8, 2014 Local Elections | no meetings | |
| | | | |
| | April 15, 2014 | | |
| | Reports | | 7:30 |
| | Town Accountant Report | Angstrom | |
| | MAPC member Report | | |
| | CAB (RMLD) member Report | | |
| | RCTV members Report | | |
| | | | |
| | May 1, 2014 - Annual Town Meeting (Thurs) | no meetings | |
| | | | |
| | May 5, 2014 - Annual Town Meeting (Mon) | no meetings | |
| | | | |

| | | | |
|-----------------|--|-----------------|----------|
| | May 6, 2014 | | |
| Office Hour | Marsie West | | 6:30 |
| | Review BOS/TM Goals | LeLacheur | |
| | | | |
| | May 8, 2014 - Annual Town Meeting (Thurs) | no meetings | |
| | | | |
| | May 20, 2014 | | |
| | | | |
| | June 10, 2014 | | |
| | Approve Classification & Compensation | | |
| | | | |
| | June 24, 2014 | | |
| | Appointments of BCCs | | |
| | | | |
| | | | |
| | | | |
| future agendas | | | |
| | | | |
| Recurring Items | | | |
| | Town Accountant Report | Jan-Apr-Jul-Oct | Qtrly |
| | Review BOS/TM Goals | Jan-May-Sept | Tri-ann |
| | Review Customer Service survey results | Jan & July | Semi-ann |
| | RCTV members Report | Apr & Oct | Semi-ann |
| | CAB (RMLD) member Report | Apr & Oct | Semi-ann |
| | MAPC member Report | Apr & Oct | Semi-ann |
| | Reading Housing Authority Report | | Annual |
| | Reading Ice Arena Report | | Annual |
| | Appointments of BCCs | June | Annual |
| | Approve Classification & Compensation | June | Annual |
| | Tax Classification Hearing | Oct/Nov | Annual |
| | Approve licenses | December | Annual |
| | | | |



Certificate of Recognition



This Certificate is hereby awarded to

Grace Stroman

In recognition of her achieving the Girl Scout Gold Award for her community service project of educating the residents of Reading about recreational opportunities in the Town conservation lands via workshops, blazing a new entrance trail to the Town Forest, and designing and printing a guide book.

Given this 26th day of November, 2013 By the Reading Board of Selectmen



Schena, Paula

From: Honetschlager, Kim
Sent: Thursday, November 21, 2013 10:16 AM
To: Schena, Paula
Subject: FW: 5th grade walk - for BOS packets

Paula,

Could this go in the BOS packets? Grace Stroman, the Girl Scout who created the trail, is on the agenda next Tuesday.

Thanks,

Kim

-----Original Message-----

From: Patricia J. Lloyd
Sent: Thursday, November 21, 2013 10:08 AM
To: Trails Committee, Grace Stroman

Subject: 5th grade walk

Dear Grace and Trails Committee:

Just wanted to share. I chaperoned a walk into the Town Forest yesterday with my daughter's fifth grade. They entered through Grace's new trailhead and walked the blue trail. Believe it or not, this was the FIRST time many of them had ever entered the town forest - and they were 5th graders at Wood End! They were enchanted with the forest and all wanted to go back ASAP. Their assignment was to collect observations to put in a poem each student will write this week.

Thought I'd share how your work makes a difference. Thanks!

Pat Lloyd

Schena, Paula

From: LeLacheur, Bob
Sent: Monday, November 04, 2013 3:56 PM
To: Schena, Paula
Subject: FW: Gold Award Guide Books

Please ask MK to create a Certificate for Grace.

Robert W. LeLacheur, Jr. CFA

Town Manager

Town of Reading

16 Lowell Street

Reading, MA 01867

townmanager@ci.reading.ma.us

(P) 781-942-9043

(F) 781-942-9037

www.readingma.gov

Please fill out our brief customer service survey at:

<http://readingma-survey.virtualtownhall.net/survey/sid/8cebfd833a88cd3d/>

Town Hall Hours:

Monday, Wednesday and Thursday: 7:30 a.m - 5:30 p.m.

Tuesday: 7:30 a.m. - 7:00 p.m.

Friday: CLOSED

From: Grace Stroman [<mailto:gcstroman@gmail.com>]

Sent: Monday, November 04, 2013 3:52 PM

To: LeLacheur, Bob

Subject: Re: Gold Award Guide Books

Hi Mr. LeLacheur,

I will be able to make your meeting on November 26th.

Thank you,
Grace Stroman

On Sun, Nov 3, 2013 at 8:05 PM, LeLacheur, Bob <blelacheur@ci.reading.ma.us> wrote:
Hi Grace - that's outstanding, congratulations!!

I'm looking forward to reading this, and have copied our Conservation Administrator Chuck Tirone and our GIS Coordinator Kim Honetschlager who will have keen interest in your project as well.

Are you available around 7:30pm on Tuesday November 26th? If so, the Selectmen would be very happy to receive your guide book at their meeting. Please let me know - if not then we'll arrange another time that fits your schedule.

Thanks,

Bob

Robert W. LeLacheur, Jr. CFA

Town Manager

Town of Reading

16 Lowell Streeten

Reading, MA 01867

townmanager@ci.reading.ma.us<mailto:townmanager@ci.reading.ma.us>

(P) 781-942-9043

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www.readingma.gov<<http://www.readingma.gov>>

Please fill out our brief customer service survey at:

<http://readingma-survey.virtualtownhall.net/survey/sid/8cebfd833a88cd3d/>

Town Hall Hours:

Monday, Wednesday and Thursday: 7:30 a.m - 5:30 p.m.

Tuesday: 7:30 a.m. - 7:00 p.m.

Friday: CLOSED

From: Grace Stroman [gcstroman@gmail.com]

Sent: Sunday, November 03, 2013 2:58 PM

To: Reading - Selectmen

Subject: Gold Award Guide Books

To the Selectmen of Reading, MA,

Hello my name is Grace and I am a senior at Reading Memorial High School who just completed her Girl Scout Gold Award. As part of my 80-hour community service project I held two workshops to educate Reading citizens about the recreational opportunities on Reading's conservation lands, blazed a new entrance trail to the Town Forest, and designed/printed a guide book to the conservation lands, open lands, and Town Forest of Reading, MA.

I was hoping to give each selectmen a copy of the guide book that I published as part of my project as a gift

I'll be more than happy to drop the books off, just let me know when and where.

Also, let me know if you have any questions.

The online version of the guide can be found at Trail Brochure -

NEW!<http://www.readingma.gov/GetToKnowYourBackyard_trail_brochure>

Sincerely,

Grace Stroman



**Town of Reading
16 Lowell Street
Reading, MA 01867-2683**

JEAN DELIOS
Assistant Town Manager,
Community Services
Phone: (781) 942-6612
Fax: (781) 942-9071
jdelios@ci.reading.ma.us

MEMORANDUM

To: Robert W. LeLacheur, Jr., Town Manager

From: Jean Delios, Assistant Town Manager, Community Services

Date: November 21, 2013

Re: Johnson Woods

The affordable housing requirements related to Johnson Woods II have necessitated that the Town sign off on the State approved documents that are part of the Local Initiative Program (LIP). The developer for Johnson Woods is requesting that the Board of Selectmen authorize the Chair to execute the amendment to the existing regulatory agreement on behalf of the Town of Reading.

When the project commenced in 2007 the Chair signed the regulatory agreement on behalf of the Town. Recently the Phase II affordable housing documents were approved by the State and the next step is for the Town to sign off.

LATHAM LAW OFFICES LLC
643 MAIN STREET
READING, MA 01867

O. BRADLEY LATHAM*
CHRISTOPHER M. O. LATHAM
JOSHUA E. LATHAM*

TEL: (781) 942-4400
FAX: (781) 944-7079

* ADMITTED TO PRACTICE IN
MASSACHUSETTS AND NEW HAMPSHIRE

November 5, 2013

Jean Delios, Town Planner
Town Hall
16 Lowell Street
Reading, MA 01867

Re: Johnson Woods, LIP Affordable Units; Amendment to Regulatory Agreement

Dear Jean:

We enclose the following documents that have been prepared based on our meetings of last week and yesterday:

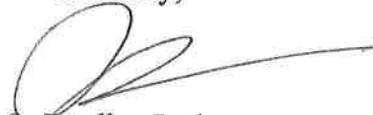
1. Colored Wall Plan (11.5.13) showing the current layout of the units and unit numbers. Colors indicate the current state of construction.
2. Site Plan -- Addresses, Built & Affordable buildings-units (11/5/2013). The side chart on the plan shows the affordable units by address and unit number and the number of bedrooms in each affordable unit.
3. Drawings of 30 and 39 Taylor Drive showing unit layouts (market and affordable).
4. Letters from DHCD approving both the amendment to the regulatory agreement and the changes that were made to Exhibit B.
5. Three original amendments to regulatory agreement signed by Johnson Woods and one copy of the original, recorded regulatory agreement.

561

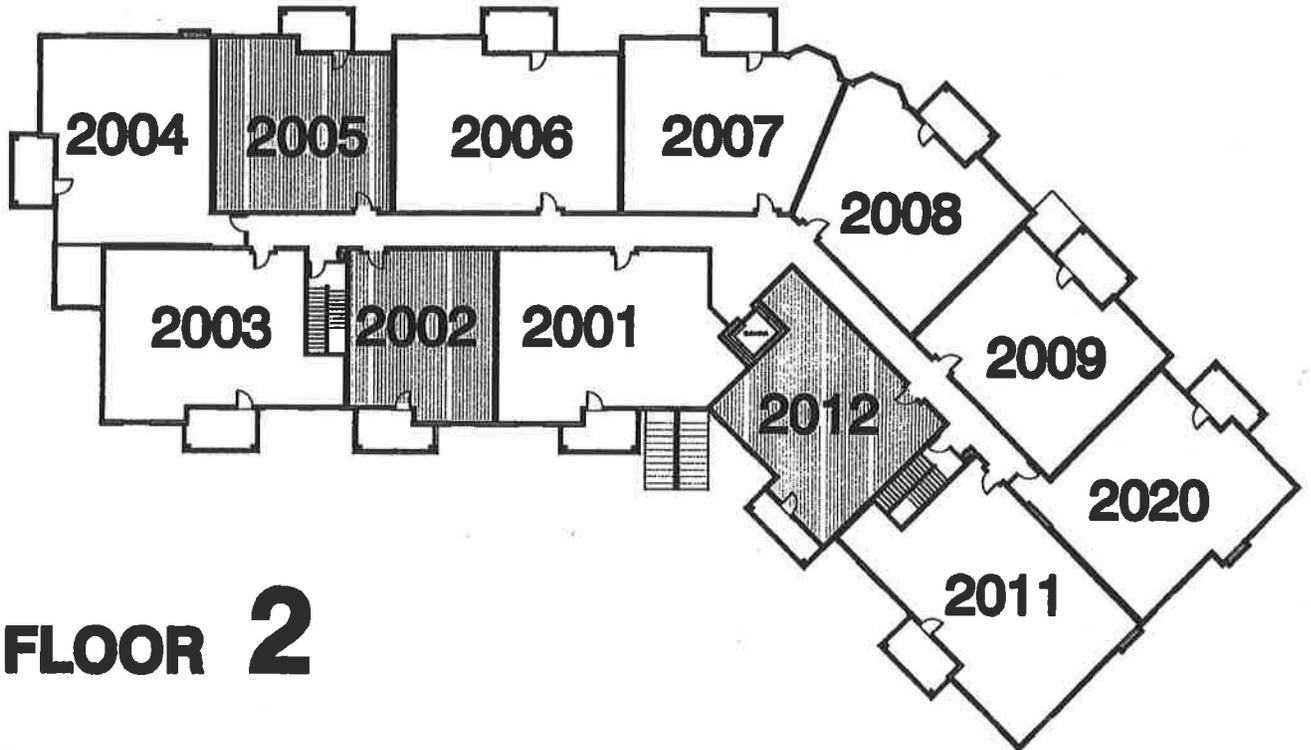
Johnson Woods respectfully request that the Chairman of the Board sign three copies of the amendment to the regulatory agreement so that we can submit it to DHCD for its signing.

Thank you.

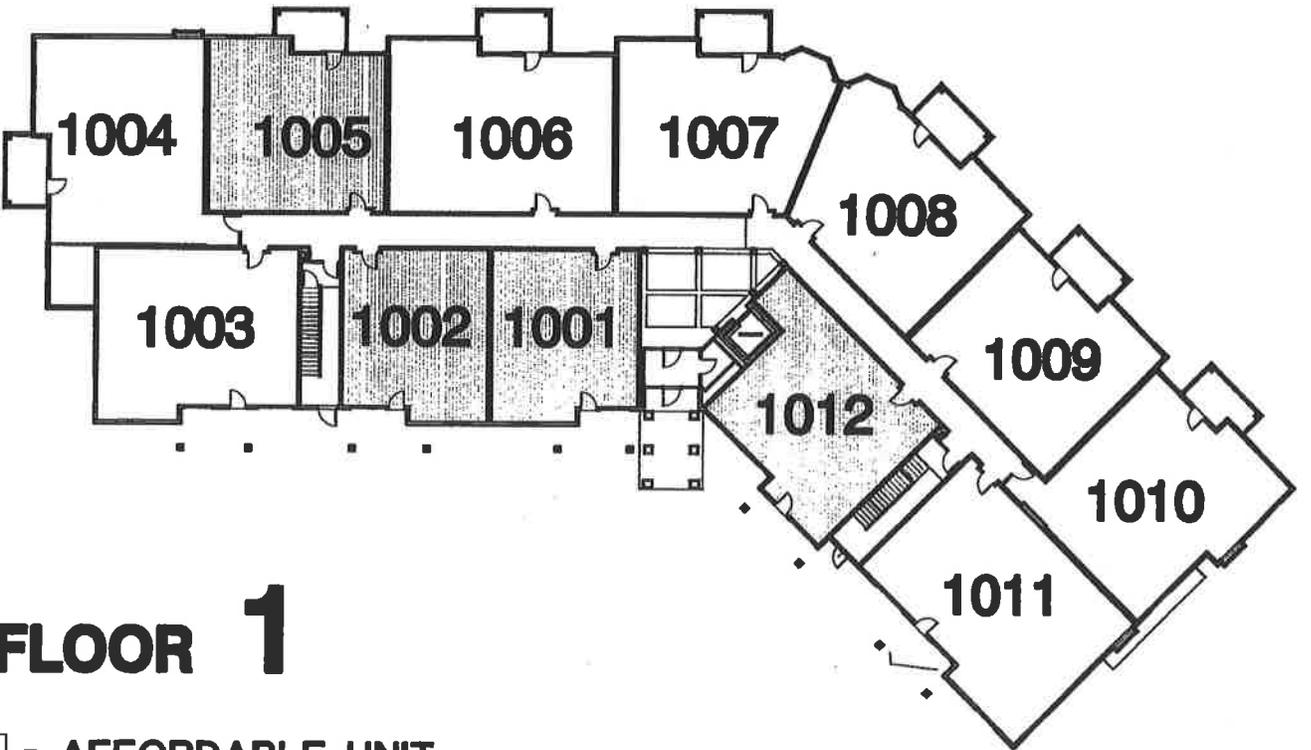
Sincerely,

A handwritten signature in black ink, appearing to be 'O. Bradley Latham', with a long horizontal flourish extending to the right.

O. Bradley Latham



FLOOR 2



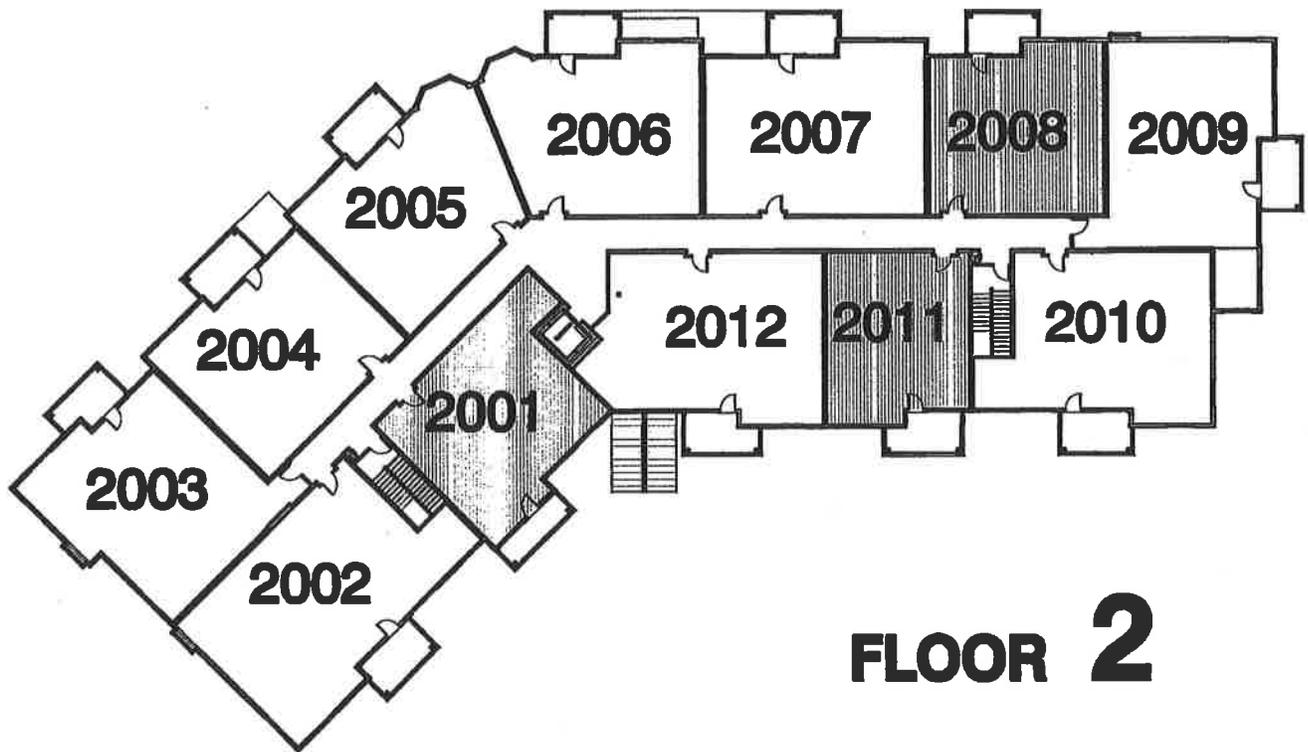
FLOOR 1

☐ - AFFORDABLE UNIT

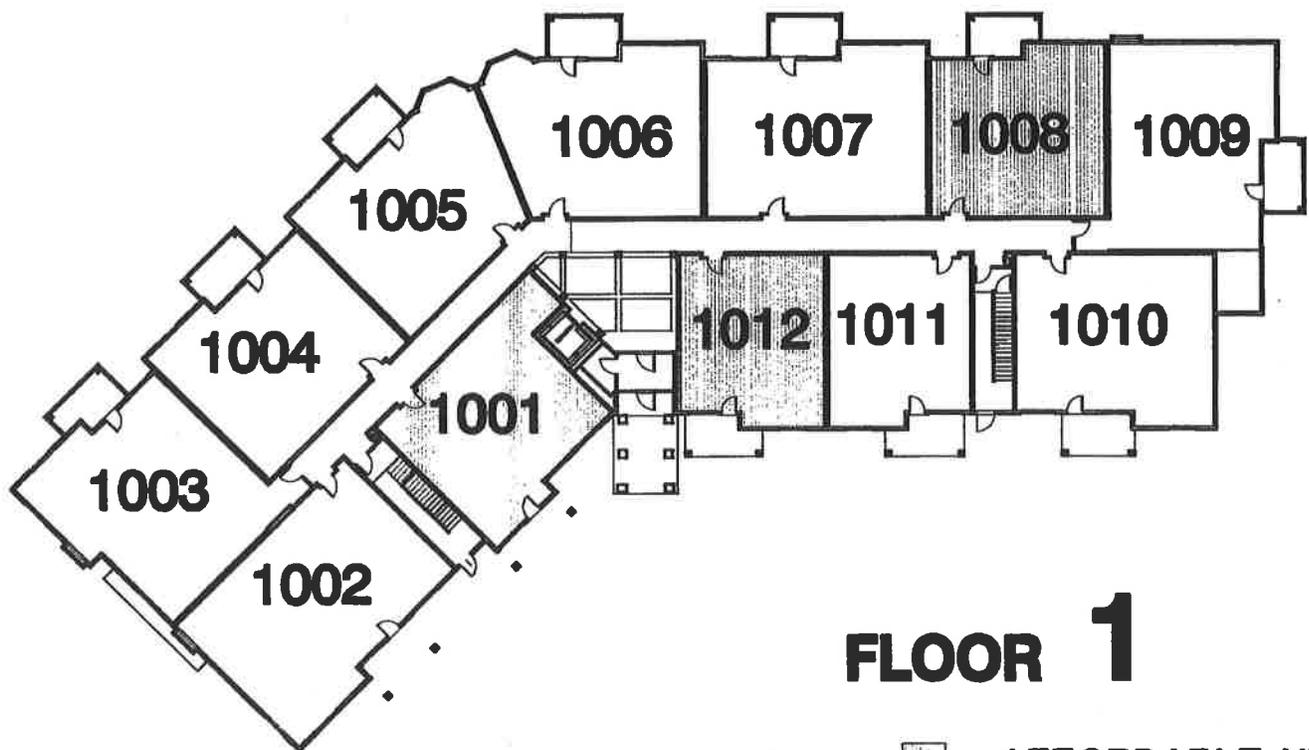
30 TAYLOR DRIVE

JW

565



FLOOR 2



FLOOR 1

☐ - AFFORDABLE UNIT

39 TAYLOR DRIVE

JW

566



Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT**

Deval L. Patrick, Governor ♦ Aaron Gornstein, Undersecretary

October 23, 2013

O. Bradley Latham
Latham Law Offices LLC
643 Main Street
Reading, MA 01867

RE: Amendment to Regulatory Agreement for Johnson Woods in Reading

Dear Brad,

The Department of Housing and Community Development (DHCD) has reviewed and approved the final draft of the Amendment to the Regulatory Agreement for the Local Initiative Program (LIP) development – Johnson Woods in Reading. This Amendment approves the addition of 127 total units, including 19 affordable units. The original Regulatory Agreement included 166 total units with 17 affordable units.

The sales prices for the 12 new affordable two-bedroom units (and the 6 unsold two-bedroom units from the previous phase) have been increased from \$168,100 to \$171,100. The sales price for the 7 new one-bedroom units will be \$153,100. The marketing for the 19 new units and the 6 unsold units will be in accordance with the updated Marketing and Lottery Plan approved by DHCD in May 2013.

The locations of two LIP units previously approved have been moved from Building 24 to Building 60 – the addresses will be 39 Johnson Woods Drive and 169 Johnson Woods Drive.

Because this development will continue to be built out in phases, any future changes in sales prices, location of units or percentage of beneficial interest must be reviewed and approved by DHCD and the Municipality and will require additional amendments to the Regulatory Agreement.

Please let me know if you have any further questions.

Sincerely,

A handwritten signature in cursive script that reads "Elsa Campbell".

