

Reading Village

Application for Site Eligibility



Submitted to Masshousing

April 2015

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April 22, 2015

John Arena – Chairman
Reading Board of Selectmen
16 Lowell Street
Reading, MA 01867

RECEIVED
TOWN CLERK
READING, MASS.
2015 APR 22 P 3:50

Re: Notice of Application for Chapter 40B Site Eligibility Letter – MassHousing New England Fund Project: "Reading Village" – 39/41 Lincoln St. and 2-12 Prescott St"

Applicant: Reading MKM, LLC

Dear Mr. Chairman:

SEB, LLC is representing Reading MKM, LLC a limited liability company for the purpose of developing a 77 unit rental development at 39/41 Lincoln Street and 2-12 Prescott Street in Reading. In accordance with Section 31.01(2)(c) of the Rules of the Housing Appeals Committee (760 CMR 31.01), this letter serves to formally notify the Town of Reading that a request for a site approval letter has been made by Reading MKM, LLC under Masshousing's New England Fund Program for this development. I have enclosed for your review a copy of the same Site Eligibility Application that was submitted to MassHousing.

My client met with the Reading Town Manager and Community Development Administrator on September 4th 2014, again on December 22nd 2014 with the Town Manager and Assistant Town Manager/Town Planner to discuss this proposed development. Just last week, my client met again with the Town Manager and Assistant Town Manager to share the latest version of the plans. We would characterize those meetings as very collaborative and productive and would hope that the Town would maintain the level of support for this project it has communicated at those three meetings.

We look forward to discussing this project with the Town in greater detail and formally presenting this application to the full Zoning Board of Appeals in the near future. We appreciate any additional comments contributed by municipal officials as we move forward in this process.

Sincerely,

Geoffrey Engler
Consultant to Reading MKM, LLC



Comprehensive Permit Site Approval Application/Rental

www.masshousing.com | www.masshousingrental.com

Comprehensive Permit Site Approval Application/Rental

Attached is the Massachusetts Housing Finance Agency ("MassHousing") application form for Project Eligibility/Site Approval ("Site Approval") under the state's comprehensive permit statute (M.G.L. c. 40B, Sections 20-23 enacted as Chapter 774 of the Acts of 1969) known as "Chapter 40B". Developers seeking a comprehensive permit to construct affordable housing under Chapter 40B and intending to use a MassHousing financing program or financing through the New England Fund ("NEF") program must receive Site Approval from MassHousing. This approval (also referred to as "project eligibility approval") is a required component of any comprehensive permit application to be submitted to the local Zoning Board of Appeals of the municipality in which the development is to be located.

As part of its review of your application, MassHousing will conduct an inspection of the site and will solicit comments from the relevant municipality. MassHousing will consider any relevant concerns that the municipality might have about the proposed project or the developer. The applicant is encouraged, therefore, to make contact with the municipality prior to submitting the Site Approval application in order to ensure that the applicant understands any concerns that the municipality may be likely to raise regarding the proposed development.

In order for a project to receive Site Approval, MassHousing must determine that (i) the applicant has sufficient legal control of the site, (ii) the applicant is a public agency, non-profit organization or limited dividend organization, and (iii) the applicant and the project are generally eligible under the requirements of the MassHousing program selected by the applicant, subject to final eligibility review and approval. Furthermore, MassHousing must determine that the site of the proposed project is generally appropriate for residential development (taking into consideration municipal actions previously taken to meet affordable housing needs) and that the conceptual project design is generally appropriate for the site. In order for MassHousing to be able to make these findings (required by 760 CMR 56.04 (4)), it is important that you answer all questions in the application and include all required attachments.

Please note that MassHousing requires that all applicants meet with a member of our 40B Department staff before submitting their application. Applications for any projects that have not been the subject of a required pre-application meeting will not be accepted or processed.

Upon completion of its analysis, MassHousing will either issue a Site Approval Letter that approves, conditionally approves or denies the application. If the application is approved, the applicant should apply to the Zoning Board of Appeals within two years from the date of the Site Approval Letter (unless MassHousing extends such term in writing).

Please note that Site Approval from MassHousing does not constitute a loan commitment by MassHousing or any other financing program. All potential MassHousing financing is subject to further review and underwriting by MassHousing's Rental Lending Department.

Please be sure you have familiarized yourself with all of the applicable requirements set forth in the Chapter 40B regulations and guidelines, which can be found at

<http://www.mass.gov/hed/economic/eohed/dhcd/legal/regs/760-cmr-56.html> and
www.mass.gov/hed/docs/dhcd/legal/comprehensivepermitguidelines.pdf.

Instructions for completing the Site Approval Application are included in the application form which is attached. The completed application form and all additional documentation should be sent, after your pre-application meeting has been held, to:

Gregory Watson, Manager of Comprehensive Permit Programs
MassHousing, One Beacon Street, Boston, MA 02108

We look forward to working with you on your proposed development. Please contact Gregory Watson at 617-854-1880 or gwatson@masshousing.com to discuss scheduling your pre-application meeting or if there is any assistance that we can provide in the meantime to make your application process a smooth and efficient one.

Our Commitment to You

MassHousing recognizes that applicants seek some measure of predictability regarding the timeframe for our processing of their applications. Our staff will endeavor to adhere to the following schedule for reviewing applications for site approval:

Within two (2) business days of receipt of your application (provided that you have attended a required pre-application meeting) a member of our staff will notify you of any of the items listed on the checklist at the end of the application form that were missing from your application package. Please note that our acknowledgement of receipt of an item does not indicate that any substantive review has yet taken place.

If your application package is missing any of the items indicated on the checklist by an asterisk, we will not be able to continue processing your application until such items are received.

If we have received the information which is crucial to the commencement of our review process, we will proceed to (i) give the municipality a period of thirty (30) days in which to submit comments relating to your proposal, (ii) schedule and conduct a site visit, and (iii) solicit bids for and commission and review an "as is" appraisal of your site.

If during our review of your application package we determine that additional information or clarification is needed, we will notify you as soon as possible. Depending on when we receive such additional information, this may affect the amount of time required for MassHousing to complete the site approval process.

Assuming that your application package was complete and that you respond in a timely manner to requests for additional information or clarification, we would expect to issue or deny your site approval within 60 days of our receipt of your application package.



**Application for Chapter 40B Project Eligibility/Site Approval
for MassHousing-Financed and New England Fund ("NEF") Rental Projects**

Please be sure to answer ALL questions. Indicate "N/A", "None" or "Same" when necessary.

Section 1: GENERAL INFORMATION (also see Required Attachments listed at end of Section 1)

Name of Proposed Project: Reading Village

Municipality: Reading, Massachusetts

Address of Site: 39-41 Lincoln St. and 2-12 Prescott St.

Cross Street (if applicable): Corner of Lincoln and Prescott

Zip Code: 01867

Tax Parcel I.D. Number(s) (Map/Block/Lot): Map 16 Parcel 226 and Map 16 Parcel 224

Name of Proposed Development Entity (typically a single purpose entity): MKM Reading, LLC

Entity Type: Limited Dividend Organization Non-Profit* Government Agency

* If the Proposed Development Entity is a Non-Profit, please contact MassHousing regarding additional documentation that must be submitted.

Has this entity already been formed? Yes No

Name of Applicant (typically the Proposed Development Entity or its controlling entity or individual): MKM Reading, LLC through its managers

Applicant's Web Address, if any: n/a

Does the Applicant have an identity of interest with any other member of the development team or other party to the Proposed Project? Yes No If yes, please explain: _____

Primary Contact Information (required)

Name of Individual: Bob and Geoff Engler

Relationship to Applicant: 40(b) Consultant

Name of Company (if any): SEB, LLC

Street Address: 165 Chestnut Hill Avenue #2

City/Town/Zip: Brighton, MA 02135

Telephone (office and cell) and Email: (617) 782-2300 rengler@s-e-b.com, gengler@s-e-b.com

Secondary Contact Information (required)

Name of Individual: Ken Chase

Relationship to Applicant: Manager

Name of Company (if any): MKM Reading, LLC

Street Address: 109 Oak St. Suite G20

City/Town/Zip: Newton, MA 02464

Telephone (office and cell) and Email: 617-928-1900 office, (917) 613-0281 cell, kenchase01@yahoo.com

Additional Contact Information (optional)

Name of Individual: Matthew Zuker
Relationship to Applicant: Manager
Name of Company (if any): MKM Reading, LLC
Street Address: 109 Oak St. Suite G20
City/Town/Zip: Newton, MA 02464
Telephone (office and cell) and Email: 617-928-1900 office, 617-388-8209 cell, mzuker@hdmhomes.com

Anticipated Construction Financing: MassHousing NEF Bank
If NEF Bank, Name of Bank: TBD

Anticipated Permanent Financing: MassHousing NEF Bank
If NEF Bank, Name of Bank: TBD

Total Number of Units 77 # Affordable Units 20 #Market Rate Units 58
Age Restricted? Yes/No No If Yes, 55+ or 62+? N/A

Brief Project Description (150 words or less): _____

Reading Village offers the ultimate in convenience for the Boston Commuter with none of the compromises of the typical suburban commute. Residents will enjoy a 30 second walk to the commuter rail along with a full complement of shopping in downtown Reading including restaurants, grocery, pharmacy and more. In addition to offering parking for each unit Reading Village will offer state of the art facilities for exercise and outdoor space to enjoy friends and family. It is truly a community where residents could easily reside in a suburban setting without a car. Some culinary highlights include the Pampelmousse gourmet food and wine store, the Olde Butcher Shop and the Aroma Cafe. Simply cross the street at the end of the block for playgrounds and baseball diamonds at the Washington Street park. Situated at the transition point between Reading's vibrant downtown and residential neighborhoods Reading Village will truly offer the best of suburban living.

Required Attachments Relating to Section 1

1.1 Location Map

Provide a USGS or other form of map clearly marked to show the site's location, and an approximate property boundary.

1.2 Tax Map

Provide a copy of municipal tax map (assessor's plan) with subject parcels and parcel ID #'s clearly identified.

1.3 Directions

Provide detailed written directions to the site, noting the entrance to the site, relevant boundaries and any prominent landmarks that can be used for identification purposes.

Application for Chapter 40B Project Eligibility/Site Approval for MassHousing-Financed and New England Fund (“NEF”) Rental Projects

Section 2: EXISTING CONDITIONS / SITE INFORMATION (also see Required Attachments listed at end of Section 2)

In order to issue Site Approval, MassHousing must find (as required by 760 CMR 56.04 (4)) that the site is generally appropriate for residential development.

Name of Proposed Project: Reading Village

Buildable Area Calculations	Sq. Feet/Acres (enter "0" if applicable—do not leave blank)
Total Site Area	36,064
Wetland Area (per MA DEP)	0
Flood/Hazard Area (per FEMA)	0
Endangered Species Habitat (per MESA)	0
Conservation/Article 97 Land	0
Protected Agricultural Land (i.e. EO 193)	0
Other Non-Buildable (Describe)	0
Total Non-Buildable Area	0
Total Buildable Site Area	36,064

Current use of the site and prior use if known: Site currently used as a moving and storage building known as Doucette Moving. The adjacent parcel housed a now vacant building formerly known as Certainly Wood The Doucette building houses several tenants such as landscapers and contractors in the trades as well as the associated equipment for these businesses including empty trailers, plows, trailers, and mowing equipment

Is the site located entirely within one municipality? Yes No

If not, in what other municipality is the site located? _____

How much land is in each municipality? (the Existing Conditions Plan must show the municipal boundary lines) _____

Current zoning classification and principal permitted uses: The property is zoned residential but is permitted under a pre-existing non-conforming use that has been continued since zoning took effect.

Previous Development Efforts

Please list (on the following page) any previous applications pertaining to construction on or development of the Site, including (i) type of application (comprehensive permit, subdivision, special permit, etc.); (ii) application filing date; (iii) date of denial, approval or withdrawal. Also indicate the current Applicant's role, if any, in the previous applications. Note that, pursuant to 760 CMR 56.03 (1), a decision of a Zoning Board of Appeals to deny a Comprehensive Permit, or (if the Statutory Minima defined at 760 CMR 56.03 (3) (b or c) have been satisfied) grant a Comprehensive Permit with conditions, shall be upheld if a related application has previously been received, as set forth in 760 CMR 56.03 (7).

We know of no proposed development that was brought forward to the town involving this parcel in the most recent 10-15 year period under current ownership.

To the best of your knowledge, has this site ever been rejected for project eligibility/site approval by another subsidizing agency or authority? No

Existing Utilities and Infrastructure	Yes/No	Description
Wastewater- private wastewater treatment		
Wastewater - public sewer	Yes	Available at street
Storm Sewer	Yes	None on site, storm drains in streets
Water-public water	Yes	Public water available at street
Water-private well	No	
Natural Gas	Yes	
Electricity	Yes	
Roadway Access to Site	Yes	Two entrances, one on Lincoln and one on Prescott
Sidewalk Access to Site	Yes	Direct sidewalk access from most of the site
Other		

Describe surrounding land use(s):

Immediately abutting the property to the South and West is residential with a mix of mutli family and single family dwellings. The further South and West the more uniformly single family the residences become. To the North and West sits the train station and a vibrant commercial district.

Surrounding Land Use/Amenities	Distance from Site	Available by Public Transportation?
Shopping Facilities	.3 mi	Walking 5 minutes
Schools	.7 mi	Walking 14 minutes
Government Offices	.5 mi	Walking 11 minutes
Multi-Family Housing	.1 mi	Walking 1 minutes
Public Safety Facilities	.5 mi	Walking 10 minutes
Office/Industrial Uses	.1 mi	Walking 2 minutes
Conservation Land	.6 mi	Walking 11 minutes
Recreational Facilities	.2 mi	Walking 3 minutes
Houses of Worship	.5 mi	Walking 11 minutes
Other		

List any public transportation near the Site, including type of transportation and distance from the site:

The Boston commuter rail (Reading Station on the Haverhill line) is directly across the street from the site. This is the busiest commuter station on the Haverhill line servicing an average of 800 round trip passengers per day. Bus lines 136 and 137 are also serviced right across the street.

Site Characteristics and Development Constraints

Please answer "Yes", "No" or "Unknown" to the following questions. If the answer is "Yes" please identify on Existing Conditions Plan as required for Attachment 2.1 and provide additional information and documentation as an attachment as instructed for Attachment 2., "Documentation Regarding Site Characteristics/Constraints."

Are there any easements, rights of way or other restrictions of record affecting the development of the site? No

Are there documented hazardous waste sites on or within a 1/2 mile radius of the site? None

Is there any evidence of underground storage tanks or releases of hazardous material, including hazardous waste, on the site or within close proximity to the site? A full phase 1 and 2 site assessment have been completed. Minor cleanup will be needed.

Are there any above-ground storage containers with flammable or explosive petroleum products or chemicals on or within 1/2 mile of the site? No

Is the site, or any portion thereof, located within a designated flood hazard area? No

Does the site include areas designated by Natural Heritage as endangered species habitat? No

Are there documented state-designated wetlands on the site? No

Are there documented vernal pools on the site? No

Is the site within a local, state or federal Historic District? No

Is the site or any building(s) on the site listed, nominated or eligible for listing on the National Register of Historic Places? No

Has the site or any building(s) on the site been designated as a local, state or national landmark? No

Are there existing buildings and structures on site? Yes, a 4 story warehouse building and 3 1/2 story retail bldg

Does the site include documented archeological resources? No

Does the site include significant areas of ledge? No

Does the site include areas with slopes greater than 10%? No

If applying for MassHousing Financing, is any portion of the site considered "Prime" or "Unique" agricultural land under Executive Order 193? No

Required Attachments Relating to Section 2

2.1 Existing Conditions Plan

Please provide a detailed Existing Conditions Plan showing the entire site, prepared, signed and stamped by a Registered Engineer or Land Surveyor. Plans should be prepared at a scale of 1"=100' or 1"=200' and should include the following information:

- a. Reduced scale locus map
- b. Surveyed property boundaries
- c. Topography (2' contours)
- d. Wetland boundaries (if applicable)
- e. Existing utilities (subsurface and above ground).
- f. Natural features including bodies of water, rock outcroppings
- g. Existing easements and/or rights of way on the property
- h. Existing buildings and structures, including walls, fences, wells
- i. Existing vegetated areas; specimen trees or those with caliper greater than 18" should be shown individually
- j. Existing Site entries and egresses

Please provide two (2) sets of full size (30" x 40" plans) along with three (3) sets of 11" x 17" reproductions.

2.2 Aerial Photographs

Please provide one or more aerial photograph(s) of the site (such as those available on-line) showing the immediate surrounding area if available. Site boundaries and existing site entrance and access points must be clearly marked.

2.3 Site/Context Photographs

Please provide photographs of the site and surrounding physical and neighborhood context, including nearby buildings, significant natural features and land uses. Please identify the subject and location of all photographs.

2.4 Documentation Regarding Site Characteristics/Constraints

Please provide documentation of site Characteristics and Constraints as directed including available narratives, summaries and relevant documentation including:

- Flood Insurance Rate Map (FIRM) showing site boundaries
- Wetlands delineation
- Historic District Nomination(s)

2.5 By-Right Site Plan (if available)

MassHousing will commission, at your expense, an "as-is" appraisal of the Site in accordance with the Guidelines, Section B (1). Therefore, if there is a conceptual development plan which would be permitted under current zoning and which you would like the appraiser to take into consideration, or if permits have been issued for alternative development proposals for the Site, please provide two (2) copies of a "by-right" site plan showing the highest and best use of the Site under current zoning, and copies of any existing permits. These will assist the appraiser in determining the "as is" value of the Site without any consideration being given to its potential for development under Chapter 40B.

Application for Chapter 40B Project Eligibility/Site Approval for MassHousing-Financed and New England Fund ("NEF") Rental Projects

Section 3: PROJECT INFORMATION (also see Required Attachments listed at end of Section 3)

In order to issue Site Approval, MassHousing must find (as required by 760 CMR 56.04 (4)) that the Proposed Project appears generally eligible under the requirements of the housing subsidy program and that the conceptual project design is generally appropriate for the Site.

Name of Proposed Project: Reading Village

Project Type (mark both if applicable): New Construction Rehabilitation Both

Total Number of Dwelling Units: 77

Total Number of Affordable Units: 20

Number of 50% AMI Affordable Units:

Number of 80% AMI Affordable Units: 20

Number of Market Rate Units: 57

Unit Mix: Affordable Units

Unit Type	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Number of Units	0	15	3	2	0
Number of Bathrooms	1	1	1	1.5	
Square Feet/Unit	600	884	1194	1450	

Unit Mix: Market Rate

Unit Type	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Number of Units	15	29	7	6	0
Number of Bathrooms	1	1	1	1.5	
Square Feet/Unit	600	884	1194	1450	

Percentage of Units with 3 or More Bedrooms*: 10%

* Note that the January 17, 2014 Interagency Agreement Regarding Housing Opportunities for Families with Children requires that at least 10% of the units in the Project must have three (3) or more bedrooms. Evidence of compliance with this requirement must be provided at Final Approval.

Number of Handicapped Accessible Units: 77 Market Rate: 57 Affordable: 20

Gross Density (units per acre): 93

Net Density (units per buildable acre): 93

Residential Building Information

Building Type and Style <i>(single family detached, townhouse, multi-family)</i>	Construction or Rehabilitation	Number of Stories	Height	GFA	Number Bldgs. of this type
Multi-family with parking deck	New Const	5	45ft +/-	80,800	1

Non-Residential Building Information

Building Type and Style	Construction or Rehabilitation	Number of Stories	Height	GFA	Number Bldgs. of this type
N/A					

Will all features and amenities available to market unit residents also be available to affordable unit residents?

If not, explain the differences. _____

Yes, in addition to the fact that all common elements will be available to all residents the affordable units will be interspersed throughout the building with no differences between units.

Parking

Total Parking Spaces Provided: 79

Ratio of Parking Spaces to Housing Units: 1.03

Lot Coverage *(Estimate the percentage of the Site used for the following)*

Buildings: 55%

Parking and Paved Areas: 80%

Usable Open Space: 10%

Unusable Open Space: 10%

Lot Coverage: 55%

Does Project Fit Definition of "Large Project" (as defined in 760 CMR 56.03 (6))? Yes/No No

Required Attachments Relating to Section 3

3.1 Preliminary Site Layout Plan(s)

Please provide preliminary site layout plans of the entire Site prepared, signed and stamped by a Registered Architect or Engineer. Plans should be prepared at a scale of 1"=100' or 1" =200', and should show:

- Proposed site grading (2' contours)
- Existing lot lines
- Easements (existing and proposed)
- Access to a public way must be identified
- Required setbacks
- Proposed site circulation (entrances/egresses, roadways, driveways, parking areas, walk ways, paths, trails)
- Building and structure footprints (label)
- Utilities (existing and proposed)
- Open space areas
- Schematic landscaping and screening
- Wetland and other restricted area boundaries and buffer zones

Please provide two (2) sets of full size (30" x 40") plans along with three (3) sets of 11" x 17" reproductions.

3.2 Graphic Representations of Project/Preliminary Architectural Plans

- Typical floor plans
- Unit plans showing dimensions, bedrooms, bathrooms and overall unit layout
- Exterior elevations, sections, perspectives and illustrative rendering.

3.3 Narrative Description of Design Approach

Provide a narrative description of the approach to building massing, style, and exterior materials; site layout, and the relationship of the project to adjacent properties and rights of way and to existing development patterns. The handbook called Approach to Chapter 40B Design Reviews prepared by the Cecil Group in January 2011 may be helpful in demonstrating the nature of the discussion that MassHousing seeks in this narrative.

3.4 Tabular Zoning Analysis

Zoning analysis in tabular form comparing existing zoning requirements to the waivers which you will request from the Zoning Board of Appeals for the Proposed Project, showing required and proposed dimensional requirements including lot area, frontage, front, side and rear setbacks, maximum building coverage, maximum lot coverage, height, number of stories, maximum gross floor area ratio, units per acre, units per buildable acre; number of parking spaces per unit/square foot; total number of parking spaces (proposed and required).

3.5 Completed Sustainable Development Principles Evaluation Assessment Form (see attached form)

All developments seeking Chapter 40B site approval must demonstrate consistency with the Commonwealth's May 2007 Sustainable Development Principles.

**Application for Chapter 40B Project Eligibility/Site Approval
for MassHousing-Financed and New England Fund ("NEF") Rental Projects**

Section 4: SITE CONTROL (also see Required Attachments listed at end of Section 4)

In order to issue Site Approval, MassHousing must find (as required by 760 CRM 56.04 (4)) that the Applicant controls the site.

Name of Proposed Project: Reading Village

Describe current ownership status of the entire site as shown on the site Layout Plans (attach additional sheets as necessary if the Site is comprised of multiple parcels governed by multiple deeds or agreements):

Owned (or ground leased) by Development Entity or Applicant _____

Under Purchase and Sale Agreement

Under Option Agreement _____

Note: The Grantee/Buyer on each document must be either the Applicant or the Proposed Development Entity, or you must attach an explanation showing direct control of the Grantee/Buyer by the Applicant or the Proposed Development Entity.

Grantor/Seller: 2-12 Prescott LLC and 39-41 Lincoln LLC

Grantee/Buyer: MKM Reading, LLC

Grantee/Buyer is (check one):

Applicant _____ Development Entity Managing General Partner of Development Entity _____

General Partner of Development Entity _____ Other (explain) _____

Are the Parties Related? No, arms length between buyer and seller

For Deeds or Ground Leases

Date(s) of Deed(s) or Ground Lease(s): _____

Purchase Price: _____

For Purchase and Sale Agreements or Option Agreements

Date of Agreement: August 6, 2014

Expiration Date: July 30, 2016

If an extension has been granted, date of extension: _____

If an extension has been granted, new expiration date: _____

Purchase Price: \$1,800,000

Will any easements or rights of way over other properties be required in order to develop the Site as proposed?

Yes _____ No

If Yes, please describe current status of easement:

Owned (or ground leased) by Development Entity or Applicant _____

Under Purchase and Sale Agreement _____

Under Option Agreement _____

Note: The Grantee/Buyer on each document must be either the Applicant or the Proposed Development Entity, or you must attach an explanation showing direct control of the Grantee/Buyer by the Applicant or the Proposed Development Entity.

Grantor/Seller: _____

Grantee/Buyer: _____

Are the Parties Related? _____

For Easements

Date(s) of Easement(s): _____

Purchase Price: _____

For Easement Purchase and Sale Agreements or Easement Option Agreements

Date of Agreement: _____

Expiration Date: _____

If an extension has been granted, date of extension: _____

If an extension has been granted, new expiration date: _____

Purchase Price: _____

Required Attachments Relating to Section 4

4.1 Evidence of Site Control (required)

Copies of all applicable, fully executed documents (deed, ground lease, purchase and sale agreement, option agreement, land disposition agreement, agreements to purchase easements) showing evidence of site control, including any required easements, along with copies of all amendments and extensions. Copies of all plans referenced in documents must be included.

**Application for Chapter 40B Project Eligibility/Site Approval
for MassHousing-Financed and New England Fund (“NEF”) Rental Projects**

Section 5: FINANCIAL INFORMATION – Site Approval Application Rental 40B

In order to issue Site Approval, MassHousing must find (as required by 760 CMR 56.04 (4)) that an initial pro forma has been reviewed and that the Proposed Project appears financially feasible and consistent with the Chapter 40B Guidelines, and that the Proposed Project is fundable under the applicable program.