Elsa Campbell
Senior program Coordinator



Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT**

Deval L. Patrick, Governor ♦ Aaron Gornstein, Undersecretary

October 31, 2013

O. Bradley Latham
Latham Law Offices LLC
643 Main Street
Reading, MA 01867

RE: Amendment to Regulatory Agreement for Johnson Woods in Reading

Dear Brad,

The Department of Housing and Community Development (DHCD) has reviewed and approves the following changes, required by the Town of Reading, to Exhibit B of the final draft of the Amendment to the Regulatory Agreement for the Local Initiative Program (LIP) development – Johnson Woods in Reading.

1. The Town now requires that all condominium units in Town have four digits, so they have asked us to add "0" after the first digit to each of the units in the matrix.
2. Taylor Drive is the correct name. We had Taylor Lane.
3. There was a typo in the last paragraph. The Building number is 29, not 24.

Please let me know if you have any further questions.

Sincerely,


Elsa Campbell
Senior program Coordinator

LOCAL INITIATIVE PROGRAM
AMENDMENT TO REGULATORY AGREEMENT
AND
DECLARATION OF RESTRICTIVE COVENANTS
FOR
OWNERSHIP PROJECT

Reference is made to the Regulatory Agreement dated July 17, 2007, by and among the Commonwealth of Massachusetts, acting by and through the Department of Housing and Community Development ("DHCD"), pursuant to G.L. c. 23B §1 as amended by Chapter 19 of the Acts of 2007, the Town of Reading ("the Municipality"), and Johnson Woods Realty Corporation, a Massachusetts corporation, having an address at 8 Doaks Lane, Marblehead, MA and its successors and assigns ("Project Sponsor") recorded at Middlesex South District Registry of Deeds at Book 49791, Page 1.

WHEREAS, on July 17, 2007, the above-referenced Regulatory Agreement dealt with the first phase (also called the "initial phase") of a housing development known as Johnson Woods Condominium located on 27 acres on West Street, Reading, Massachusetts, in which the Project Sponsor was to develop 166 condominium units containing 17 Low and Moderate Units; and

WHEREAS, the Project Sponsor now intends to construct the final phase of Johnson Woods, which final phase is situated on an additional 10 acres of land in Reading, Massachusetts, abutting the first phase; such additional land being more particularly described in Exhibit A attached hereto and made a part hereof (the final phase of Johnson Woods being referred to in this Amendment as the "final phase of the Project"); and

WHEREAS, such final phase of the Project is to consist of an additional number of 127 condominium units (the "Units") of which 19 of the Units in the final phase will be sold at prices specified in this Agreement to persons or households with incomes at or below eighty percent (80%) of the regional median household income (the "Low and Moderate Income Units"); and

Project Sponsor has made application to DHCD to certify that the nineteen units in the Project are Local Action Units (as that term is defined in the *Comprehensive Permit Guidelines* (the "Guidelines")) published by DHCD with the LIP Program; and

WHEREAS, in partial consideration of the execution of this Agreement, DHCD has given and will give technical and other assistance to the final phase of the Project.

NOW, THEREFORE, in consideration of the agreements and covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which each of the parties hereto hereby acknowledge to the other, DHCD, the Municipality, and the Project Sponsor hereby agree and covenant that the Regulatory Agreement is hereby amended with reference to the six unsold Low and Moderate Income Units in the initial phase and the nineteen (19) additional Low and Moderate Income Units included in the final phase, as follows:

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1. The Project Sponsor agrees to construct the final phase of the Project in accordance with plans and specifications approved by the Municipality and DHCD (the "Plans and Specifications. In addition, all nineteen Low and Moderate Income Units to be constructed as part of the final phase of the Project must be indistinguishable from other Units in the final phase of the Project from the exterior (unless the final phase of the Project has an approved "Alternative Development Plan" as set forth in the *Comprehensive Permit Guidelines* (the "Guidelines")) published by DHCD, and must contain complete living facilities including but not limited to a stove, kitchen cabinets, plumbing fixtures, and washer/dryer hookup, all as more fully shown in the Plans and Specifications.

Seven (7) of the Low and Moderate Income Units in the final phase shall be one bedroom units;

twelve (12) of the Low and Moderate Income Units in the final phase shall be two bedroom units.

All Low and Moderate Income Units to be occupied by families must contain one or two bedrooms. Low and Moderate Income Units must have the following minimum areas:

one bedroom units - 700 square feet
two bedroom units - 900 square feet

The final phase of the Project must fully comply with the State Building Code and with all applicable state and federal building, environmental, health, safety and other laws, rules, and regulations, including without limitation all applicable federal and state laws, rules and regulations relating to the operation of adaptable and accessible housing for the handicapped. The final phase of the Project must also comply with all applicable local codes, ordinances and by-laws.

Each of the six Low and Moderate Income Unit in the initial phase and all of the nineteen Low and Moderate Income Unit in the final phase will be sold for no more than the price set forth in Exhibit B attached to this Amendment and made a part hereof to an Eligible Purchaser. An Eligible Purchaser is a Family (i) whose annual income does not exceed eighty percent (80%) of the Area median income adjusted for family size as determined by the U. S. Department of Housing and Urban Development and (ii) whose assets do not exceed the limits specified in the Guidelines. A "Family" shall mean two or more persons who will live regularly in the Low or Moderate Income Unit as their primary residence and who are related by blood, marriage, or operation of law or who have otherwise evidenced a stable inter-dependent relationship; or an individual. The "Area" is defined as the Boston-Cambridge-Quincy, MA-MSA/HMFA/County.

2. Upon the occurrence of one of the events described in 760 CMR 56.03(2), the final phase of the Project will be included in the Subsidized Housing Inventory as that term is described in 760 CMR 56.01. Only Low and Moderate Income Units will be counted as SHI Eligible Housing as that term is described in 760 CMR 56.01 for the purposes of the Act.

3. (a) At the time of sale of each of the six currently unsold Low and Moderate Income Units in the initial phase and at time of sale of each of the nineteen Low and Moderate Income Unit in the final phase by the Project Sponsor, the Project Sponsor shall execute and shall as a condition of the sale cause the purchaser of the Low and Moderate Income Unit to execute an Affordable Housing Deed Rider in the form of Exhibit C attached hereto and made a part hereof (the "Deed Rider"). Such Deed Rider shall be attached to and made a part of the deed from the Project Sponsor to the Unit Purchaser, both as to the six unsold Low and Moderate Income Units in the initial phase and the nineteen Low and Moderate Income Units in the final phase added by this amendment. Each such Deed Rider shall require the Unit Purchaser at the time he desires to sell the Low and Moderate Income Unit to offer the Low and Moderate Income Unit to the Municipality and to DHCD at a discounted purchase price more particularly described therein. The Municipality and DHCD shall have the option upon terms more particularly described in the Deed Rider to either purchase the Low and Moderate Income Unit or to find an Eligible Purchaser. The Deed Rider shall require the Unit Purchaser and the Eligible Purchaser to execute at the time of resale a Deed Rider identical in form and substance to the Deed Rider then in effect with respect to the Low and Moderate Income Unit which will be attached and made a part of the deed from the Unit Purchaser to the Eligible Purchaser, so that the affordability of the Low and Moderate Income unit will be preserved each time that subsequent resales of the Low and Moderate Income unit occur. (The various requirements and restrictions regarding resale of a Low and Moderate Income Unit contained in the Deed Rider are hereinafter referred to as the "Resale Restrictions"). If upon the initial resale or any subsequent resale of a Low and Moderate Income Unit, the Municipality and DHCD are unable to find an Eligible Purchaser for the Low and Moderate Income Unit, and the Municipality and DHCD each elect not to exercise its right to purchase the Low and Moderate Income Unit, then the then current owner of the Low and Moderate Income Unit shall have the right to sell the Low and Moderate Income Unit to any person, regardless of his income (an "Ineligible Purchaser") at the Maximum Resale Price and subject to all rights and restrictions contained in the Deed Rider, and provided that the Unit is conveyed subject to a Deed Rider identical in form and substance to the Deed Rider then in effect with respect to the Low and Moderate Income Unit which will be attached and made part of the deed from the Unit Purchaser to the Ineligible Purchaser.

(b) For each sale of a Low and Moderate Income Unit, DHCD must approve the terms of the Eligible Purchaser's mortgage financing as evidenced by DHCD's issuance of the Resale Price Certificate described in the Deed Rider.

(c) The Municipality agrees that in the event that it purchases a Low and Moderate Income Unit pursuant to its right to do so contained in the Deed Rider then in effect with respect to such Low and Moderate Income Unit, that the Municipality shall within six (6) months of its acceptance of a deed of such Low and Moderate Income Unit, either (i) sell the Low and Moderate Income Unit to an Eligible Purchaser at the same price for which it purchased the Low and Moderate Income Unit plus any expenses incurred by the Municipality during its period of ownership, such expenses to be approved by DHCD, subject to a Deed Rider satisfactory in form and substance to DHCD and the recording of an Eligible Purchaser Certificate satisfactory in form and substance to DHCD, the method for selecting such Eligible Purchaser to be approved by DHCD or (ii) rent the Low and Moderate Income Unit to a person who meets the income guidelines of the LIP Program, upon terms and conditions satisfactory to DHCD and

otherwise in conformity with the requirements of the LIP Program. If the Municipality fails to sell or rent the Low and Moderate income unit as provided herein within said six (6) month period, or if at any time after the initial rental of the Low and Moderate Income Unit by the Municipality as provided herein the Low and Moderate Income Unit becomes vacant and remains vacant for more than ninety (90) days, then such Low and Moderate Income Unit shall cease to be counted as SHI Eligible Housing, and shall no longer be included in the Subsidized Housing Inventory.

(d) Each Low and Moderate Income Unit will remain SHI Eligible Housing and continue to be included in the Subsidized Housing Inventory for as long as the following three conditions are met: (1) this Agreement remains in full force and effect and neither the Municipality nor the Project Sponsor is in default hereunder; (2) the final phase of the Project and Low and Moderate Income Unit each continue to comply with the Regulations and the Guidelines as the same may be amended from time to time; and (3) either (i) a Deed Rider binding the then current owner of the Low and Moderate Income Unit to comply with the Resale Restrictions is in full force and effect and the then current owner of the Low and Moderate Income Unit is either in compliance with the terms of the Deed Rider, or the Municipality is in the process of taking such steps as may be required by DHCD to enforce the then current owner's compliance with the terms of the Deed Rider or (ii) the Low and Moderate Income Unit is owned by the Municipality and the Municipality is in compliance with the terms and conditions of the last preceding paragraph, or (iii) the Low and Moderate Income Unit is owned by DHCD.

4. (a) Prior to marketing or otherwise making available for sale any of the six unsold Low and Moderate Income Units in the initial phase and the nineteen Low and Moderate Income Units in the final phase, the Project Sponsor must obtain DHCD's approval of a marketing plan (the "Marketing Plan") for the nineteen Low and Moderate Income Units. Such Marketing Plan must describe the buyer selection process for the nineteen Low and Moderate Income Units and must set forth a plan for affirmative fair marketing of Low and Moderate Income Units and effective outreach to protected groups underrepresented in the municipality, including provisions for a lottery, consistent with the Regulations and Guidelines. At the option of the Municipality, and provided that the Marketing Plan demonstrates (i) the need for the local preference (e.g., a disproportionately low rental or ownership affordable housing stock relative to need in comparison to the regional area), and (ii) that the proposed local preference will not have a disparate impact on protected classes, the Marketing Plan may also include a preference for local residents for up to seventy percent (70%) of the Low and Moderate Income Units, subject to all provisions of the Regulations and Guidelines. When submitted to DHCD for approval, the Marketing Plan should be accompanied by a letter from the Chief Executive Officer of the Municipality (as that term is defined in the Regulations) which states that the buyer selection and local preference (if any) aspects of the Marketing Plan have been approved by the Municipality and which states that the Municipality will perform any aspects of the Marketing Plan which are set forth as responsibilities of the Municipality in the Marketing Plan. The Marketing Plan must comply with the Regulations and Guidelines and with all other applicable statutes, regulations and executive orders, and DHCD directives reflecting the agreement between DHCD and the U.S. Department of Housing and Urban Development in the case of *NAACP, Boston Chapter v. Kemp*. **If the final phase of the Project is located in the Boston-Cambridge-Quincy, MA-NH MSA, the Project Sponsor must list all Low and Moderate Income Units with the Boston Fair Housing Commission's MetroList (Metropolitan Housing Opportunity Clearing**

Center); other requirements for listing of units are specified in the Guidelines. All costs of carrying out the Marketing Plan shall be paid by the Project Sponsor.

(b) The Project Sponsor may use in-house staff to draft and/or implement the Marketing Plan, provided that such staff meets the qualifications described in the Guidelines. The Project Sponsor may contract for such services provided that any such contractor must be experienced and qualified under the standards set forth in the Guidelines. A failure to comply with the Marketing Plan by the Project Sponsor or by the Municipality shall be deemed to be a default of this Agreement. The Project Sponsor agrees to maintain for at least five years following the sale of the last Low and Moderate Income Unit, a record of all newspaper ads, outreach letters, translations, leaflets, and any other outreach efforts (collectively "Marketing Documentation") as described in the Marketing Plan as approved by DHCD which may be inspected at any time by DHCD. All Marketing Documentation must be approved by DHCD prior to its use by the Project Sponsor or the Municipality. The Project Sponsor and the Municipality agree that if at any time prior to or during the process of marketing the Low and Moderate Income Units, DHCD determines that the Project Sponsor, or the Municipality with respect to aspects of the Marketing Plan that the Municipality has agreed to be responsible for, has not adequately complied with the approved Marketing Plan, that the Project Sponsor or Municipality as the case may be, shall conduct such additional outreach or marketing efforts as shall be determined by DHCD.

5. The following Low and Moderate Income Units in the initial phase have been either redesignated or relocated:

The street addresses of two Low and Moderate Income Units in Building 24 have been changed. The addresses are now 5 Taylor Drive and 7 Taylor Drive. 5 Taylor Drive is on the left front and 7 Taylor Drive is on the left rear of the building.

The Low and Moderate Income Units that were in Building 29 have been relocated to be in Building 60. The Low and Moderate Income Unit at the right front is 39 Johnson Woods Drive and the Unit at the right rear is 169 Johnson Woods Drive.

6. Exhibit B to the Regulatory Agreement is modified by the addition of the 19 final phase units as shown in Exhibit B attached hereto, and by the redesignation or relocation of the units in the initial phase as described in Section 5 above

In all other regards, the above-referenced Regulatory Agreement remains in full force and effect.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

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Executed as a sealed instrument as of Oct. 22, 2013.

PROJECT SPONSOR
Johnson Woods Realty Corporation

By: [Signature]
its President

DEPARTMENT OF HOUSING AND
COMMUNITY DEVELOPMENT

By: _____
its Associate Director

MUNICIPALITY
Town of Reading, Massachusetts

By: _____
its Chairman of the Board of Selectmen

- Attachments: Exhibit A - Legal Property Description
Exhibit B - Prices & Location of Low & Moderate Income Units
Exhibit C - Form of Deed Rider

Consent forms signed by any and all mortgagees whose mortgages are recorded prior to this Regulatory Agreement must be attached to this Regulatory Agreement.

© DHCD When used in the Local Initiative Program, this form may not be modified without the written approval of the Department of Housing and Community Development.

COMMONWEALTH OF MASSACHUSETTS

COUNTY OF MIDDLESEX, ss.

October 22, 2013

On this 22 day of October, 2013, before me, the undersigned notary public, personally appeared Edward T. Moore, proved to me through satisfactory evidence of identification, which was a Massachusetts driver's license, to be the person whose name is signed on the preceding document, as President of Johnson Woods Realty Corporation [Project Sponsor], and acknowledged to me that he signed it voluntarily for its stated purpose.



Laura W. Nikas

Notary Public
Print Name: Laura W. Nikas
My Commission Expires: 2/13/2015

COMMONWEALTH OF MASSACHUSETTS

COUNTY OF SUFFOLK, ss.

_____, 2013

On this _____ day of _____, 2013, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which were _____, to be the person whose name is signed on the preceding document, as _____ for the Commonwealth of Massachusetts acting by and through the Department of Housing and Community Development, and acknowledged to me that he/she signed it voluntarily for its stated purpose.

Notary Public
Print Name:
My Commission Expires:

5615

COMMONWEALTH OF MASSACHUSETTS

COUNTY OF MIDDLESEX, ss. _____, 2013

On this _____ day of _____, 2013, before me, the undersigned notary public, personally appeared James E. Bonazoli, proved to me through satisfactory evidence of identification, which was a Massachusetts driver's license, to be the person whose name is signed on the preceding document, as Chairman of the Board of Selectmen for the Town of Reading, and acknowledged to me that he signed it voluntarily for its stated purpose.

Notary Public
Print Name:
My Commission Expires:

5616

EXHIBIT A

Re: Johnson Woods Condominium
(Project Name)

Reading, MA
(City/Town)

Johnson Woods Realty Corporation
(Project Sponsor)

Final Phase Property Description

The land shown as Lots B6, A8 and A9 on the plan entitled "Plan of Land in Reading, Mass.; Scale: 1"=100'; August 1, 2007; Hayes Engineering, Inc." recorded at the Middlesex South District Registry as Plan 1131 of 2007.

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EXHIBIT B

Re: Johnson Woods Condominium
(Project Name)

Reading
(City/Town)

Johnson Woods Realty Corporation
(Project Sponsor)

The Maximum Selling Prices, Initial Condominium Fees, and Percentage Interest Assigned to Low and Moderate Income Units as to the six unsold Units in the initial phase and the 19 units in the final phase based on the current marketing plan are stated below. There may be subsequent changes in the sales prices of the Low and Moderate Income Units based on changes in applicable HUD income levels and mortgage interest rates, which changes must be approved by DHCD and in which case this Agreement shall be amended to reflect those changes:

| | Sale Price | Condo Fee | % Interest |
|-------------------|--------------|-----------|--|
| One bedroom units | \$153,100.00 | \$93.00 | .29%, but such percentage is preliminary only and is subject to change based on M.G. Laws Chapter 183A as units are created and phased into the condominium. |

| | | | |
|-------------------|--------------|----------|---|
| Two bedroom units | \$171,100.00 | \$113.00 | .32%, but such percentage is preliminary only and is subject to change based on M.G. Laws Chapter 183 as units are created and phased into the condominium. |
|-------------------|--------------|----------|---|

Location of First Thirteen (13) Low and Moderate Income Units in the final phase

The housing units which are Low and Moderate Income Units in the final phase are:

| UNIT # | STYLE | TYPE | FINISHED LEVELS | SIZE | BED. | BATH |
|--|-------|---------|-----------------|-------|------|------|
| AFFORDABLE | | | | | | |
| GARDEN STYLE FLATS-BUILDING #30 | | | | | | |
| 1001A | Flat | Afford. | 1 | 1,000 | 1 | 1 |
| 1002A | Flat | Afford. | 1 | 1,000 | 1 | 1 |
| 1005A | Flat | Afford. | 1 | 1,180 | 2 | 1.5 |
| 1012A | Flat | Afford. | 1 | 1,200 | 2 | 1.5 |
| 2002A | Flat | Afford. | 1 | 1,000 | 1 | 1 |
| 2005A | Flat | Afford. | 1 | 1,180 | 2 | 1.5 |
| 2012A | Flat | Afford. | 1 | 1,200 | 2 | 1.5 |
| | | | | | | |
| | | | | | | |

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| UNIT # | STYLE | TYPE | FINISHED LEVELS | SIZE | BED. | BATH |
|--|-------|---------|-----------------|-------|------|------|
| AFFORDABLE | | | | | | |
| GARDEN STYLE FLATS-BUILDING #39 | | | | | | |
| 1001A | Flat | Afford. | 1 | 1,200 | 2 | 1.5 |
| 1008A | Flat | Afford. | 1 | 1,180 | 2 | 1.5 |
| 1012A | Flat | Afford. | 1 | 1,000 | 1 | 1 |
| 2001A | Flat | Afford. | 1 | 1,200 | 2 | 1.5 |
| 2008A | Flat | Afford. | 1 | 1,180 | 2 | 1.5 |
| 2011A | Flat | Afford. | 1 | 1,000 | 1 | 1 |

There are an additional six affordable units that will be developed in final phase, but the location of which has not been finalized. The location will be established by the Project Sponsor with the approval of the DHCD and Town Planner. Information as to those units is as follows:

| UNIT # | STYLE | TYPE | FINISHED LEVELS | SIZE | BEDROOMS | BATHROOMS |
|------------|-------|------------|-----------------|-------|----------|-----------|
| Unassigned | Flat | Affordable | 1 | 1,000 | 2 | 1 to 1.5 |
| Unassigned | Flat | Affordable | 1 | 1,000 | 2 | 1 to 1.5 |
| Unassigned | Flat | Affordable | 1 | 1,000 | 2 | 1 to 1.5 |
| Unassigned | Flat | Affordable | 1 | 1,000 | 2 | 1 to 1.5 |
| Unassigned | Flat | Affordable | 1 | 1,000 | 1 | 1 to 1.5 |
| Unassigned | Flat | Affordable | 1 | 1,000 | 1 | 1 to 1.5 |

Once the buildings are built, they shall be shown on the floor plans that are recorded with the amendment to the Master Deed creating those units.

The following Low and Moderate Income Units in the initial phase have been either redesignated or relocated:

The street addresses of two Low and Moderate Income Units in Building 24 have been changed. The addresses are now 5 Taylor Drive and 7 Taylor Drive. 5 Taylor Drive is on the left front and 7 Taylor Drive is on the left rear of the building.

The Low and Moderate Income Units that were in Building 29 have been relocated to be in Building 60. The Low and Moderate Income Unit at the right front is 39 Johnson Woods Drive and the Unit at the right rear is 169 Johnson Woods Drive.

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EXHIBIT C

5620

LOCAL INITIATIVE PROGRAM
AFFORDABLE HOUSING DEED RIDER

For Projects in Which
Affordability Restrictions Survive Foreclosure

made part of that certain deed (the "Deed") of certain property (the "Property") from _____ ("Grantor") to _____ ("Owner") dated _____, 200__. The Property is located in the City/Town of _____ (the "Municipality").

RECITALS

WHEREAS, the Grantor is conveying that certain real property more particularly described in the Deed to the Owner at a consideration which is less than the fair market value of the Property; and

WHEREAS, the Property is part of a project which was: [check all that are applicable]

- (i) ? granted a Comprehensive Permit under Massachusetts General Laws Chapter 40B, Sections 20-23, from the Board of Appeals of the Municipality or the Housing Appeals Committee and recorded/filed with the _____ County Registry of Deeds/Registry District of Land Court (the "Registry") in Book _____, Page _____/Document No. _____ (the "Comprehensive Permit");
- (ii) ? subject to a Regulatory Agreement among _____ (the "Developer"), [] Massachusetts Housing Finance Agency ("MassHousing"), [] the Massachusetts Department of Housing and Community Development ("DHCD") [] the Municipality; and [] _____, dated _____ and recorded/filed with the Registry in Book _____, Page _____/as Document No. _____ (the "Regulatory Agreement"); and
- (iii) V subsidized by the federal or state government under the Local Initiative Program, a program to assist construction of low or moderate income housing the "Program"; and

WHEREAS, pursuant to the Program, eligible purchasers such as the Owner are given the opportunity to purchase residential property at less than its fair market value if the purchaser agrees to certain use and transfer restrictions, including an agreement to occupy the property as a principal residence and to convey the property for an amount not greater than a maximum resale price, all as more fully provided herein; and

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WHEREAS, DHCD (singly, or if more than one entity is listed, collectively, the "Monitoring Agent") is obligated by the Program or has been retained to monitor compliance with and to enforce the terms of this Deed Rider, and eligible purchasers such as the Owner may be required to pay to the Monitoring Agent, or its successor, a small percentage of the resale price upon the Owner's conveyance of the Property, as set out in the Regulatory Agreement and as more fully provided herein; and

WHEREAS, the rights and restrictions granted herein to the Monitoring Agent and the Municipality serve the public's interest in the creation and retention of affordable housing for persons and households of low and moderate income and in the restricting of the resale price of property in order to assure its affordability by future low and moderate income purchasers.