Name of Proposed Project: Reading Village

Initial Capital Budget (please enter “0” when no such source or use is anticipated)

Sources

Description	Source	Budgeted
Private Equity	Owner's Cash Equity	5,482,062
Private Equity	Tax Credit Equity	
Private Equity	Developer Fee Contributed or Loaned	
Private Equity	Developer Overhead Contributed or Loaned	
Other Private Equity		
Public/Soft Debt		
Subordinate Debt		
Permanent Debt		
Permanent Debt		8,540,700
Construction Debt	<i>For informational purposes only, not to be included in Sources total</i>	8,540,700
Additional Source (please identify)		
Additional Source (please identify)		
Total Sources		\$ 14,022,762

Pre-Permit Land Value, Reasonable Carrying Costs

Item	Budgeted
Site Acquisition: pre-permit land value (to be determined by MassHousing commissioned appraisal) plus reasonable carrying costs.	1,800,000

Uses (Costs)

Item	Budgeted
Acquisition Cost (Actual)	
Actual Acquisition Cost: Land	
Actual Acquisition Cost: Buildings	1,800,000
Subtotal Acquisition Costs	1,800,000
Construction Costs–Building Structural Costs (Hard Costs)	
Building Structure Costs	8,225,292
Hard Cost Contingency	315,629
Subtotal – Building Structural Costs (Hard Costs)	8,540,921
Construction Costs–Site Work (Hard Costs)	
Earth Work	50,000
Utilities: On Site	50,000
Utilities: Off-Site	
Roads and Walks	75,000
Site Improvement	250,000
Lawns and Planting	125,000
Geotechnical Condition	75,000
Environmental Remediation	150,000
Demolition	60,000
Unusual Site Conditions/Other Site Work	152,655
Subtotal –Site Work (Hard Costs)	987,655
Construction Costs–General Conditions, Builders Overhead and Profit (Hard Costs)	
General Conditions	561,961
Builder's Overhead	184,099
Builder's Profit	561,961
Subtotal – General Conditions Builders Overhead and Profit (Hard Costs)	1,308,021
General Development Costs (Soft Costs)	
Appraisal and Marketing Study <i>(not 40B "as is" appraisal)</i>	
Marketing and Initial Rent Up <i>(include model units, if any)</i>	100,000
Real Estate Taxes <i>(during construction)</i>	15,000
Utility Usage <i>(during construction)</i>	0
Insurance <i>(during construction)</i>	25,000
Security <i>(during construction)</i>	0
Inspecting Engineer	0

Item	Budgeted
------	----------

General Development Costs (Soft Costs) - Continued

Fees to Others	0
Construction Loan Interest	312,229
Fees to Construction Lender	80,000
Fees to Permanent Lender	incl
Architecture/Engineering	150,000
Survey, Permits, Etc.	50,000
Clerk of the Works	0
Construction Manager	0
Bond Premiums (Payment/Performance/Lien Bond)	0
Environmental Engineer	20,000
Legal	10,000
Title (including title insurance) and Recording	15,000
Accounting and Cost Certification (incl. 40B)	15,000
Relocation	0
40B Site Approval Processing Fee	2,500
40B Technical Assistance/Mediation Fund Fee	2,500
40B Land Appraisal Cost (as-is value)	4,200
40B Final Approval Processing Fee	2,310
40B Subsidizing Agency Cost Certification Examination Fee	
40B Monitoring Agent Fees	10,000
MIP	
Credit Enhancement	
Letter of Credit Fees	
Other Financing Fees: Tax Credit Allocation Fee	
Other Financing Fees	
Development Consultant	109,370
Other Consultants (describe) lottery agent	14,000
Other Consultants (describe)	
Syndication Costs	
Soft Cost Contingency	28,690
Other Development (Soft) Costs	
Subtotal - General Development Costs (Soft Costs)	965,799

Developer Fee and Overhead

Developer Fee	370,801
Developer Overhead	incl
Subtotal - Developer Fee and Overhead	370,801

Capitalized Reserves

Development Reserves	
Initial Rent-Up Reserves	49,565
Operating Reserves	
Net Worth Account	
Other Capitalized Reserves	
Subtotal - Capitalized Reserves	49,565

Summary of Subtotals

Item	Budgeted
Acquisition: Land	1,800,000
Acquisition: Building	8,540,921
Building Structural Costs (Hard Costs)	987,655
Site Work (Hard Costs)	1,308,021
Builder's Overhead, Profit and General Conditions (Hard Costs)	370,801
Developer Fee and Overhead	965,799
General Development Costs (Soft Costs)	49,565
Capitalized Reserves	14,022,762
Total Development Costs (TDC)	14,022,762
Summary	
Total Sources	14,022,762
Total Uses (TDC)	14,022,762

Projected Developer Fee and Overhead*: 370,801

Maximum Allowable Developer Fee and Overhead**: 1,512,276

Projected Developer Fee and Overhead equals 25% of Maximum Allowable Fee and Overhead

* Note in particular the provisions of Section IV.B.5.a of the Guidelines, which detail the tasks (i) for which a developer may or may not receive compensation beyond the Maximum Allowable Developer Fee and Overhead and (ii) the costs of which must, if the tasks were performed by third parties, be included within the Maximum Allowable Developer Fee and Overhead.

** Maximum Allowable Developer Fee and Overhead is calculated as follows: 5% of acquisition costs, plus 15% of the first \$3 million of fee-based development costs, plus 12.5% of fee-based development costs between \$3 and \$5 million, plus 10% of fee-based development costs in excess of \$5 million. (Per DHCD QAP Guidelines)

Initial Unit/Rent Schedule

Affordable Units @ 80% AMI	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Number of Units		15	3	2	
Number Square Feet		884	1194	1450	
Monthly Rent		1003	1094	1294	
Utility Allowance		147	195	265	

Affordable Units @ 50% AMI	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Number of Units					
Number Square Feet					
Monthly Rent					
Utility Allowance					

Describe utility allowance assumptions (*utilities to be paid by tenants*):
all utilities paid by tenants

Market Rate Units	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Number of Units	15	29	7	6	
Number Square Feet	600	884	1194	1450	
Monthly Rent	1500	1700	2300	2500	

Initial Rental Operating Pro-Forma (for year one of operations)

Item	Notes	Amount
Permanent Debt Assumptions		
Loan Amount	Lender:	8,540,700
Annual Rate		4.75%
Term		30 yrs
Amortization		30 yrs
Lender Required Debt Service Coverage Ratio		1.25
Gross Rental Income		
Gross Rental Income		1,249,260
Other Income (utilities, parking)		64,680
Less Vacancy (Market Units)	5% (vacancy rate)	62,463
Less Vacancy (Affordable Units)	5% (vacancy rate)	incl
Gross Effective Income		
Gross Effective Income		1,251,477
Less Operating Expenses	Per Unit:	521,142
Net Operating Income		
Net Operating Income		730,335
Less Permanent Loan Debt Service		534,628
Cash Flow		195,707
Debt Service Coverage		1.25

Describe "other income": misc fees for storage, video hook-ups, pet fees

Rental Operating Expense Assumption

Item	Notes	Amount
Assumed Maximum Operating Expenses	Calculated based on Net Operating Income, Debt Service and required Debt Service Coverage listed above.	534,628
Assumed Maximum Operating Expense/Unit*	Number of Units: 77	6,943

* MassHousing may request further detail regarding projected operating expenses if such expenses appear higher or lower than market comparables.

Required Attachments Relating to Section 5

5.1 New England Fund Lender Letter of Interest *(required for projects with NEF financing)*

Please attach a Letter of Interest from a current Federal Home Loan Bank of Boston (FHLBB) member bank regarding financing for the proposed development. The letter of interest must include, at a minimum, the following:

- Identification of proposed borrower, and brief description of the bank's familiarity with the borrower;
- Brief description of the Proposed Project, including location, number of units, and type of building (townhouse, garden style, etc.);
- Confirmation that the bank is a current FHLBB member bank and that the bank will specifically use NEF funds for the proposed development.

** NOTE: Binding Construction and Permanent Financing Commitments (or evidence of closed loans) will be required at the time you apply for Final Approval from MassHousing.*

5.2 Market Rental Comparables *(required)*

Please provide a listing of market rents being achieved in properties comparable to the proposed project.

5.3 Market Study *(if available)*

MassHousing may require a market study at Final Approval for projects located in areas where the need or demand for the type of housing being proposed cannot be clearly demonstrated.

Application for Chapter 40B Project Eligibility/Site Approval for MassHousing-Financed and New England Fund (“NEF”) Rental Projects

Section 6: APPLICANT QUALIFICATIONS, ENTITY INFORMATION, AND CERTIFICATION

In order to issue Site Approval MassHousing must find (as required by 760 CRM 56.04 (4)) that the applicant is either a non-profit public agency or would be eligible to apply as a Limited Dividend Organization and meets the general eligibility standards of the Program.

Name of Proposed Project: Reading Village

Development Team

Developer/Applicant: Reading MKM, LLC

Development Consultant (if any): SEB, LLC

Attorney: Brad Latham, Esq and Josh Latham, Esq. (Latham Law Office - Reading, MA)

Architect: Cube 3 Studio, LLC

Contractor: TBD

Lottery Agent: SEB, LLC

Management Agent: TBD

Other (specify): FSL Associates (environmental/geotechnical), Dan Dulaski (Traffic Engineer)

Other (specify): Decelle Burke Associates (civil engineer)

Role of Applicant in Current Proposal

Development Task	Developer/Applicant	Development Consultant (identify)
Architecture and Engineering	Developer/Applicant (development team)	
Local Permitting		SEB, LLC
Financing Package		SEB, LLC & Developer Applicant
Construction Management	Developer/Applicant	
Other		

Applicant's Ownership Entity Information

Please identify for each of (i) the Applicant and, if different (ii), the Proposed Development Entity, the following (collectively with the Applicant and the Proposed Development Entity, the "Applicant Entities"): the Managing Entities, Principals, Controlling Entities and Affiliates of each.

Note: For the purposes hereof, "Managing Entities" shall include all persons and entities (e.g. natural persons, corporations, partnerships, limited liability companies, etc., including beneficiaries of nominee trusts) who are managers of limited liability companies, general partners of limited partnerships, managing general partners of limited liability partnerships, directors and officers of corporations, trustees of trusts, and other similar persons and entities which have the power to manage and control the activities of the Applicant and/or Proposed Development Entity.

"Principal or Controlling Entities" shall include all persons and entities (e.g. natural persons, corporations, partnerships, limited liability companies, etc., including beneficiaries of nominee trusts) that shall have the right to:

- (i) approve the terms and conditions of any proposed purchase, sale or mortgage;
- (ii) approve the appointment of a property manager; and/or
- (iii) approve managerial decisions other than a decision to liquidate, file for bankruptcy, or incur additional indebtedness.

Such rights may be exercisable either (i) directly as a result of such person's or entity's role within the Applicant or the Proposed Development Entity or the Managing Entities of either or (ii) indirectly through other entities that are included within the organizational structure of the Applicant and/or Proposed Development Entity and the Managing Entities of either.

In considering an application, MassHousing will presume that there is at least one Principal or Controlling Entity of the Applicant and of the Proposed Development Entity. Any person or persons who have purchased an interest for fair market value in the Applicant and/or Proposed Development Entity solely for investment purposes shall not be deemed a Principal or Controlling Entity.

"Affiliates" shall include all entities that are related to the subject organization by reason of common control, financial interdependence or other means.

1. Applicant

Name of Applicant: Reading MKM, LLC

Entity Type (limited liability company, limited partnership, limited liability partnership, corporation, trust, etc.):
LLC

State in which registered/formed: MA

List All Managing Entities of Applicant (you must list at least one):
Matthew Zuker, Ken Chase, Matthew Roman

List All Principals and Controlling Entities of Applicant and (unless the Managing Entity is an individual) its Managing Entities (use additional pages as necessary):
Matthew Zuker, Ken Chase, Matthew Roman

List All Affiliates of Applicant and its Managing Entities (use additional pages as necessary):
none

2. Proposed Development Entity

Name of Proposed Development Entity: Reading MKM, LLC

Entity Type (limited liability company, limited partnership, limited liability partnership, corporation, trust, etc.):
LLC

State in which registered/formed: MA

List All Managing Entities of Proposed Development Entity (you must list at least one):
Matthew Zuker, Ken Chase, Matthew Roman

List all Principals and Controlling Entities of Proposed Development Entity and (unless the Managing Entity is an individual) its Managing Entities (use additional pages as necessary):
Matthew Zuker, Ken Chase, Matthew Roman

List all Affiliates of Proposed Development Entity and its Managing Entities (use additional pages as necessary):

Applicant Entity 40B Experience

Please identify every Chapter 40B project in which the Applicant or a member of the project team has or had an interest. For each such project, state whether the construction has been completed and whether cost examination has been submitted. (use additional pages as necessary.)

40B Project	Applicant or Team Member	Role	Municipality	Number of Units/Type	Year Completed	Cost Cert Submitted?
Swansea	Applicant	Developer	Swansea	144	In process	Not yet
Brookline	Applicant	Developer	Brookline	28	2012	NA
Wayland	Applicant	Developer	Wayland	12	2011	NA
Greendale Village	Team Member	Developer	Needham	20	2015	Not yet
75/83 Court Street	Team Member	Developer	Newton	36	2017	Not yet
Parkview Homes	Team Member	Developer	Newton	10	2012	Yes
The Village on Main	Team Member	Developer	Hingham	20	TBD	Not yet

Certification

I hereby certify on behalf of the Applicant, *under pains and penalties of perjury*, that the information provided above for each of the Applicant Entities is, to the best of my knowledge, true and complete; and that each of the following questions has been answered correctly to the best of my knowledge and belief:

(Please attach a written explanation for all of the following questions that are answered with a "Yes". Explanations should be attached to this Section 6.)

Is there pending litigation with respect to any of the Applicant Entities? Yes ___ No

Are there any outstanding liens or judgments against any properties owned by any of the Applicant Entities? Yes ___ No

Have any of the Applicant Entities failed to comply with provisions of Massachusetts law related to taxes, reporting of employees and contractors, or withholding of child support? Yes ___ No

Have any of the Applicant Entities ever been the subject of a felony indictment or conviction? Yes ___ No

During the last 10 years, have any of the Applicant Entities ever been a defendant in a lawsuit involving fraud, gross negligence, misrepresentation, dishonesty, breach of fiduciary responsibility or bankruptcy? Yes ___ No

Have any of the Applicant Entities failed to carry out obligations in connection with a Comprehensive Permit issued pursuant to M.G.L. c. 40B and any regulations or guidelines promulgated thereunder (whether or not MassHousing is or was the Subsidizing Agency/Project Administrator) including, but not limited to, completion of a cost examination and return of any excess profits or distributions? Yes ___ No

Have any of the Applicant Entities ever been charged with a violation of state or federal fair housing requirements? Yes ___ No

Are any of the Applicant Entities not current on all existing obligations to the Commonwealth of Massachusetts, and any agency, authority or instrument thereof? Yes ___ No

I further certify that the information set forth set forth in this application (including attachments) is true, accurate and complete as of the date hereof to the best of my/our knowledge, information and belief. I further understand that MassHousing is relying on this information in processing the request for Site Approval in connection with the above-referenced project; and

I further certify that we have met with a representative of the 40B Department at MassHousing and understand the requirements for a) completing this application and b) the procedures if and when Site Approval is granted, including the requirement for (i) the use of the standard MassHousing Regulatory Agreement, (ii) submission to MassHousing, of a cost certification examined in accordance with AICPA attestation standards by ninety days of project completion (and prior to permanent loan closing if MassHousing is the permanent lender), of an audited cost certification by an approved certified public accountant and (iii) the posting of surety for completion of the cost certification as a condition of Final Approval by MassHousing under Chapter 40B.

Signature: _____
Name: Keaton P. Chase
Title: Manager
Date: 4-20-15

Required Attachments Relating to Section 6

6.1 Development Team Qualifications

Please attach resumes for principal team members (Applicant, consultant, attorney, architect, general contractor, management agent, lottery agent, etc.) and list of all relevant project experience for 1) the team as a whole and 2) individual team members. Particular attention should be given to demonstrating experience with (i) projects of a similar scale and complexity of site conditions, (ii) permitting an affordable housing development, (iii) design, and (iv) financing. The development team should demonstrate the ability to perform as proposed and to complete the Project in a competent and timely manner, including the ability to pursue and carry out permitting, financing, marketing, design and construction.

(If the Applicant (or, if the Applicant is a single purpose entity, its parent developer entity) has received financing from MassHousing within the past five (5) years for a development of comparable size and complexity to the Proposed Project, no resume or list of project experience need be submitted for the Applicant or, as applicable, its parent developer entity. Information regarding the other team members still will be required.)

6.2 Applicant's Certification

Please attach any additional sheets and any written explanations for questions answered with "yes" as required for Certification.

**Application for Chapter 40B Project Eligibility/Site Approval
for MassHousing-Financed and New England Fund (“NEF”) Rental Projects**

Section 7: NOTIFICATIONS AND FEES

Name of Proposed Project: Reading Village

Notice

Date(s) of meetings, if any, with municipal officials prior to submission of application to MassHousing:

9/4/2014 & 12/22/2015 & 3/19/2015

Date copy of complete application sent to Chief Elected Office of Municipality:

4/22/2015

Date notice of application sent to DHCD:

4/22/2015

Fees *(all fees should be payable to MassHousing)*

MassHousing Application Processing Fee (\$2500):

\$2,500

Chapter 40B Technical Assistance/Mediation Fee

\$2,500

a. Base Fee:

(Limited Dividend Sponsor \$2500, Non-Profit or Public Agency Sponsor \$1,000)

\$2,340

b. Unit Fee *(all projects)* \$30 per Unit:

\$4,840

Total TA/Mediation Fee *(Base Fee plus Unit Fee)*:

\$7,340

Total Fees Due:

Land Appraisal Cost

You will be required to pay for an "as-is" market value appraisal of the Site to be commissioned by MassHousing. MassHousing will contact you once a quote has been received for the cost of the appraisal.

Required Attachments Relating to Section 7

- 7.1 Narrative describing any prior correspondence and/or meetings with municipal officials
- 7.2 Evidence (such as a certified mail receipt) that a copy of the complete application package was sent to the Chief Elected Official of Municipality (may be submitted after the application is submitted to MassHousing)
- 7.3 Copy of notice of application sent to DHCD
- 7.4 Check made out to MassHousing for Processing Fee (\$2500)
- 7.5 Check made payable to MassHousing for Technical Assistance/Mediation Fee
- 7.6 W-9 (Taxpayer Identification Number)

Application Checklist

The documentation listed below must, where applicable, accompany each application. For detailed descriptions of these required documents, please see the relevant sections of the application form.

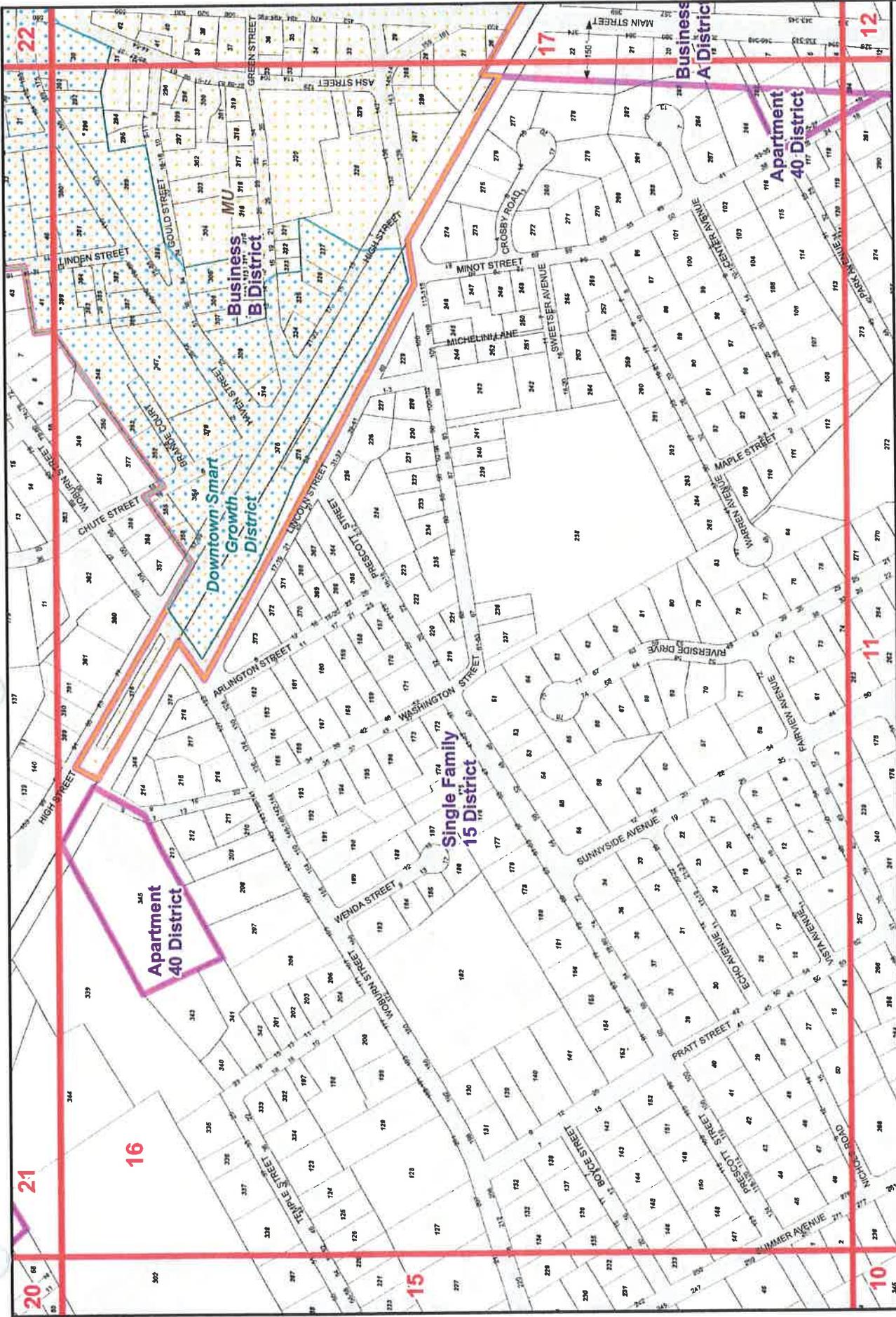
* Applications missing any of the documents indicated by an asterisk will not be processed by MassHousing until MassHousing receives the missing item(s).

- * Completed application form, and certification under pains and penalties of perjury (one (1) signed original) accompanied by two (2) copies of the complete application package
- * Location Map
- Tax Map
- * Directions to the Proposed Site
- * Existing Conditions Plan
- Aerial Photographs
- Site/Context Photographs
- * Documentation Regarding Site Characteristics/Constraints
- * By Right Site Plan, if Applicable
- * Preliminary Site Layout Plan(s)
- * Graphic Representations of Project/Preliminary Architectural Plans
- * Narrative Description of Design Approach
- * Tabular Zoning Analysis
- Sustainable Development Principles Evaluation Assessment Form
- * Evidence of Site Control (*documents and any plans referenced therein*)
- Land Disposition Agreement, if Applicable
- * NEF Lender Letter of Interest
- Market Rental Comparables
- Market Study, if Required by MassHousing
- * Development Team Qualifications
- Applicant's Certification (*any required additional sheets*)
- Narrative describing prior contact (*if any*) with municipal officials
- * Evidence that a copy of the application package has been received by the Chief Elected Official in the municipality (*may follow after initial submission of application package, but site visit will not be scheduled nor request for municipal comments made until such evidence is received by MassHousing*)
- Copy of notification letter to DHCD
- * Fees (\$5,000 plus \$30 per unit of housing proposed) payable to MassHousing (*once an appraiser has been selected by MassHousing and an appraisal fee quoted, an additional non-refundable appraisal fee will be required*)



[ATTACH SUSTAINABLE DEVELOPMENT SCORECARD HERE]





16

**Zoning Map
Reading, Mass.**

Zoning map date April 6, 2015

The map is to be used in conjunction with the Reading Zoning Bylaws. The Town of Reading does not warrant or make any representation in the information provided and does not assume any legal liability or responsibility for actions based on the information in this map. Any information for actions should be verified with the relevant authority information. Parcel data current as of 1/1/12. Building footprints from 2006 aerial photos.