NOW, THEREFORE, as further consideration for the conveyance of the Property at less than fair market value, the Grantor and the Owner, including his/her/their heirs, successors and assigns, hereby agree that the Property shall be subject to the following rights and restrictions which are imposed for the benefit of, and shall be enforceable by, the Municipality and the Monitoring Agent, and, if DHCD is a party to the Regulatory Agreement and is not the Monitoring Agent, by DHCD.

1. Definitions. In this Deed Rider, in addition to the terms defined above, the following words and phrases shall have the following meanings:

Affordable Housing Fund means a fund established by the Municipality for the purpose of reducing the cost of housing for Eligible Purchasers or for the purpose of encouraging, creating, or subsidizing the construction or rehabilitation of housing for Eligible Purchasers or, if no such fund exists, a fund established by the Municipality pursuant to Massachusetts General Laws Chapter 44 Section 53A, et seq.

Applicable Foreclosure Price shall have the meaning set forth in Section 7(b) hereof.

Appropriate Size Household means a household containing a number of members equal to the number of bedrooms in the Property plus one.

Approved Capital Improvements means the documented commercially reasonable cost of extraordinary capital improvements made to the Property by the Owner; provided that the Monitoring Agent shall have given written authorization for incurring such cost prior to the cost being incurred and that the original cost of such improvements shall be discounted over the course of their useful life.

Area means the Primary Metropolitan Statistical Area or non-metropolitan area that includes the Municipality, as determined by HUD, which in this case is _____.

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Area Median Income means the most recently published median income for the Area adjusted for household size as determined by HUD. If HUD discontinues publication of Area Median Income, the income statistics used by MassHousing for its low and moderate income housing programs shall apply.

Base Income Number means the Area Median Income for a four (4)-person household.

Chief Executive Officer shall mean the Mayor in a city or the Board of Selectmen in a town unless some other municipal office is designated to be the chief executive officer under the provisions of a local charter.

Closing shall have the meaning set forth in Section 5(b) hereof.

Compliance Certificate shall have the meaning set forth in Section 6(a) hereof.

Conveyance Notice shall have the meaning set forth in Section 4(a) hereof.

Eligible Purchaser means an individual or household earning no more than eighty percent (80%) of Area Median Income (or, if checked [] _____ percent (___ %) of Area Median Income, as required by the Program) and owning assets not in excess of the limit set forth in the Program Guidelines. To be considered an Eligible Purchaser, the individual or household must intend to occupy and thereafter must occupy the Property as his, her or their principal residence and must provide to the Monitoring Agent such certifications as to income, assets and residency as the Monitoring Agent may require to determine eligibility as an Eligible Purchaser. An Eligible Purchaser shall be a First-Time Homebuyer if required by the Program and as specified in the Regulatory Agreement.

First-Time Homebuyer means an individual or household, of which no household member has had an ownership interest in a principal residence at any time during the three (3)-year period prior to the date of qualification as an Eligible Purchaser, except that (i) any individual who is a displaced homemaker (as may be defined by DHCD) (ii) and any individual age 55 or over (applying for age 55 or over housing) shall not be excluded from consideration as a First-Time Homebuyer under this definition on the basis that the individual, owned a home or had an ownership interest in a principal residence at any time during the three (3)-year period.

Foreclosure Notice shall have the meaning set forth in Section 7(a) hereof.

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

Ineligible Purchaser means an individual or household not meeting the requirements to be eligible as an Eligible Purchaser.

Maximum Resale Price means the sum of (i) the Base Income Number (at the time of resale) multiplied by the Resale Price Multiplier, plus (ii) the Resale Fee and any necessary marketing

expenses (including broker's fees) as may have been approved by the Monitoring Agent, plus (iii) Approved Capital Improvements, if any (the original cost of which shall have been discounted over time, as calculated by the Monitoring Agent); provided that in no event shall the Maximum Resale Price be greater than the purchase price for which a credit-worthy Eligible Purchaser earning seventy percent (70%) of the Area Median Income (or, if checked [] _____ percent (___%) of Area Median Income, as required by the Program) for an Appropriate Size Household could obtain mortgage financing (as such purchase price is determined by the Monitoring Agent using the same methodology then used by DHCD for its Local Initiative Program or similar comprehensive permit program); and further provided that the Maximum Resale Price shall not be less than the purchase price paid for the Property by the Owner unless the Owner agrees to accept a lesser price.

Monitoring Services Agreement means any Monitoring Services Agreement for monitoring and enforcement of this Deed Rider among some or all of the Developer, the Monitoring Agent, the Municipality, MassHousing and DHCD.

Mortgage Satisfaction Amount shall have the meaning set forth in Section 7(b) hereof.

Mortgagee shall have the meaning set forth in Section 7(a) hereof.

Program Guidelines means the regulations and/or guidelines issued for the applicable Program and controlling its operations, as amended from time to time.

Resale Fee means a fee of 2% of the Base Income Number (at the time of resale) multiplied by the Resale Price Multiplier, to be paid to the Monitoring Agent as compensation for monitoring and enforcing compliance with the terms of this Deed Rider, including the supervision of the resale process.

Resale Price Certificate means the certificate issued as may be specified in the Regulatory Agreement and recorded with the first deed of the Property from the Developer, or the subsequent certificate (if any) issued as may be specified in the Regulatory Agreement, which sets forth the Resale Price Multiplier to be applied on the Owner's sale of the Property, as provided herein, for so long as the restrictions set forth herein continue. In the absence of contrary specification in the Regulatory Agreement the Monitoring Agent shall issue the certificate.

Resale Price Multiplier means the number calculated by dividing the Property's initial sale price by the Base Income Number at the time of the initial sale from the Developer to the first Eligible Purchaser. The Resale Price Multiplier will be multiplied by the Base Income Number at the time of the Owner's resale of the Property to determine the Maximum Resale Price on such conveyance subject to adjustment for the Resale Fee, marketing expenses and Approved Capital Improvements. In the event that the purchase price paid for the Property by the Owner includes such an adjustment a new Resale Price Multiplier will be recalculated by the Monitoring Agent by dividing the purchase price so paid by the Base Income Number at the time of such purchase,

and a new Resale Price Certificate will be issued and recorded reflecting the new Resale Price Multiplier. A Resale Price Multiplier of _____ is hereby assigned to the Property.

Term means in perpetuity, unless earlier terminated by (i) the termination of the term of affordability set forth in the Regulatory Agreement or Comprehensive Permit, whichever is longer; or (ii) the recording of a Compliance Certificate and a new Deed Rider executed by the purchaser in form and substance substantially identical to this Deed Rider establishing a new term.

2. Owner-Occupancy/Principal Residence. The Property shall be occupied and used by the Owner's household exclusively as his, her or their principal residence. Any use of the Property or activity thereon which is inconsistent with such exclusive residential use is expressly prohibited.

3. Restrictions Against Leasing, Refinancing and Junior Encumbrances. The Property shall not be leased, rented, refinanced, encumbered (voluntarily or otherwise) or mortgaged without the prior written consent of the Monitoring Agent, provided that this provision shall not apply to a first mortgage granted on the date hereof in connection with this conveyance from Grantor to Owner securing indebtedness not greater than one hundred percent (100%) of the purchase price. Any rents, profits, or proceeds from any transaction described in the preceding sentence which transaction has not received the requisite written consent of the Monitoring Agent shall be paid upon demand by Owner to the Municipality for deposit to its Affordable Housing Fund. The Monitoring Agent or Municipality may institute proceedings to recover such rents, profits or proceeds, and costs of collection, including attorneys' fees. Upon recovery, after payment of costs, the balance shall be paid to the Municipality for deposit to its Affordable Housing Fund. In the event that the Monitoring Agent consents for good cause to any such lease, refinancing, encumbrance or mortgage, it shall be a condition to such consent that all rents, profits or proceeds from such transaction, which exceed the actual carrying costs of the Property as determined by the Monitoring Agent, shall be paid to the Municipality for deposit to its Affordable Housing Fund.

4. Options to Purchase. (a) When the Owner or any successor in title to the Owner shall desire to sell, dispose of or otherwise convey the Property, or any portion thereof, the Owner shall notify the Monitoring Agent and the Municipality in writing of the Owner's intention to convey the Property (the "Conveyance Notice"). Upon receipt of the Conveyance Notice, the Monitoring Agent shall (i) calculate the Maximum Resale Price which the Owner may receive on the sale of the Property based upon the Base Income Number in effect as of the date of the Conveyance Notice and the Resale Price Multiplier set forth in the most recently recorded Resale Price Certificate together with permissible adjustments for the Resale Fee, marketing expenses and Approved Capital Improvements (as discounted), and (ii) promptly begin marketing efforts. The Owner shall fully cooperate with the Monitoring Agent's efforts to locate an Eligible Purchaser and, if so requested by the Monitoring Agent, shall hire a broker selected by the Monitoring Agent to assist in locating an Eligible Purchaser ready, willing and able to purchase the Property at the Maximum Resale Price after entering a purchase and sale

agreement. Pursuant to such agreement, sale to the Eligible Purchaser at the Maximum Resale Price shall occur within ninety (90) days after the Monitoring Agent receives the Conveyance Notice or such further time as reasonably requested to arrange for details of closing. If the Owner fails to cooperate in such resale efforts, including a failure to agree to reasonable terms in the purchase and sale agreement, the Monitoring Agent may extend the 90-day period for a period commensurate with the time the lack of cooperation continues, as determined by the Monitoring Agent in its reasonable discretion. In such event, the Monitoring Agent shall give Owner written notice of the lack of cooperation and the length of the extension added to the 90-day period.

(b) The Monitoring Agent shall ensure that diligent marketing efforts are made to locate an Eligible Purchaser ready, willing and able to purchase the Property at the Maximum Resale Price within the time period provided in subsection (a) above and to enter the requisite purchase and sale agreement. If more than one Eligible Purchaser is located, the Monitoring Agent shall conduct a lottery or other like procedure to determine which Eligible Purchaser shall be entitled to enter a purchase and sale agreement with Owner and to purchase the Property. Preference shall be given to Appropriate Size Households. The procedure for marketing and selecting an Eligible Purchaser shall be approved as provided in the Regulatory Agreement and any applicable Program Guidelines. If an Eligible Purchaser is located within ninety (90) days after receipt of the Conveyance Notice, but such Eligible Purchaser proves unable to secure mortgage financing so as to be able to complete the purchase of the Property pursuant to the purchase and sale agreement, following written notice to Owner within the 90-day period the Monitoring Agent shall have an additional sixty (60) days to locate another Eligible Purchaser who will enter a purchase and sale agreement and purchase the Property by the end of such sixty (60)-day period or such further time as reasonably requested to carry out the purchase and sale agreement.

(c) In lieu of sale to an Eligible Purchaser, the Monitoring Agent or the Municipality or designee shall also have the right to purchase the Property at the Maximum Resale Price, in which event the purchase and sale agreement shall be entered, and the purchase shall occur within ninety (90) days after receipt of the Conveyance Notice or, within the additional sixty (60)-day period specified in subsection (b) above, or such further time as reasonably requested to carry out the purchase and sale agreement. Any lack of cooperation by Owner in measures reasonably necessary to effect the sale shall extend the 90-day period by the length of the delay caused by such lack of cooperation. The Monitoring Agent shall promptly give Owner written notice of the lack of cooperation and the length of the extension added to the 90-day period. In the event of such a sale to the Monitoring Agent or Municipality or designee, the Property shall remain subject to this Deed Rider and shall thereafter be sold or rented to an Eligible Purchaser as may be more particularly set forth in the Regulatory Agreement.

(d) If an Eligible Purchaser fails to purchase the Property within the 90-day period (or such further time determined as provided herein) after receipt of the Conveyance Notice, and the Monitoring Agent or Municipality or designee does not purchase the Property during said period, then the Owner may convey the Property to an Ineligible Purchaser no earlier than thirty (30) days after the end of said period at the Maximum Resale Price, but subject to all rights and

restrictions contained herein; provided that the Property shall be conveyed subject to a Deed Rider identical in form and substance to this Deed Rider which the Owner agrees to execute, to secure execution by the Ineligible Purchaser and to record with the Deed; and further provided that, if more than one Ineligible Purchaser is ready, willing and able to purchase the Property the Owner will give preference and enter a purchase and sale agreement with any individuals or households identified by the Monitoring Agent as an Appropriate Size Household earning more than eighty percent (80%) but less than one hundred twenty percent (120%) of the Area Median Income.

(e) The priority for exercising the options to purchase contained in this Section 4 shall be as follows: (i) an Eligible Purchaser located and selected by the Monitoring Agent as provided in subsection (b) above, (ii) the Municipality or its designee, as provided in subsection (c) above, and (iii) an Ineligible Purchaser, as provided in subsection (d) above.

(f) Nothing in this Deed Rider or the Regulatory Agreement constitutes a promise, commitment or guarantee by DHCD, MassHousing, the Municipality or the Monitoring Agent that upon resale the Owner shall actually receive the Maximum Resale Price for the Property or any other price for the Property.

(g) The holder of a mortgage on the Property is not obligated to forbear from exercising the rights and remedies under its mortgage, at law or in equity, after delivery of the Conveyance Notice.

5. Delivery of Deed. (a) In connection with any conveyance pursuant to an option to purchase as set forth in Section 4 above, the Property shall be conveyed by the Owner to the selected purchaser by a good and sufficient quitclaim deed conveying a good and clear record and marketable title to the Property free from all encumbrances except (i) such taxes for the then current year as are not due and payable on the date of delivery of the deed, (ii) any lien for municipal betterments assessed after the date of the Conveyance Notice, (iii) provisions of local building and zoning laws, (iv) all easements, restrictions, covenants and agreements of record specified in the deed from the Owner to the selected purchaser, (v) such additional easements, restrictions, covenants and agreements of record as the selected purchaser consents to, such consent not to be unreasonably withheld or delayed, (vi) the Regulatory Agreement, and (vii), except as otherwise provided in the Compliance Certificate, a Deed Rider identical in form and substance to this Deed Rider which the Owner hereby agrees to execute, to secure execution by the selected purchaser, and to record with the deed. Said deed shall clearly state that it is made subject to the Deed Rider which is made part of the deed. Failure to comply with the preceding sentence shall not affect the validity of the conveyance from the Owner to the selected purchaser or the enforceability of the restrictions herein.

(b) Said deed, including the approved Deed Rider, shall be delivered and the purchase price paid (the "Closing") at the Registry, or at the option of the selected purchaser, exercised by written notice to the Owner at least five (5) days prior to the delivery of the deed, at such other place as the selected purchaser may designate in said notice. The Closing shall occur at such

time and on such date as shall be specified in a written notice from the selected purchaser to the Owner, which date shall be at least five (5) days after the date on which such notice is given, and no later than the end of the time period specified in Section 4(a) above.

(c) To enable Owner to make conveyance as herein provided, Owner may, if Owner so desires at the time of delivery of the deed, use the purchase money or any portion thereof to clear the title of any or all encumbrances or interests, all instruments with respect thereto to be recorded simultaneously with the delivery of said deed. Nothing contained herein as to the Owner's obligation to remove defects in title or to make conveyance or to deliver possession of the Property in accordance with the terms hereof, as to use of proceeds to clear title or as to the election of the selected purchaser to take title, nor anything else in this Deed Rider shall be deemed to waive, impair or otherwise affect the priority of the rights herein over matters appearing of record, or occurring, at any time after the recording of this Deed Rider, all such matters so appearing or occurring being subject and subordinate in all events to the rights herein.

(d) Water and sewer charges and taxes for the then current tax period shall be apportioned and fuel value shall be adjusted as of the date of Closing and the net amount thereof shall be added to or deducted from, as the case may be, the purchase price payable by the selected purchaser.

(e) Full possession of the Property free from all occupants is to be delivered at the time of the Closing, the Property to be then in the same condition as it is in on the date of the execution of the purchase and sale agreement, reasonable wear and tear only excepted.

(f) If Owner shall be unable to give title or to make conveyance as above required, or if any change of condition in the Property not included in the above exception shall occur, then Owner shall be given a reasonable time not to exceed thirty (30) days after the date on which the Closing was to have occurred in which to remove any defect in title or to restore the Property to the condition herein required. The Owner shall use best efforts to remove any such defects in the title, whether voluntary or involuntary, and to restore the Property to the extent permitted by insurance proceeds or condemnation award. The Closing shall occur fifteen (15) days after notice by Owner that such defect has been cured or that the Property has been so restored. The selected purchaser shall have the election, at either the original or any extended time for performance, to accept such title as the Owner can deliver to the Property in its then condition and to pay therefor the purchase price without deduction, in which case the Owner shall convey such title, except that in the event of such conveyance in accordance with the provisions of this clause, if the Property shall have been damaged by fire or casualty insured against or if a portion of the Property shall have been taken by a public authority, then the Owner shall, unless the Owner has previously restored the Property to its former condition, either:

(A) pay over or assign to the selected purchaser, on delivery of the deed, all amounts recovered or recoverable on account of such insurance or condemnation award less any amounts reasonably expended by the Owner for any partial restoration, or

(B) if a holder of a mortgage on the Property shall not permit the insurance proceeds or the condemnation award or part thereof to be used to restore the Property to its former condition or to be so paid over or assigned, give to the selected purchaser a credit against the purchase price, on delivery of the deed, equal to said amounts so retained by the holder of the said mortgage less any amounts reasonably expended by the Owner for any partial restoration.

6. Resale and Transfer Restrictions. (a) Except as otherwise provided herein, the Property or any interest therein shall not at any time be sold by the Owner, or the Owner's successors and assigns, and no attempted sale shall be valid, unless the aggregate value of all consideration and payments of every kind given or paid by the selected purchaser of the Property for and in connection with the transfer of such Property, is equal to or less than the Maximum Resale Price for the Property, and unless a certificate (the "Compliance Certificate") is obtained and recorded, signed and acknowledged by the Monitoring Agent which Compliance Certificate refers to the Property, the Owner, the selected purchaser thereof, and the Maximum Resale Price therefor, and states that the proposed conveyance, sale or transfer of the Property to the selected purchaser is in compliance with the rights, restrictions, covenants and agreements contained in this Deed Rider, and unless there is also recorded a new Deed Rider executed by the selected purchaser, which new Deed Rider is identical in form and substance to this Deed Rider.

(b) The Owner, any good faith purchaser of the Property, any lender or other party taking a security interest in such Property and any other third party may rely upon a Compliance Certificate as conclusive evidence that the proposed conveyance, sale or transfer of the Property to the selected purchaser is in compliance with the rights, restrictions, covenants and agreements contained in this Deed Rider, and may record such Compliance Certificate in connection with the conveyance of the Property.

(c) Within ten (10) days of the closing of the conveyance of the Property from the Owner to the selected purchaser, the Owner shall deliver to the Monitoring Agent a copy of the Deed of the Property, including the deed rider, together with recording information. Failure of the Owner, or Owner's successors or assigns to comply with the preceding sentence shall not affect the validity of such conveyance or the enforceability of the restrictions herein.

7. Survival of Restrictions Upon Exercise of Remedies by Mortgagees. (a) The holder of record of any mortgage on the Property (each, a "Mortgagee") shall notify the Monitoring Agent, the Municipality and any senior Mortgagee(s) in the event of any default for which the Mortgagee intends to commence foreclosure proceedings or similar remedial action pursuant to its mortgage (the "Foreclosure Notice"), which notice shall be sent to the Monitoring Agent and the Municipality as set forth in this Deed Rider, and to the senior Mortgagee(s) as set forth in such senior Mortgagee's mortgage, not less than one hundred twenty (120) days prior to the foreclosure sale or the acceptance of a deed in lieu of foreclosure. The Owner expressly agrees to the delivery of the Foreclosure Notice and any other communications and disclosures made by the Mortgagee pursuant to this Deed Rider.

(b) The Owner grants to the Municipality or its designee the right and option to purchase the Property upon receipt by the Municipality of the Foreclosure Notice. In the event that the Municipality intends to exercise its option, the Municipality or its designee shall purchase the Property within one hundred twenty (120) days of receipt of such notice, at a price equal to the greater of (i) the sum of the outstanding principal balance of the note secured by such foreclosing Mortgagee's mortgage, together with the outstanding principal balance(s) of any note(s) secured by mortgage(s) senior in priority to such mortgage (but in no event shall the aggregate amount thereof be greater than one hundred percent (100%) of the Maximum Resale Price calculated at the time of the granting of the mortgage) plus all future advances, accrued interest and all reasonable costs and expenses which the foreclosing Mortgagee and any senior Mortgagee(s) are entitled to recover pursuant to the terms of such mortgages (the "Mortgage Satisfaction Amount"), and (ii) the Maximum Resale Price (which for this purpose may be less than the purchase price paid for the Property by the Owner)(the greater of (i) and (ii) above herein referred to as the "Applicable Foreclosure Price"). The Property shall be sold and conveyed in its then-current "as is, where is" condition, without representation or warranty of any kind, direct or indirect, express or implied, and with the benefit of and subject to all rights, rights of way, restrictions, easements, covenants, liens, improvements, housing code violations, public assessments, any and all unpaid federal or state taxes (subject to any rights of redemption for unpaid federal taxes), municipal liens and any other encumbrances of record then in force and applicable to the Property having priority over such foreclosing Mortgagee's mortgage, and further subject to a Deed Rider identical in form and substance to this Deed Rider which the Owner hereby agrees to execute, to secure execution by the Municipality or its designee, and to record with the deed, except that (i) during the term of ownership of the Property by the Municipality or its designee the owner-occupancy requirements of Section 2 hereof shall not apply (unless the designee is an Eligible Purchaser), and (ii) the Maximum Resale Price shall be recalculated based on the price paid for the Property by the Municipality or its designee, but not greater than the Applicable Foreclosure Price. **Said deed shall clearly state that it is made subject to the Deed Rider which is made part of the deed.** Failure to comply with the preceding sentence shall not affect the validity of the conveyance from the Owner to the Municipality or its designee or the enforceability of the restrictions herein.

(c) Not earlier than one hundred twenty (120) days following the delivery of the Foreclosure Notice to the Monitoring Agent, the Municipality and any senior Mortgagee(s) pursuant to subsection (a) above, the foreclosing Mortgagee may conduct the foreclosure sale or accept a deed in lieu of foreclosure. The Property shall be sold and conveyed in its then-current "as is, where is" condition, without representation or warranty of any kind, direct or indirect, express or implied, and with the benefit of and subject to all rights, rights of way, restrictions, easements, covenants, liens, improvements, housing code violations, public assessments, any and all unpaid federal or state taxes (subject to any rights of redemption for unpaid federal taxes), municipal liens and any other encumbrances of record then in force and applicable to the Property having priority over the foreclosing Mortgagee's mortgage, and further subject to a Deed Rider, as set forth below.