1 inch = 150 feet

0 50 100 200 Feet

1:1,000

Legend

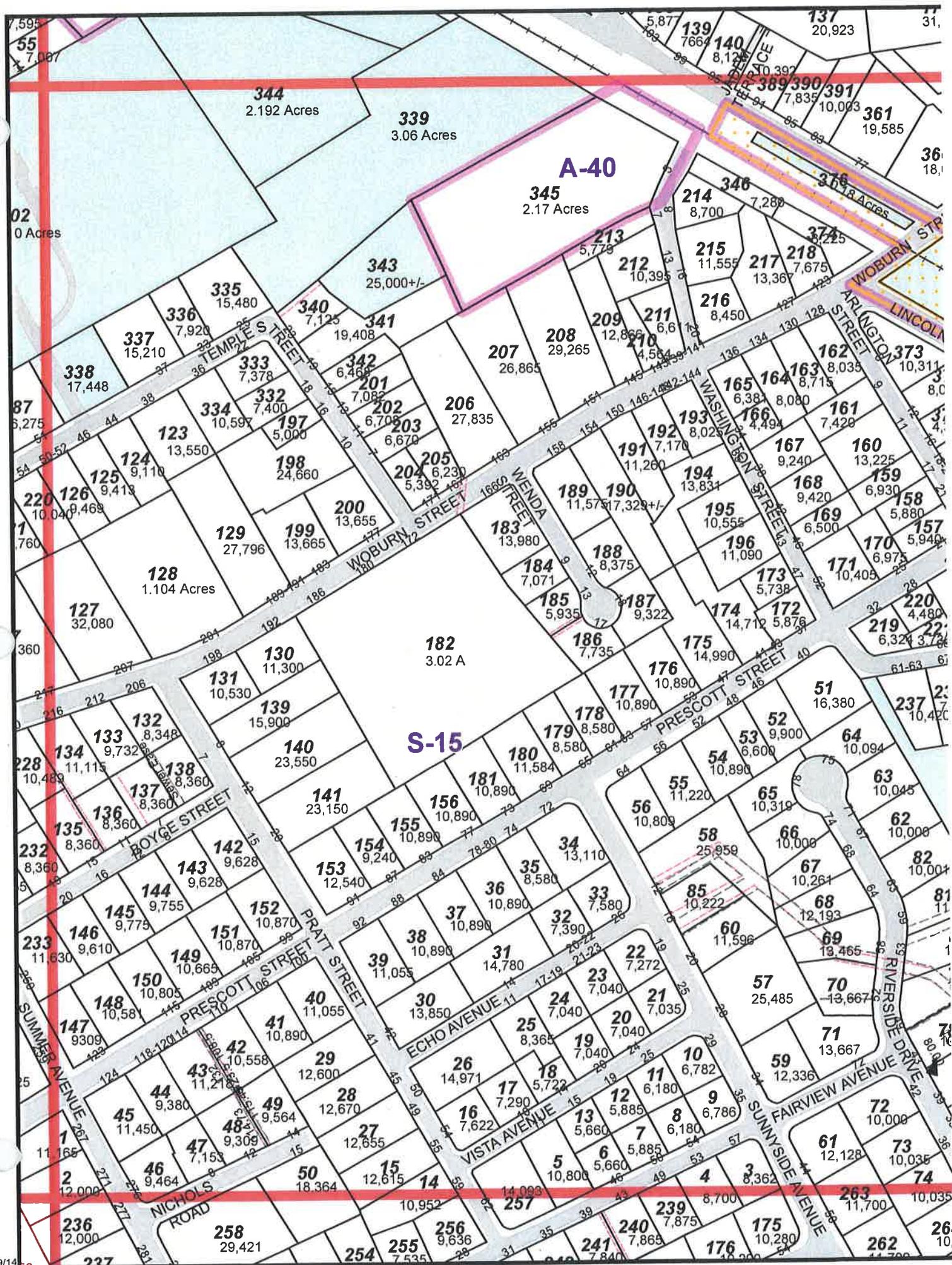
- Zoning District
- Zoning Subdistrict
- Smart Growth District
- Other Overlay District
- Aquifer Protection District

Town Boundary

Parcel Map

Parcel (lot #)

Building



A-40

S-15

344
2.192 Acres

339
3.06 Acres

345
2.17 Acres

361
19,585

361
18,1

343
25,000+/-

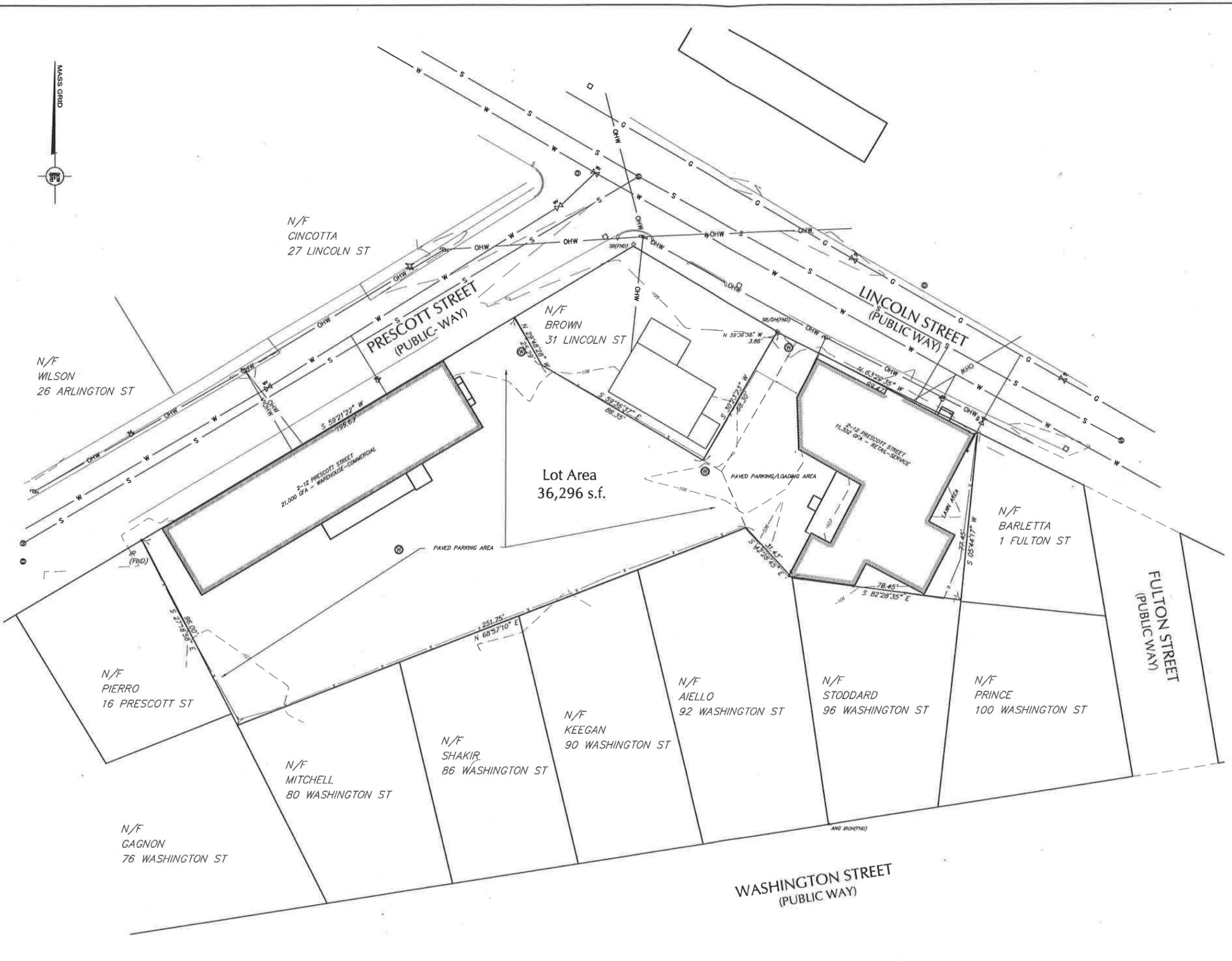
128
1.104 Acres

182
3.02 A

Directions to the site

1. Go North onto Congress Street towards North Street
2. Take 3rd Right onto Sudbury Street (about .4 miles)
3. Merge onto I-93 North and travel for 10.4 miles
4. Merge onto I-95N/MA-128N via Exit 37 toward Peabody (travel for 1 mile)
5. Merge onto MA-28 N / Main Street via Exit 38B toward Reading (travel for 1.5 miles)
6. Turn left onto Washington Street (0.1 miles)
7. Turn slight right onto Lincoln Street

The site is the location of Doucette Moving and Storage. The train depot is directly across the street. The subject property is to the left (former site of Certainly Wood) and behind Brown's Auto which is directly across the street. You can enter the property from either Lincoln or Prescott Streets. Doucette Moving building is a 4 story flat roof warehouse style structure in somewhat dilapidated condition.



DeCELLE



BURKE
 & Associates, Inc.
 1266 Furnace Brook Parkway, Suite 401 Quincy, MA 02169
 (617) 405-5100 (O) (617) 405-5101 (F)



GENERAL NOTES:

1. LOCUS: ASSESSORS ID 018.0-0000-0224.0
 018.0-0000-0226.0
 RECORD OWNERS: 2-12 PRESCOTT ST LLC
 39-41 LINCOLN ST LLC
 DEED REFERENCE: BOOK 45430 PAGE 308
 BOOK 45430 PAGE 311
 PLAN REFERENCE: BOOK 101 PAGE 41
 BOOK 6158 PAGE 453
2. THIS PLAN IS THE RESULT OF AN ON THE GROUND SURVEY PERFORMED BY THIS OFFICE IN OCTOBER 2014. ELEVATIONS SHOWN ON NAVD 88 DATUM.
3. EXISTING UTILITIES WHERE SHOWN IN THE DRAWINGS ARE FROM SURFACE OBSERVATION AND RECORD INFORMATION AND SHOULD BE CONSIDERED APPROXIMATE. THE CONTRACTOR SHALL BE RESPONSIBLE FOR PROPERLY LOCATING AND COORDINATING THE PROPOSED CONSTRUCTION ACTIVITY WITH DIG-SAFE AND THE APPLICABLE UTILITY COMPANIES AND MAINTAINING THE EXISTING UTILITY SYSTEM IN SERVICE. DIG-SAFE SHALL BE NOTIFIED PER THE STATE OF MASSACHUSETTS STATUTE CHAPTER 82, SECTION 40B AT TEL: 1-888-344-7233. THE ENGINEER DOES NOT GUARANTEE THEIR ACCURACY OR THAT ALL UTILITIES AND SUBSURFACE STRUCTURES ARE SHOWN. LOCATIONS AND ELEVATIONS OF UNDERGROUND UTILITIES WERE TAKEN FROM RECORD PLANS. THE CONTRACTOR SHALL VERIFY SIZE, LOCATION, AND DEPTHS OF UTILITIES AND STRUCTURES AS REQUIRED PRIOR TO THE START OF CONSTRUCTION.
4. THE LOT SHOWN DOES NOT LIE WITHIN A SPECIAL FLOOD HAZARD ZONE AS DELINEATED ON FRM 25021C-031SE, DATED JUNE 4, 2010.
5. PARCEL IS ZONED S-15.
 MIN. LOT AREA = 15,000 S.F.
 MIN. WIDTH CIRCLE DIAMETER = 60FT
 MIN. FRONTAGE = 100FT.
 MIN. FRONT YARD = 20 FT.
 MIN. SIDE YARD = 15 FT.
 MIN. REAR YARD = 20 FT.
 MAX. LOT COVERAGE = 25%
 MAX. BUILDING HEIGHT = 35 FT

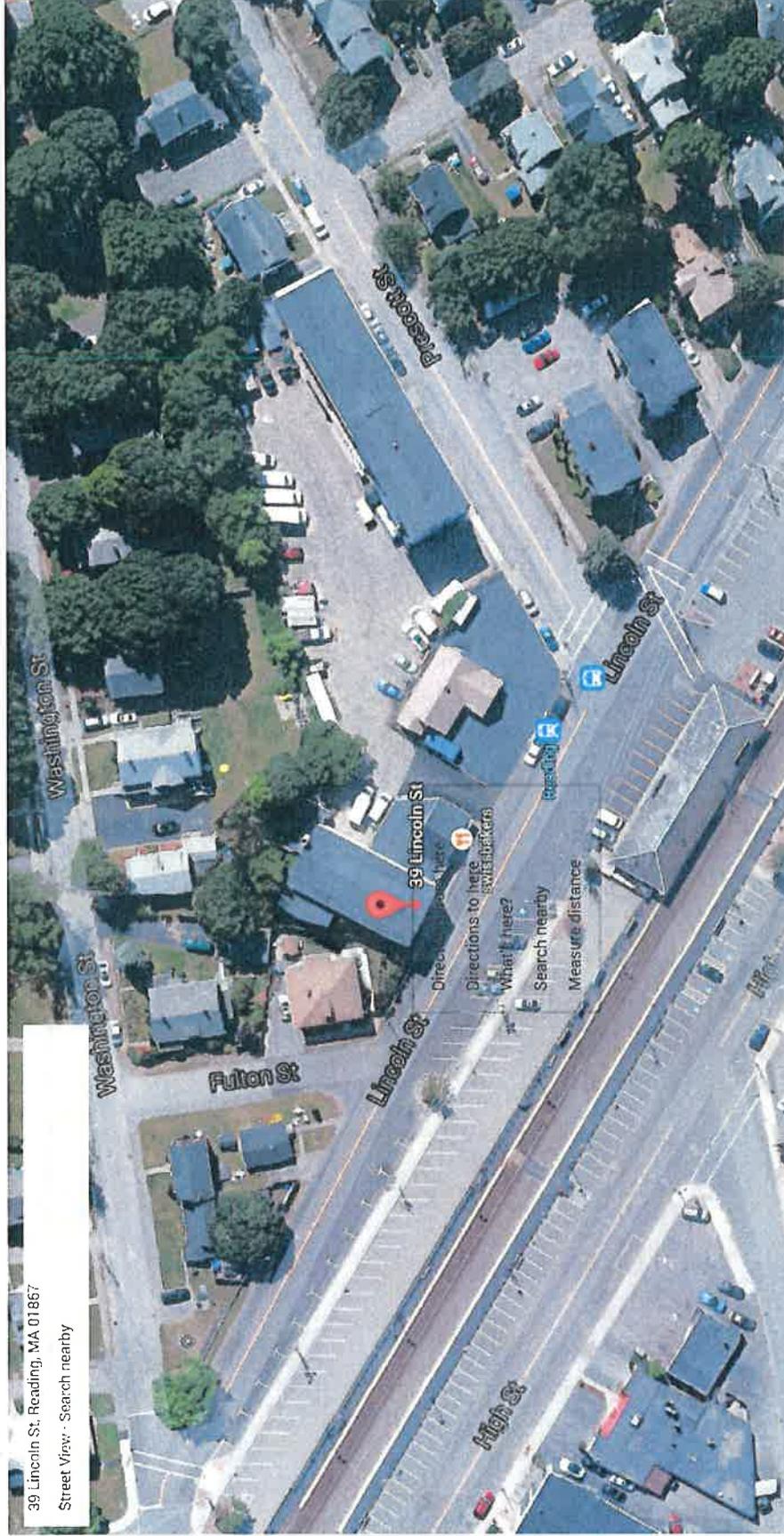
PROJECT TITLE & LOCATION:
**PLAN OF LAND
 IN
 READING, MA**
 2 PRESCOTT ST & 39 LINCOLN ST

PLAN TITLE:
 EXISTING CONDITIONS

PREPARED FOR:
 KM DOVER LLC
 109 OAK STREET SUITE G20
 NEWTON, MA 02464

DATE: OCTOBER 28, 2014
 REVISED:

JOB NUMBER: 2014.034 SHEET 1 OF 1
 SCALE: 1"=20'



39 J. Lincoln St, Reading, MA 01867
Street View · Search nearby

Directions to here
What's here?
Search nearby
Measure distance

▲ Map Unit Composition

40% - **Urban land**
Horizon data n/a

40% - **Merrimac**
Geomorphic Position: terraces
plains / Footslope

10% - **Sudbury**
Geomorphic Position: terraces
plains / Footslope

5% - **Windsor**
Geomorphic Position: deltas / Footslope
terraces
flats

5% - **Hinckley**
Geomorphic Position: ridges
eskers / Backslope
terraces

▲ Map Unit Data

Map Unit Key: 276930

Type: Complex ?

Farmland Class: Not prime farmland

Available Water Storage (0-100cm): 9.69 cm

Max Flood Freq: None

Drainage Class (Dominant Condition): Somewhat
excessively drained ?

Drainage Class (Wettest Component): Somewhat
excessively drained ?

Proportion of Hydric Soils: 0% ?

Min. Water Table Depth (Annual): n/a

Min. Water Table Depth (April-June): n/a

Min. Bedrock Depth: n/a

Survey Metadata: ma017 [NRCS Export: Sep 19 2014]



Soils Map provided by a website maintained by the University of California-Davis and supported by the Natural Resources Conservation Service.

DATE:
March 19, 2015

TITLE:

Soils MAP

SCALE:
NOT TO SCALE

PREPARED FOR:

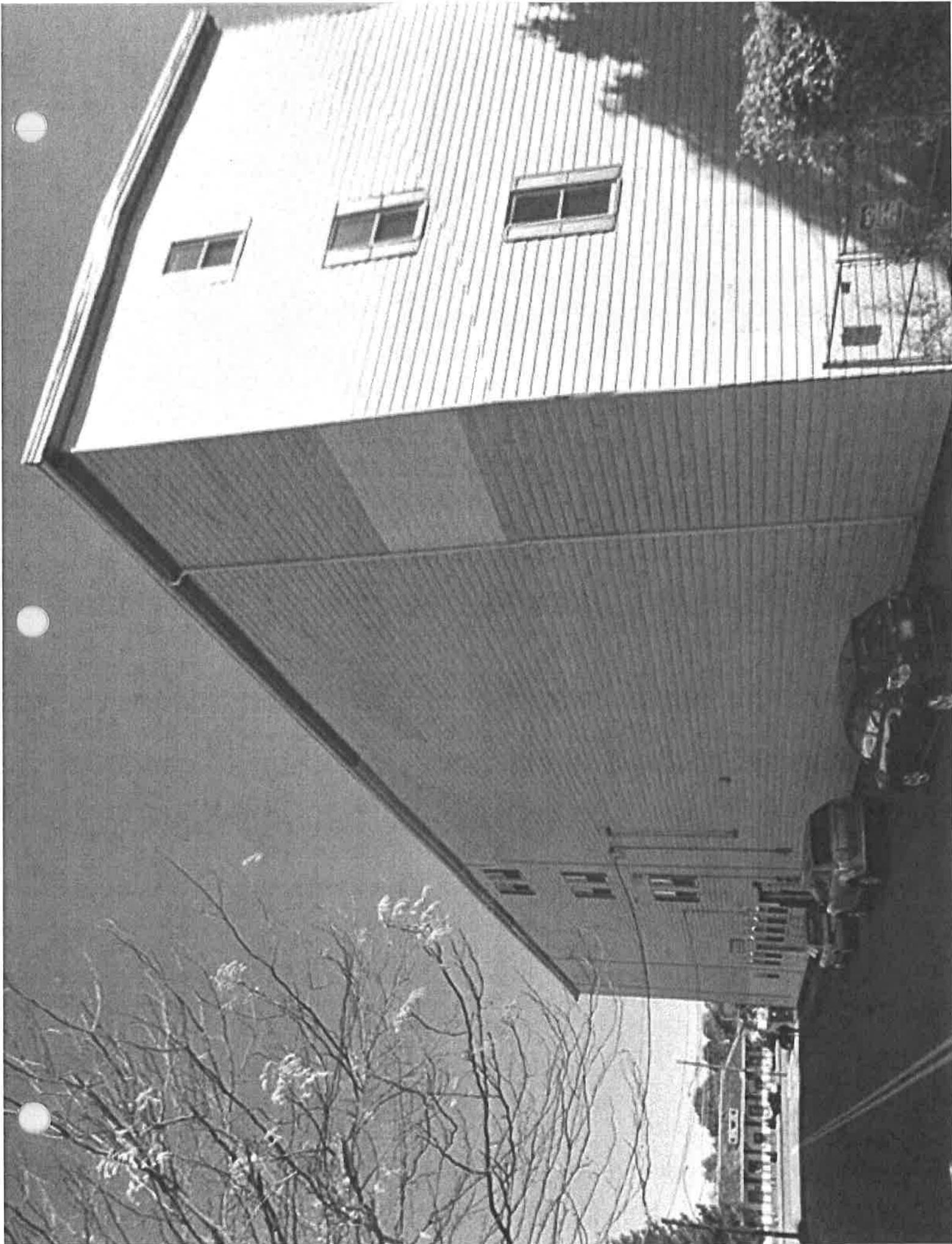
**KM Dover LLC
109 Oak Street
Newton, MA**

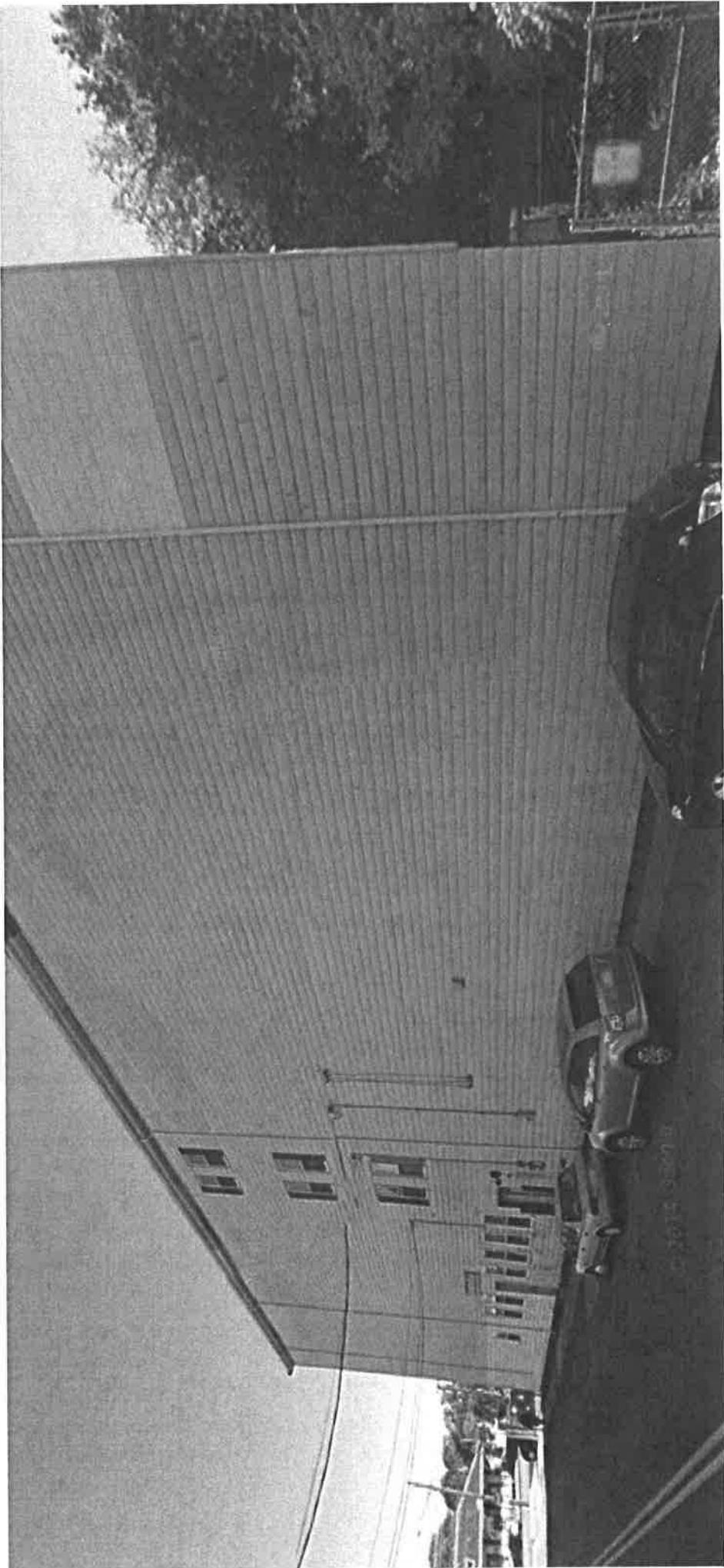


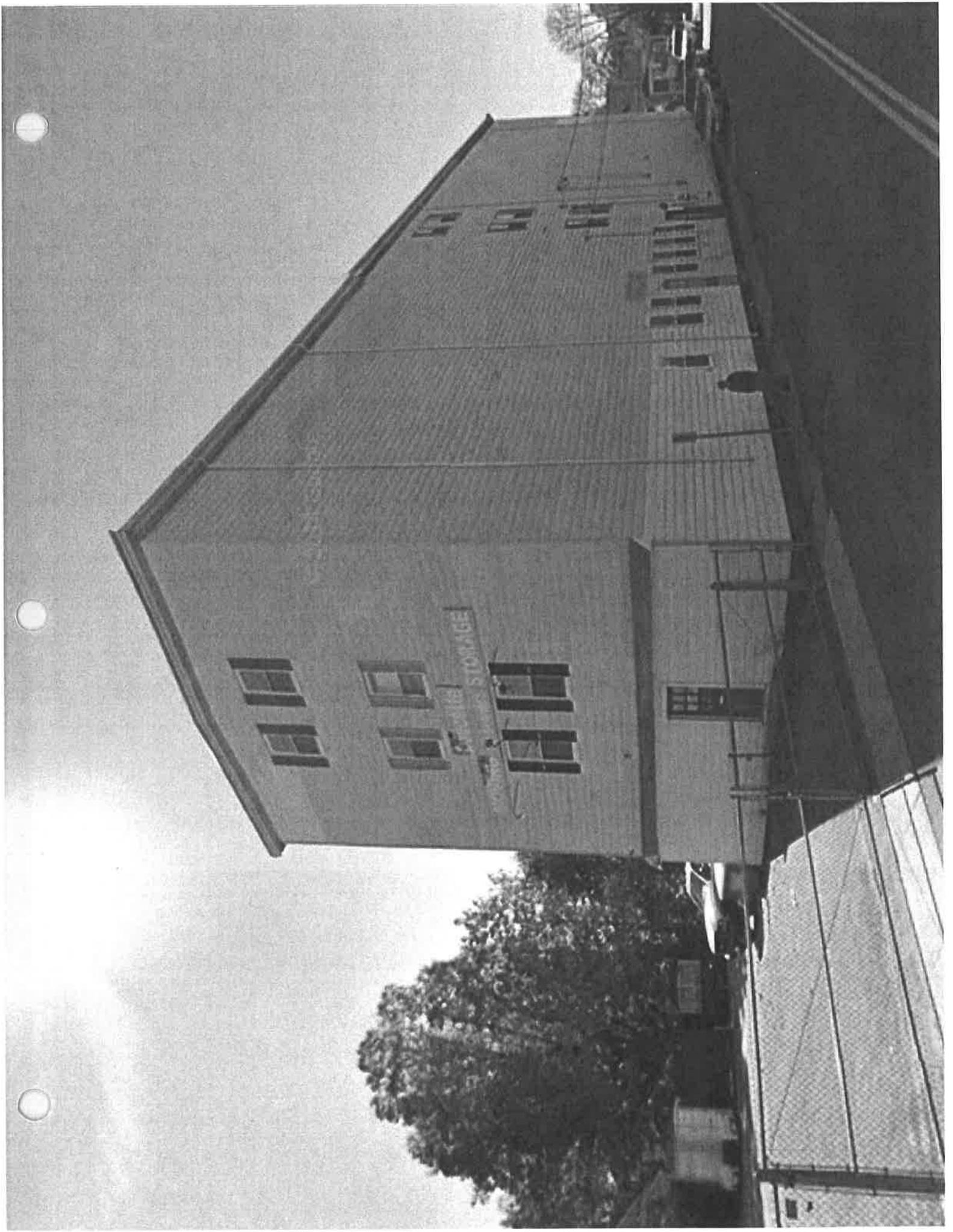
BURKE
& Associates, Inc.
1266 Furnace Brook Pkwy #401
Quincy, MA 02169