(d) In the event that the foreclosing Mortgagee conducts a foreclosure sale or other proceeding enforcing its rights under its mortgage and the Property is sold for a price in excess of the greater of the Maximum Resale Price and the Mortgage Satisfaction Amount, such excess shall be paid to the Municipality for its Affordable Housing Fund after (i) a final judicial determination, or (ii) a written agreement of all parties who, as of such date hold (or have been duly authorized to act for other parties who hold) a record interest in the Property, that the Municipality is entitled to such excess. The legal costs of obtaining any such judicial determination or agreement shall be deducted from the excess prior to payment to the Municipality. To the extent that the Owner possesses any interest in any amount which would otherwise be payable to the Municipality under this paragraph, to the fullest extent permissible by law, the Owner hereby assigns its interest in such amount to the Mortgagee for payment to the Municipality.

(e) If any Mortgagee shall acquire the Property by reason of foreclosure or upon conveyance of the Property in lieu of foreclosure, then the rights and restrictions contained herein shall apply to such Mortgagee upon such acquisition of the Property and to any purchaser of the Property from such Mortgagee, and the Property shall be conveyed subject to a Deed Rider identical in form and substance to this Deed Rider, which the Mortgagee that has so acquired the Property agrees to annex to the deed and to record with the deed, except that (i) during the term of ownership of the Property by such Mortgagee the owner-occupancy requirements of Section 2 hereof shall not apply, and (ii) the Maximum Resale Price shall be recalculated based on the price paid for the Property by such Mortgagee at the foreclosure sale, but not greater than the Applicable Foreclosure Price. **Said deed shall clearly state that it is made subject to the Deed Rider which is made part of the deed.** Failure to comply with the preceding sentence shall not affect the validity of the conveyance to the Mortgagee or the enforceability of the restrictions herein.

(f) If any party other than a Mortgagee shall acquire the Property by reason of foreclosure or upon conveyance of the Property in lieu of foreclosure, the Property shall be conveyed subject to a Deed Rider identical in form and substance to this Deed Rider, which the foreclosing Mortgagee agrees to annex to the deed and to record with the deed, except that (i) if the purchaser at such foreclosure sale or assignee of a deed in lieu of foreclosure is an Ineligible Purchaser, then during the term of ownership of the Property by such Ineligible Purchaser, the owner-occupancy requirements of Section 2 hereof shall not apply, and (ii) the Maximum Resale Price shall be recalculated based on the price paid for the Property by such third party purchaser at the foreclosure sale, but not greater than the Applicable Foreclosure Price. **Said deed shall clearly state that it is made subject to the Deed Rider which is made part of the deed.** Failure to comply with the preceding sentence shall not affect the validity of the conveyance to such third party purchaser or the enforceability of the restrictions herein.

(g) Upon satisfaction of the requirements contained in this Section 7, the Monitoring Agent shall issue a Compliance Certificate to the foreclosing Mortgagee which, upon recording in the Registry, may be relied upon as provided in Section 6(b) hereof as conclusive evidence

that the conveyance of the Property pursuant to this Section 7 is in compliance with the rights, restrictions, covenants and agreements contained in this Deed Rider.

(h) The Owner understands and agrees that nothing in this Deed Rider or the Regulatory Agreement (i) in any way constitutes a promise or guarantee by MassHousing, DHCD, the Municipality or the Monitoring Agent that the Mortgagee shall actually receive the Mortgage Satisfaction Amount, the Maximum Resale Price for the Property or any other price for the Property, or (ii) impairs the rights and remedies of the Mortgagee in the event of a deficiency.

(i) If a Foreclosure Notice is delivered after the delivery of a Conveyance Notice as provided in Section 4(a) hereof, the procedures set forth in this Section 7 shall supersede the provisions of Section 4 hereof.

8. Covenants to Run With the Property. (a) This Deed Rider, including all restrictions, rights and covenants contained herein, is an affordable housing restriction as that term is defined in Section 31 of Chapter 184 of the Massachusetts General Laws, having the benefit of Section 32 of such Chapter 184, and is enforceable as such. This Deed Rider has been approved by the Director of DHCD.

(b) In confirmation thereof the Grantor and the Owner intend, declare and covenant (i) that this Deed Rider, including all restrictions, rights and covenants contained herein, shall be and are covenants running with the land, encumbering the Property for the Term, and are binding upon the Owner and the Owner's successors in title and assigns, (ii) are not merely personal covenants of the Owner, and (iii) shall enure to the benefit of and be enforceable by the Municipality, the Monitoring Agent and DHCD and their successors and assigns, for the Term. Owner hereby agrees that any and all requirements of the laws of the Commonwealth of Massachusetts have been satisfied in order for the provisions of this Deed Rider to constitute restrictions and covenants running with the land and that any requirements of privity of estate have been satisfied in full.

9. Notice. Any notices, demands or requests that may be given under this Deed Rider shall be sufficiently served if given in writing and delivered by hand or mailed by certified or registered mail, postage prepaid, return receipt requested, to the following entities and parties in interest at the addresses set forth below, or such other addresses as may be specified by any party (or its successor) by such notice.

Municipality:

Grantor:

Owner:

Monitoring Agent[s]

(1) Director, Local Initiative Program
DHCD
100 Cambridge Street
Suite 300
Boston, MA 02114

(2)

Others:

Any such notice, demand or request shall be deemed to have been given on the day it is hand delivered or mailed.

10. Further Assurances. The Owner agrees from time to time, as may be reasonably required by the Monitoring Agent, to furnish the Monitoring Agent upon its request with a written statement, signed and, if requested, acknowledged, setting forth the condition and occupancy of the Property, information concerning the resale of the Property and other material information pertaining to the Property and the Owner's conformance with the requirements of the Comprehensive Permit, Program and Program Guidelines, as applicable.

11. Enforcement. (a) The rights hereby granted shall include the right of the Municipality and the Monitoring Agent to enforce this Deed Rider independently by appropriate legal proceedings and to obtain injunctive and other appropriate relief on account of any violations including without limitation relief requiring restoration of the Property to the condition, affordability or occupancy which existed prior to the violation impacting such condition, affordability or occupancy (it being agreed that there shall be no adequate remedy at law for such violation), and shall be in addition to, and not in limitation of, any other rights and remedies available to the Municipality and the Monitoring Agent.

(b) Without limitation of any other rights or remedies of the Municipality and the Monitoring Agent, or their successors and assigns, in the event of any sale, conveyance or other transfer or occupancy of the Property in violation of the provisions of this Deed Rider, the Municipality and Monitoring Agent shall be entitled to the following remedies, which shall be cumulative and not mutually exclusive:

- (i) specific performance of the provisions of this Deed Rider;
- (ii) money damages for charges in excess of the Maximum Resale Price, if applicable;
- (iii) if the violation is a sale of the Property to an Ineligible Purchaser except as permitted herein, the Monitoring Agent and the Municipality shall have the option to locate an Eligible Purchaser to purchase or itself purchase the Property from the Ineligible Purchaser on the terms and conditions provided herein; the purchase price shall be a price which complies with the provisions of this Deed Rider; specific performance of the requirement that an Ineligible Purchaser shall sell, as herein provided, may be judicially ordered.
- (iv) the right to void any contract for sale or any sale, conveyance or other transfer of the Property in violation of the provisions of this Deed Rider in the absence of a Compliance Certificate, by an action in equity to enforce this Deed Rider; and
- (v) money damages for the cost of creating or obtaining a comparable dwelling unit for an Eligible Purchaser.

(c) In addition to the foregoing, the Owner hereby agrees and shall be obligated to pay all fees and expenses (including legal fees) of the Monitoring Agent and/or the Municipality in the event successful enforcement action is taken against the Owner or Owner's successors or assigns. The Owner hereby grants to the Monitoring Agent and the Municipality a lien on the Property, junior to the lien of any institutional holder of a first mortgage on the Property, to secure payment of such fees and expenses in any successful enforcement action. The Monitoring Agent and the Municipality shall be entitled to seek recovery of fees and expenses incurred in a successful enforcement action of this Deed Rider against the Owner and to assert such a lien on the Property to secure payment by the Owner of such fees and expenses. Notwithstanding anything herein to the contrary, in the event that the Monitoring Agent and/or Municipality fails to enforce this Deed Rider as provided in this Section, DHCD, if it is not named as Monitoring Agent, shall have the same rights and standing to enforce this Deed Rider as the Municipality and Monitoring Agent.

(d) The Owner for himself, herself or themselves and his, her or their successors and assigns, hereby grants to the Monitoring Agent and the Municipality the right to take all actions with respect to the Property which the Monitoring Agent or Municipality may determine to be necessary or appropriate pursuant to applicable law, court order, or the consent of the Owner to prevent, remedy or abate any violation of this Deed Rider.

12. Monitoring Agent Services; Fees. The Monitoring Agent shall monitor compliance of the Project and enforce the requirements of this Deed Rider. As partial compensation for providing these services, a Resale Fee shall shall not be payable to the Monitoring Agent on the sale of the Property to an Eligible Purchaser or any other purchaser in

accordance with the terms of this Deed Rider. This fee, if imposed, shall be paid by the Owner herein as a closing cost at the time of Closing, and payment of the fee to the Monitoring Agent shall be a condition to delivery and recording of its certificate, failing which the Monitoring Agent shall have a claim against the new purchaser, his, her or their successors or assigns, for which the Monitoring Agent may bring an action and may seek an attachment against the Property.

13. Actions by Municipality. Any action required or allowed to be taken by the Municipality hereunder shall be taken by the Municipality's Chief Executive Officer or designee.

14. Severability. If any provisions hereof or the application thereof to any person or circumstance are judicially determined, to any extent, to be invalid or unenforceable, the remainder hereof, or the application of such provision to the persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby.

15. Independent Counsel. THE OWNER ACKNOWLEDGES THAT HE, SHE, OR THEY HAVE READ THIS DOCUMENT IN ITS ENTIRETY AND HAS HAD THE OPPORTUNITY TO CONSULT LEGAL AND FINANCIAL ADVISORS OF HIS, HER OR THEIR CHOOSING REGARDING THE EXECUTION, DELIVERY AND PERFORMANCE OF THE OBLIGATIONS HEREUNDER.

16. Binding Agreement. This Deed Rider shall bind and inure to the benefit of the persons, entities and parties named herein and their successors or assigns as are permitted by this Deed Rider.

17. Amendment. This Deed Rider may not be rescinded, modified or amended, in whole or in part, without the written consent of the Monitoring Agent, the Municipality and the holder of any mortgage or other security instrument encumbering all or any portion of the Property, which written consent shall be recorded with the Registry.

Executed as a sealed instrument this _____ day of _____, 200__.

Grantor:

Owner:

By _____

By _____

COMMONWEALTH OF MASSACHUSETTS

_____ County, ss.

On this ____ day of _____, 200__, before me, the undersigned notary public, personally appeared _____, the _____ of _____ in its capacity as the _____ of _____, proved to me through satisfactory evidence of identification, which was [a current driver's license] [a current U.S. passport] [my personal knowledge], to be the person whose name is signed on the preceding instrument and acknowledged the foregoing instrument to be his or her free act and deed and the free act and deed of _____ as _____ of _____.

Notary Public
My commission expires:

COMMONWEALTH OF MASSACHUSETTS

_____ County, ss.

On this ____ day of _____, 200__, before me, the undersigned notary public, personally appeared _____, the _____ of _____ in its capacity as the _____ of _____, proved to me through satisfactory evidence of identification, which was [a current driver's license] [a current U.S. passport] [my personal knowledge], to be the person whose name is signed on the preceding instrument and acknowledged the foregoing instrument to be his or her free act and deed and the free act and deed of _____ as _____ of _____.

Notary Public
My commission expires:

To be completed only by DHC

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LOCAL INITIATIVE PROGRAM
REGULATORY AGREEMENT
AND
DECLARATION OF RESTRICTIVE COVENANTS
FOR
OWNERSHIP PROJECT

This Regulatory Agreement and Declaration of Restrictive Covenants (the "Agreement") is made this 17th day of July, 2007 by and among the Commonwealth of Massachusetts, acting by and through the Department of Housing and Community Development ("DHCD"), pursuant to Chapter 204 of the Acts of 1996, the City/Town of Reading ("the Municipality"), and Johnson Woods Realty Corporation, a Massachusetts corporation/limited partnership, having an address at 8 Doaks Lane, Marblehead, Massachusetts, 01945, and its successors and assigns ("Project Sponsor").

WITNESSETH:

WHEREAS, pursuant to G.L. c. 40B, §§ 20-23 (the "Act") and the final report of the Special Legislative Commission Relative to Low and Moderate Income Housing Provisions issued in April 1989, regulations have been promulgated at 760 CMR 45.00 (the "Regulations") which establish the Local Initiative Program ("LIP");

WHEREAS, the Project Sponsor intends to construct a housing development known as Johnson Woods at a 27 acre site on West Street in the Municipality, more particularly described in Exhibit A attached hereto and made a part hereof (the "Project");

WHEREAS, such Project is to consist of a total number of 166 condominium units/ (the "Units") and 17 of the Units will be sold at prices specified in this Agreement to persons or households with incomes at or below eighty percent (80%) of the regional median household income (the "Low and Moderate Income Units");

WHEREAS, the Chief Elected Official of the Municipality (as that term is defined in the Regulations) and the Project Sponsor have made application to DHCD to certify that the Project is a valid Comprehensive Permit Project (as that term is defined in the Regulations) within the LIP Program and therefore that the Project Sponsor is qualified to apply to the Municipality's Board of Appeals (as that term is defined in the Regulations) for a comprehensive permit pursuant to the Act (the "Comprehensive Permit"), or have made application to DHCD to certify that the units in the Project are Local Initiative Units (as that term is defined in the Regulations) with the LIP Program; and

WHEREAS, in partial consideration of the execution of this Agreement, DHCD has issued or will issue its final approval of the Project within the LIP Program and has given and will give technical and other assistance to the Project;

WHEREAS, the Project Sponsor intends to construct the Project in numerous construction phases ("Phases") by amending the Master Deed of the Johnson Woods Condominium ("Condominium") recorded in the Middlesex Registry of Deeds in Book 43097, Page 163, and has previously amended the Master Deed to add Phases I - VI to the Condominium, which includes two Low and Moderate Income Units in Phase IV, and five Low and Moderate Income Units in Phase VI;

NOW, THEREFORE, in consideration of the agreements and covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which each of the parties hereto hereby acknowledge to the other, DHCD, the Municipality, and the Project Sponsor hereby agree and covenant as follows (the provisions in brackets apply only to Comprehensive Permit Projects):



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1. The Project Sponsor agrees to construct the Project in accordance with plans and specifications approved by the Municipality and DHCD (the "Plans and Specifications") [and in accordance with all terms and conditions of the Comprehensive Permit]. In addition, all Low and Moderate Income Units to be constructed as part of the Project must be indistinguishable from other Units in the Project from the exterior (unless the Project has an approved "Alternative Development Plan" as set forth in the LIP Guidelines for Communities ("Guidelines")), and must contain complete living facilities including but not limited to a stove, kitchen cabinets, plumbing fixtures, and washer/dryer hookup, all as more fully shown in the Plans and Specifications.

- _____ of the Low and Moderate Income Units shall be one bedroom units;
- 8 of the Low and Moderate Income Units shall be two bedroom townhouse units;
- 9 of the Low and Moderate Income Units shall be two bedroom garden units
- _____ of the Low and Moderate Income Units shall be three bedroom units; and,
- _____ of the Low and Moderate Income Units shall be four bedroom units.

All Low and Moderate Income Units to be occupied by families must contain two or more bedrooms. Low and Moderate Income Units must have the following minimum areas:

- one bedroom units - 700 square feet
- two bedroom units - 900 square feet
- three bedroom units - 1200 square feet
- four bedroom units - 1400 square feet

The Project must fully comply with the State Building Code and with all applicable state and federal building, environmental, health, safety and other laws, rules, and regulations, including without limitation all applicable federal and state laws, rules and regulations relating to the operation of adaptable and accessible housing for the handicapped. [Except to the extent that the Project is exempted from such compliance by the Comprehensive Permit,] the Project must also comply with all applicable local codes, ordinances and by-laws.

The Project Sponsor agrees that the percentage interest in the Condominium for the Low and Moderate Income Units in future Phases shall be determined in the same manner and with the same considerations, reflecting the impact of the deed restrictions on the value of the Low and Moderate Income Units, as the percentage interests were determined for the Low and Moderate Income Units in Phases I - VI, and that such percentage interests shall correspond to the maximum condominium fees approved by the Municipality and DHCD for the Low and Moderate Income Units in each added Phase. Prior to recording each amendment of the Master Deed adding a future Phase to the Condominium containing additional affordable units the Project Sponsor shall obtain the approval of the Municipality and DHCD, which approval shall not be unreasonably withheld or delayed, of the initial condominium fees and the amended schedule of percentage interests for the units in the Condominium.

Each Low and Moderate Income Unit will be sold for no more than the price set forth in Exhibit B attached hereto and made a part hereof to an Eligible Purchaser. An Eligible Purchaser is a Family whose annual income does not exceed eighty percent (80%) of the Area median income adjusted for family size as determined by the U. S. Department of Housing and Urban Development. A "Family" shall mean two or more persons who will live regularly in the Low or Moderate Income Unit as their primary residence and who are related by blood, marriage, or operation of law or who have otherwise evidenced a stable inter-dependent relationship; or an individual. The "Area" is defined as the Boston-Cambridge-Quincy, MA-NH HMFA.

2. Upon issuance of a building permit for the project, the Project will be included in the Subsidized Housing Inventory as that term is described in 760 CMR 31.04(1). Only Low and Moderate Income Units will be counted as Subsidized Housing Units for the purposes of the Act.

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3. (a) At the time of sale of each Low and Moderate Income Unit by the Project Sponsor, the Project Sponsor shall execute and shall as a condition of the sale cause the purchaser of the Low and Moderate Income Unit to execute an Affordable Housing Deed Rider in the form of Exhibit C attached hereto and made a part hereof (the "Deed Rider"). Such Deed Rider shall be attached to and made a part of the deed from the Project Sponsor to the Unit Purchaser. Each such Deed Rider shall require the Unit Purchaser at the time he desires to sell the Low and Moderate Income Unit to offer the Low and Moderate Income Unit to the Municipality and to DHCD at a discounted purchase price more particularly described therein. The Municipality and DHCD shall have the option upon terms more particularly described in the Deed Rider to either purchase the Low and Moderate Income Unit or to find an Eligible Purchaser. The Deed Rider shall require the Unit Purchaser and the Eligible Purchaser to execute at the time of resale a Deed Rider identical in form and substance to the Deed Rider then in effect with respect to the Low and Moderate Income Unit which will be attached and made a part of the deed from the Unit Purchaser to the Eligible Purchaser, so that the affordability of the Low and Moderate Income unit will be preserved each time that subsequent resales of the Low and Moderate Income unit occur. (The various requirements and restrictions regarding resale of a Low and Moderate Income Unit contained in the Deed Rider are hereinafter referred to as the ("Resale Restrictions"). If upon the initial resale or any subsequent resale of a Low and Moderate Income Unit, the Municipality and DHCD are unable to find an Eligible Purchaser for the Low and Moderate Income Unit, and the Municipality and DHCD each elect not to exercise its right to purchase the Low and Moderate Income Unit, then the then current owner of the Low and Moderate Income Unit shall have the right to sell the Low and Moderate Income Unit to any person, regardless of his income (an "Ineligible Purchaser") at the Maximum Resale Price and subject to all rights and restrictions contained in the Deed Rider, and provided that the Unit is conveyed subject to a Deed Rider identical in form and substance to the Deed Rider then in effect with respect to the Low and Moderate Income Unit which will be attached and made part of the deed from the Unit Purchaser to the Ineligible Purchaser. The Municipality agrees that in the event that it purchases a Low and Moderate Income Unit pursuant to its right to do so contained in the Deed Rider then in effect with respect to such Low and Moderate Income Unit, that the Municipality shall within six (6) months of its acceptance of a deed of such Low and Moderate Income Unit, either (i) sell the Low and Moderate Income Unit to an Eligible Purchaser at the same price for which it purchased the Low and Moderate Income Unit plus any expenses incurred by the Municipality during its period of ownership, such expenses to be approved by DHCD, subject to a Deed Rider satisfactory in form and substance to DHCD and the recording of an Eligible Purchaser Certificate satisfactory in form and substance to DHCD, the method for selecting such Eligible Purchaser to be approved by DHCD or (ii) rent the Low and Moderate Income Unit to a person who meets the income guidelines of the LIP Program, upon terms and conditions satisfactory to DHCD and otherwise in conformity with the requirements of the LIP Program. If the Municipality fails to sell or rent the Low and Moderate income unit as provided herein within said six (6) month period, or if at any time after the initial rental of the Low and Moderate Income Unit by the Municipality as provided herein the Low and Moderate Income Unit becomes vacant and remains vacant for more than ninety (90) days, then such Low and Moderate Income Unit shall cease to be counted as a Subsidized Housing Unit, and shall no longer be included in the Subsidized Housing Inventory.

(b) Each Low and Moderate Income Unit will remain a Subsidized Housing Unit and continue to be included in the Subsidized Housing Inventory for as long as the following three conditions are met: (1) this Agreement remains in full force and effect and neither the Municipality nor the Project Sponsor are in default hereunder; (2) the Project and Low and Moderate Income Unit each continue to comply with the Regulations and the Guidelines as the same may be amended from time to time; and (3) either (i) a Deed Rider binding the then current owner of the Low and Moderate Income Unit to comply with the Resale Restrictions is in full force and effect and the then current owner of the Low and Moderate Income Unit is either in compliance with the terms of the Deed Rider, or the Municipality is in the process of taking such steps as may be required by DHCD to enforce the then current owner's compliance with the terms of the Deed Rider or (ii) the Low and Moderate Income Unit is owned by the Municipality and the Municipality is in compliance with the terms and conditions of the last preceding paragraph, or (iii) the Low and Moderate Income Unit is owned by DHCD.

4. Intentionally deleted.

5. The Municipality agrees that upon the receipt by the Municipality of any Windfall Amount [or Excess Profit] the Municipality shall deposit any and all such Windfall Amounts [or Excess Profit] into an interest bearing account established with an institutional lender approved by DHCD (the "Affordable Housing Fund"). Sums from the Affordable Housing Fund shall be expended from time to time by the Municipality for the purpose of reducing the cost of Low and Moderate Income Units to Eligible purchasers upon resale or for the purpose of encouraging, creating, or subsidizing the construction or rehabilitation of housing for persons and families of low and moderate income elsewhere in the Municipality. The expenditure of funds from the Affordable Housing Fund shall be made only with the approval of DHCD, such approval not to be unreasonably withheld.

6. Prior to marketing or otherwise making available for sale any of the Units, the Project Sponsor must obtain DHCD's approval of a marketing plan (the "Marketing Plan") for the Low and Moderate Income Units. Such Marketing Plan must describe the buyer selection process for the Low and Moderate Income Units and must set forth a plan for affirmative marketing of Low and Moderate Income Units to minority households as more particularly described in the Regulations and Guidelines. At the option of the Municipality, the Marketing Plan may also include a preference for local residents for up to seventy percent (70%) of the Low and Moderate Income Units, subject to all provisions of the Regulations and Guidelines. When submitted to DHCD for approval, the Marketing Plan should be accompanied by a letter from the Chief Elected Official of the Municipality (as that term is defined in the Regulations) which states that the buyer selection and local preference (if any) aspects of the Marketing Plan have been approved by the Municipality and which states that the Municipality will perform any aspects of the Marketing Plan which are set forth as responsibilities of the Municipality in the Marketing Plan. The Marketing Plan must comply with the Regulations and Guidelines and with all other applicable statutes, regulations and executive orders, and DHCD directives reflecting the agreement between DHCD and the U.S. Department of Housing and Urban Development in the case of *NAACP, Boston Chapter v. Kemp*. If the Project is located in the Boston Standard Metropolitan Statistical Area, the Project Sponsor must list all Low and Moderate Income Units with the City of Boston's MetroList (Metropolitan Housing Opportunity Clearing Center), at Boston City Hall, P.O. Box 5996, Boston, MA 02114-5996 (617-635-3321). All costs of carrying out the Marketing Plan shall be paid by the Project Sponsor. A failure to comply with the Marketing Plan by the Project Sponsor or by the Municipality shall be deemed to be a default of this Agreement. The Project Sponsor agrees to maintain for at least five years following the sale of the last Low and Moderate Income Unit, a record of all newspaper ads, outreach letters, translations, leaflets, and any other outreach efforts (collectively "Marketing Documentation") as described in the Marketing Plan as approved by DHCD which may be inspected at any time by DHCD. All Marketing Documentation must be approved by DHCD prior to its use by the Project Sponsor or the Municipality. The Project Sponsor and the Municipality agree that if at any time prior to or during the process of marketing the Low and Moderate Income Units, DHCD determines that the Project Sponsor, or the Municipality with respect to aspects of the Marketing Plan that the Municipality has agreed to be responsible for, has not adequately complied with the approved Marketing Plan, that the Project Sponsor or Municipality as the case may be, shall conduct such additional outreach or marketing efforts as shall be determined by DHCD.

7. Neither the Project Sponsor nor the Municipality shall discriminate on the basis of race, creed, color, sex, age, handicap, marital status, national origin, or any other basis prohibited by law in the selection of buyers for the Units; and the Project Sponsor shall not so discriminate in connection with the employment or application for employment of persons for the construction, operation or management of the Project.

8. (a) The Project Sponsor agrees to comply and to cause the Project to comply with all requirements of the Regulations and Guidelines and all other applicable laws, rules, regulations, and executive orders. DHCD and the Chief Elected official of the municipality shall have access during normal business hours to all books and records of the Project Sponsor and the Project in order to monitor the Project Sponsor's compliance with the terms of this Agreement.

(b) Intentionally deleted

(c) Throughout the term of this Agreement, the Chief Elected Official shall annually certify in writing to DHCD that each of the Low and Moderate Income Units continues to be occupied by a person

who was an Eligible Purchaser at the time of purchase; that any Low and Moderate Income Units which have been resold during the year have been resold in compliance with all of the terms and provisions of the Deed Rider than in effect with respect to each such Low and Moderate Income Unit, and in compliance with the Regulations and Guidelines and this Agreement; and that the Project and the Low and Moderate Income Units have otherwise been maintained in a manner consistent with the Regulations and Guidelines, this Agreement, and the Deed Rider then in effect with respect to each Low and Moderate Income Unit.

9. Upon execution, the Project Sponsor shall immediately cause this Agreement and any amendments hereto to be recorded with the Registry of Deeds for the County where the Project is located or, if the Project consists in whole or in part of registered land, file this Agreement and any amendments hereto with the Registry District of the Land Court for the County where the Project is located (collectively hereinafter the "Registry of Deeds"), and the Project Sponsor shall pay all fees and charges incurred in connection therewith. Upon recording or filing, as applicable, the Project Sponsor shall immediately transmit to DHCD and the Municipality evidence of such recording or filing including the date and instrument, book and page or registration number of the Agreement.

10. The Project Sponsor hereby represents, covenants and warrants as follows:

- (a) The Project Sponsor (i) is a corporation duly organized under the laws of the Commonwealth of Massachusetts, and is qualified to transact business under the laws of this State, (ii) has the power and authority to own its properties and assets and to carry on its business as now being conducted, and (iii) has the full legal right, power and authority to execute and deliver this Agreement.
- (b) The execution and performance of this Agreement by the Project Sponsor (i) will not violate or, as applicable, has not violated any provision of law, rule or regulation, or any order of any court or other agency or governmental body, and (ii) will not violate or, as applicable, has not violated any provision of any indenture, agreement, mortgage, mortgage note, or other instrument to which the Project Sponsor is a party or by which it or the Project is bound, and (iii) will not result in the creation or imposition of any prohibited encumbrance of any nature.
- (c) The Project Sponsor will, at the time of execution and delivery of this Agreement, have good and marketable title to the premises constituting the Project free and clear of any lien or encumbrance (subject to encumbrances created pursuant to this Agreement, any loan documents relating to the Project the terms of which are approved by DHCD, or other permitted encumbrances, including mortgages referred in paragraph 19, below).
- (d) There is no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency now pending, or, to the knowledge of the Project Sponsor, threatened against or affecting it, or any of its properties or rights, which, if adversely determined, would materially impair its right to carry on business substantially as now conducted (and as now contemplated by this Agreement) or would materially adversely affect its financial condition.

11. Intentionally deleted.

12. Until such time as decisions regarding repair of damage due to fire or other casualty, or restoration after taking by eminent domain, shall be made by a condominium association or trust not controlled by the Project Sponsor, (or if the Project consists of detached dwellings, by homebuyers) Project Sponsor agrees that if the Project, or any part thereof, shall be damaged or destroyed or shall be condemned or acquired for public use, the Project Sponsor will use its best efforts to repair and restore the Project to substantially the same condition as existed prior to the event causing such damage or destruction, or to relieve the condemnation, and thereafter to operate the Project in accordance with the terms of this Agreement, subject to the approval of the Project's lenders, which lenders have been approved by DHCD and the Municipality.

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13. This Agreement shall be governed by the laws of the Commonwealth of Massachusetts. Any amendments to this Agreement must be in writing and executed by all of the parties hereto. The invalidity of any clause, part, or provision of this Agreement shall not affect the validity of the remaining portions hereof.

14. All notices to be given pursuant to this Agreement shall be in writing and shall be deemed given when delivered by hand or when mailed by certified or registered mail, postage prepaid, 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 by written notice:

DHCD: Department of Housing and Community Development
Attention: Local Initiative Program Director
100 Cambridge St., Suite 300
Boston, MA 02114

Municipality: Board of Selectmen
Town Hall
16 Lowell Street
Reading, MA 01867

Project Sponsor: Johnson Woods Realty Corporation
8 Doaks Lane
Marblehead, MA 01945

15. (a) This Agreement and all of the covenants, agreements and restrictions contained herein 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. This Agreement is made for the benefit of DHCD, and DHCD shall be deemed to be the holder of the affordable housing restriction created by this Agreement. DHCD has determined that the acquiring of such affordable housing restriction is in the public interest. The term of this Agreement shall be perpetual, provided however, that this Agreement shall terminate if (a) at any time hereafter there is no Low and Moderate Income Unit at the Project which is then subject to a Deed Rider containing the Resale Restrictions, and there is no Low and Moderate Income Unit at the Project which is owned by the Municipality or DHCD as provided in Section 4 hereof, or (b) the Project is acquired by foreclosure or by instrument in lieu of foreclosure, provided that the holder of the mortgage gives DHCD and the Municipality not less than sixty (60) days prior written notice of the mortgagee's intention to foreclose upon the Project or to accept an instrument in lieu of foreclosure, or (c) [if a Comprehensive Permit is not granted to the Project Sponsor for the Project by either the Municipality's Board of Appeals (as that term is defined in the Regulations) or by the housing Appeals Committee (as that term is used in the Act) within a period of eighteen months from the date of execution of this Agreement, or] (d) [if at any time the Comprehensive Permit is revoked and all applicable appeal periods with respect to such revocation have expired]. If this Agreement terminates because of a foreclosure or the acceptance of an instrument in lieu of foreclosure as set forth in clause (b) of this paragraph, the Municipality agrees that if at the time of such termination there is one or more Low and Moderate Income Unit at the Project which is then subject to a Deed Rider containing the Resale Restrictions or there is one or more Low and Moderate Income Unit at the Project which is owned by the Municipality or DHCD as provided in Section

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4 hereof, the Municipality shall enter into a new Regulatory Agreement with DHCD with respect to such Low and Moderate Income Units which shall be satisfactory in form and substance to DHCD.

(b) The Project Sponsor intends, declares and covenants on behalf of itself and its successors and assigns (i) that this Agreement and the covenants, agreements and restrictions contained herein shall be and are covenants running with the land, encumbering the Project for the term of this Agreement, and are binding upon the Project Sponsor's successors in title, (ii) are not merely personal covenants of the Project Sponsor, and (iii) shall bind the Project Sponsor, its successors and assigns and enure to the benefit of DHCD and its successors and assigns for the term of the Agreement. Project Sponsor hereby agrees that any and all requirements of the laws of the Commonwealth of Massachusetts to be satisfied in order for the provisions of this Agreement to constitute restrictions and covenants running with the land shall be deemed to be satisfied in full and that any requirements of privity of estate are also deemed to be satisfied in full.

(c) The Resale Restrictions contained in each of the Deed Riders which are to encumber each of the Low and Moderate Income Units at the Project pursuant to the requirements of this Agreement shall also constitute 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. Such Resale Restrictions shall be for the benefit of both DHCD and the Municipality and both DHCD and the Municipality shall be deemed to be the holder of the affordable housing restriction created by the Resale Restrictions in each of the Deed Riders. DHCD has determined that the acquiring of such affordable housing restriction is in the public interest. To the extent that the Municipality is the holder of the Resale Restrictions to be contained in each of the Deed Riders, the Director of DHCD by the execution of this Agreement hereby approves such Resale Restrictions in each of the Deed Riders for the Low and Moderate Income Units of the Project as required by the provisions of G.L. c. 184, § 32.

16. The Project Sponsor and the Municipality each agree to submit any information, documents, or certifications requested by DHCD which DHCD shall deem necessary or appropriate to evidence the continuing compliance of the Project Sponsor and the Municipality with the terms of this Agreement.

17. (a) The Project Sponsor and the Municipality each covenant and agree to give DHCD written notice of any default, violation or breach of the obligations of the Project Sponsor or the Municipality hereunder, (with a copy to the other party to this Agreement) within seven (7) days of first discovering such default, violation or breach (a "Default Notice"). If DHCD becomes aware of a default, violation, or breach of obligations of the Project Sponsor or the Municipality hereunder without receiving a Default Notice from Project Sponsor or the Municipality, DHCD shall give a notice of such default, breach or violation to the offending party (with a copy to the other party to this Agreement) (the "DHCD Default Notice"). If any such default, violation, or breach is not cured to the satisfaction of DHCD within thirty (30) days after the giving of the Default notice by the Project Sponsor or the Municipality, or if no Default Notice is given, then within thirty (30) days after the giving of the DHCD Default Notice, then at DHCD's option, and without further notice, DHCD may either terminate this Agreement, or DHCD may apply to any state or federal court for specific performance of this Agreement, or DHCD may exercise any other remedy at law or in equity or take any other action as may be necessary or desirable to correct non-compliance with this Agreement.

(b) If DHCD elects to terminate this Agreement as the result of a breach, violation, or default hereof, which breach, violation, or default continues beyond the cure period set forth in this Section 18, then the Low and Moderate Income Units and any other Units at the Project which have been included in the Subsidized Housing Inventory shall from the date of such termination no longer be deemed Low and Moderate Income Housing for the purposes of the Act and shall be deleted from the Subsidized Housing Inventory.

18. The Project Sponsor represents and warrants that it has obtained the consent of all existing mortgagees of the Project to the execution and recording of this Agreement and to the terms and conditions hereof and that all such mortgagees have executed the Consent to Regulatory Agreement attached hereto and made a part hereof.

Executed as a sealed instrument as of the date first above written.

Project Sponsor

By: [Signature]
its president

Department of Housing and
Community Development

By: [Signature]
its Associate Director

Municipality

By: [Signature]
its Chair Board of Selectmen
(Chief Elected Official)

LSMN-ra

- Attachments: Exhibit A - Legal Property Description
- Exhibit B - Prices & Location of Low & Moderate Income Units
- Exhibit C - Form of Deed Rider

Consent forms signed by any and all mortgagees whose mortgages are recorded prior to this Regulatory Agreement must be attached to this Regulatory Agreement.

© DHCD When used in the Local Initiative Program, this form may not be modified without the written approval of the Department of Housing and Community Development.

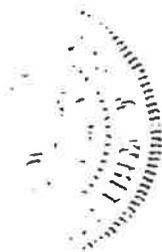
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COMMONWEALTH OF MASSACHUSETTS

COUNTY OF Essex, ss.

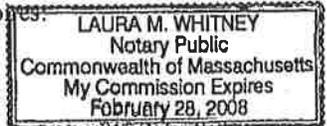
July 13, 2007

On this 13 day of July, 2007, before me, the undersigned notary public, personally appeared Edward T. Moore, proved to me through satisfactory evidence of identification, which were a MA Driver's License, to be the person whose name is signed on the preceding document, as President & Treasurer of the Johnson Woods [Project Sponsor], and acknowledged to me that he/she signed it voluntarily for its stated purpose.



Laura M. Whitney
Notary Public

Print Name:
My Commission Expires:



COMMONWEALTH OF MASSACHUSETTS

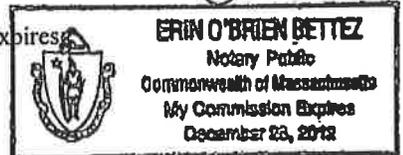
COUNTY OF SUFFOLK, ss.

July 17, 2007

On this 17th day of July, 2007 before me, the undersigned notary public, personally appeared Catherine Raper, proved to me through satisfactory evidence of identification, which were personal knowledge, to be the person whose name is signed on the preceding document, as Associate Director for the Commonwealth of Massachusetts acting by and through the Department of Housing and Community Development, and acknowledged to me that he/she signed it voluntarily for its stated purpose.

Erin O'Brien Bettez
Notary public

Print Name:
My Commission Expires:



COMMONWEALTH OF MASSACHUSETTS

COUNTY OF Middlesex.

July 16, 2007

On this 16th day of July, 2007 before me, the undersigned notary public, personally appeared James Bonazoli, proved to me through satisfactory evidence of identification, which were PERSONALLY KNOWN, to be the person whose name is signed on the preceding document, as CHAIRMAN/SELECTMAN for the City/Town of Reading, and acknowledged to me that he/she signed it voluntarily for its stated purpose.

Paula J. Schena
Notary Public

Print Name: PAULA J. Schena
My Commission Expires: 11/1/13

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CONSENT TO REGULATORY AGREEMENT

Re: Johnson Woods
(Project Name)

Reading, MA
(City/Town)

Johnson Woods Realty Corporation
(Project Sponsor)

The Undersigned being the holder of a mortgage on the above described Project recorded with the Middlesex South District Registry of Deeds in Book 49189, Page 72 , hereby consents to the execution and recording of this Agreement and to the terms and conditions hereof.

TD Banknorth, N.A.
(name of lender)

By: Kerin D. Green
its Vice President

COMMONWEALTH OF MASSACHUSETTS

COUNTY OF _____, ss.

July ____ 2007

On this _____ day of July, 2007, before me, the undersigned notary public, personally appeared Kerin D. Green, proved to me through satisfactory evidence of identification, which were _____, to be the person whose name is signed on the preceding document, as Vice President of TD Banknorth, N.A., and acknowledged to me that he/she signed it voluntarily for its stated purpose.

Notary Public
Print Name:
My Commission Expires:

(If the Project has more than one mortgagee, add additional consent forms. Execution of the consent form by a mortgagee is only necessary if the mortgage has been recorded prior to the Regulatory Agreement.)

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EXHIBIT A

Re: Johnson Woods

(Project Name)

Reading, MA

(City/Town)

Johnson Woods Realty Corporation

(Project Sponsor)

Property Description

A residential condominium known as Johnson Woods, situated on the westerly side of West Street, Reading, Massachusetts.

The land currently contained within the condominium is show as *PARCEL AREA 1,220,852 S.F. 28.027 ACRES* on the plan entitled, "*Condominium Plan of Land in Reading, Mass.; Johnson Woods Condominium; scale 1" = 100'; June 27, 2007, Hayes Engineering Inc.; Owner: Johnson Woods Realty Corporation.*" which plan is Plan #712 of 2007.

For a complete description of the land and units see Johnson Woods Condominium amended and restated Master Deed dated August 22, 2005 and recorded at the Middlesex South District Registry of Deeds at Book 45931, Page 493. See also the amendment and restatement of the Declaration of Trust for Johnson Woods Condominium recorded at said Registry Book 45391, Page 548, as amended of record and as may be amended of record by recording future amendments.

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EXHIBIT B

Re: Johnson Woods
 (Project Name)
Reading, MA
 (City/Town)
Johnson Woods Realty Corporation
 (Project Sponsor)

| Maximum Selling Prices for Low and Moderate Income Units | | Initial Condominium Fee | % Interest in the Townhouse Budget | % Interest in the Garden Budget | % Interest in the Shared Budget |
|--|-----------|-------------------------|------------------------------------|---------------------------------|---------------------------------|
| One bedroom units | | | | | |
| Two bedroom units | | | | | |
| Townhouse | \$168,100 | \$166/month | 1.26% | | 1.08% |
| Garden Style | \$168,100 | \$170/month | | 5.83% | .84 |
| Three bedroom units | | | | | |
| Four bedroom units | | | | | |

Condominium fees and unit percentage interests for future phases shall be set in accordance with Section 1 of this Agreement, including the requirement for approval by DHCD and the Municipality.

* As of the addition of Phase VI of the Condominium

Location of Low and Moderate Income Units

The housing units which are Low and Moderate Income Units are those designated as lot/unit numbers _____ on:

- a plan of land entitled _____ recorded with the _____ Registry of Deeds in Book _____, Page _____.
- floor plans recorded with the Master Deed of the _____ Condominium recorded with the _____ Registry of Deeds in Book _____, Page _____.

The housing units which are Low and Moderate Income Units are those designated as:

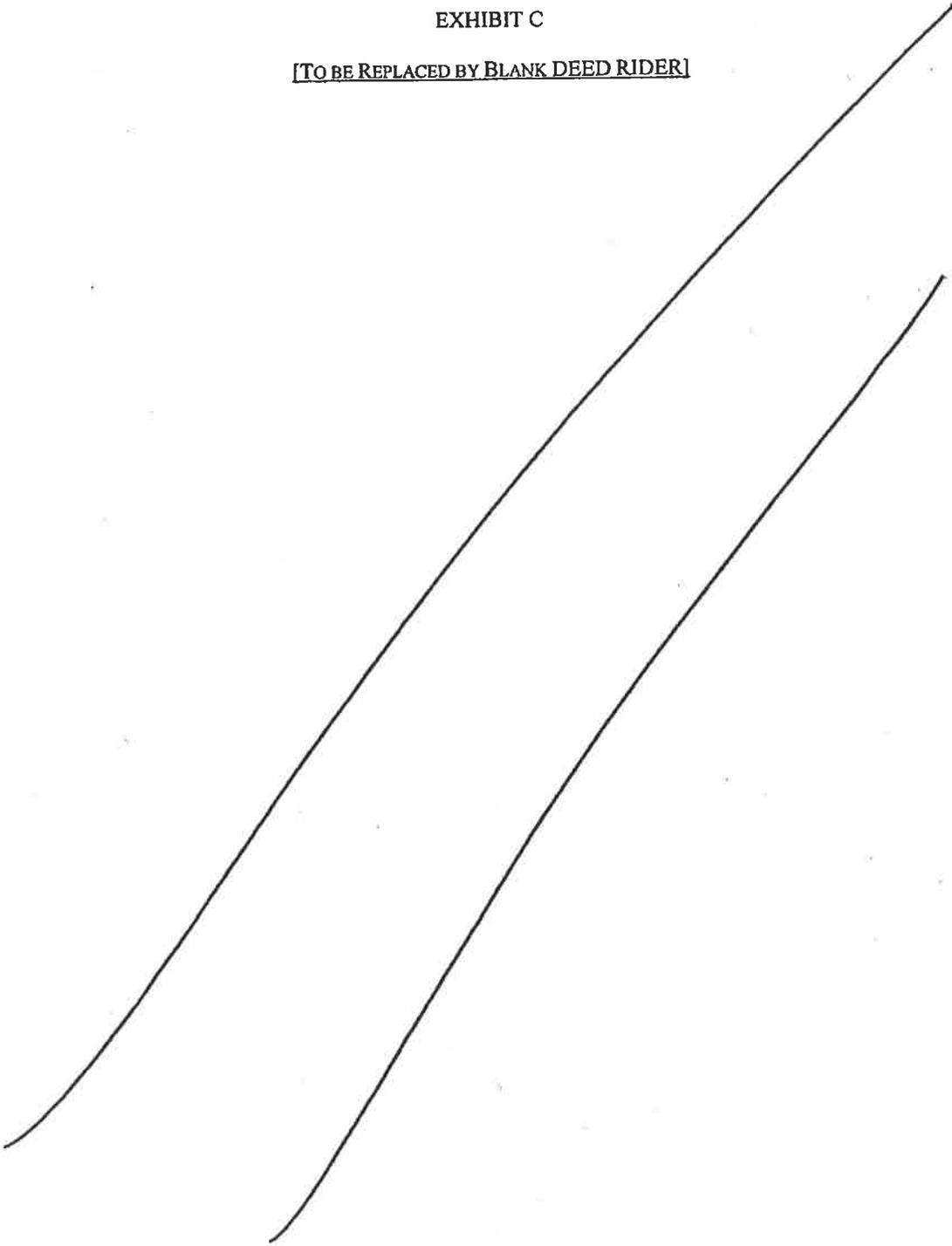
- Building 15, Right Rear (32 Green Meadow Drive),
- Building 15, Right Front (30 Green Meadow Drive),
- Building 19, Left Front (126 Johnson Woods Drive),
- Building 19, Left Rear (128 Johnson Woods Drive),
- Building 20, Unit 101 (122 Johnson Woods Drive),
- Building 20, Unit 102 (122 Johnson Woods Drive),
- Building 20, Unit 201 (122 Johnson Woods Drive),
- Building 20, Unit 202 (122 Johnson Woods Drive),

Building 20, Unit 301 (122 Johnson Woods Drive),
Building 21, Unit 101, (112 Johnson Woods Drive),
Building 21, Unit 102 (112 Johnson Woods Drive),
Building 21, Unit 201 (112 Johnson Woods Drive),
Building 21, Unit 202 (112 Johnson Woods Drive),
Building 24, Right Rear (98 Johnson Woods Drive),
Building 24, Right Front (96 Johnson Woods Drive),
Building 29, Left Rear (76 Johnson Woods Drive),
Building 29, Left Front (78 Johnson Woods Drive)
on a plan of land entitled "Sketch Plan Showing the Full Building out of Johnson Woods, Reading,
Massachusetts" dated October 24, 2006, which plan is attached hereto.

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EXHIBIT C

[TO BE REPLACED BY BLANK DEED RIDER]



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I:\DeedRiderSAR-Massachusetts(Universal)
5/3016

LOCAL INITIATIVE PROGRAM
AFFORDABLE HOUSING DEED RIDER

*For Projects in Which
Affordability Restrictions Survive Foreclosure*

made part of that certain deed (the "Deed") of certain property (the "Property") from
_____ ("Grantor") to _____ ("Owner")
dated _____, 200__. The Property is located in the City/Town of
_____ (the "Municipality").