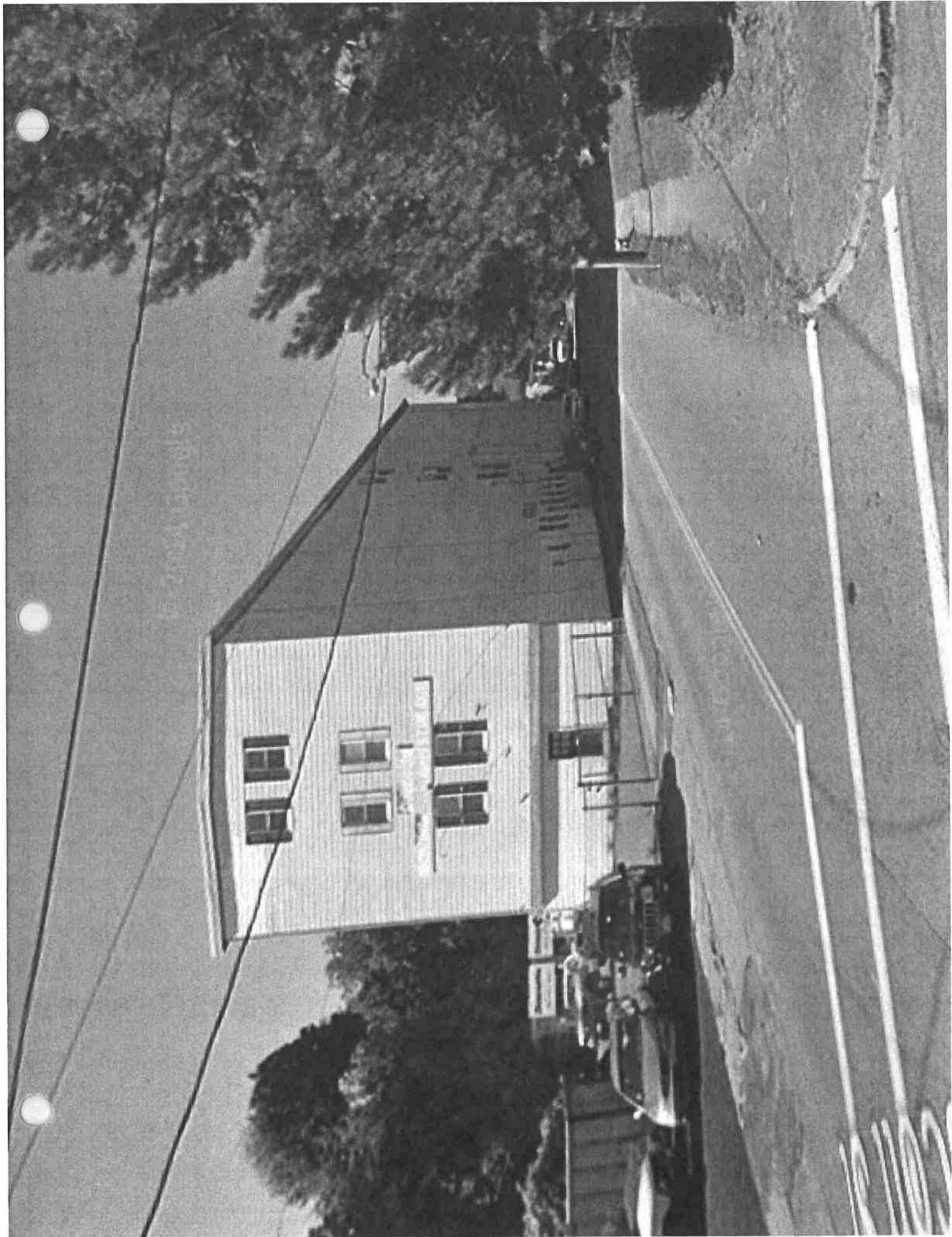
PROJECT TITLE:

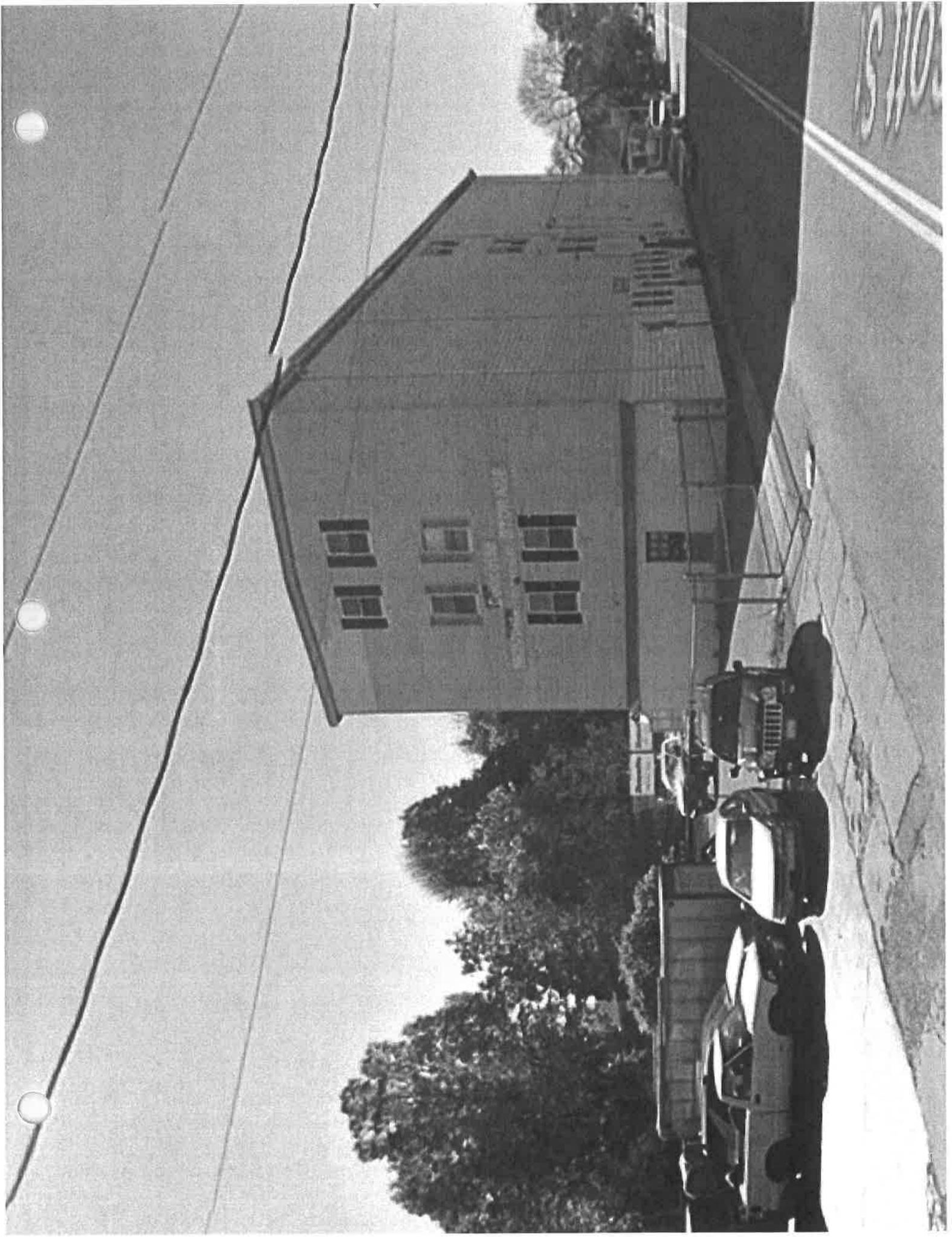
**Residential Development
39-41 Lincoln Street
2-12 Prescott Street
Reading MA**

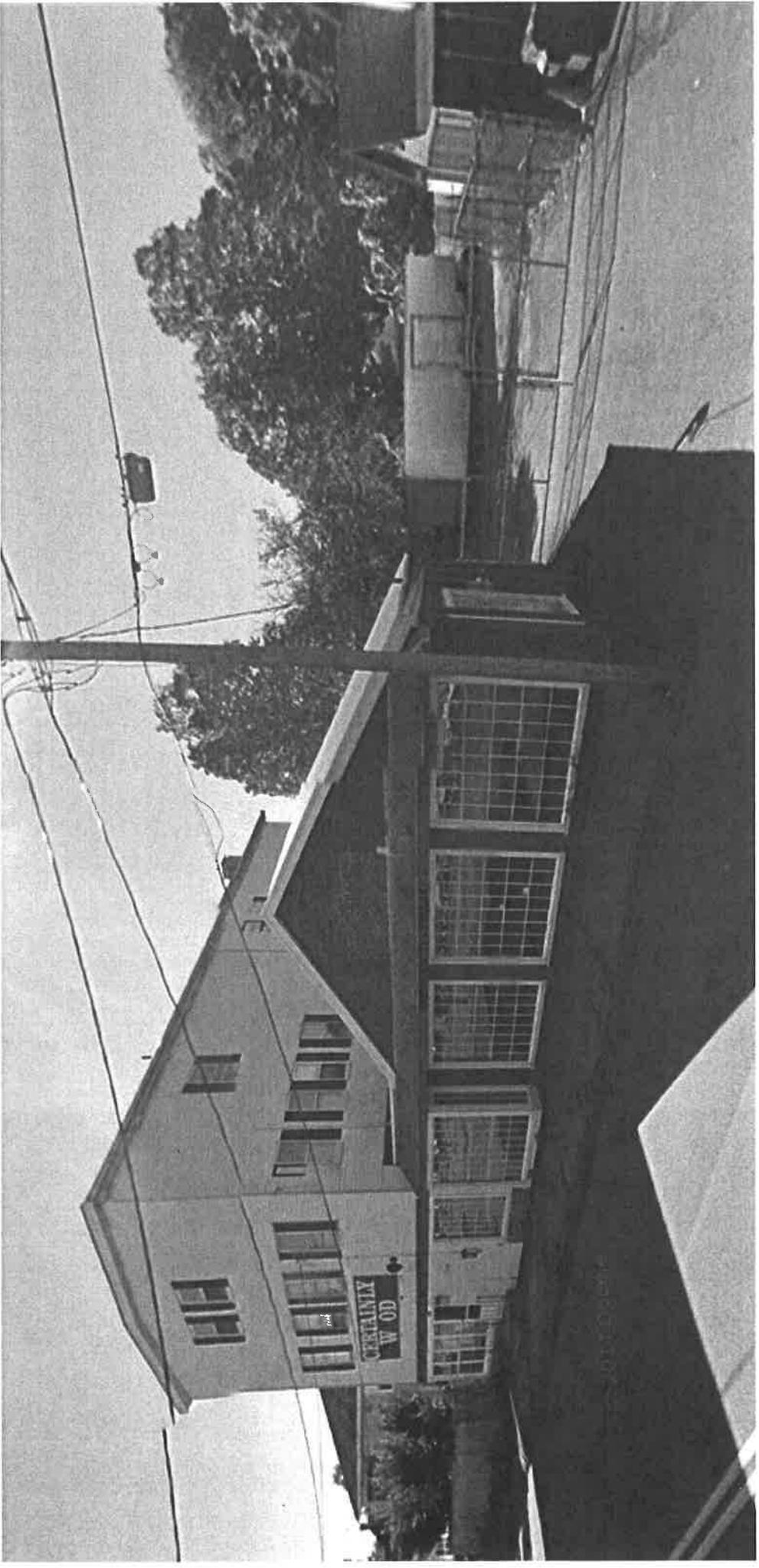


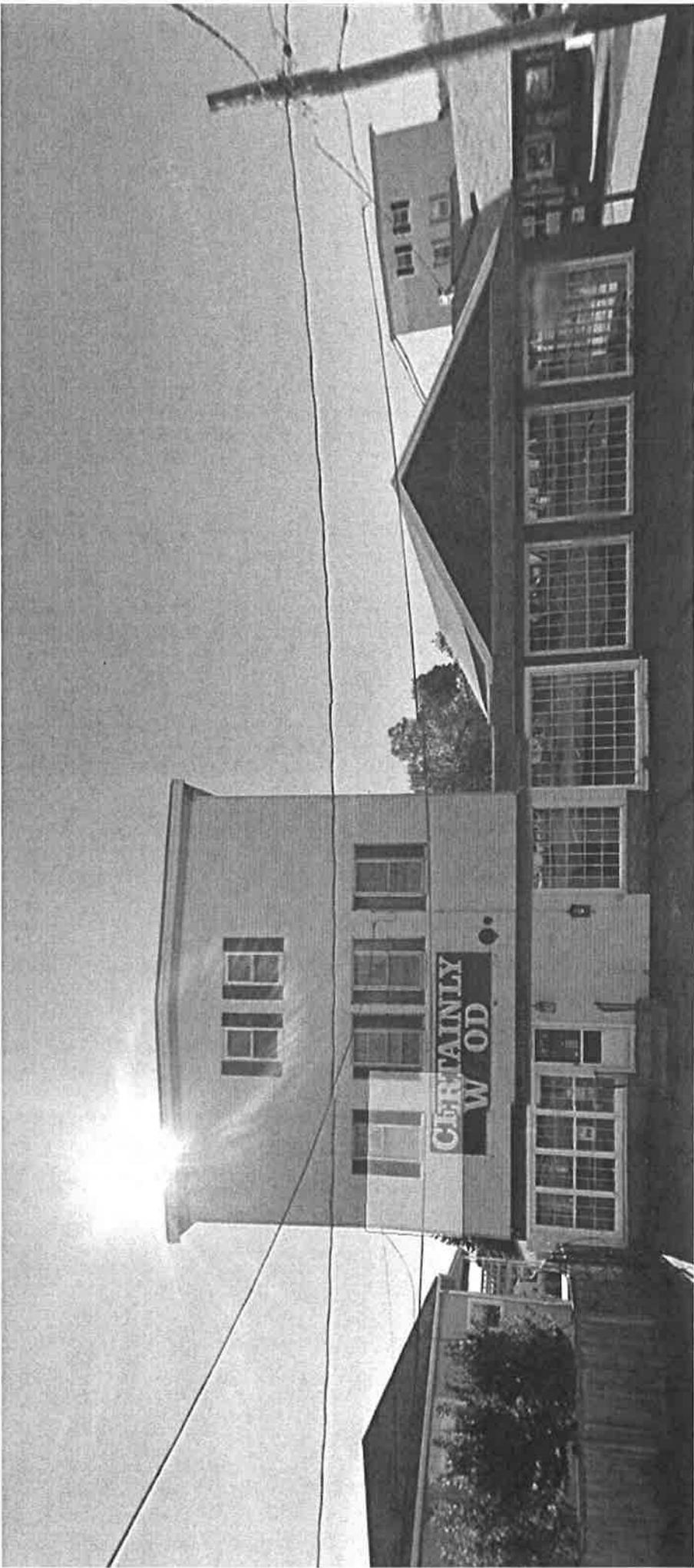












Existing Conditions

The project locus consists of two contiguous parcels of land, known as 39-41 Lincoln Street and 2-12 Prescott Street in Reading, Massachusetts. 39-41 Lincoln Street is a multi-story brick and wood retail-service building with a paved parking lot and limited landscaping. 2-12 Prescott Street is a four story wood frame warehouse-commercial building with a paved parking lot and no landscaping. The majority of the 36,296 square foot parcel is impervious. The parcel fronts on two streets, Lincoln and Farrington Streets with the main entrance of each of the buildings located on Lincoln and Prescott Streets. The sites are accessed from two existing curb cuts on Lincoln and Prescott Streets.

The site is bordered to the north and abutting both parcels, by an automotive repair center, northeast and across Lincoln Street, by a multi-unit commercial use building and the Reading Commuter Rail Station, to the northwest and across Prescott Street, to the southeast and southwest by multi-unit and single family homes. The locus is zoned S-15

The Assessor's lot identifications are 016.0-000-0224.0 and 016.0-0000-0226.0. The building is serviced by public water, public sewer and overhead power and communications from the Prescott and Lincoln Street public layouts. No existing site drainage was found servicing the sites. The sites drain overland uncontrolled into abutting streets and private properties.

The buildings have variable finished floor elevations and the topography of the site is limited and generally flat. A gently sloping parking lot behind the Prescott Street Building begins at a high elevation of 107 slopes towards Prescott Street at elevation 105 and also across the 39-41 Lincoln Street property to an elevation of 105 in Lincoln Street. The elevations are based on the NAVD88 Datum and the site is located entirely in a FEMA mapped Zone C.

Site soils are defined by the Natural Resources Conservation Service (NRCS) as Merrimac-Urban Land Complex. This soil type's drainage class is somewhat excessively drained and composed of 40% Urban Land, 40% Merrimac, 10% Sudbury, 5% Windsor and 5% Hinckley soils. See attached soils map and description.

READING VILLAGE

Current As-Is Highest and Best Use Value

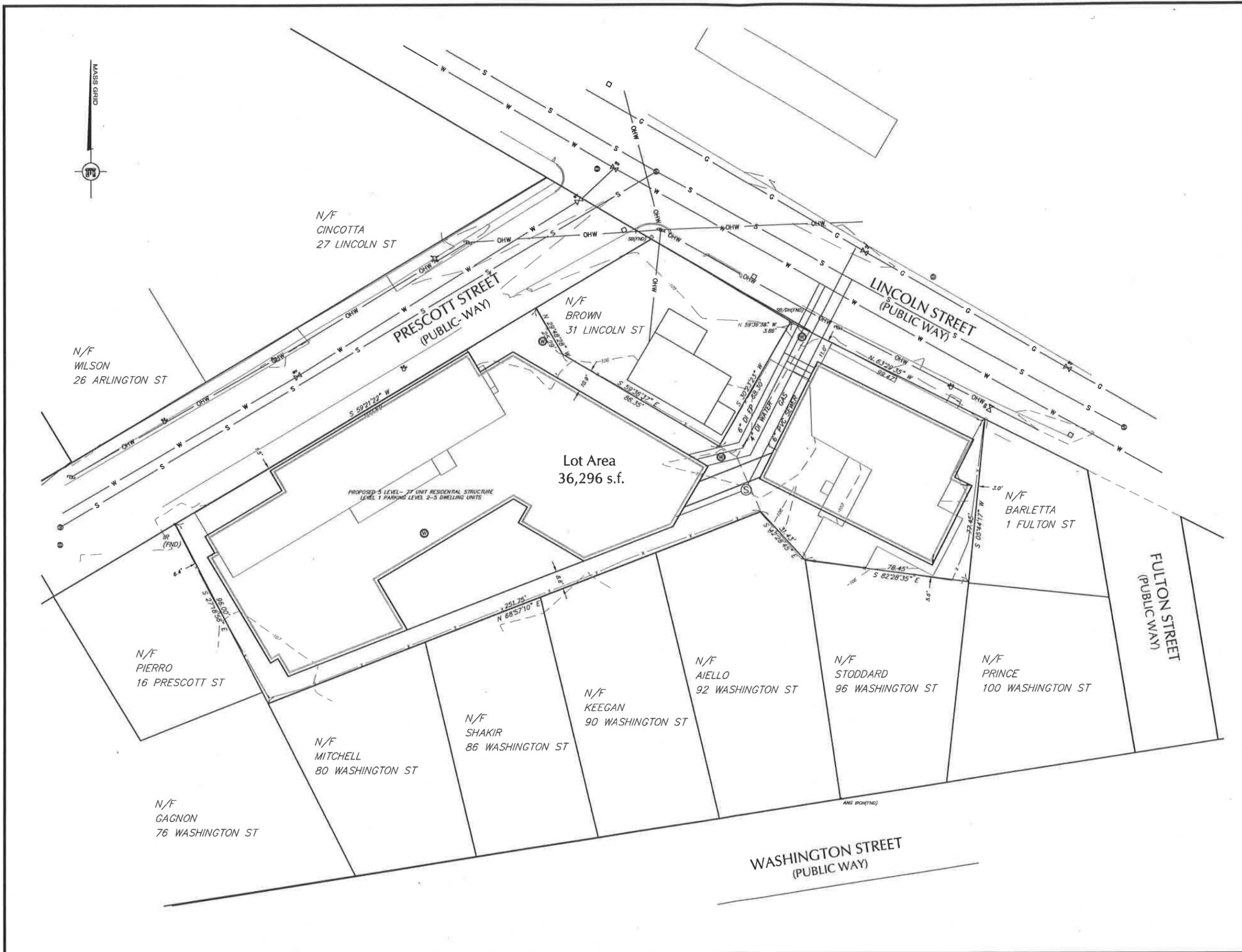
The property is located at 2-12 Prescott Street and 39-41 Lincoln St. The property is in an S-15 Zone. Single family homes allowed by right with a minimum lot size of 15,000 square feet and 100 feet of minimum frontage. The property could accommodate two single family homes. The value of each lot would be \$200,000. However this is not the current highest and best based on the structures currently on the property.

2-12 Prescott currently has a 21,000 square foot warehouse/industrial building on it that is currently used as storage with office space. This non-confirming use may be continued so long as the building footprint is not changed. The current highest and best is therefore to keep the property it is current non-confirming use.

Property	2-12 Lincoln Street	
Building Size	21,000	
Use	Storage/Warehouse	
Cap Rate	10%	
Rent/SF	\$4	
	Month	Annual
Rent/SF	\$7,000	\$84,000
RE Tax	(\$799)	(\$9,587)
OpEx	(\$1,400)	(\$16,800)
NOI	\$4,801	\$57,613
As-Is Value	\$576,127	

39-41 Lincoln Street currently has a 11,302 square foot retail building on it that is most currently used as furniture store/workshop with office space. This non-confirming use may be continued so long as the building footprint is not changed. The current highest and best is therefore to keep the property it is current non-confirming use.

Property	39-41 Lincoln Street	
Building Size	11,302	
Use	Retail	
Cap Rate	8%	
Rent/SF	\$8	
	Month	Annual
Rent/SF	\$7,535	\$90,416
RE Tax	(\$799)	(\$9,587)
OpEx	(\$1,507)	(\$18,083)
NOI	\$5,229	\$62,745
As-Is Value	\$784,318	



DeCELLE



BURKE
 & Associates, Inc.
 1286 Furnace Brook Parkway, Suite 401 Quincy, MA 02169
 (617) 405-5100 (O) (617) 405-5101 (F)



GENERAL NOTES:

- LOCUS: ASSESSORS ID 016.0-0000-0224.0
 016.0-0000-0228.0
 RECORD OWNERS: 2-13 PRESCOTT ST LLC
 36-41 LINCOLN ST LLC
 DEED REFERENCE: BOOK 45430 PAGE 308
 BOOK 45430 PAGE 311
 PLAN REFERENCE: BOOK 101 PAGE 41
 BOOK 6158 PAGE 483
- THIS PLAN IS THE RESULT OF AN ON THE GROUND SURVEY PERFORMED BY THIS OFFICE IN OCTOBER 2014. ELEVATIONS SHOWN ON NAVD 88 DATUM.
- EXISTING UTILITIES WHERE SHOWN IN THE DRAWINGS ARE FROM SURFACE OBSERVATION AND RECORD INFORMATION AND SHOULD BE CONSIDERED APPROXIMATE. THE CONTRACTOR SHALL BE RESPONSIBLE FOR PROPERLY LOCATING AND COORDINATING THE PROPOSED CONSTRUCTION ACTIVITY WITH DIG-SAFE AND THE APPLICABLE UTILITY COMPANIES AND MAINTAINING THE EXISTING UTILITY SYSTEM IN SERVICE. DIG-SAFE SHALL BE NOTIFIED PER THE STATE OF MASSACHUSETTS STATUTE CHAPTER 82, SECTION 409 AT TEL. 1-888-344-7233. THE ENGINEER DOES NOT GUARANTEE THEIR ACCURACY OR THAT ALL UTILITIES AND SUBSURFACE STRUCTURES ARE SHOWN. LOCATIONS AND ELEVATIONS OF UNDERGROUND UTILITIES WERE TAKEN FROM RECORD PLANS. THE CONTRACTOR SHALL VERIFY SIZE, LOCATION, AND INVERTS OF UTILITIES AND STRUCTURES AS REQUIRED PRIOR TO THE START OF CONSTRUCTION.
- THE LOT SHOWN DOES NOT LIE WITHIN A SPECIAL FLOOD HAZARD ZONE AS DELINEATED ON FIRM 25021C-0313C, DATED JUNE 4, 2010.
- PARCEL IS ZONED S-15.
 MIN. LOT AREA = 15,000 S.F.
 MIN. WIDTH CIRCLE DIAMETER = 60 FT.
 MIN. FRONTAGE = 100 FT.
 MIN. FRONT YARD = 20 FT.
 MIN. SIDE YARD = 15 FT.
 MIN. REAR YARD = 20 FT.
 MAX. LOT COVERAGE = 25%
 MAX. BUILDING HEIGHT = 35 FT.