RECITALS

WHEREAS, the Grantor is conveying that certain real property more particularly described in the Deed to the Owner at a consideration which is less than the fair market value of the Property; and

WHEREAS, the Property is part of a project which was: [check all that are applicable]

- (i) granted a Comprehensive Permit under Massachusetts General Laws Chapter 40B, Sections 20-23, from the Board of Appeals of the Municipality or the Housing Appeals Committee and recorded/filed with the _____ County Registry of Deeds/Registry District of Land Court (the "Registry") in Book _____, Page _____/Document No. _____ (the "Comprehensive Permit");
- (ii) subject to a Regulatory Agreement among _____ (the "Developer"), [] Massachusetts Housing Finance Agency ("MassHousing"), [] the Massachusetts Department of Housing and Community Development ("DHCD") [] the Municipality; and [] _____, dated _____ and recorded/filed with the Registry in Book _____, Page ____/as Document No. _____ (the "Regulatory Agreement"); and
- (iii) subsidized by the federal or state government under the Local Initiative Program, a program to assist construction of low or moderate income housing the "Program"; and

WHEREAS, pursuant to the Program, eligible purchasers such as the Owner are given the opportunity to purchase residential property at less than its fair market value if the purchaser agrees to certain use and transfer restrictions, including an agreement to occupy the property as a principal residence and to convey the property for an amount not greater than a maximum resale price, all as more fully provided herein; and

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WHEREAS, DHCD (singly, or if more than one entity is listed, collectively, the "Monitoring Agent") is obligated by the Program or has been retained to monitor compliance with and to enforce the terms of this Deed Rider, and eligible purchasers such as the Owner may be required to pay to the Monitoring Agent, or its successor, a small percentage of the resale price upon the Owner's conveyance of the Property, as set out in the Regulatory Agreement and as more fully provided herein; and

WHEREAS, the rights and restrictions granted herein to the Monitoring Agent and the Municipality serve the public's interest in the creation and retention of affordable housing for persons and households of low and moderate income and in the restricting of the resale price of property in order to assure its affordability by future low and moderate income purchasers.

NOW, THEREFORE, as further consideration for the conveyance of the Property at less than fair market value, the Grantor and the Owner, including his/her/their heirs, successors and assigns, hereby agree that the Property shall be subject to the following rights and restrictions which are imposed for the benefit of, and shall be enforceable by, the Municipality and the Monitoring Agent, and, if DHCD is a party to the Regulatory Agreement and is not the Monitoring Agent, by DHCD.

1. Definitions. In this Deed Rider, in addition to the terms defined above, the following words and phrases shall have the following meanings:

Affordable Housing Fund means a fund established by the Municipality for the purpose of reducing the cost of housing for Eligible Purchasers or for the purpose of encouraging, creating, or subsidizing the construction or rehabilitation of housing for Eligible Purchasers or, if no such fund exists, a fund established by the Municipality pursuant to Massachusetts General Laws Chapter 44 Section 53A, et seq.

Applicable Foreclosure Price shall have the meaning set forth in Section 7(b) hereof.

Appropriate Size Household means a household containing a number of members equal to the number of bedrooms in the Property plus one.

Approved Capital Improvements means the documented commercially reasonable cost of extraordinary capital improvements made to the Property by the Owner; provided that the Monitoring Agent shall have given written authorization for incurring such cost prior to the cost being incurred and that the original cost of such improvements shall be discounted over the course of their useful life.

Area means the Primary Metropolitan Statistical Area or non-metropolitan area that includes the Municipality, as determined by HUD, which in this case is _____.

Area Median Income means the most recently published median income for the Area adjusted for household size as determined by HUD. If HUD discontinues publication of Area Median

Income, the income statistics used by MassHousing for its low and moderate income housing programs shall apply.

Base Income Number means the Area Median Income for a four (4)-person household.

Chief Executive Officer shall mean the Mayor in a city or the Board of Selectmen in a town unless some other municipal office is designated to be the chief executive officer under the provisions of a local charter.

Closing shall have the meaning set forth in Section 5(b) hereof.

Compliance Certificate shall have the meaning set forth in Section 6(a) hereof.

Conveyance Notice shall have the meaning set forth in Section 4(a) hereof.

Eligible Purchaser means an individual or household earning no more than eighty percent (80%) of Area Median Income (or, if checked [] _____ percent (___%) of Area Median Income, as required by the Program) and owning assets not in excess of the limit set forth in the Program Guidelines. To be considered an Eligible Purchaser, the individual or household must intend to occupy and thereafter must occupy the Property as his, her or their principal residence and must provide to the Monitoring Agent such certifications as to income, assets and residency as the Monitoring Agent may require to determine eligibility as an Eligible Purchaser. An Eligible Purchaser shall be a First-Time Homebuyer if required by the Program and as specified in the Regulatory Agreement.

First-Time Homebuyer means an individual or household, of which no household member has had an ownership interest in a principal residence at any time during the three (3)-year period prior to the date of qualification as an Eligible Purchaser, except that (i) any individual who is a displaced homemaker (as may be defined by DHCD) (ii) and any individual age 55 or over (applying for age 55 or over housing) shall not be excluded from consideration as a First-Time Homebuyer under this definition on the basis that the individual, owned a home or had an ownership interest in a principal residence at any time during the three (3)-year period.

Foreclosure Notice shall have the meaning set forth in Section 7(a) hereof.

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

Ineligible Purchaser means an individual or household not meeting the requirements to be eligible as an Eligible Purchaser.

Maximum Resale Price means the sum of (i) the Base Income Number (at the time of resale) multiplied by the Resale Price Multiplier, plus (ii) the Resale Fee and any necessary marketing expenses (including broker's fees) as may have been approved by the Monitoring Agent, plus (iii) Approved Capital Improvements, if any (the original cost of which shall have been discounted over time, as calculated by the Monitoring Agent); provided that in no event shall the

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Maximum Resale Price be greater than the purchase price for which a credit-worthy Eligible Purchaser earning seventy percent (70%) of the Area Median Income (or, if checked [] _____ percent (___%) of Area Median Income, as required by the Program) for an Appropriate Size Household could obtain mortgage financing (as such purchase price is determined by the Monitoring Agent using the same methodology then used by DHCD for its Local Initiative Program or similar comprehensive permit program); and further provided that the Maximum Resale Price shall not be less than the purchase price paid for the Property by the Owner unless the Owner agrees to accept a lesser price.

Monitoring Services Agreement means any Monitoring Services Agreement for monitoring and enforcement of this Deed Rider among some or all of the Developer, the Monitoring Agent, the Municipality, MassHousing and DHCD.

Mortgage Satisfaction Amount shall have the meaning set forth in Section 7(b) hereof.

Mortgagee shall have the meaning set forth in Section 7(a) hereof.

Program Guidelines means the regulations and/or guidelines issued for the applicable Program and controlling its operations, as amended from time to time.

Resale Fee means a fee of N/A % [no more than two and one-half percent (2.5%)] of the Base Income Number (at the time of resale) multiplied by the Resale Price Multiplier, to be paid to the Monitoring Agent as compensation for monitoring and enforcing compliance with the terms of this Deed Rider, including the supervision of the resale process.

Resale Price Certificate means the certificate issued as may be specified in the Regulatory Agreement and recorded with the first deed of the Property from the Developer, or the subsequent certificate (if any) issued as may be specified in the Regulatory Agreement, which sets forth the Resale Price Multiplier to be applied on the Owner's sale of the Property, as provided herein, for so long as the restrictions set forth herein continue. In the absence of contrary specification in the Regulatory Agreement the Monitoring Agent shall issue the certificate.

Resale Price Multiplier means the number calculated by dividing the Property's initial sale price by the Base Income Number at the time of the initial sale from the Developer to the first Eligible Purchaser. The Resale Price Multiplier will be multiplied by the Base Income Number at the time of the Owner's resale of the Property to determine the Maximum Resale Price on such conveyance subject to adjustment for the Resale Fee, marketing expenses and Approved Capital Improvements. In the event that the purchase price paid for the Property by the Owner includes such an adjustment a new Resale Price Multiplier will be recalculated by the Monitoring Agent by dividing the purchase price so paid by the Base Income Number at the time of such purchase, and a new Resale Price Certificate will be issued and recorded reflecting the new Resale Price Multiplier. A Resale Price Multiplier of _____ is hereby assigned to the Property.

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Term means in perpetuity, unless earlier terminated by (i) the termination of the term of affordability set forth in the Regulatory Agreement or Comprehensive Permit, whichever is longer; or (ii) the recording of a Compliance Certificate and a new Deed Rider executed by the purchaser in form and substance substantially identical to this Deed Rider establishing a new term.

2. Owner-Occupancy/Principal Residence. The Property shall be occupied and used by the Owner's household exclusively as his, her or their principal residence. Any use of the Property or activity thereon which is inconsistent with such exclusive residential use is expressly prohibited.

3. Restrictions Against Leasing, Refinancing and Junior Encumbrances. The Property shall not be leased, rented, refinanced, encumbered (voluntarily or otherwise) or mortgaged without the prior written consent of the Monitoring Agent; provided that this provision shall not apply to a first mortgage granted on the date hereof in connection with this conveyance from Grantor to Owner securing indebtedness not greater than one hundred percent (100%) of the purchase price. Any rents, profits, or proceeds from any transaction described in the preceding sentence which transaction has not received the requisite written consent of the Monitoring Agent shall be paid upon demand by Owner to the Municipality for deposit to its Affordable Housing Fund. The Monitoring Agent or Municipality may institute proceedings to recover such rents, profits or proceeds, and costs of collection, including attorneys' fees. Upon recovery, after payment of costs, the balance shall be paid to the Municipality for deposit to its Affordable Housing Fund. In the event that the Monitoring Agent consents for good cause to any such lease, refinancing, encumbrance or mortgage, it shall be a condition to such consent that all rents, profits or proceeds from such transaction, which exceed the actual carrying costs of the Property as determined by the Monitoring Agent, shall be paid to the Municipality for deposit to its Affordable Housing Fund.

4. Options to Purchase. (a) When the Owner or any successor in title to the Owner shall desire to sell, dispose of or otherwise convey the Property, or any portion thereof, the Owner shall notify the Monitoring Agent and the Municipality in writing of the Owner's intention to so convey the Property (the "Conveyance Notice"). Upon receipt of the Conveyance Notice, the Monitoring Agent shall (i) calculate the Maximum Resale Price which the Owner may receive on the sale of the Property based upon the Base Income Number in effect as of the date of the Conveyance Notice and the Resale Price Multiplier set forth in the most recently recorded Resale Price Certificate together with permissible adjustments for the Resale Fee, marketing expenses and Approved Capital Improvements (as discounted), and (ii) promptly begin marketing efforts. The Owner shall fully cooperate with the Monitoring Agent's efforts to locate an Eligible Purchaser and, if so requested by the Monitoring Agent, shall hire a broker selected by the Monitoring Agent to assist in locating an Eligible Purchaser ready, willing and able to purchase the Property at the Maximum Resale Price after entering a purchase and sale agreement. Pursuant to such agreement, sale to the Eligible Purchaser at the Maximum Resale Price shall occur within ninety (90) days after the Monitoring Agent receives the Conveyance Notice or such further time as reasonably requested to arrange for details of closing. If the

Owner fails to cooperate in such resale efforts, including a failure to agree to reasonable terms in the purchase and sale agreement, the Monitoring Agent may extend the 90-day period for a period commensurate with the time the lack of cooperation continues, as determined by the Monitoring Agent in its reasonable discretion. In such event, the Monitoring Agent shall give Owner written notice of the lack of cooperation and the length of the extension added to the 90-day period.

(b) The Monitoring Agent shall ensure that diligent marketing efforts are made to locate an Eligible Purchaser ready, willing and able to purchase the Property at the Maximum Resale Price within the time period provided in subsection (a) above and to enter the requisite purchase and sale agreement. If more than one Eligible Purchaser is located, the Monitoring Agent shall conduct a lottery or other like procedure to determine which Eligible Purchaser shall be entitled to enter a purchase and sale agreement with Owner and to purchase the Property. Preference shall be given to Appropriate Size Households. The procedure for marketing and selecting an Eligible Purchaser shall be approved as provided in the Regulatory Agreement and any applicable Program Guidelines. If an Eligible Purchaser is located within ninety (90) days after receipt of the Conveyance Notice, but such Eligible Purchaser proves unable to secure mortgage financing so as to be able to complete the purchase of the Property pursuant to the purchase and sale agreement, following written notice to Owner within the 90-day period the Monitoring Agent shall have an additional sixty (60) days to locate another Eligible Purchaser who will enter a purchase and sale agreement and purchase the Property by the end of such sixty (60)-day period or such further time as reasonably requested to carry out the purchase and sale agreement.

(c) In lieu of sale to an Eligible Purchaser, the Monitoring Agent or the Municipality or designee shall also have the right to purchase the Property at the Maximum Resale Price, in which event the purchase and sale agreement shall be entered, and the purchase shall occur within ninety (90) days after receipt of the Conveyance Notice or, within the additional sixty (60)-day period specified in subsection (b) above, or such further time as reasonably requested to carry out the purchase and sale agreement. Any lack of cooperation by Owner in measures reasonably necessary to effect the sale shall extend the 90-day period by the length of the delay caused by such lack of cooperation. The Monitoring Agent shall promptly give Owner written notice of the lack of cooperation and the length of the extension added to the 90-day period. In the event of such a sale to the Monitoring Agent or Municipality or designee, the Property shall remain subject to this Deed Rider and shall thereafter be sold or rented to an Eligible Purchaser as may be more particularly set forth in the Regulatory Agreement.

(d) If an Eligible Purchaser fails to purchase the Property within the 90-day period (or such further time determined as provided herein) after receipt of the Conveyance Notice, and the Monitoring Agent or Municipality or designee does not purchase the Property during said period, then the Owner may convey the Property to an Ineligible Purchaser no earlier than thirty (30) days after the end of said period at the Maximum Resale Price, but subject to all rights and restrictions contained herein; provided that the Property shall be conveyed subject to a Deed Rider identical in form and substance to this Deed Rider which the Owner agrees to execute, to secure execution by the Ineligible Purchaser and to record with the Deed; and further provided that, if more than one Ineligible Purchaser is ready, willing and able to purchase the Property the

Owner will give preference and enter a purchase and sale agreement with any individuals or households identified by the Monitoring Agent as an Appropriate Size Household earning more than eighty percent (80%) but less than one hundred twenty percent (120%) of the Area Median Income.

(e) The priority for exercising the options to purchase contained in this Section 4 shall be as follows: (i) an Eligible Purchaser located and selected by the Monitoring Agent, as provided in subsection (b) above, (ii) the Municipality or its designee, as provided in subsection (c) above, and (iii) an Ineligible Purchaser, as provided in subsection (d) above.

(f) Nothing in this Deed Rider or the Regulatory Agreement -constitutes a promise, commitment or guarantee by DHCD, MassHousing, the Municipality or the Monitoring Agent that upon resale the Owner shall actually receive the Maximum Resale Price for the Property or any other price for the Property.

(g) The holder of a mortgage on the Property is not obligated to forbear from exercising the rights and remedies under its mortgage, at law or in equity, after delivery of the Conveyance Notice.

5. Delivery of Deed. (a) In connection with any conveyance pursuant to an option to purchase as set forth in Section 4 above, the Property shall be conveyed by the Owner to the selected purchaser by a good and sufficient quitclaim deed conveying a good and clear record and marketable title to the Property free from all encumbrances except (i) such taxes for the then current year as are not due and payable on the date of delivery of the deed, (ii) any lien for municipal betterments assessed after the date of the Conveyance Notice, (iii) provisions of local building and zoning laws, (iv) all easements, restrictions, covenants and agreements of record specified in the deed from the Owner to the selected purchaser, (v) such additional easements, restrictions, covenants and agreements of record as the selected purchaser consents to, such consent not to be unreasonably withheld or delayed, (vi) the Regulatory Agreement, and (vii), except as otherwise provided in the Compliance Certificate, a Deed Rider identical in form and substance to this Deed Rider which the Owner hereby agrees to execute, to secure execution by the selected purchaser, and to record with the deed. **Said deed shall clearly state that it is made subject to the Deed Rider which is made part of the deed.** Failure to comply with the preceding sentence shall not affect the validity of the conveyance from the Owner to the selected purchaser or the enforceability of the restrictions herein.

(b) Said deed, including the approved Deed Rider, shall be delivered and the purchase price paid (the "Closing") at the Registry, or at the option of the selected purchaser, exercised by written notice to the Owner at least five (5) days prior to the delivery of the deed, at such other place as the selected purchaser may designate in said notice. The Closing shall occur at such time and on such date as shall be specified in a written notice from the selected purchaser to the Owner, which date shall be at least five (5) days after the date on which such notice is given, and no later than the end of the time period specified in Section 4(a) above.

(c) To enable Owner to make conveyance as herein provided, Owner may, if Owner so desires at the time of delivery of the deed, use the purchase money or any portion thereof to clear the title of any or all encumbrances or interests, all instruments with respect thereto to be recorded simultaneously with the delivery of said deed. Nothing contained herein as to the Owner's obligation to remove defects in title or to make conveyance or to deliver possession of the Property in accordance with the terms hereof, as to use of proceeds to clear title or as to the election of the selected purchaser to take title, nor anything else in this Deed Rider shall be deemed to waive, impair or otherwise affect the priority of the rights herein over matters appearing of record, or occurring, at any time after the recording of this Deed Rider, all such matters so appearing or occurring being subject and subordinate in all events to the rights herein.

(d) Water and sewer charges and taxes for the then current tax period shall be apportioned and fuel value shall be adjusted as of the date of Closing and the net amount thereof shall be added to or deducted from, as the case may be, the purchase price payable by the selected purchaser.

(e) Full possession of the Property free from all occupants is to be delivered at the time of the Closing, the Property to be then in the same condition as it is in on the date of the execution of the purchase and sale agreement, reasonable wear and tear only excepted.

(f) If Owner shall be unable to give title or to make conveyance as above required, or if any change of condition in the Property not included in the above exception shall occur, then Owner shall be given a reasonable time not to exceed thirty (30) days after the date on which the Closing was to have occurred in which to remove any defect in title or to restore the Property to the condition herein required. The Owner shall use best efforts to remove any such defects in the title, whether voluntary or involuntary, and to restore the Property to the extent permitted by insurance proceeds or condemnation award. The Closing shall occur fifteen (15) days after notice by Owner that such defect has been cured or that the Property has been so restored. The selected purchaser shall have the election, at either the original or any extended time for performance, to accept such title as the Owner can deliver to the Property in its then condition and to pay therefor the purchase price without deduction, in which case the Owner shall convey such title, except that in the event of such conveyance in accordance with the provisions of this clause, if the Property shall have been damaged by fire or casualty insured against or if a portion of the Property shall have been taken by a public authority, then the Owner shall, unless the Owner has previously restored the Property to its former condition, either:

(A) pay over or assign to the selected purchaser, on delivery of the deed, all amounts recovered or recoverable on account of such insurance or condemnation award less any amounts reasonably expended by the Owner for any partial restoration, or

(B) if a holder of a mortgage on the Property shall not permit the insurance proceeds or the condemnation award or part thereof to be used to restore the Property to its former condition or to be so paid over or assigned, give to the selected purchaser a credit against the purchase price, on delivery of the deed,

equal to said amounts so retained by the holder of the said mortgage less any amounts reasonably expended by the Owner for any partial restoration.

6. Resale and Transfer Restrictions. (a) Except as otherwise provided herein, the Property or any interest therein shall not at any time be sold by the Owner, or the Owner's successors and assigns, and no attempted sale shall be valid, unless the aggregate value of all consideration and payments of every kind given or paid by the selected purchaser of the Property for and in connection with the transfer of such Property, is equal to or less than the Maximum Resale Price for the Property, and unless a certificate (the "Compliance Certificate") is obtained and recorded, signed and acknowledged by the Monitoring Agent which Compliance Certificate refers to the Property, the Owner, the selected purchaser thereof, and the Maximum Resale Price therefor, and states that the proposed conveyance, sale or transfer of the Property to the selected purchaser is in compliance with the rights, restrictions, covenants and agreements contained in this Deed Rider, and unless there is also recorded a new Deed Rider executed by the selected purchaser, which new Deed Rider is identical in form and substance to this Deed Rider.

(b) The Owner, any good faith purchaser of the Property, any lender or other party taking a security interest in such Property and any other third party may rely upon a Compliance Certificate as conclusive evidence that the proposed conveyance, sale or transfer of the Property to the selected purchaser is in compliance with the rights, restrictions, covenants and agreements contained in this Deed Rider, and may record such Compliance Certificate in connection with the conveyance of the Property.

(c) Within ten (10) days of the closing of the conveyance of the Property from the Owner to the selected purchaser, the Owner shall deliver to the Monitoring Agent a copy of the Deed of the Property, including the deed rider, together with recording information. Failure of the Owner, or Owner's successors or assigns to comply with the preceding sentence shall not affect the validity of such conveyance or the enforceability of the restrictions herein.

7. Survival of Restrictions Upon Exercise of Remedies by Mortgagees. (a) The holder of record of any mortgage on the Property (each, a "Mortgagee") shall notify the Monitoring Agent, the Municipality and any senior Mortgagee(s) in the event of any default for which the Mortgagee intends to commence foreclosure proceedings or similar remedial action pursuant to its mortgage (the "Foreclosure Notice"), which notice shall be sent to the Monitoring Agent and the Municipality as set forth in this Deed Rider, and to the senior Mortgagee(s) as set forth in such senior Mortgagee's mortgage, not less than one hundred twenty (120) days prior to the foreclosure sale or the acceptance of a deed in lieu of foreclosure. The Owner expressly agrees to the delivery of the Foreclosure Notice and any other communications and disclosures made by the Mortgagee pursuant to this Deed Rider.

(b) The Owner grants to the Municipality or its designee the right and option to purchase the Property upon receipt by the Municipality of the Foreclosure Notice. In the event that the Municipality intends to exercise its option, the Municipality or its designee shall purchase the Property within one hundred twenty (120) days of receipt of such notice, at a price equal to the greater of (i) the sum of the outstanding principal balance of the note secured by such foreclosing Mortgagee's mortgage, together with the outstanding principal balance(s) of any note(s) secured

by mortgage(s) senior in priority to such mortgage (but in no event shall the aggregate amount thereof be greater than one hundred percent (100%) of the Maximum Resale Price calculated at the time of the granting of the mortgage) plus all future advances, accrued interest and all reasonable costs and expenses which the foreclosing Mortgagee and any senior Mortgagee(s) are entitled to recover pursuant to the terms of such mortgages (the "Mortgage Satisfaction Amount"), and (ii) the Maximum Resale Price (which for this purpose may be less than the purchase price paid for the Property by the Owner)(the greater of (i) and (ii) above herein referred to as the "Applicable Foreclosure Price"). The Property shall be sold and conveyed in its then-current "as is, where is" condition, without representation or warranty of any kind, direct or indirect, express or implied, and with the benefit of and subject to all rights, rights of way, restrictions, easements, covenants, liens, improvements, housing code violations, public assessments, any and all unpaid federal or state taxes (subject to any rights of redemption for unpaid federal taxes), municipal liens and any other encumbrances of record then in force and applicable to the Property having priority over such foreclosing Mortgagee's mortgage, and further subject to a Deed Rider identical in form and substance to this Deed Rider which the Owner hereby agrees to execute, to secure execution by the Municipality or its designee, and to record with the deed, except that (i) during the term of ownership of the Property by the Municipality or its designee the owner-occupancy requirements of Section 2 hereof shall not apply (unless the designee is an Eligible Purchaser), and (ii) the Maximum Resale Price shall be recalculated based on the price paid for the Property by the Municipality or its designee, but not greater than the Applicable Foreclosure Price. **Said deed shall clearly state that it is made subject to the Deed Rider which is made part of the deed.** Failure to comply with the preceding sentence shall not affect the validity of the conveyance from the Owner to the Municipality or its designee or the enforceability of the restrictions herein.

(c) Not earlier than one hundred twenty (120) days following the delivery of the Foreclosure Notice to the Monitoring Agent, the Municipality and any senior Mortgagee(s) pursuant to subsection (a) above, the foreclosing Mortgagee may conduct the foreclosure sale or accept a deed in lieu of foreclosure. The Property shall be sold and conveyed in its then-current "as is, where is" condition, without representation or warranty of any kind, direct or indirect, express or implied, and with the benefit of and subject to all rights, rights of way, restrictions, easements, covenants, liens, improvements, housing code violations, public assessments, any and all unpaid federal or state taxes (subject to any rights of redemption for unpaid federal taxes), municipal liens and any other encumbrances of record then in force and applicable to the Property having priority over the foreclosing Mortgagee's mortgage, and further subject to a Deed Rider, as set forth below.

(d) In the event that the foreclosing Mortgagee conducts a foreclosure sale or other proceeding enforcing its rights under its mortgage and the Property is sold for a price in excess of the greater of the Maximum Resale Price and the Mortgage Satisfaction Amount, such excess shall be paid to the Municipality for its Affordable Housing Fund after (i) a final judicial determination, or (ii) a written agreement of all parties who, as of such date hold (or have been duly authorized to act for other parties who hold) a record interest in the Property, that the Municipality is entitled to such excess. The legal costs of obtaining any such judicial determination or agreement shall be deducted from the excess prior to payment to the

Municipality. To the extent that the Owner possesses any interest in any amount which would otherwise be payable to the Municipality under this paragraph, to the fullest extent permissible by law, the Owner hereby assigns its interest in such amount to the Mortgagee for payment to the Municipality.

(e) If any Mortgagee shall acquire the Property by reason of foreclosure or upon conveyance of the Property in lieu of foreclosure, then the rights and restrictions contained herein shall apply to such Mortgagee upon such acquisition of the Property and to any purchaser of the Property from such Mortgagee, and the Property shall be conveyed subject to a Deed Rider identical in form and substance to this Deed Rider, which the Mortgagee that has so acquired the Property agrees to annex to the deed and to record with the deed, except that (i) during the term of ownership of the Property by such Mortgagee the owner-occupancy requirements of Section 2 hereof shall not apply, and (ii) the Maximum Resale Price shall be recalculated based on the price paid for the Property by such Mortgagee at the foreclosure sale, but not greater than the Applicable Foreclosure Price. **Said deed shall clearly state that it is made subject to the Deed Rider which is made part of the deed.** Failure to comply with the preceding sentence shall not affect the validity of the conveyance to the Mortgagee or the enforceability of the restrictions herein.

(f) If any party other than a Mortgagee shall acquire the Property by reason of foreclosure or upon conveyance of the Property in lieu of foreclosure, the Property shall be conveyed subject to a Deed Rider identical in form and substance to this Deed Rider, which the foreclosing Mortgagee agrees to annex to the deed and to record with the deed, except that (i) if the purchaser at such foreclosure sale or assignee of a deed in lieu of foreclosure is an Ineligible Purchaser, then during the term of ownership of the Property by such Ineligible Purchaser, the owner-occupancy requirements of Section 2 hereof shall not apply, and (ii) the Maximum Resale Price shall be recalculated based on the price paid for the Property by such third party purchaser at the foreclosure sale, but not greater than the Applicable Foreclosure Price. **Said deed shall clearly state that it is made subject to the Deed Rider which is made part of the deed.** Failure to comply with the preceding sentence shall not affect the validity of the conveyance to such third party purchaser or the enforceability of the restrictions herein.

(g) Upon satisfaction of the requirements contained in this Section 7, the Monitoring Agent shall issue a Compliance Certificate to the foreclosing Mortgagee which, upon recording in the Registry, may be relied upon as provided in Section 6(b) hereof as conclusive evidence that the conveyance of the Property pursuant to this Section 7 is in compliance with the rights, restrictions, covenants and agreements contained in this Deed Rider.

(h) The Owner understands and agrees that nothing in this Deed Rider or the Regulatory Agreement (i) in any way constitutes a promise or guarantee by MassHousing, DHCD, the Municipality or the Monitoring Agent that the Mortgagee shall actually receive the Mortgage Satisfaction Amount, the Maximum Resale Price for the Property or any other price for the Property, or (ii) impairs the rights and remedies of the Mortgagee in the event of a deficiency.

(i) If a Foreclosure Notice is delivered after the delivery of a Conveyance Notice as provided in Section 4(a) hereof, the procedures set forth in this Section 7 shall supersede the provisions of Section 4 hereof.

8. Covenants to Run With the Property. (a) This Deed Rider, including all restrictions, rights and covenants contained herein, is an affordable housing restriction as that term is defined in Section 31 of Chapter 184 of the Massachusetts General Laws, having the benefit of Section 32 of such Chapter 184, and is enforceable as such. This Deed Rider has been approved by the Director of DHCD.

(b) In confirmation thereof the Grantor and the Owner intend, declare and covenant (i) that this Deed Rider, including all restrictions, rights and covenants contained herein, shall be and are covenants running with the land, encumbering the Property for the Term, and are binding upon the Owner and the Owner's successors in title and assigns, (ii) are not merely personal covenants of the Owner, and (iii) shall enure to the benefit of and be enforceable by the Municipality, the Monitoring Agent and DHCD and their successors and assigns, for the Term. Owner hereby agrees that any and all requirements of the laws of the Commonwealth of Massachusetts have been satisfied in order for the provisions of this Deed Rider to constitute restrictions and covenants running with the land and that any requirements of privity of estate have been satisfied in full.

9. Notice. Any notices, demands or requests that may be given under this Deed Rider shall be sufficiently served if given in writing and delivered by hand or mailed by certified or registered mail, postage prepaid, return receipt requested, to the following entities and parties in interest at the addresses set forth below, or such other addresses as may be specified by any party (or its successor) by such notice.

Municipality:

Grantor:

Owner:

Monitoring Agent[s]

- (1) Director, Local Initiative Program
DHCD
100 Cambridge Street
Suite 300
Boston, MA 02114

5663

(2)

Others:

Any such notice, demand or request shall be deemed to have been given on the day it is hand delivered or mailed.

10. Further Assurances. The Owner agrees from time to time, as may be reasonably required by the Monitoring Agent, to furnish the Monitoring Agent upon its request with a written statement, signed and, if requested, acknowledged, setting forth the condition and occupancy of the Property, information concerning the resale of the Property and other material information pertaining to the Property and the Owner's conformance with the requirements of the Comprehensive Permit, Program and Program Guidelines, as applicable.

11. Enforcement. (a) The rights hereby granted shall include the right of the Municipality and the Monitoring Agent to enforce this Deed Rider independently by appropriate legal proceedings and to obtain injunctive and other appropriate relief on account of any violations including without limitation relief requiring restoration of the Property to the condition, affordability or occupancy which existed prior to the violation impacting such condition, affordability or occupancy (it being agreed that there shall be no adequate remedy at law for such violation), and shall be in addition to, and not in limitation of, any other rights and remedies available to the Municipality and the Monitoring Agent.

(b) Without limitation of any other rights or remedies of the Municipality and the Monitoring Agent, or their successors and assigns, in the event of any sale, conveyance or other transfer or occupancy of the Property in violation of the provisions of this Deed Rider, the Municipality and Monitoring Agent shall be entitled to the following remedies, which shall be cumulative and not mutually exclusive:

- (i) specific performance of the provisions of this Deed Rider;
- (ii) money damages for charges in excess of the Maximum Resale Price, if applicable;
- (iii) if the violation is a sale of the Property to an Ineligible Purchaser except as permitted herein, the Monitoring Agent and the Municipality shall have the option to locate an Eligible Purchaser to purchase or itself purchase the Property from the Ineligible Purchaser on the terms and conditions provided herein; the purchase price shall be a price which complies with the provisions of this Deed

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Rider; specific performance of the requirement that an Ineligible Purchaser shall sell, as herein provided, may be judicially ordered.

(iv) the right to void any contract for sale or any sale, conveyance or other transfer of the Property in violation of the provisions of this Deed Rider in the absence of a Compliance Certificate, by an action in equity to enforce this Deed Rider; and

(v) money damages for the cost of creating or obtaining a comparable dwelling unit for an Eligible Purchaser.

(c) In addition to the foregoing, the Owner hereby agrees and shall be obligated to pay all fees and expenses (including legal fees) of the Monitoring Agent and/or the Municipality in the event successful enforcement action is taken against the Owner or Owner's successors or assigns. The Owner hereby grants to the Monitoring Agent and the Municipality a lien on the Property, junior to the lien of any institutional holder of a first mortgage on the Property, to secure payment of such fees and expenses in any successful enforcement action. The Monitoring Agent and the Municipality shall be entitled to seek recovery of fees and expenses incurred in a successful enforcement action of this Deed Rider against the Owner and to assert such a lien on the Property to secure payment by the Owner of such fees and expenses. Notwithstanding anything herein to the contrary, in the event that the Monitoring Agent and/or Municipality fails to enforce this Deed Rider as provided in this Section, DHCD, if it is not named as Monitoring Agent, shall have the same rights and standing to enforce this Deed Rider as the Municipality and Monitoring Agent.

(d) The Owner for himself, herself or themselves and his, her or their successors and assigns, hereby grants to the Monitoring Agent and the Municipality the right to take all actions with respect to the Property which the Monitoring Agent or Municipality may determine to be necessary or appropriate pursuant to applicable law, court order, or the consent of the Owner to prevent, remedy or abate any violation of this Deed Rider.

12. Monitoring Agent Services; Fees. The Monitoring Agent shall monitor compliance of the Project and enforce the requirements of this Deed Rider. As partial compensation for providing these services, a Resale Fee [] shall [] shall not be payable to the Monitoring Agent on the sale of the Property to an Eligible Purchaser or any other purchaser in accordance with the terms of this Deed Rider. This fee, if imposed, shall be paid by the Owner herein as a closing cost at the time of Closing, and payment of the fee to the Monitoring Agent shall be a condition to delivery and recording of its certificate, failing which the Monitoring Agent shall have a claim against the new purchaser, his, her or their successors or assigns, for which the Monitoring Agent may bring an action and may seek an attachment against the Property.

13. Actions by Municipality. Any action required or allowed to be taken by the Municipality hereunder shall be taken by the Municipality's Chief Executive Officer or designee.

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14. Severability. If any provisions hereof or the application thereof to any person or circumstance are judicially determined, to any extent, to be invalid or unenforceable, the remainder hereof, or the application of such provision to the persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby.

15. Independent Counsel. THE OWNER ACKNOWLEDGES THAT HE, SHE, OR THEY HAVE READ THIS DOCUMENT IN ITS ENTIRETY AND HAS HAD THE OPPORTUNITY TO CONSULT LEGAL AND FINANCIAL ADVISORS OF HIS, HER OR THEIR CHOOSING REGARDING THE EXECUTION, DELIVERY AND PERFORMANCE OF THE OBLIGATIONS HEREUNDER.

16. Binding Agreement. This Deed Rider shall bind and inure to the benefit of the persons, entities and parties named herein and their successors or assigns as are permitted by this Deed Rider.

17. Amendment. This Deed Rider may not be rescinded, modified or amended, in whole or in part, without the written consent of the Monitoring Agent, the Municipality and the holder of any mortgage or other security instrument encumbering all or any portion of the Property, which written consent shall be recorded with the Registry.

Executed as a sealed instrument this _____ day of _____, 200_.

Grantor:

Owner:

By _____

By _____

REGISTRY OF DEEDS
SOUTHERN DISTRICT
ATTEST

Eugene C. Brune

REGISTER

5666



Town of Reading
16 Lowell Street
Reading, MA 01867-2685

FAX: (781) 942-9071
Email: townmanager@ci.reading.ma.us
Website: www.readingma.gov

TOWN MANAGER
(781) 942-9043

November 14, 2013

To All Liquor Licensees:

The Board of Selectmen will be approving liquor license renewals at their meeting on November 26, 2013. Prior to their approval, the Reading Coalition Against Substance (RCASA) will be giving the Board their annual update and will cover current RCASA activities and programs including resources for liquor licenses.

The Board of Selectmen believe you will find this half hour presentation informative and invite you to attend at 7:45 p.m. in the Selectmen's Meeting Room on November 26, 2013.

You can reach me at 781-942-9043 if you have any questions. We hope to see you there.

Sincerely,

Robert W. LeLacheur, Jr.
Town Manager

RWL/ps

cc: Board of Selectmen

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**Underage Alcohol Enforcement Report
2013 Summary of Local Alcohol Compliance efforts
Chief James W. Cormier
Reading Police Department
Reading, MA 01867**

Following a thorough community needs assessment in 2007, Chief James Cormier, Lt. Richard Robbins, Executive Officer, and Sgt. Detective Mark Segalla, Criminal Division Commander worked collaboratively with the Reading Coalition Against Substance Abuse (RCASA) to secure funds and resources to improve alcohol compliance. RCASA provided training and funds for the Detective's Division in 2008 to develop a pilot alcohol compliance project.

Following the success of that project, the Reading Police Department pursued grant funds through the Massachusetts Executive Office of Public Safety to expand efforts to reduce youth access to alcohol and increase alcohol compliance efforts from December 2008 -September 2013.

Over six years, Reading Police conducted 153 checks. There were thirteen liquor violations, which indicate the overall compliance rate is 92%. The activities described in this report are part of a larger community initiative to reduce access to alcohol using environmental strategies that share information, build skills, and change policies.

The Reading Police Department would like to thank the Town Manager and Board of Selectman for their commitment to alcohol compliance and to the Highway Safety Division, Office of Grants and Research for the Executive Office of Public Safety and Security in Massachusetts for grant guidance and funding support.

Review of Alcohol Compliance Efforts: Reading Police Department (RPD)

In 2005, Town Meeting members identified the issue of underage drinking in Reading as a high priority in Reading, Massachusetts. In 2006, the police chief, town manager, superintendent, and residents representing 12 community sectors formed the Reading Coalition Against Substance Abuse (RCASA) to combat the pervasiveness of substance abuse among the citizens of Reading. Since this time, RPD and RCASA have worked together to identify needs and implement change.

Needs Assessment

The Reading Police worked in partnership with RCASA to conduct a thorough needs assessment. First, the police department conducted an internal survey of officers about the issue of underage drinkingⁱ. The results indicated that officers spent considerable time responding to calls related to underage drinking but utilized a variety of tactics to address these situations.

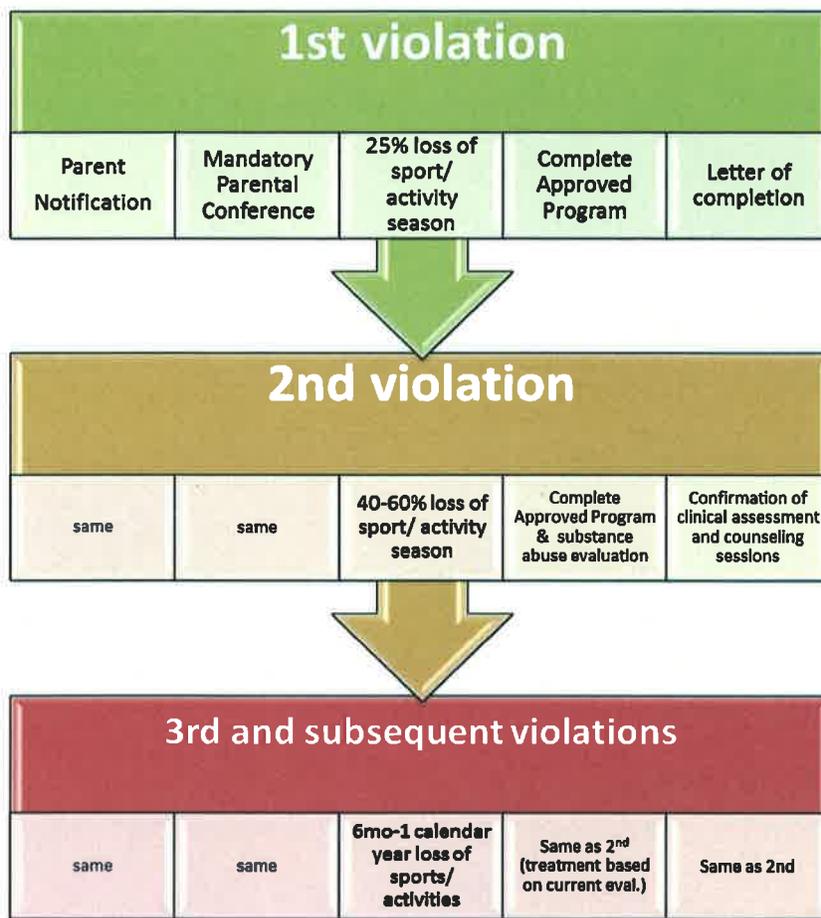
Police log reportsⁱⁱ confirmed there were a significant number of complaints and calls for service related to underage drinking. From 2008-2009, officers reviewed internal policies and protocols with the support of JBS Professional Services and RCASA. They identified a number of areas needed for training and policy development. This information inspired a series of professional development opportunities on Alcohol Compliance, Party Patrols, Shoulder Tap, and Fraudulent IDs.

Other data collected to support the needs assessment included:

- ✓ Middle and High School Youth Risk Behavior Surveys
- ✓ PRIDE School Faculty and Parent Surveys
- ✓ Coalition Survey
- ✓ Key informant interviews
- ✓ Focus groups
- ✓ Trainings/workshop data
- ✓ Police Data (log reports, calls for service)
- ✓ Health Data (local Cause of Death data)
- ✓ EMS (calls for service)
- ✓ Compliance Surveys for alcohol and tobacco
- ✓ Environmental Scans
- ✓ Policy reviews (alcohol, tobacco, police & school protocols)

The School Risk Behavior Surveys for middle and high school students indicated a high number of youth abuse alcohol and require intervention. The RCASA Data Workgroup updated the survey on a bi-annual basis and shared results with the community.

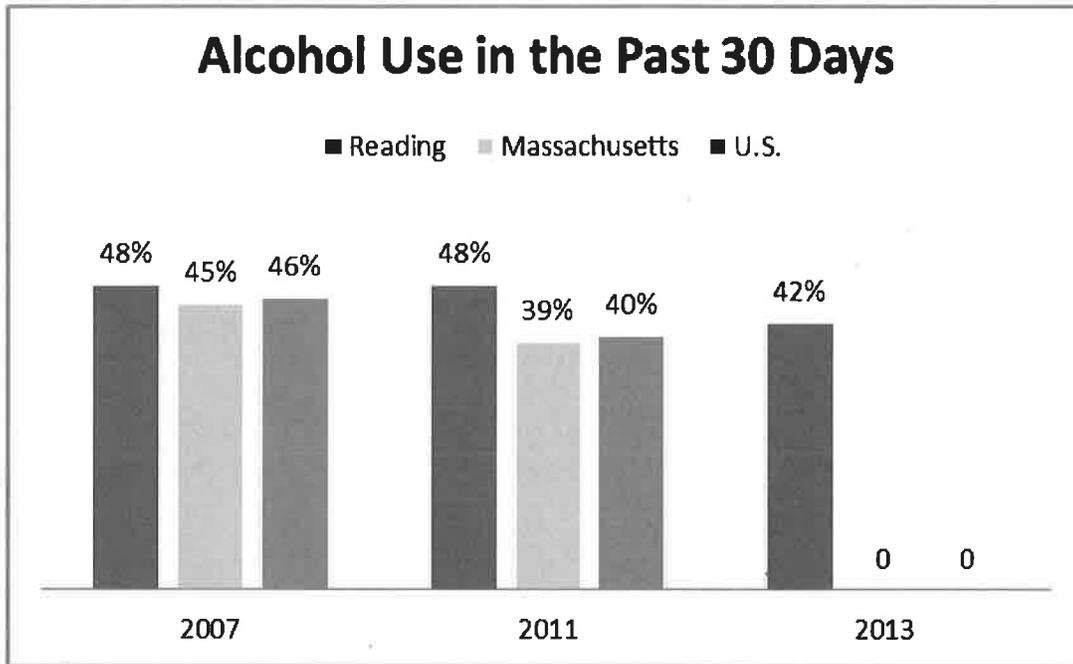
In 2012 Reading Public Schools crafted a progressive discipline policy regarding any Chemical Health violations involving students enrolled in any extracurricular activityⁱⁱⁱ. The policy requires students with a first violation to lose a percentage of their season for a violation and participate in an education program.



In addition to the school policies, Chief James Cormier issued a Zero Tolerance Policy in 2012 for the Reading Police Department regarding juveniles and substance use. This policy requires officers to document all interactions with juveniles and take issues of substance use seriously. First time offenders are candidates for the Reading Police Juvenile Diversion Program. Youth and their parents appear before a Clerk Magistrate. The Reading Police Prosecutor provides relevant information on their infraction. If youth agree to complete court-required conditions including the education class, community service and an essay, they will not have a record of their offense.

RCASA staff launched the education class for school violations and diversion in October of 2012. The class is offered monthly. Background material for the program was drawn from "Alternate Routes: An Alcohol Diversion Program^{iv}" and the "Creating Lasting Family Connections Program^v": Since the program started, we have served 77 youth.

Youth who receive a School Chemical Health Violation and Court Diversion Contract are only required to take the educational course once. Together with our Alcohol Compliance work, these policies and program represent a change in how our community holds young people accountable for underage drinking and related violations. The 2013 Reading Youth Risk Behavior Survey results showed significant progress regarding underage drinking.



• Figure 1: Reading High School results, U.S. and MA results not available for 2013

Training & Compliance Operations

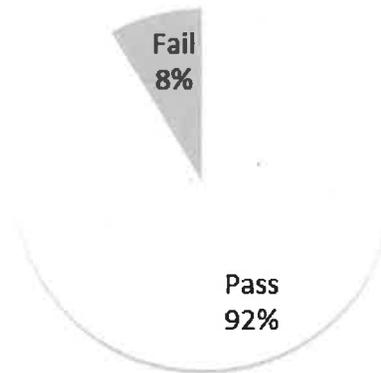
From 2008-2013, the Reading Police Department carried out alcohol compliance operations with the support of funds from the Massachusetts Office of the Attorney General and the Massachusetts Executive Office of Public Safety and Security. These operations would not have been possible without the support of a comprehensive training plan involving key stakeholders. Following alcohol compliance training, detectives conducted a series of operations. Violations were referred to the Reading Board of Selectman^{vi}. Public hearings were conducted. The LLA administered violations in all cases referred by police.

For this grant year, RCASA conducted training on underage drinking prevention and youth risk behavior for new officers. Additionally, officers received training from the Chief of Police on documenting juvenile incidents related to substance use or abuse, particularly underage drinking.

The following chart depicts the overall pass/fail rate from 2008-2013.