PROJECT TITLE & LOCATION:

**PLAN OF LAND
 IN
 READING, MA**

2 PRESCOTT ST & 39 LINCOLN ST

PLAN TITLE:

PROPOSED CONDITIONS

PREPARED FOR:

**KM DOVER LLC
 109 OAK STREET SUITE G20
 NEWTON, MA 02484**

DATE: OCTOBER 29, 2014
 REVISED:

JOB NUMBER: 2014.034 SHEET 1 OF 1

SCALE: 1"=20'

Prescott Street Residential, Reading, Massachusetts

17 February 2015

Prescott Street Residential - Overall Project Summary



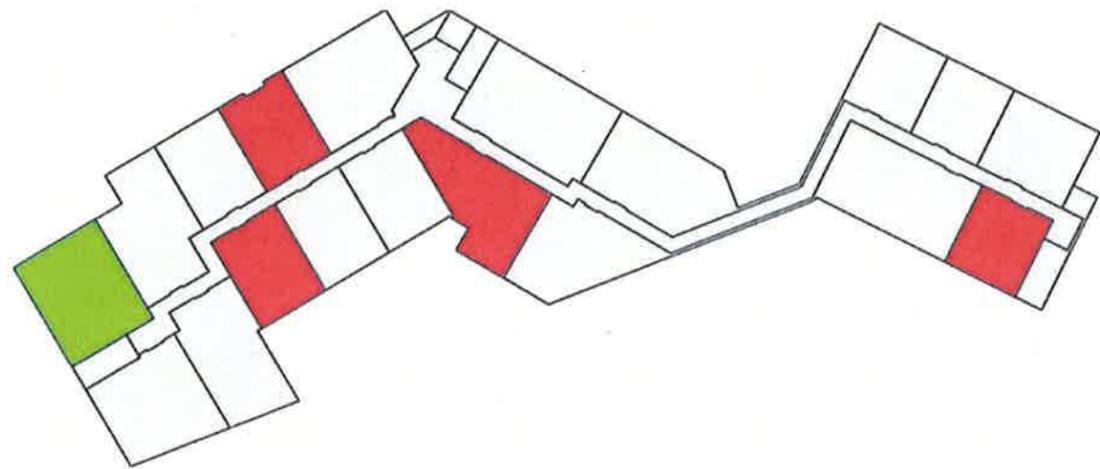
UNIT MIX/SUMMARY

UNIT TYPE	DESCRIPTION	NRSF	UNITS	BED	BATH	NRSF	MIX
A1	1 Bed/1 Bath	833	12	12	12	9,996	15.6%
A2	1 Bed/1 Bath	704	4	4	4	2,816	5.2%
A2w	1 Bed/1 Bath	720	4	4	4	2,880	5.2%
A2a	1 Bed/1 Bath	721	4	4	4	2,884	5.2%
A3	1 Bed/1 Bath	810	4	4	4	3,240	5.2%
A3a	1 Bed/1 Bath	810	4	4	4	3,240	5.2%
A6	1 Bed/1 Bath	900	4	4	4	3,600	5.2%
A7	1 Bed/1 Bath	1139	4	4	4	4,556	5.2%
A8	1 Bed/1 Bath	1142	3	3	3	3,426	3.9%
A8A	1 Bed/1 Bath	1016	1	1	1	1,016	1.3%
A9	1 Bed/1 Bath	1088	4	4	4	4,352	5.2%
A10	1 Bed/1 Bath	1038	3	3	3	3,114	3.9%
A10A	1 Bed/1 Bath	862	1	1	1	862	1.3%
Total TYP A Units			52	52	52	45,982	67.5%
B1	2 Bed/2 Bath	1202	4	8	8	4,808	5.2%
B2	2 Bed/2 Bath	1174	4	8	8	4,696	5.2%
B3	2 Bed/2 Bath	1203	4	8	8	4,812	5.2%
B4	2 Bed/2 Bath	1202	3	6	6	3,606	3.9%
Total TYP B Units			15	30	30	17,922	19.5%
C1	3 Bed/2 Bath	1484	3	9	6	4,452	3.9%
C2	3 Bed/2 Bath	1417	3	9	6	4,251	3.9%
Total TYP C Units			6	18	12	8,703	7.8%
A2 G2	1 Bed/1 Bath *Group 2	708	2	2	2	1,416	2.6%
B4 G2	2 Bed/2 Bath *Group 2	1204	1	1	1	1,204	1.3%
C1 G2	3 Bed/2 Bath *Group 2	1484	1	3	1	1,484	1.3%
Total TYP G2 Units			4	6	4	4,104	5.2%
TOTAL GSF							
TOTAL UNITS			77			76,711	100.0%
TOTAL BATHROOMS					98		
TOTAL BEDROOMS				106			

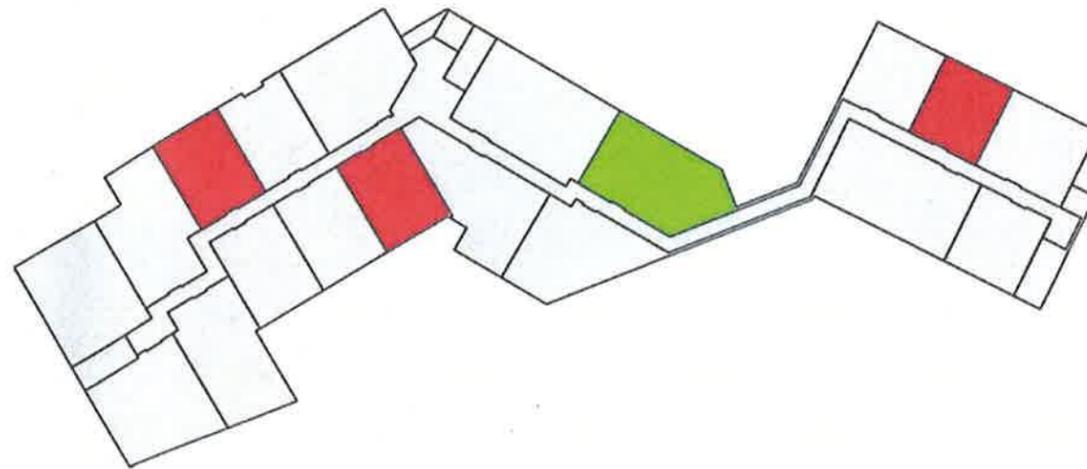
UNIT TYPE	AFFORDABLE	MARKET	
12	3.00	9.00	
4	1.00	3.00	
4	1.00	3.00	
4	1.00	3.00	
4	1.00	3.00	
4	1.00	3.00	
4	1.00	3.00	
4	1.00	3.00	
4	1.00	3.00	
4	1.00	3.00	
3	1.00	2.00	
1	0.00	1.00	
4	1.00	3.00	
3	1.00	2.00	
1	0.00	1.00	
TOTAL A UNITS		13.00	39.00
4	1.00	3.00	
4	1.00	3.00	
4	1.00	3.00	
3	0.00	3.00	
TOTAL B UNITS		3.00	12.00
3	1.00	2.00	
3	1.00	2.00	
TOTAL C UNITS		2.00	4.00
2	0.00	2.00	
1	1.00	0.00	
1	0.00	1.00	
TOTAL G2 UNITS		1.00	3.00
TOTALS		19.00	58.00
MIX		25%	75%

PODIUM	22,906
TOTAL UNITS	77
TOTAL NRSF	76,711
OVERALL GSF	92,356
RESIDENTIAL GSF	80,800
BUILDING EFFICIENCY	83%

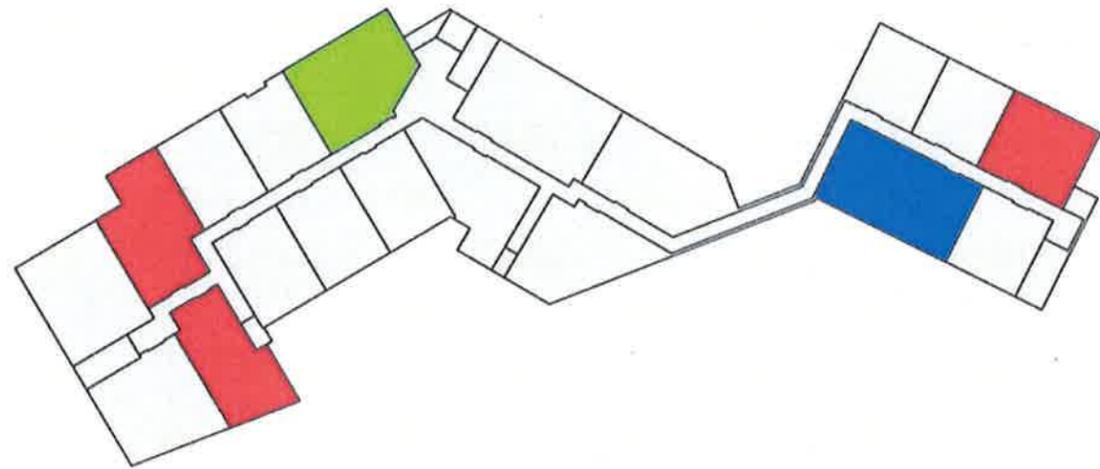
UNIT SUMMARY (INCLUDES G2)		
1 BR / 1 BA	54	70.13%
2 BR / 2 BA	16	20.78%
3 BR / 2 BA	7	9.09%
TOTAL	77	



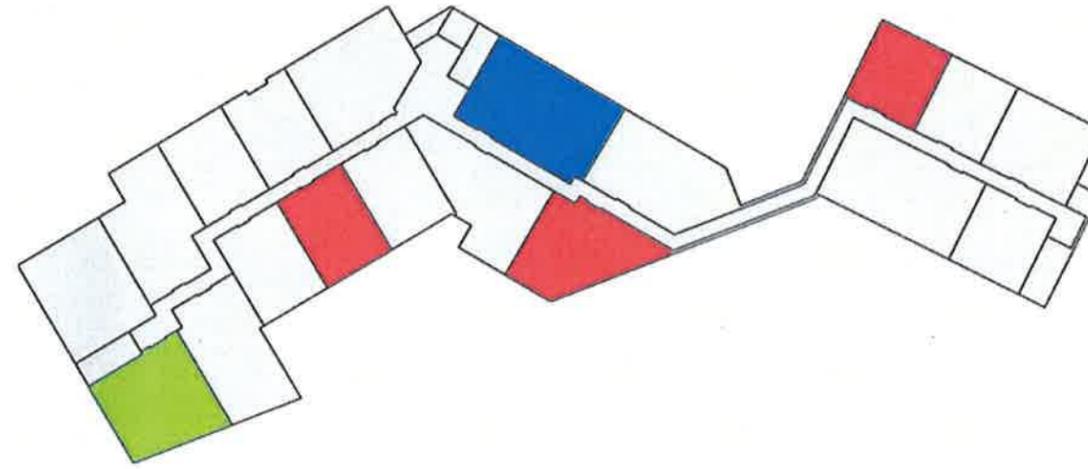
SECOND 5



FOURTH 4



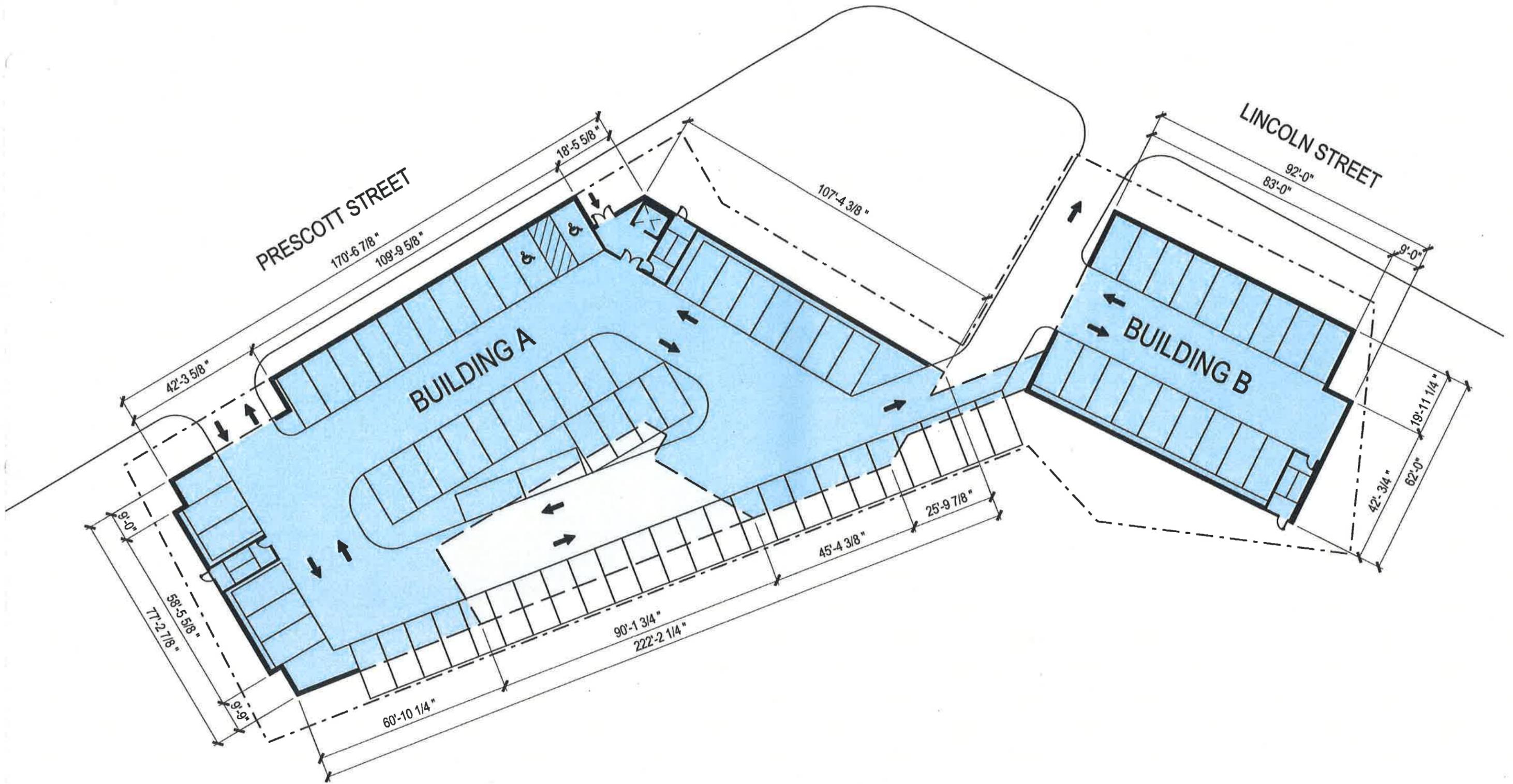
FIRST 5



THIRD 5

TOTAL 19

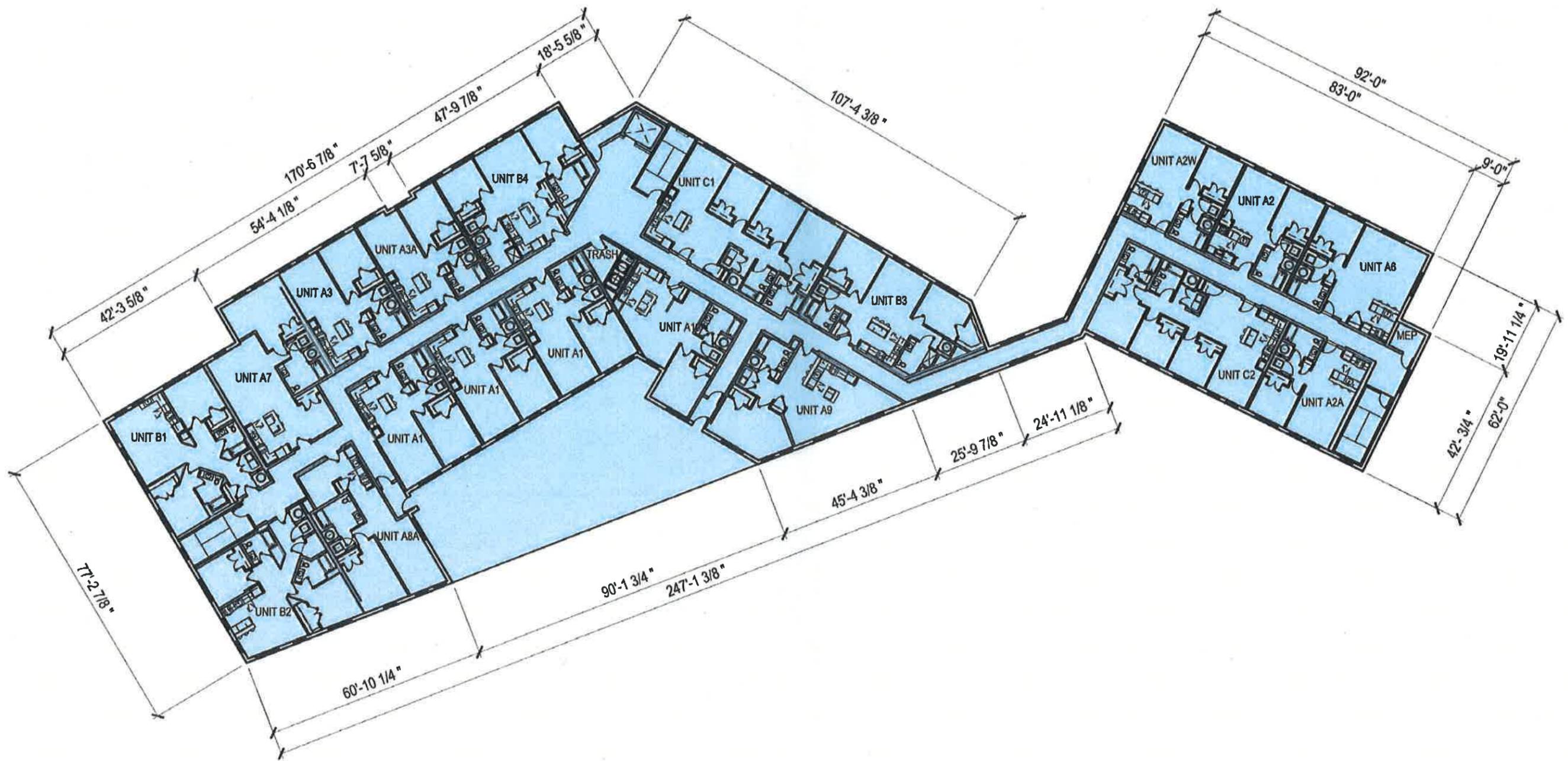
KEY: ■ 1 BED / 1 BATH ■ 2 BED / 2 BATH ■ 3 BED / 2 BATH



Prescott Street Residential, Reading, Massachusetts

Podium Plan

17 February 2015



Prescott Street Residential, Reading, Massachusetts

Courtyard Plan

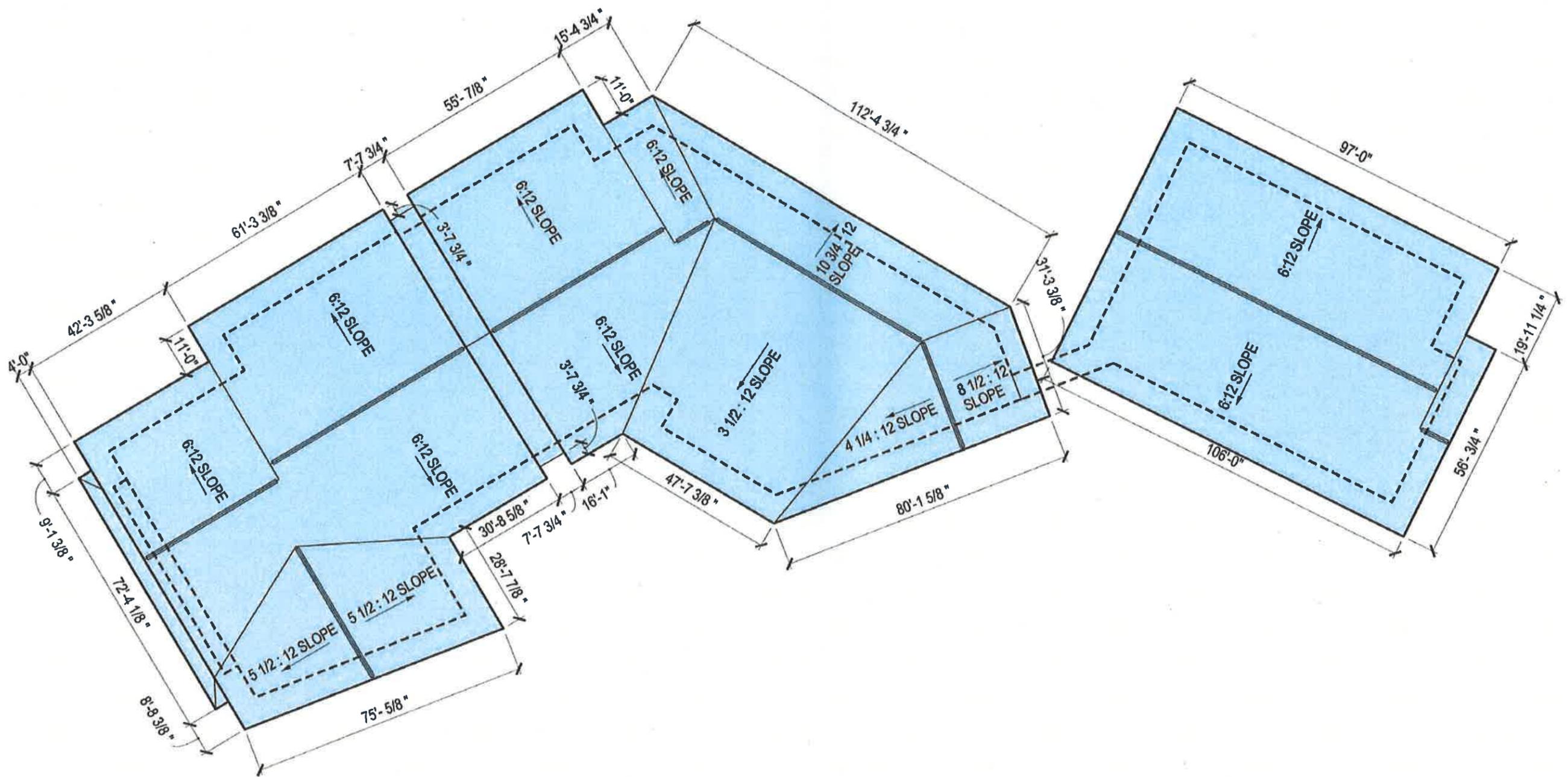
17 February 2015



Prescott Street Residential, Reading, Massachusetts

Typical Floor Plan

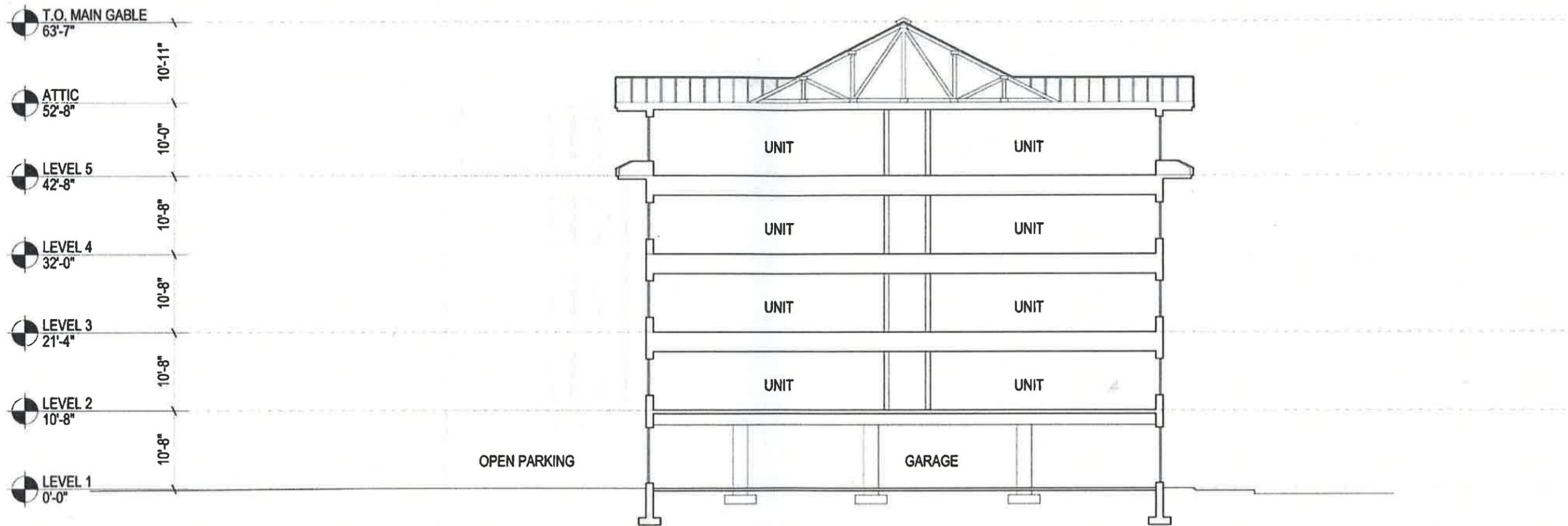
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Prescott Street Residential, Reading, Massachusetts

Roof Plan

17 February 2015



Prescott Street Residential, Reading, Massachusetts

Building Section

17 February 2015

T.O. MAIN GABLE
63'-7"

LEVEL 5
42'-8"

LEVEL 4
32'-0"

LEVEL 3
21'-4"

LEVEL 2
10'-8"