505

**Reading Police Department
Alcohol Compliance Checks
2008-2013: % of Pass/Fail**



EOPPS Grant Activities Summary: 2013

Educational Activities

RCASA and Reading Police collaborated on a series of educational opportunities.

RCASA Staff, Corey Santasky (School Resource Officer) and Justin Martel (Safety Officer) worked with representatives from Gilbert and Arbella Insurance to offer a special program for high school students from March 10-16th of 2013.



The Distractology van was stationed at the RMHS Hawkes Field House. Sixty students participated in the simulator, which brings the issue of impaired driving to life. Students were also able to visit the trailer and observe the student in the simulator and to see how they fared when distracted.

Over 1200 students participated in the 2013 Health and Wellness Day on March 13, 2013, which also featured messages on underage drinking prevention.

In April and May, the School Resource Officer and School Administrators conducted safe party prevention program including educational assemblies for junior and senior classes and ensured trained chaperones used school breathalyzers.

In May, the RCASA Director and School Resource Officer facilitated impaired driving prevention workshops for 120 juniors in Health Issues classes. The film "Point of No Return" was shown and legal consequences discussed.

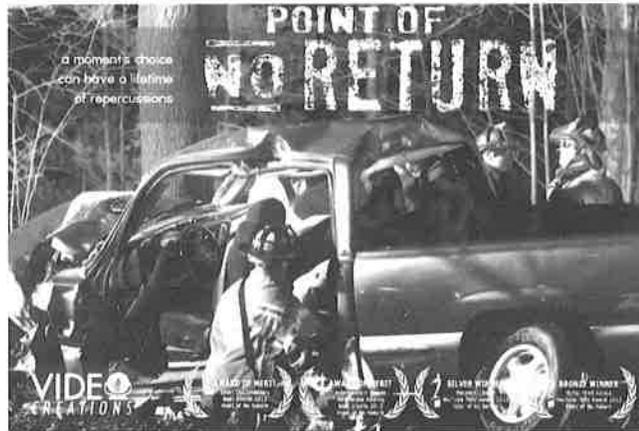
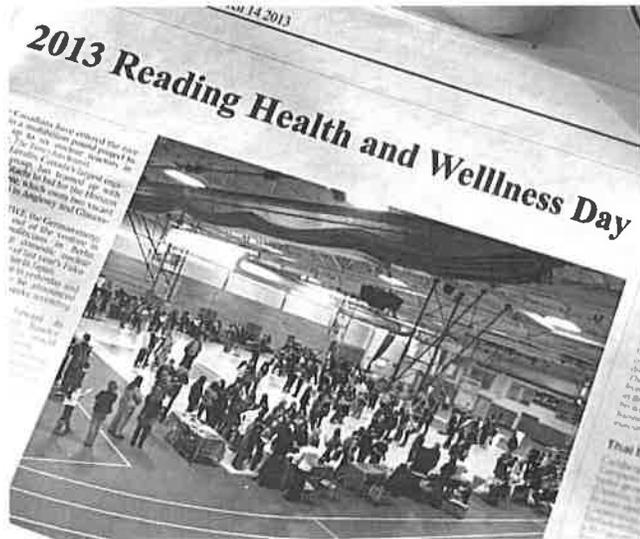
In July and August, RCASA worked with Youth Leaders to continue prevention work.

In September, RCASA and Reading Police presented results of the Chemical Health Education Program to residents at the RCASA Annual Meeting.

• Pictured right:
Corey Santasky, School
Resource Office
presents at RCASA
Annual Meeting on
9/26/13

Operations

The following summary describes operations conducted from March 2013-September 2013. Educational activities took place in March, May, July and August.



In 2013, the Reading Police issued a Press Release of the Annual Public Information Notice for compliance operations. The team planned party patrol and surveillance operations for June and September.

In June, Detectives conducted a Party Patrol operation. Locations checked during the Party Patrol included schools, parks, playgrounds, cemeteries and conservation land. During the operation, they provided back-up to patrol officers at 8:56 p.m. for a suicidal female with previous history of cutting and pill use. There was no sign of alcohol or drug use that evening and the female received medical transport. A compliance operation involved two underage operatives and was conducted on June 20, 2013. There were 23 checks with 1 failure. The following locations were checked:

| Business | Type | Result |
|-------------------------------|-------------------|---|
| American Legion Post 62 | On premise | Passed |
| Bangkok Spice Thai Restaurant | On premise | Passed |
| Bertucci's Italian Restaurant | On premise | Passed |
| Café Capri | On premise | Passed |
| Chili's Grill & Bar | On premise | Passed |
| Fuddruckers | On premise | Passed |
| Grumpy Doyle's | On premise | Passed |
| Knights of Columbus, | On premise | Passed |
| Longhorn Steak House | On premise | Passed |
| Mandarin Reading Restaurant | On premise | Passed |
| Meadow Brook Golf Club | On premise | Failed 'sale to a minor'. Violation referred to Liquor Licensing Board for hearing. Board issued 2-day suspension of license (1st offense). |
| Oye's Restaurant | On premise | Passed |
| Portland Pie Company | On premise | Met manager during "soft opening". Apprised staff of compliance requirements. |
| Reading Overseas Veterans | On premise | Passed |
| Ristorante Pavarotti | On premise | Passed |
| Romano's Macaroni Grill | On premise | Passed |
| Sam's Bistro | On premise | Passed |
| Busa's Reading Liquors | Off premise | Passed |
| Jay and Ricky Inc. | Off premise, | Passed. New location and name transfer (formerly Northside Liquors) |
| Square Liquors- | Off premise | Passed |
| The Wine Shop- | Off premise | Passed |
| The Wine Bunker | Off premise | Passed |

The following operations were conducted in September:

9/19/13- Party patrol operation was conducted at local parks, underage drinking hotspots, fields, and schools. These locations were previously identified using text a tip, review of 'calls for service' and surveillance.

9/20/13- Alcohol compliance written reminders were given to the managers at all 23 establishments and the group also conducted party patrol of neighborhoods and playgrounds. No problems detected.

9/26/13- Party patrol operation was conducted at local parks, underage drinking hotspots, fields, and schools. No problems detected.

9/27/13-Party patrol operation was conducted at a night high school football game (staggered shifts to address pre and post-game issues). No problems detected in 2013 as compared to party patrols in September of 2012 which yield 4 intoxicated youth at football games on different occasions

Program success and noteworthy achievements

In working toward keeping alcoholic beverages out of the hands of underage youth, the Reading Police Department conducted enforcement operations that targeted special areas of concern for our town. The goals and progress notes for this program included:

| 2013 Goals Objectives & Results | |
|---|---|
| Goal 1: Improve compliance rate of all licences for 'no sales to minors' from 81% to 100%: | |
| Obj. Obtain a 0% incidence of sales of alcohol to minors through the Compliance Checks Program | In June of 2013, there were 23 checks with 1 failure. |
| Obj. Work with RCASA to promote responsible beverage service education | RCASA offered responsible beverage service education for business owners. |
| Obj. Work with local businesses to educate them on the importance of 100% compliance | Officers worked with RCASA to develop a compliance memo, which was delivered to all of the licenses by officers in September. |
| Goal 2: Reduce alcohol use and binge drinking by persons under 21 | |
| Obj. Conduct surveillance patrols to reduce underage drinking | Patrols conducted. |
| Obj. Improve departmental response to prevent and respond to calls related to underage drinking | Chief's ZERO TOLERANCE policy and Reading Police Diversion Program used as tools. The patrol officers encountered 29 juveniles that were charged with 'minor in possession of alcohol'. |

| | |
|--|--|
| | Juveniles referred to the diversion program. |
| Obj. Decrease the number of underage drinking hotspots through the Party Patrols Program, with a special emphasis on increased patrols during September | Party patrols were conducted at football games since intoxicated youth were identified in 2012. No issues with underage drinking at the 2013 event. |
| Obj. Implement collaborative activities with RCASA including the Distractology Exhibit in March | Activities with RCASA included training, compliance, school outreach using the Distractology Exhibit in March, and monthly education program for diversion cases. |
| Obj. Promote a safe party prevention program with local schools | Party prevention conducted during proms and special events including use of Trained Chaperones and School Breathalyzers. |
| Obj. SRO to meet weekly with RCASA Youth Leaders and support impaired driving prevention through the Health Class for 11 th graders | SRO and RCASA Director educated 120 juniors on impaired driving prevention in May. |
| Obj. Continue the tip411 program (anonymous text and web tips) | Tips program was renewed. Tips processed as received by the Detectives Unit. School related tips followed up by the SRO. |
| Obj. Work with Middlesex DA's Office to improve local diversion options for juveniles and work with high school team on new in-school suspension program | Collaboration with the RCASA, Schools, Clerk Magistrates at Woburn and Lowell District Courts and DA's office has resulted in better outcomes in juveniles cases related to underage drinking. |

Program Challenges

We had less operational activity in July and August. However, we rescheduled operations for September when a larger amount of youth would be in the community.

Proposed Changes/Program Adjustments

None at this time.

Grant related news articles

The Reading Police Department released public announcements for publication in the Reading Daily Times Chronicle (daily paper), the Reading Advocate (weekly paper) and Reading Patch (e-news). Chief Cormier and the RCASA Director shared grant progress with coalition members at monthly board meetings. The police department worked

closely with RCASA to release information to members including updates at the RCASA Annual Meeting in September of 2013.

Published articles are posted on the sites below:

- *Reading Daily Times Chronicle*
<http://homenewshere.com/daily-times-chronicle/news/reading/article-76bf31c4-dcfe-11e2-a69f-001a4bcf887a.html>
- *Reading Patch- online news source*
<http://reading.patch.com/groups/police-and-fire/p/police-conduct-alcohol-checks-at-reading-businesses>
<http://reading.patch.com/groups/police-and-fire/p/rpd-combats-underage-drinking>
- *Reading Advocate- weekly print newspaper with online access through wickedlocal*
<http://www.wickedlocal.com/reading/news/x1533294598/Police-receive-grant-to-combat-underage-drinking>
- *Reading Police Twitter (1800 followers)- promotes activities of the Reading Police and all press releases.*

Financial resources expended

Funds from the highway safety division grant administered by the MA Executive Office of Public Safety and Security were used to support costs to conduct compliance operations. Also, in-kind contributions were received from the Reading Police Department and RCASA. In total, more than \$6250 in grant and in-kind spending was made in support of this program.

Acknowledgements

The compliance goals that were achieved could not have been met without the funding support of the MA Executive Office of Public Safety and Security. Thank you to Chief Cormier, Lt. Robbins, Sgt. Det. Segalla, Det. Holmes, Det. Saunders, Det. Halloran, Det. Iapicca, School Resource Officer Santasky. Thank you to Andrew Scribner-MacLean for grant management and reporting support.

Contact information

| | | |
|-----------------------------------|--------------|--|
| Chief Cormier, Reading Police | 781-944-1212 | JCormier@ci.reading.ma.us |
| Sgt. Det. Segalla, Reading Police | 781-942-6774 | Msegalla@ci.reading.ma.us |

Report compiled by:

| | | |
|-----------------------|--------------|--|
| Erica McNamara, RCASA | 781-942-6793 | Emcnamara@ci.reading.ma.us |
|-----------------------|--------------|--|

ⁱ Survey adapted from Cambridge Police Survey and administered in March of 2008

ⁱⁱ Reading PD, Microsystems, 2008

ⁱⁱⁱ Activities include all sports, clubs, drama, and band

^{iv} By Laura Burney Nissen, PhD, MSW from Hazelden (<http://www.hazelden.org/>);

^v Series by Ted Strader, M.S. and Tim Noe from the Council on Prevention and Education
(<http://www.copes.org/products.php>)

^{vi} Selectman serves as the Local Licensing Authority

**RCASA Grants Under Management
As of 11/21/13**

Current RCASA Grant Funding: We currently receive town funds to offset staffing costs not covered by grant.

| Grant | Source | Amount | Type | Time Frame | Project | Summary of Benefits |
|------------------------|---|------------|-------------------------------|------------|--|--|
| SAMHSA STOP ACT | FEDERAL-Sober Truth on Underage Drinking (STOP) | \$ 193,032 | 4 yr grant (renewal annually) | 2012-2016 | RCASA Underage Drinking Prevention Project | To partially support staffing and supplies |

Grants written by RCASA: Alcohol Compliance Initiative at Reading Police Dept.

| Grant | Source | Amount | Type | Time Frame | Project | Summary of Benefits |
|--------------------------------|--------------------------------------|-----------|---|--------------|--------------------|--|
| Highway Safety Division | MA Executive Office of Public Safety | \$ 25,000 | 1 year grants, competitive annual application | 2009-present | Alcohol Compliance | Funded officers time to conduct Compliance Checks, Surveillance & Party Patrol Operations. |

History of RCASA Funding: \$826,727 in grant-funds received to date for all of the RCASA projects is summarized below.

| Grant | Source/Division | Amount | Type | Time Frame | Project | Summary of Benefits |
|--|-------------------------------------|-----------|----------|------------|--|---|
| Health Resources in Action (formerly Med. Found.) | STATE PASS THRU- Tobacco Prevention | \$3,000 | 1x grant | 2012-2013 | RCASA Youth Crew-Educating community stakeholders on tobacco advertising | Youth conducted 4 community presentations on tobacco advertising and participated in 2 statewide events. |
| The Medical Foundation | STATE PASS THRU-Healthy Communities | \$10,000 | 1x grant | 2006 | Reading Healthy Communities Project | Developed RCASA Strategic Plan; paid for RCASA consultant; 6 town staff trained in 9mo program |
| The Medical Foundation | STATE PASS THRU-Healthy Communities | \$10,000. | 1x grant | 2008 | RCASA Youth Crew Photovoice Project | 10 digital cameras 20 youth trained 1700 photos shot 300 piece photo display created Recognized by MAADD and CADCA |
| The Medical Foundation | STATE PASS THRU- Tobacco Prevention | \$10,000. | 1x grant | 2008 | RCASA Youth Crew Block Project | -500 piece art display designed by local children -25 classroom presentations for elementary children conducted by RCASA Youth |

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**RCASA Grants Under Management
As of 11/21/13**

| | | | | | | |
|---|--|-----------|--|-----------|--|--|
| Attorney General's Office (funds from Purdue Pharma lawsuit) | STATE- Alcohol & Rx Prevention | \$71,966 | 1x grant | 2008 | RCASA Training & Development Project | Staffing; RCASA media products designed and advertised; Police training; surveys conducted; Selectman trained; youth and parent presentation; alcohol policies reviewed and changed. |
| MA Exec. Office of Public Safety & Security | STATE- Underage Alcohol Enforcement | \$20,000 | 1x grant (applied annually) | 2008-2012 | Reading Police Alcohol Compliance | 5 officers trained in compliance; Officers conducted 4-6 compliance programs per year x23 licensees. |
| Drug Free Communities | FEDERAL- Office of National Drug Control Policy & SAMHSA Center for Substance Abuse Prevention | \$499,979 | 5 yr grant (renewal annually until 2012) | 2008-2012 | Reading Coalition Against Substance Abuse | 1.5 FTE, evaluation services, in state and national training for RCASA staff and 2 officers, materials development, Text a Tip, Rx Round Up, Youth Crew Programs developed. |
| SAMHSA Town Hall Event | FEDERAL- Underage Drinking | \$3,000 | 1x stipend (applied annually) | 2008-2012 | Community Dialogue Events | RCASA hosted community dialogues focused on underage drinking. Youth recruited. |
| Health Resources in Action (formerly Med. Found.) | STATE PASS THRU- Tobacco Prevention | \$3,750 | 1x grant | 2011 | RCASA Youth Crew Other Tobacco Product Surveys Project | -12 youth locally trained -105 surveys of tobacco retailers -67 adults trained -7 youth & 1 adult received statewide training |
| Health Resources in Action (formerly Med. Found.) | STATE PASS THRU- Tobacco Prevention | \$5,000 | 1x grant | 2011 | RCASA Youth Crew- Banning Tobacco in Pharmacies | -15 youth trained -Board of Health trained on key health and legal issues -Tobacco banned in 4 local pharmacies. |
| SAMHSA | FEDERAL Sober Truth on Underage Drinking | \$193,032 | 4 yr grant (renewal annually) | 2012-2016 | RCASA Underage Drinking Prevention Project | To partially support staffing and supplies to implement changes in 7 areas to reduce underage drinking based on the University of Virginia APPLE Model. |
| | | | | | | \$826,727 |

5014

**RCASA Grants Under Management
As of 11/21/13**

Grant Results: A summary of the Federal Drug Free Communities closed out in September of 2012.

| Drug Free Communities Grant Period: 9/30/2007-9/29/2012 | |
|--|---|
| Fiscal agent | Town of Reading |
| Coalition | Reading Coalition Against Substance Abuse (RCASA) |
| Grant Funds | Grant funds totalled \$499,979. The town provided the in-kind match as required. |
| Grant Goals | Goal 1. Establish and strengthen local collaboration efforts Goal 2. Reduce substance use among youth in Reading, MA |
| Goal : Results | <p><i>Residents Collaboration with Town Stakeholders</i></p> <ul style="list-style-type: none"> ✓ Developed an organizational structure to carry out prevention work ✓ Gathered data through school, police, faculty, parent, and youth surveys ✓ Trained 100 prevention advocates by forming our Board of Directors, Youth Crew, Student Club, and prevention workgroups. ✓ Educated 5,000 residents on substance abuse issues. ✓ Hosted 12 community dialogues events <p><i>Policy Collaboration</i></p> <ul style="list-style-type: none"> ✓ The Board of Selectman, Town Manager and Police partnered to develop the Alcohol Enforcement, Compliance and Education program. ✓ Liquor policies were improved with help of a consultant. Key changes: 1) mandated Responsible Beverage Service Education, 2) Enhanced penalties for sales to a minor 3) Police Supervisors appointed as "Agents of the Liquor Licensing Board". ✓ School Committee approved: mandatory breathalyzer policy at dances, school search/seizure policies, and comprehensive Chemical Health Violation Regulations ✓ Youth Leaders worked with the Board of Health to ban tobacco sales in our 4 local pharmacies. Coalition leaders improved a series of tobacco regulations. ✓ Town meeting adopted a public consumption by-law on marijuana. They also eliminated potential medicinal marijuana dispensaries through a zoning by-law (pending AG approval) <p><i>Law Enforcement Collaboration</i></p> <ul style="list-style-type: none"> ✓ Strengthened police enforcement to reduce minors' access to alcohol through compliance checks (88% pass rate amongst local liquor licenses) ✓ Police implemented a "Text a Tip" program, our local anonymous tip line. ✓ Chief of Police developed strong enforcement protocols to better deal with minors and substance abuse. ✓ Police in concert with RCASA established the "Rx Round Up" and 5,600 bottles of unwanted medications. |

5015

**RCASA Grants Under Management
As of 11/21/13**

| |
|--|
| <p><i>School Collaboration</i></p> <ul style="list-style-type: none">✓ Teen Screen Program implemented to screen for substance abuse at the 8th and 10th grade levels.✓ New Comprehensive Health Education Programs passed by the School Committee and Town Meeting. <p>Goal 2 Results</p> <p>From 2005-2011, the Reading Youth Risk Behavior Survey results indicated percentage declines in key areas.</p> <p><i>High school age youth:</i></p> <ul style="list-style-type: none">⇓ Impaired driving rates (alcohol and/or drugs) declined by 4%⇓ Tobacco use declined in all areas including smokeless tobacco and cigar use⇓ Cigarette smoking declined by 14%⇓ Cigarette use before age 13 year olds went down by 8%⇓ Alcohol, marijuana, ecstasy, and methamphetamines use all declined by 2%⇓ Cocaine use went down 3% <p><i>Middle school age youth:</i></p> <ul style="list-style-type: none">⇓ The rate of youth driving with an impaired driver due to alcohol declined by 3%⇓ The rate of alcohol use declined by 10%⇓ Cigarette use declined by 5%⇓ Use of marijuana and alcohol before age 13 declined by 2% |
|--|

List of Liquor Licensees

Restaurants (All Alcoholic)

Bertucci's Restaurant Corp. d/b/a
Bertucci's Italian Restaurant
45 Walkers Brook Drive
Contact: Michael Bonnell
Tel. 781-942-2001

RARE Hospitality International
d/b/a Longhorn Steak House
39 Walkers Brook Drive
Contact: Gary Cannon
Tel. 781-942-4801

Mecom, Inc. d/b/a
Café Capri
355 Main Street
Contact: Mike Enos
Tel. 781-944-9898

Mandarin Reading, Inc. d/b/a
Mandarin Reading
296 Salem Street
Contact: Hiu Hung Lee
Tel. 781-942-8200

Pepper Dining, Inc. d/b/a
Chili's Grill & Bar
70 Walkers Brook Drive
Contact: Thomas Dumont, Jr.
Tel. 781-942-4670

Mac Acquisition of Delaware d/b/a
Romano's Macaroni Grill
48 Walkers Brook Drive
Contact: John O'Brien
Tel. 781-944-0575

The Boland Group III, LLC
d/b/a Fuddruckers
50 Walkers Brook Drive
Contact: James Boland
Tel. 781-942-4891

Bistro Concepts, Inc.
d/b/a Sam's Bistro
107 Main Street
Contact: Michael Palmer
Tel. 781-944-7267

Grumpy Doyle's
530 Main Street
Contact: Dermot Bolger
Tel. 781-942-2822

CAC Foods, Inc. d/b/a
Venetian Moon
680 Main Street
Tel. 781-944-3633

Kok, Inc. d/b/a O'Yes
26 Walkers Brook Drive
Contact: Yau Tang
Tel. 617-759-7886

Ristorante Pavarotti, Inc.
d/b/a Ristorante Pavarotti
601 Main Street
Contact: Massimo Fiume
Tel. 781-670-9050

Restaurants (All Alcoholic)

Bunratty Tavern
622 Main Street
Contact: Eilish Havey
Tel. 617-861-5744

Portland Pie
54 Haven Street
Contact: Charlie Clement
Tel. 207-252-4755

Restaurant (Beer and Wine)

Palarat Pattanesuan d/b/a
Bangkok Spice Thai Restaurant
76 Haven Street
Contact: Palatat Pattanesuan
Tel. 781-942-4595

Clubs

Home Building Corp. d/b/a
Knights of Columbus
11 Sanborn Street
Contact: Steve Kintigos
Tel. 781-944-9748

Reading Overseas Veterans, Inc.
d/b/a Reading Overseas Veterans
575 Main Street
Contact: Carl Fennelly
Tel. 781-944-9720

Meadow Brook Golf Club, Inc.
d/b/a Meadow Brook Golf Club
292 Grove Street
Contact: Bob Morelli
Tel. 781-942-1334

Reading Veterans Association, Inc.
d/b/a American Legion Post 62
37 Ash Street
Contact: Dennis Lane
Tel. 781-944-4259

Package Stores

Busa's Liquors
345 Main Street
Contact: Dan Busa
Tel. 781-944-7474

Jay and Ricky
212 Main Street
Contact: Kalpesh Patel
Tel. 781-248-6186

Square Liquors
11 High Street
Contact: Christ Shomos
Tel. 781-942-9965

The Wine Bunker
One General Way
Contact: Brett Barclift
Tel. 781-942-9463

582

Wine Shop of Reading
676 Main Street
Contact: Robert Carp
Tel. 781-944-4521

Pamplemousse
26 Haven Street
Contact: Diane Manahan
Tel. 781-367-9232

563