LEVEL 1



Prescott Street Residential, Reading, Massachusetts

North Elevation

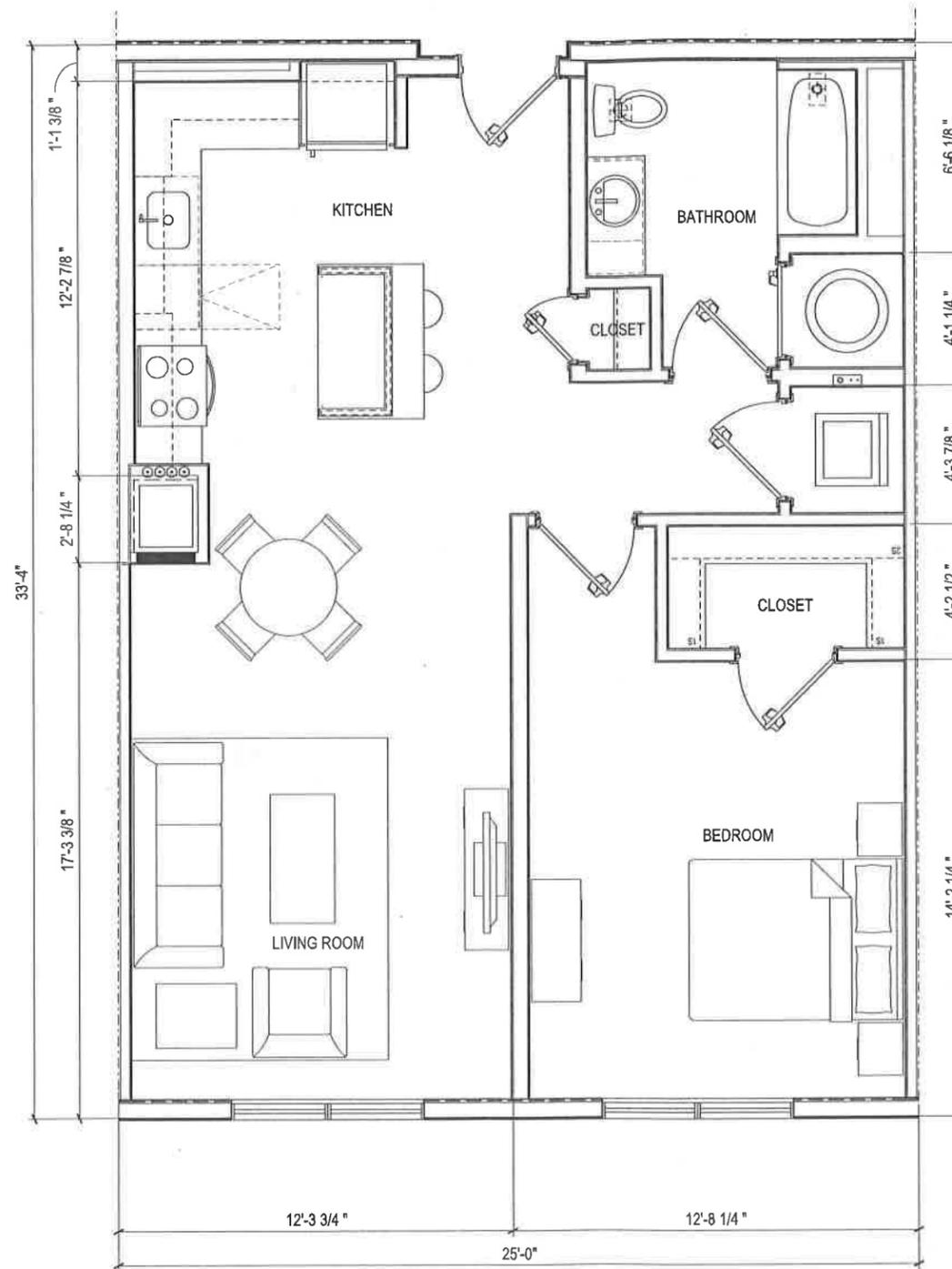
17 February 2015



Prescott Street Residential, Reading, Massachusetts

East Elevation

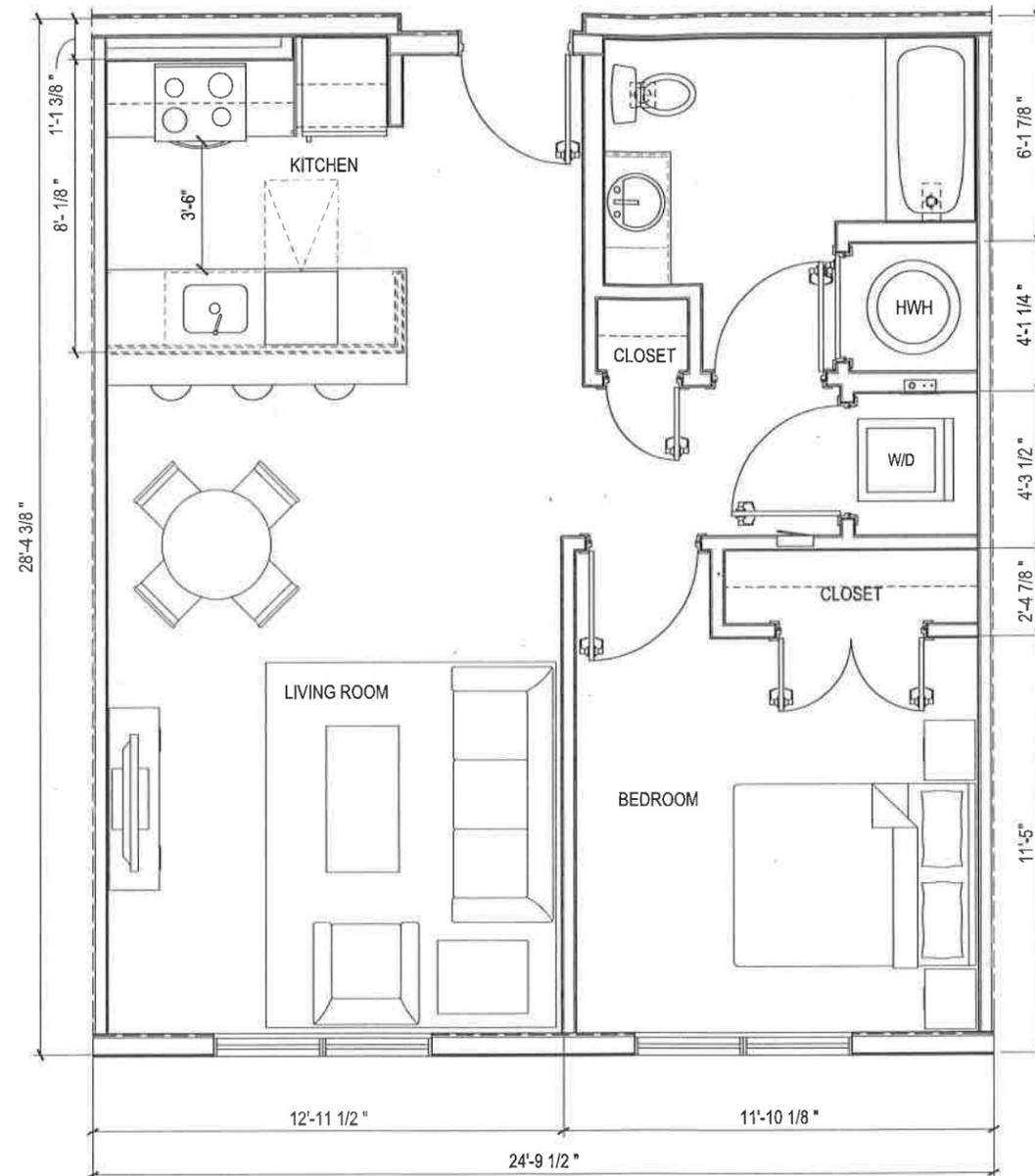
17 February 2015



Prescott Street Residential, Reading, Massachusetts

A1 Unit - 833 SF

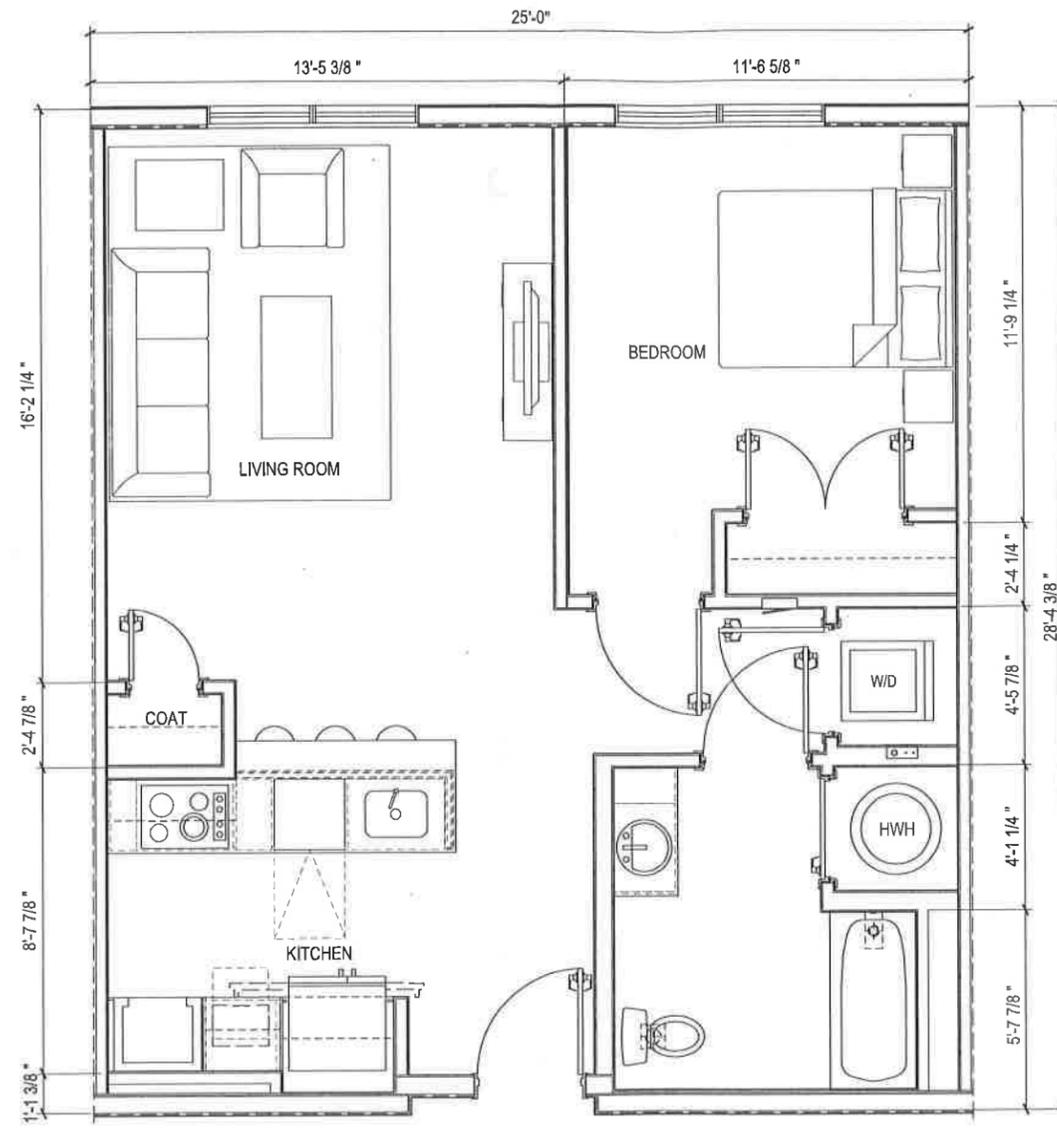
17 February 2015



Prescott Street Residential, Reading, Massachusetts

A2 Unit - 704 SF

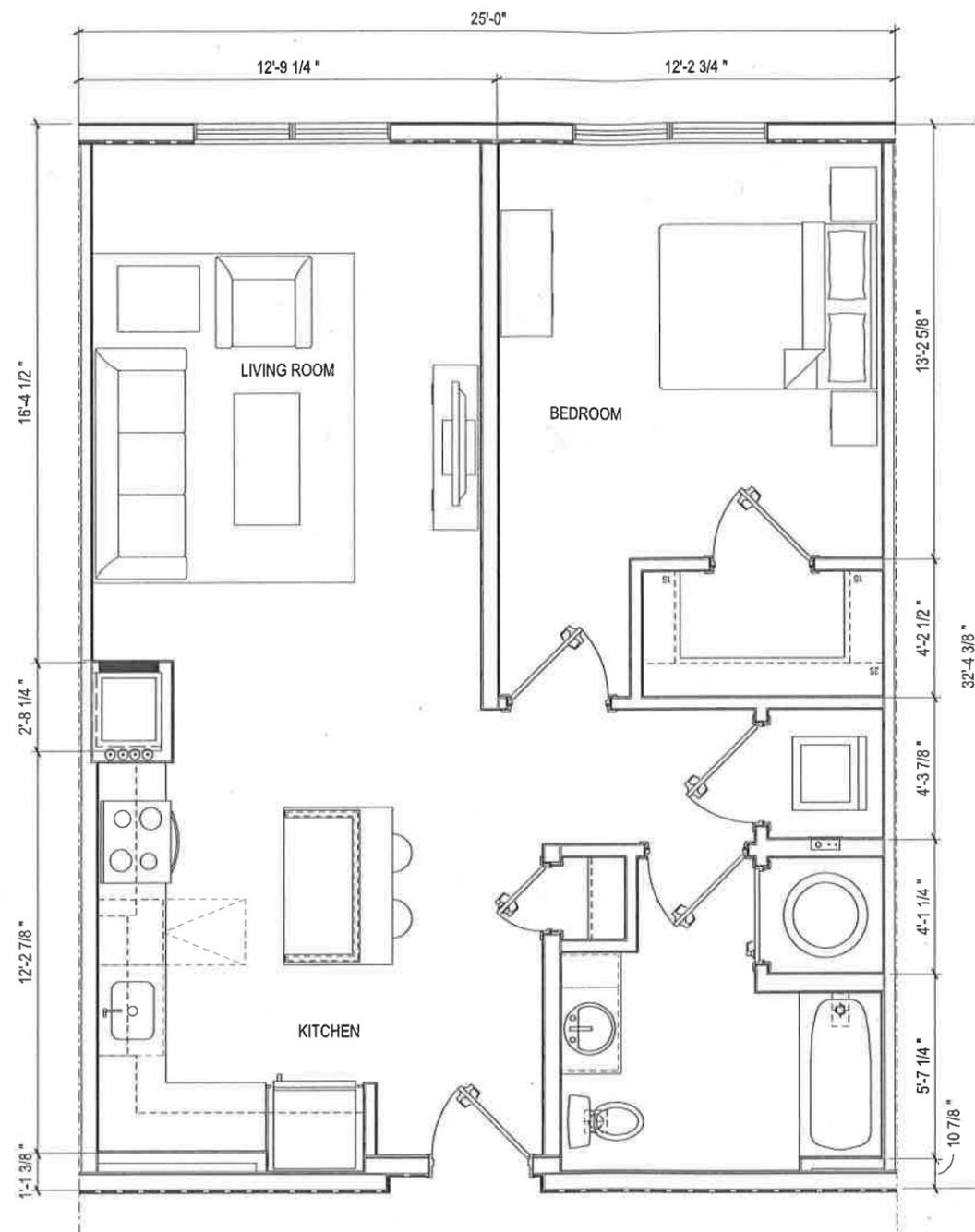
17 February 2015



Prescott Street Residential, Reading, Massachusetts

A2 - Group 2 Unit - 710 SF

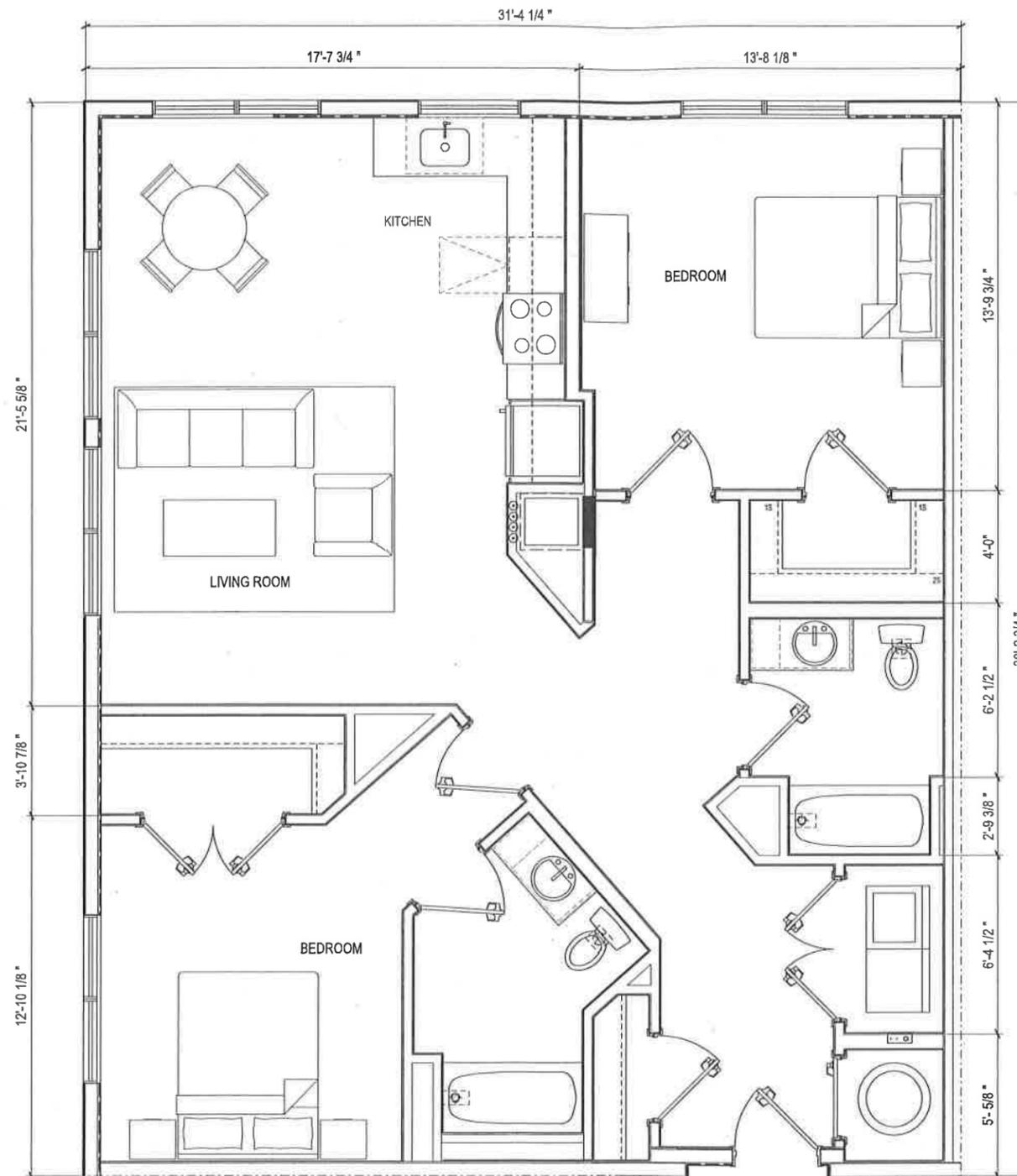
17 February 2015



Prescott Street Residential, Reading, Massachusetts

A3 Unit - 810 SF

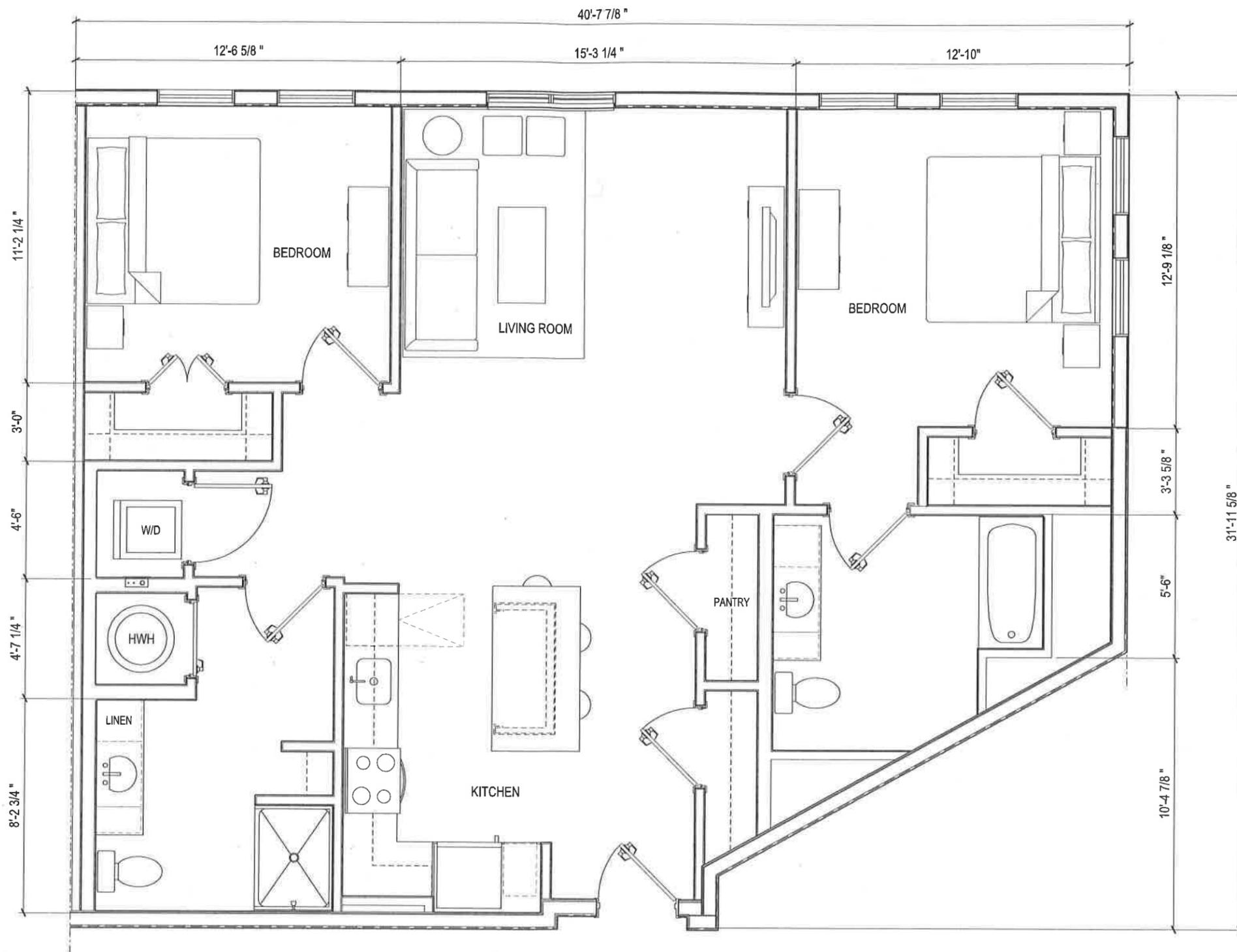
17 February 2015



Prescott Street Residential, Reading, Massachusetts

B1 Unit - 1,202 SF

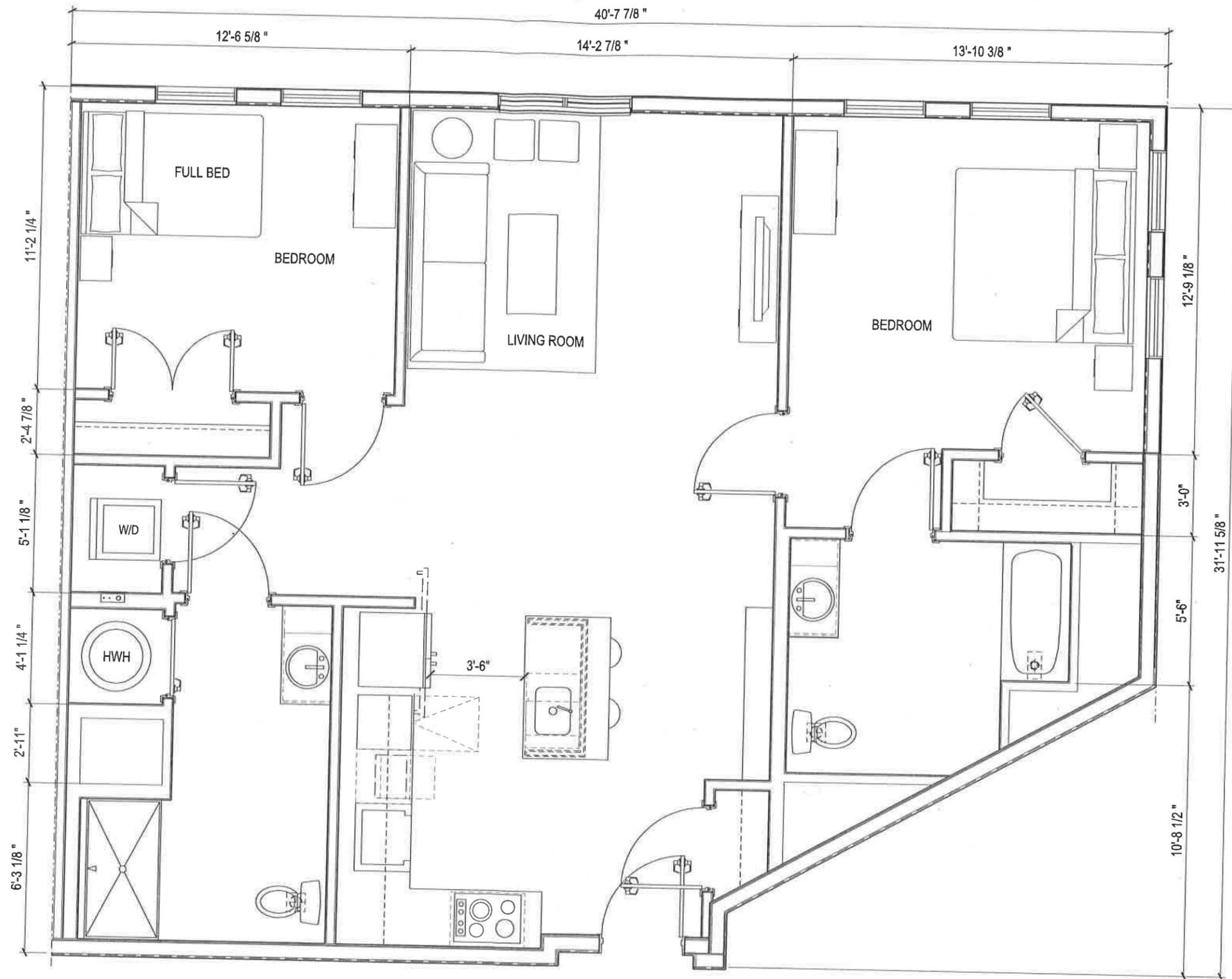
17 February 2015



Prescott Street Residential, Reading, Massachusetts

B4 Unit - 1,202 SF

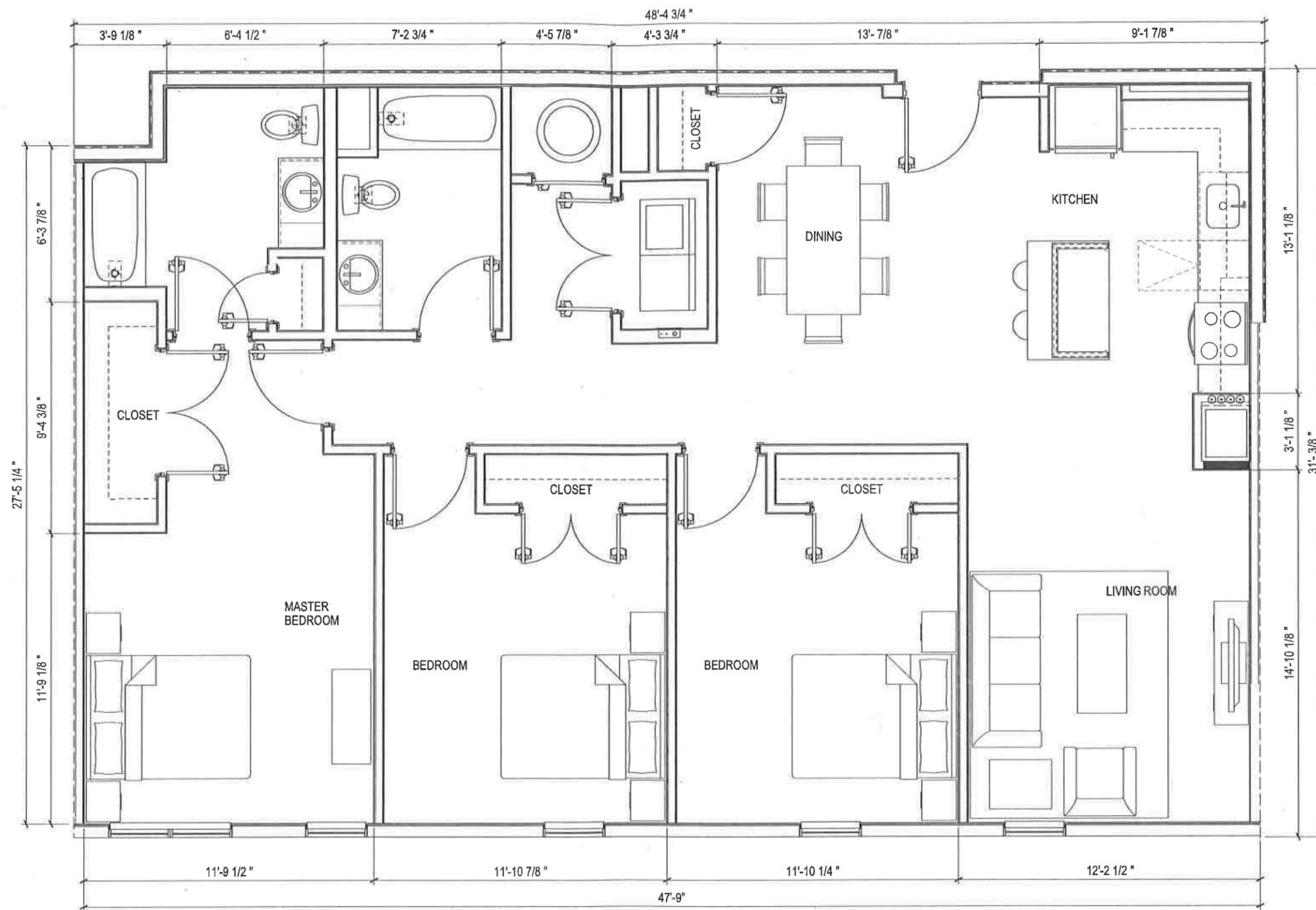
17 February 2015



Prescott Street Residential, Reading, Massachusetts

B4 - Group 2 Unit - 1,202 SF

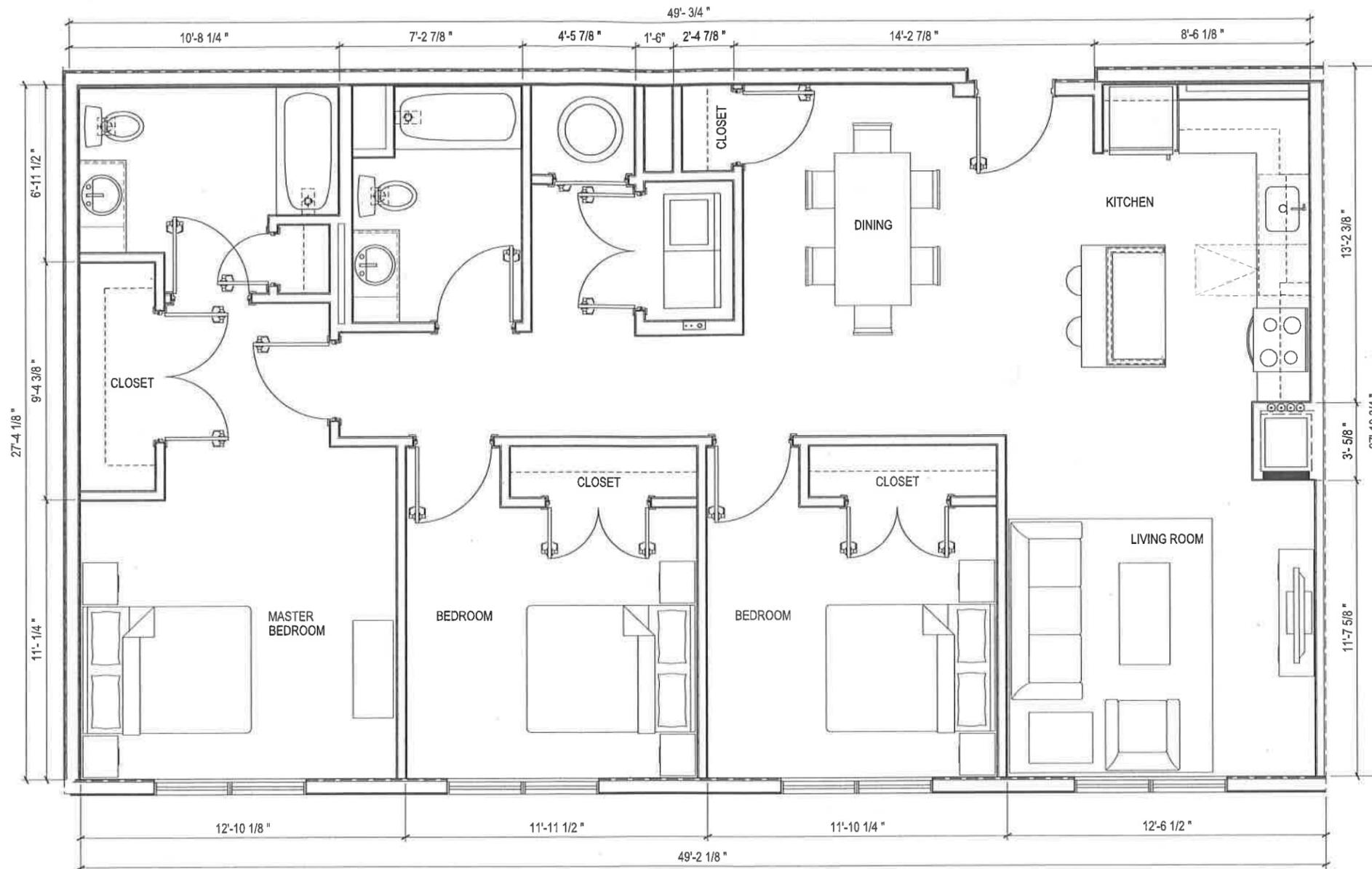
17 February 2015



Prescott Street Residential, Reading, Massachusetts

C1 Unit - 1,484

17 February 2015



Prescott Street Residential, Reading, Massachusetts

C2 Unit - 1,417

17 February 2015

December 21

June 21

March/September 21

10 AM

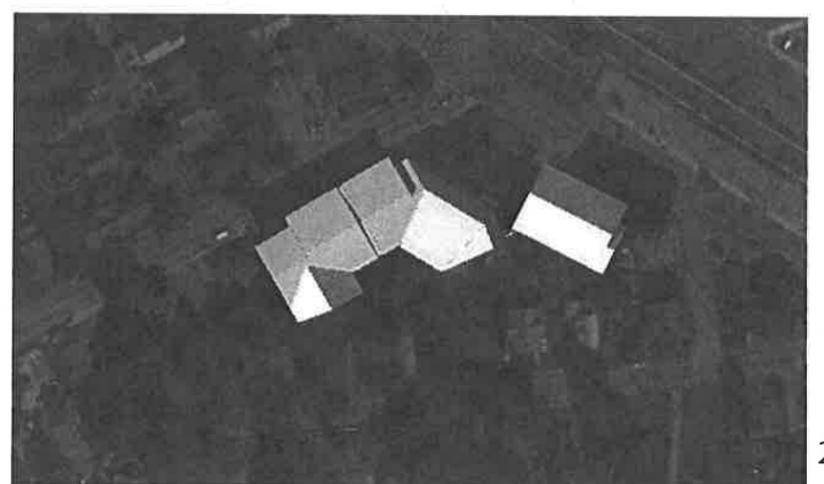
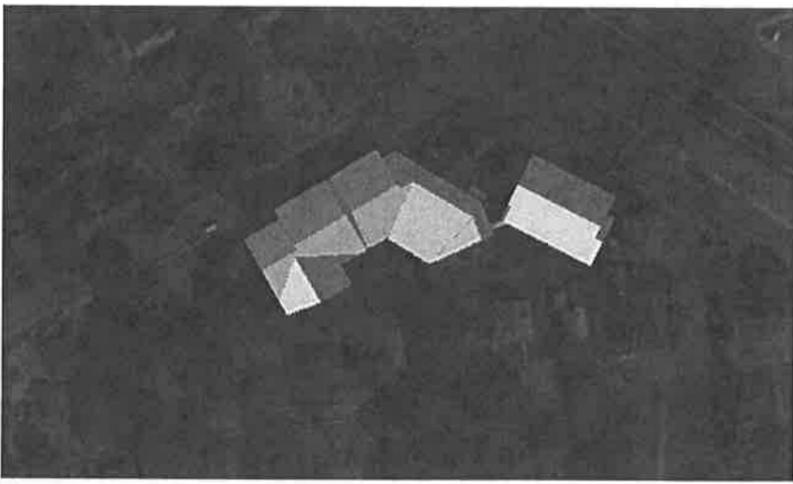
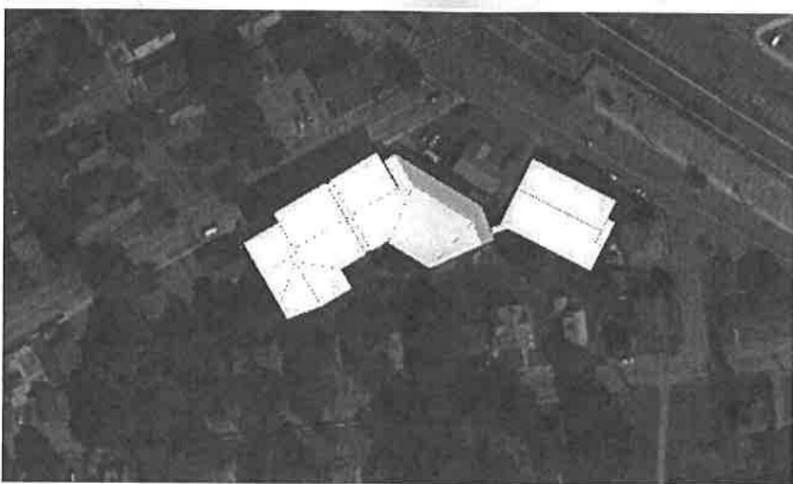
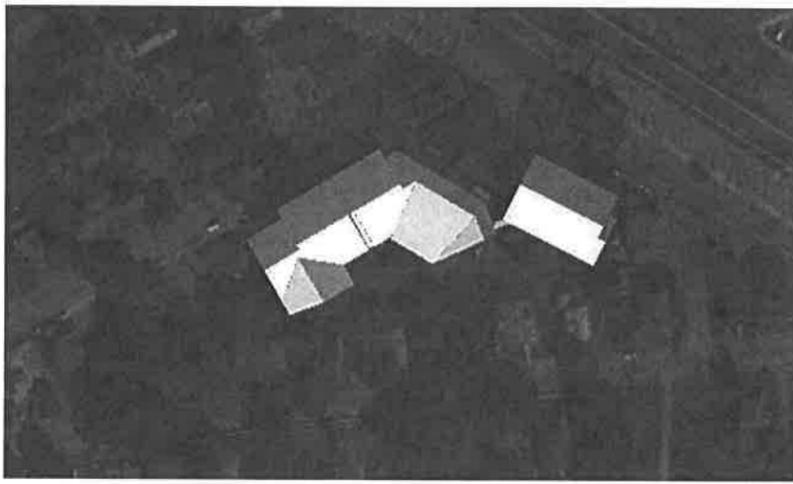
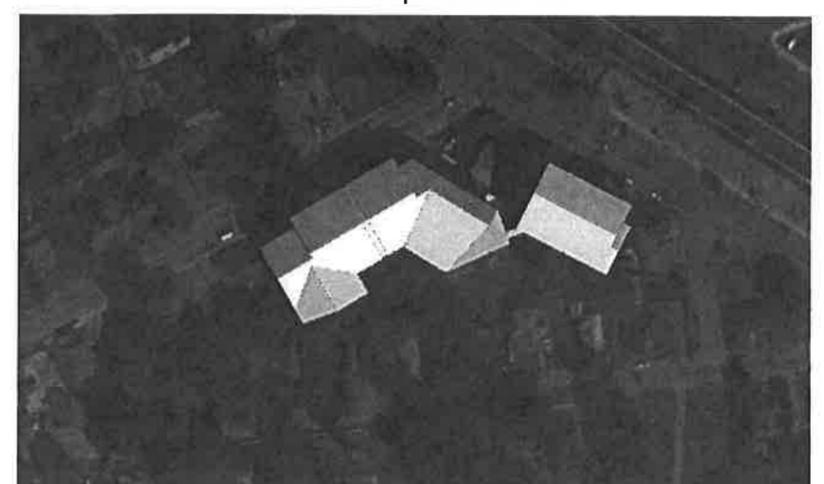
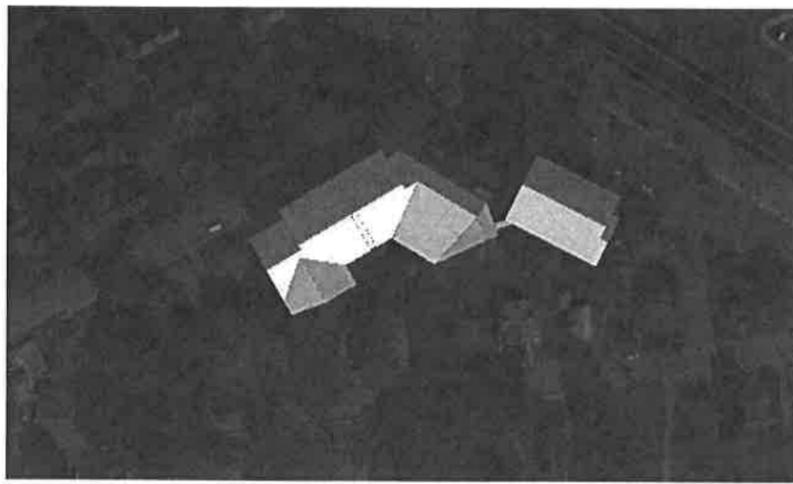
10 AM

12 PM

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2:30 PM

2:30 PM



Prescott Street Residential, Reading, Massachusetts

Shadow Studies

17 February 2015

Prescott Street Residential - Reading, MA
Project Narrative
17 February 2015

The proposed project, at the corner of Lincoln and Prescott streets in central Reading, provides two new residential buildings located over ground-level parking. The building footprints are organized to encourage activity along the street edge while integrating new access to parking for residents and visitors; the two buildings are connected by a series of enclosed corridors at the upper floors. A ground-floor lobby draws pedestrians directly from Prescott Street into the main circulation of the building, where tenants are provided with immediate access to a stairwell and elevator core. Two additional stairwells are located at the site perimeter to provide an alternative entry sequence into both buildings. A landscaped courtyard is proposed above the parking level, providing residents with private outdoor space. With Reading Station and the Haverhill train line directly proximate to the project, residents can readily utilize public transit and efficiently connect from work to home.

The architectural design of the residential buildings incorporates the traditional vernacular of nearby buildings, referencing time-honored Railroad-Romanesque stylistic elements to accentuate a highly-articulated façade, and reduce the overall scale of the building from the realm of pedestrian experience. The exterior exhibits sloping, gabled rooflines, melding the uppermost floor of both buildings into the slope of the roof in order to further reduce the effect of height on neighboring structures. Articulated areas of traditional exterior cladding, such as lap siding and vertical batten board, enhance the façade in subtle, refined blocks of color, echoing nearby residential homes and continuing the architectural fabric of the neighborhood.

A centrally located corridor bridging between the two buildings provides access to the residential units, with egress stairwells at end- and midpoints. Building services are also centrally located to provide close proximity to necessary amenities from residents of both buildings. The overall plan is driven by the compact footprint of each building, with efficient units that maximize natural light through the design of open kitchen/living spaces, comfortably-sized bedrooms, bathrooms, and storage areas. Each unit will contain a laundry area, individualized environmental controls, and efficient appliances that enhance the quality of life for residents.

With an active mix of affordable and accessible units, the proposed project will provide quality housing that is integrated into the surrounding neighborhood and enhances the architectural fabric of the community.

WAIVER REQUEST- Town of Reading Bylaws

Waiver Request- The proposed development plans reflect an attempt to minimize the number of waivers requested. In addition some existing non-conforming features of the existing structures on site are reduced or eliminated. Attached please find a preliminary table of the waivers necessary to permit the proposed construction.

WAIVERS FROM ZONING BYLAW		
LOCAL REGULATION	REQUIREMENT	PROPOSED
1. Use Regulations. Table of Principal Uses (4.2.2)	Apartments not allowed in the S-15 Zone	Request Board of Appeals grant Waiver to allow multi-family dwellings (existing)
2. Table of Dimension Controls. Apartments. Lot Size (5.1.2)	100,000 square feet	Request Board of Appeals grant Waiver to allow multi-family dwellings (existing structures on site are non-conforming industrial and commercial uses)
3. Table of Dimension Controls. Apartments. Max Building Height (5.1.2)	35'	Request Board of Appeals grant Waiver to allow height of 57.5' (existing height is +/- 44')
4. Off-Street Parking and Loading and Unloading Requirements. Apartment:	1.5 spaces per unit	Request Board of Appeals grant Waiver to allow 1.06 spaces per unit (83 total)
5. Site Plan Review (4.3.3)		Request waiver from any separate site plan approval under 4.3.3
6. Table of Dimension Controls. Apartments. Maximum Lot Coverage (5.1.2)	25%	Request Board of Appeals grant Waiver to allow 71% lot coverage (existing lot coverage is 32%; proposed open space is 18%, existing open space is 2%)
7. Table of Dimension Controls. Apartments. Side Setback (5.1.2)	20'	Request Board of Appeals grant Waiver to allow 3'-10.9' side setback (existing side setback is 1.3')
8. Table of Dimension Controls. Apartments. Front Setback (5.1.2)	15'	Request Board of Appeals grant Waiver to allow 1.5'-11' front setback (existing front setback is .4')
9. Table of Dimension Controls. Apartments. Rear Setback (5.1.2)	20'	Request Board of Appeals grant Waiver to allow 5.6'-8.5' rear setback (existing rear setback is 0')
10. Lot Shape (5.2.1)	In all residence districts no lot may be construed to be a building lot unless it fully contains a geometric shape which conforms with the following characteristics: a) The geometric shape entirely complies with the area	Request Board of Appeals grant Waiver to allow geometric shape less than lot area
11. Water Connection Permits		Request comprehensive permit in lieu of local approval as are required to obtain a Town of Reading water connection permit and a waiver of other charges not provided for
12. Sewer Connection Permits		Request comprehensive permit in lieu of local approval as are required to obtain local and state sewer connection permits and a waiver of other charges not provided for

Sustainable Development Characteristics

Please describe below any aspects of the Project which are keeping with the ten Massachusetts Sustainable Development Principles.

SUSTAINABLE DEVELOPMENT PRINCIPLES	READING STATION
<p>1. Concentrate Development and Mix Uses</p> <p>Support the revitalization of city and town centers and neighborhoods by promoting development that is compact, conserves land, protects historic resources, and integrates uses. Encourage remediation and reuse of existing sites, structures, and infrastructure rather than new construction in undeveloped areas. Create pedestrian friendly districts and neighborhoods that mix commercial, civic, cultural, educational, and recreational activities with open spaces and homes.</p>	<ul style="list-style-type: none"> · The project is a Transit Oriented Development, located directly across the street from the Reading commuter station and in close proximity to downtown Revere · Transit Oriented Development TOD is an important component to the Commonwealth's overall mission to promote smart growth. · The project is the redevelopment of an existing nonconforming commercial and industrial use in a residential neighborhood · The project revitalizes an under utilized and neglected property in an area targeted for high density developments by the Town of Reading's own master plan. · The project will produce mixed income multi-family housing · The project utilizes existing water and sewer infrastructure
<p>2. Advance Equity</p> <p>Promote equitable sharing of the benefits and burdens of development. Provide technical and strategic support for inclusive community planning and decision making to ensure social, economic, and environmental justice.</p> <p>3. Make Efficient Decisions</p> <p>Make regulatory and permitting processes for development clear, predictable, coordinated, and timely in accordance with smart growth and environmental stewardship.</p>	<ul style="list-style-type: none"> · The project creates affordable housing in a community and region with an underserved population of households earning up to 80% of AMI <p>A high level fiscal impact analysis indicates a strong fiscal impact to the community.</p> <ul style="list-style-type: none"> · The applicant has met with the municipality on several occasions and incorporated its suggestions and objectives within the current development program. · The project will be permitted through the Comprehensive Permit process
<p>4. Protect Land and Ecosystems</p> <p>Protect and restore environmentally sensitive lands, natural resources, agricultural lands, critical habitats, wetlands and water resources, and cultural and historic landscapes. Increase the quantity, quality and accessibility of open spaces and recreational opportunities.</p>	<ul style="list-style-type: none"> · The project design is sensitive to the surrounding area, increases existing setbacks to neighbors, creates some open space areas where none presently exists. · The close proximity of the development to the newly renovated Washington Street Park provides residents with excellent access to recreation facilities
<p>5. Use Natural Resources Wisely</p> <p>Construct and promote developments, buildings, and infrastructure that conserve natural resources by reducing waste and pollution through efficient use of land, energy, water, and materials.</p>	<ul style="list-style-type: none"> · The project uses energy efficient technologies, recycled and/or non-/low-toxic materials, and meets or exceeds energy codes. · Units will be supplied with Energy Star rated appliances and low flow fixtures, reducing water consumption and conserving resources
<p>6. Expand Housing Opportunities</p> <p>Support the construction and rehabilitation of homes to meet the needs of people of all abilities, income levels, and household types. Build homes near jobs, transit, and where services are available. Foster the development of housing, particularly multifamily and smaller single-family homes, in a way that is compatible with a community's character and vision and with providing new housing choices for people of all means.</p>	<ul style="list-style-type: none"> · The project increases the number of rental units available to households earning up to 80% of AMI · The project expands the affordable housing stock in Reading and will add 77 units of SHI qualified housing · The project is a Transit Oriented Development, directly across the street from the Reading commuter station providing easy access to Boston · The project is located in close proximity to jobs both in downtown Reading, downtown Boston and with the immediate surrounding Route 128 corridor.
<p>Provide Transportation Choice</p> <p>Maintain and expand transportation options that maximize mobility, reduce congestion, conserve fuel and improve air quality. Prioritize rail</p>	<ul style="list-style-type: none"> · As a Transit Oriented Development, the project will reduce dependence on private automobiles · The project will explore the use of car sharing services such as zip car

reduce congestion, conserve fuel and improve air quality. Prioritize rail, bus, boat, rapid and surface transit, shared-vehicle and shared-ride services, bicycling, and walking. Invest strategically in existing and new passenger and freight transportation infrastructure that supports sound economic development consistent with smart growth objectives.

- The project will provide bicycle parking spaces
- The project location nearby the commuter station, downtown area and local parks encourages walking.

8. Increase Job and Business Opportunities

Attract businesses and jobs to locations near housing, infrastructure, and transportation options. Promote economic development in industry clusters. Expand access to education, training, and entrepreneurial opportunities. Support the growth of local businesses, including sustainable natural resource-based businesses, such as agriculture, forestry, clean energy technology, and fisheries.

- The project will create housing near job opportunities in the retail, service and professional sectors
- The project will help the continued development of downtown Reading and the commuter station area

9. Promote Clean Energy

Maximize energy efficiency and renewable energy opportunities. Support energy conservation strategies, local clean power generation, distributed generation technologies, and innovative industries. Reduce greenhouse gas emissions and consumption of fossil fuels.

- As a Transit Oriented Development with direct access to the commuter station the need for private automobiles is significantly reduced thereby
- The project will seek Energy Star Certification. As a result the project will be required to meet the requisite standards

10. Plan Regionally

Support the development and implementation of local and regional, state and interstate plans that have broad public support and are consistent with these principles. Foster development projects, land and water conservation, transportation and housing that have a regional or multi-community benefit. Consider the long-term costs and benefits to the Commonwealth.

- The project is a Transit Oriented Development, located directly across the street from the Reading commuter station and in close proximity to downtown Revere
- The project supports a local and regional housing need/demand and provides a housing type greatly lacking in the region
- The project is consistent with the Town's stated mission and objective to develop the downtown and commuter station area and to cultivate business growth in the area

First Amendment to Purchase and Sale Agreement

Reference is hereby made to a Purchase and Sale Agreement, dated August 6, 2014, by and between 2-12 Prescott Street LLC and 39-41 Lincoln Street LLC (hereinafter collectively the "Sellers") and Reading MKM, LLC (hereinafter the "Buyer") relating to the properties known as 2-12 Prescott Street, Reading, Massachusetts and 39-41 Lincoln Street, Reading, Massachusetts, ~~(hereinafter the "Agreement")~~

Whereas the Agreement is contingent upon the Buyer obtaining certain Approvals, as defined and set forth in Paragraph 23 of the Agreement; and

Whereas the Sellers and Buyer agree that it is not likely that Buyer will be able to obtain the required Approvals as originally contemplated within the time limited set forth in the Agreement.

Now Therefore, for valuable consideration, the receipt and sufficiency are acknowledged by the parties, the Sellers and Buyer hereby agree as follows:

1. Paragraph 2.2 is hereby amended in its entirety and the following Paragraph 2.2 is substituted therefor:

2.2. Delivery of Deposit. Buyer has, upon Buyer's execution of this Agreement, delivered the Initial Deposit of _____ and the second deposit of _____ to Latham Law Offices LLC, 643 Main Street, Reading, MA 01867, as escrow agent (the "Escrow Agent"). The Deposit shall be held by the Escrow Agent in a federally insured interest bearing account subject to the provisions of Schedule B attached hereto. Any interest earned shall follow the Deposit. At Closing, the Deposit shall be credited against the Purchase Price pursuant to the terms and provisions of this Agreement. Notwithstanding anything contained herein to the contrary, all Deposits are fully refundable until Buyer obtains a Chapter 40B Project Eligibility Letter from the Commonwealth of Massachusetts. It is agreed that the holding of the Deposit by the Seller's attorney shall not disqualify Seller's attorney from representing the Seller in this transaction or any subsequent or associated matters between the parties.

2. The last sentence of Paragraph 9 is hereby amended in its entirety and the following is substituted therefor:

This paragraph shall not apply to obtaining a Chapter 40B Project Eligibility Letter from the Commonwealth of Massachusetts, which is an express condition of this Agreement.

3. Paragraph 23 is hereby deleted in its entirety and the following Paragraph 23 is substituted therefor:

23. Approvals: The Buyer's obligation to purchase the Real Property is expressly contingent upon the following governmental permits and approvals (the "Approvals"): a) the issuance of a Chapter 40B Project Eligibility Letter from the Commonwealth of Massachusetts to redevelop the Property as a residential rental development and b) ~~the receipt of a comprehensive permit pursuant to Chapter 40B from the Town of Reading~~ Zoning Board of Appeals to build the project, and the expiration of all appeals periods related to a and b. Buyer agrees to use diligent efforts to apply for and obtain the Approvals at Buyer's sole cost and expense. Sellers agree to reasonably cooperate with Buyer in applying for and obtaining the Approvals at no cost to Sellers and provided it shall not require substantial dedication of Sellers' time. In the event Buyer is unable to obtain the Approvals within one (1) year from the original date of the execution of this Agreement (July 30, 2014), as said date may be extended pursuant to Section 4 of this Agreement, Buyer shall have the right to terminate this Agreement by written notice to Sellers and thereupon this Agreement shall be null and void without further recourse to the parties. In the event Buyer has received the Chapter 40B Project Eligibility Letter, then the Deposit shall be non-refundable and shall be released to Seller forthwith in the event of Buyer's termination thereafter. In the event the Buyer has not received the Chapter 40B Project Eligibility Letter, then the Deposit shall be fully refundable to Buyer upon termination in accordance with this Section 23

4. The Agreement shall be further contingent upon the Sellers, at Sellers sole cost and expense, properly removing all 55 gallon drums, and the contents thereof, from the property prior to closing.
5. Except as expressly set forth herein the terms and provision of the Agreement remain in full force and effect and the Sellers and Buyer hereby ratify and confirm same.

[SIGNATURE PAGE TO FOLLOW]

Executed as a sealed instrument as of the _____ day of November, 2014.

Sellers:

2-12 Prescott Street LLC

Buyer:

Reading MKM, LLC

By:

Sylvain J. Tremblay

Sylvain J. Tremblay, Manager

39-41 Lincoln Street LLC

By:

Kenton R. Chase

Kenton R. Chase, Manager

By:

Sylvain J. Tremblay

Sylvain J. Tremblay, Manager

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT ("Agreement") is made as of this 6th day of July, 2014, by and between 2-12 Prescott Street LLC and 39-41 Lincoln Street LLC, Massachusetts limited liability companies both having an address of 56 Redgate Lane, Reading, MA 01867 (collectively the "Seller") and Reading MKM LLC, a Massachusetts limited liability company having its office at 109 Oak Street, Suite G20, Newton, MA 02464 ("Buyer").

AGREEMENTS:

In consideration of the mutual promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer and Seller agree as follows:

1. Agreement to Buy and Sell. Seller shall sell and Buyer shall purchase the following described real property, contracts, agreements, permits, approvals and rights (which shall collectively be referred to as the "Property") upon the terms, conditions, stipulations and agreements hereinafter set forth:

1.1 Real and Personal Property. Seller shall convey good and clear record and marketable title in and to the land located at 2-12 Prescott Street, Reading, MA as more particularly described in a Quitclaim Deed from Sylvain J. Tremblay and Donna E. Doucette to 2-12 Prescott Street LLC, dated April 11, 2005, recorded with the Middlesex South Registry of Deeds in Book 45430, Page 308 and 39-41 Lincoln Street, Reading, MA as more particularly described in a described in a Quitclaim Deed from Donna E. Doucette to 39-41 Lincoln Street LLC, dated April 11, 2005, recorded with the Middlesex South Registry of Deeds in Book 45430, Page 311, together with the buildings and improvements thereon (the "Building") and all hereditaments and appurtenances thereto (collectively referred to herein as the "Real Property").

1.2. Leases. Seller shall terminate all Leases affecting the Real Property and deliver the premises vacant at the time of closing as set forth on **Schedule A**.

1.3 Permits and Governmental Approvals. To the extent they are assignable at no cost to Seller, Seller shall assign all of Seller's right, title and interest in and to all permits, certificates, variances, consents, approvals and other rights pertaining to the Real Property, if any (collectively, the "Permits"), without recourse. Included herein are any elevator inspections and certificates for any elevators in the building and fire escape inspections and certificates, if applicable and as in existence as of the Closing date. Seller shall not be obligated to seek or obtain any governmental or other third party approval of assignment, but Seller agrees to provide reasonable cooperation to Buyer in pursuing same.

2. The Purchase.

2.1 Purchase Price. The purchase price for the Real Property described in Section 1 above shall be _____) (the "Purchase Price") payable in the following manner:

(c) Any liens for municipal betterments assessed after the expiration of the Due Diligence Period.

(d) Easements, agreements, restrictions and reservations appearing of record prior to the date of Buyer's title report obtained during the Review Period, which are Permitted Exceptions.

(e) All matters that would be shown on a current ALTA survey of the Property.

3.2 Conveyancing Standards. Any title matter which is the subject of a title, Conveyancing or practice standard or custom of the Real Estate Bar Association (R.E.B.A.) of the Commonwealth of Massachusetts shall be governed by such title standard or practice to the extent applicable.

3.3 Condition of Property. The Property is being sold in its "AS IS", "AS FOUND" and "WHERE IS" condition as of the date hereof, wear and tear and casualty insured against excepted, with all defects, latent and patent, free and clear of all tenants or occupants claiming under Seller. Except as expressly set forth in this Agreement, no representations or warranties (express or implied) have been made or are made and no responsibility has been or is assumed by Seller or by any partner, officer, person, firm, agent or representative acting or purporting to act on behalf of Seller as to the condition or repair of the Property or the value, expense of operation, or income potential thereof or as to any other fact or condition which has or might affect the Property or the use, compliance, condition, repair, value, expense of operation or income potential of the Property or any portion thereof. The parties agree that all understandings and agreements heretofore made between them or their respective agents or representatives are merged in this Agreement and the Schedule hereto annexed, which alone fully and completely express their agreement, and that this Agreement has been entered into after full investigation, or with the parties satisfied with the opportunity afforded by this Agreement for investigation, neither party relying upon any statement or representation by the other unless such statement or representation is specifically embodied in this Agreement or the Schedules annexed hereto.

3.4 Seller's Inability to Perform. Except as set forth in Sections 10.1 and 10.2 below, if, despite Seller's reasonable efforts, Seller is unable to correct any defect in title to the Property raised in an Objection Notice or arising after the date of Buyer's title report obtained during the Due Diligence Period, either at the scheduled Closing Date or extended time for Closing as the case may be, for any reason whatsoever, and Buyer has not defaulted in its performance hereunder, then Buyer shall have an election, but not the obligation, either: (a) to accept title to such Property subject to such defect, lien, encumbrance, condition, or nonconformity with law or regulation without any abatement in the Purchase Price; or (b) to terminate this Agreement, without further obligation or liability of Seller or Buyer, except that the entire Deposit shall be refunded to Buyer, whereupon all obligations of the parties which do not expressly survive termination of this Agreement shall cease and this Agreement shall terminate and become void without recourse to the parties, except as to matters expressly stated to survive the termination of this Agreement. If Buyer makes the election to accept title hereunder, then the Closing shall occur not later than ten (10) days following such election or the originally scheduled Closing Date, whichever is later.

3.5 Purchase Proceeds. Seller may, at Closing, use the purchase money or any portion thereof to clear the title of any or all encumbrances, provided that all instruments releasing such encumbrances are recorded simultaneously with the Closing or arrangements are made for the recording of such releasing instruments within a reasonable period of time following the Closing in accordance with customary conveyancing practices in Boston, Massachusetts, and Buyer is able to obtain the commitment of its title insurer to insure over such encumbrance.

4. Closing Date. The closing of the purchase and sale of the Real Property (sometimes referred to herein as the "Closing" or the "Closing Date") shall be on the fourteenth (14th) day after Buyer has received all Approvals (as defined herein) and the expiration of any applicable appeal periods related to the Approvals but in no event later than one (1) year from the date of execution of this Agreement, provided however that in the event the Approvals are being diligently pursued, Buyer shall have the right to obtain up to four (4) ninety (90) day extensions of the Closing Date at a cost of \$15,000.00 per extension (each an "Extension Fee" and collectively the "Extension Fees"). The Extension Fees shall be non-refundable, except in the event of a default by Seller, and shall be paid directly to Seller to cover carrying costs but shall be applied to the purchase price when and if the closing occurs. Notwithstanding anything in this paragraph to the contrary, in the event the closing is scheduled to occur within eighteen (18) months of the date of this Agreement then the Seller shall have the right to extend the closing date to another date within said eighteen (18) month period so as to coordinate the termination of all tenancies and the sale of Doucette Moving, provided that Seller shall use commercially reasonable efforts to close at the earliest date possible within said eighteen (18) month period. The parties agree to close at the office of counsel to any lender that Buyer may use to finance this transaction so long as located within Suffolk, Essex, or Middlesex Counties, as Seller shall be notified at least two (2) business days prior to Closing, or at such other reasonably convenient place as the Buyer and Seller may agree upon, time being of the essence.

5. Documents of Transfer. The Property shall be conveyed and transferred on the Closing Date, as the same may be extended in accordance with this Agreement, to Buyer or to a nominee or a Permitted Assignee (as defined in Section 19(1) below) of Buyer designated in writing by Buyer not later than five (5) days prior to Closing. The forms of Deed and other conveyance documents described below shall be prepared by Seller and agreed upon during the Review Period.

5.1 Real Property. Seller shall convey title to the Real Property by quitclaim deed or deeds (collectively, the "Deed").

5.2 Personal Property. A Warranty Bill of Sale for any personal property included in the Property, if any, provided that warranties shall be limited to title only.

5.3 Contracts, Permits and Warranties. Seller shall execute an Assignment, pursuant to which Seller shall assign (without recourse to Seller) to Buyer, and Buyer shall assume, at no additional cost to Buyer, all of Seller's right, title and interest in, to and under all Permits, roof warranties and other warranties (to the extent so assignable at no cost or liability to Seller, if any there be) and other rights pertaining to the Real Property, if any, and to the extent in Seller's possession, Seller shall deliver originals of all such documents being assigned to Buyer,

or copies to the extent originals are not available. Annexed hereto and marked as **Schedule C**, is a list of all contracts (oral and written) in effect covering or relating in any way to the Property.

5.4 Seller's Authority. Seller shall deliver current, original Certificates of Good Standing for each LLC issued by the Massachusetts Secretary of State and dated within sixty (60) days of the Closing Date.

5.5 Other Closing Documents. Buyer shall deliver a certificate of nonforeign status. Seller shall deliver a parties-in-possession and mechanic's lien affidavit and each party shall deliver such other tax reporting forms, certificates and affidavits as are customary and are reasonably required by Buyer's title insurance company. Any such affidavits or certificates delivered by Seller will be limited to the actual actions and/or knowledge of an appropriate officer of Seller so long as such limitation is acceptable to the title company to delete standard exceptions for parties in possession or mechanics liens.

5.6. Indemnity. The Seller shall indemnify and save and hold harmless the Buyer from all claims relating to the release of hazardous waste at the Property and occurring or taking place after the expiration of the Due Diligence Period but prior to the closing, including reasonable attorneys' fees, provided such release does not result from the acts or omissions of Buyer, its agents, contractors, employees, or representatives. Furthermore, Seller's obligations under this Section 5.6 shall not exceed One Hundred Thousand Dollars (\$100,000.00) and shall survive closing for a period of 24 months from and after the date of closing.

6. Apportionments and Adjustments. On the Closing Date, Buyer and Seller shall apportion, adjust and prorate the following items in the manner as hereinafter set forth:

6.1 Taxes and Operating Expenses. All real estate taxes, fees and assessments, sewer and water charges or other charges that would constitute a lien on the Property, ("Taxes"), all charges for water and all other utilities ("Operating Expenses"), shall be prorated on a per diem basis as of the date of Closing. If any Taxes have not been finally assessed as of the date of Closing for the current fiscal year of the taxing authority, then the same shall be adjusted at Closing based upon the most recently issued bills therefor, and shall be re-adjusted when and if final bills are issued. If any Operating Expenses cannot conclusively be determined as of the date of Closing, then the same shall be adjusted at Closing based upon the most recently issued bills thus far and shall be re-adjusted within 60 days after the Closing. All electric, gas and telephone and other utilities' accounts, if any there be, shall be changed to the Buyer and the Seller shall pay all undisputed final charges in full in or within thirty (30) days after the closing. Seller shall be entitled to recover any and all deposits held by any utility company as of the Closing Date, without recourse to Buyer. To Seller's knowledge the only deposit Seller is aware of is a deposit with Reading Municipal Light Department of a few hundred dollars Remaining fuel value shall be adjusted as of the Closing Date and the net amount thereof shall be added to or deducted from, as the case may be, the purchase price.

6.2 Charges under Assigned Contracts. The monetary obligations or credits on account of Seller with respect to any of the Assigned Contracts shall be prorated on a per diem basis as of the date of Closing.

7. Closing Expenses. The expenses of closing shall be paid in the following manner:

7.1 Seller shall pay all documentary stamps and or transfer taxes related to the Deed of the Property; and all recording fees and all other costs or expenses customarily paid by Seller in accordance with standard conveyancing practices in the state in which the Property is located.

7.2 On the Closing Date, Buyer shall pay all costs associated with the title search, survey, and any owner's or lender's title insurance policies; and all other costs or expenses customarily paid by Buyer in accordance with standard conveyancing practices in Boston, Massachusetts.

The provisions of this Section 7 shall survive the Closing.

8. Delivery of Records. Seller shall deliver to Buyer, within seven (7) days of the execution of this Agreement, all material records and documents related to the Premises in Seller's possession (if any) including, without limitation, title including title insurance policies, surveys, plans, reports, any hazardous materials site assessment reports, material correspondence with the Town of Reading during the last three (3) years, the most recent appraisal in Seller's possession, tax bills, permits, approvals, licenses, claims, notices of violation, and other information, which, to Seller's actual knowledge and belief exist and are in Seller's possession (the "Records"), but which specifically excludes privileged material. To Seller's knowledge, there are no such privileged materials as of the date hereof. It is expressly agreed that any information and/or documentation provided by Seller to Buyer is without representation or warranty of any kind, except the sole representation by Seller that such information and/or documentation has been kept by and/or provided to Seller in the ordinary course of Seller's business. Buyer accepts and relies upon such documentation, and the information set forth therein, at Buyer's own risk, and Buyer remains obligated to perform any and all due diligence inspections and investigations as Buyer deems necessary to satisfy Buyer's questions and concerns as to the Property. The Property is conveyed in its "as is", "as found" and "where is" condition as of this date, with all faults and defects (latent and patent), as of the date of signing the Agreement, reasonable wear and tear excepted. Buyer shall treat the Records as confidential (other than information which is a matter of public record or information which was already in the possession of Buyer prior to the date of this Agreement), and such documentation shall not be published or otherwise disclosed by Buyer without the written consent of the Seller, except as required by law or regulation, to obtain financing or as hereinafter provided. Notwithstanding the foregoing, Buyer and Seller shall each have the right to disclose such information to directors, partners, officers, employees, consultants, legal counsel, prospective lenders or other advisors retained or contracted by Buyer in connection with this transaction, provided such individuals are advised of and bound by the terms of this Section. In the event this Agreement is terminated, Buyer shall immediately return all originals and copies of such Records to Seller.

9. Buyer's Review.

9.1 Buyer's Review Period (Due Diligence). For purposes of this Agreement the Due Diligence Period (also referred to herein as the "Review Period") shall be the period from the date this Agreement is fully executed until 6:00 p.m. on the date which is ninety (90) days after the date of the execution of this Purchase and Sale Agreement, and Buyer and its agents, attorneys, engineers and architects shall have the right, from and after the date hereof, at Buyer's sole risk, cost and responsibility, to (i) enter upon the Real Property for the purpose of making any surveys, tests, studies and investigations as Buyer desires, in its sole discretion, including without limitation (studies of soils, groundwater, geotechnical conditions, hydrological conditions and investigations necessary to determine the presence of underground storage tanks or hazardous materials (as defined in applicable Environmental Laws), (ii) review the Records and determine the compliance of the Property with all zoning, land use or other applicable laws and regulations, and (iii) otherwise investigate all matters that may affect Buyer's decision to complete the purchase of the Property. Buyer's rights of access shall in all events be subject to all tenants' rights under the Leases, and Buyer shall make no intrusive engineering investigations or other investigations as may cause disturbance or damage to the Property without Seller's prior consent, which consent shall not be unreasonably withheld or delayed. All access must be scheduled at mutually convenient times so as not to interfere with business operations at the Property, and in any event upon at least 48 hours prior notice. As part of Buyer's due diligence, Seller agrees to reasonably cooperate with Buyer including completing, to the Seller's actual knowledge, information and belief, but without imposing upon Seller a duty to investigate or inquire, any environmental questionnaires reasonably requested by Buyer or Buyer's environmental consultants and engineers.

Notwithstanding anything else contained herein, Buyer shall indemnify and hold Seller harmless from and against any and all loss, injury or damage to person or property arising from Buyer's (or its agent's, representative's, consultant's or employee's) presence at, or activities conducted on, the Premises.

Buyer shall promptly restore the Real Property, at Buyer's sole cost and expense, to substantially its condition before Buyer's entry onto the Real Property. Buyer hereby agrees to indemnify and hold Seller harmless from and against any and all claims, liabilities, threats, demands, actions, or penalties on account of or based upon any injury to any person or loss of or physical damage to any property arising out of or in connection with Buyer's, and/or its agents, attorneys, engineers and architects, entry onto the Real Property. Buyer further agrees to provide Seller, prior to and as a condition to any such entry, with certificates of insurance evidencing that Buyer and/or such agents, attorneys, engineers and architects, maintains a policy of comprehensive general public liability insurance, with a broad form contractual liability endorsement covering Buyer's indemnification obligations hereunder, and with a combined single limit of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage, insuring Seller and its affiliates as additional insureds.

On or before the expiration of Buyer's Review Period, Buyer may provide written notice to Seller (the "Review Notice") that Buyer is not satisfied in its sole discretion, for any reason, with the results of Buyer's review investigations, and Buyer therefore elects to terminate this Agreement, whereupon the Deposit shall be returned to Buyer, and this Agreement and all obligations of the parties which do not expressly survive termination of this Agreement shall cease, and this Agreement shall be deemed automatically cancelled and void, without recourse to

the parties hereto at law or in equity. Upon termination Buyer shall deliver to Seller copies of such inspection and investigation reports, assessments, and other work product prepared for or obtained by Buyer and relating to the Real Property, including without limitation, surveys, 21E assessments, plans, and reports, provided Seller reimburses the Buyer for the actual cost thereof. The parties hereby agree that Buyer's failure to deliver to Seller, in a timely manner, the Review Notice shall be deemed a waiver by Buyer of its right to terminate this Agreement pursuant to this Section 9. In the event Buyer shall not elect to terminate prior to expiration of the Due Diligence Period, Buyer's shall be deemed to have elected to proceed with the purchase based solely and exclusively upon Buyer's own due diligence investigations and inquiries, and without warranty or representation of Seller of any kind except as explicitly stated herein.

This paragraph shall not apply to the rezoning of the Property by the Town of Reading into the Downtown Smart Growth Overlay District ("DSGOD") which is an express condition of this Agreement.

10. Title and Survey.

10.1 Title and Survey Review. During the Review Period, Buyer shall, at its option, perform a full title examination of the Property (the "Title Report") and/or ALTA survey of the Real Property (the "Survey", and together with the Title Report, the "Reports"). Buyer shall review the Reports relating to title and survey matters and may obtain a commitment for title insurance (the "Title Commitment") from a title insurance company selected by Buyer ("Buyer's Title Company").

10.2 Title Objections. At or before 6:00 p.m, Eastern Time on the last day of the Review Period, Buyer may give written notice to Seller (an "Objection Notice") of any defect, encumbrance, encroachment or other title or survey objection disclosed by the Title Commitment or the Survey which Buyer asserts does not meet the title standards as contained in this Agreement ("Title Objections" and "Survey Objections", respectively, collectively "Objections"). Buyer shall give Objection Notice to Seller of any Title Objection which arises after the effective date of the Title Commitment and of any Survey Objection which arises after the effective date of the Survey as soon as reasonably possible after Buyer becomes aware of such Objection. The Objection Notice shall include a detailed written explanation of the Objection(s) together with copies of relevant Title Report and Survey relied upon by Buyer in making such Objection(s). Any title matter which is reasonably ascertainable from properly indexed instruments at the Middlesex South District Registry of Deeds on the effective date of Buyer's Title Commitment, and any matter or condition which would have been identified by an accurate Survey of the Real Property, as to which Buyer does not give a timely Objection Notice as aforesaid, shall thereafter be deemed a "Permitted Exception". Expiration of the Review Period without receipt by Seller of an Objection Notice shall constitute Buyer's waiver and acceptance of the condition of title and survey as existing on the date of Buyer's Title Report and Survey, respectively.

10.3 Seller's Cure of Title Objections. Seller shall use reasonable efforts to cure any Objection of which Buyer has given timely notice under Section 10.2. Except for

Monetary Encumbrances as defined below, Seller's obligation to use reasonable efforts hereunder shall not obligate the Seller to expend in excess of \$50,000.00 in the aggregate. In the event the costs to cure the Objections shall exceed \$50,000.00 (except for Monetary Encumbrances), as determined in Seller's reasonable determination, then Seller shall notify Buyer within seven (7) days after receipt of Buyer's notice under Section 10.2 that Seller is unwilling to cure such Objections and whereupon Buyer may elect within thirty (30) days thereafter to either (i) terminate this Agreement and receive full refund of the Deposits, or (ii) elect to proceed notwithstanding such Objections, which shall thereafter be deemed "Permitted Exceptions", and Buyer shall be entitled to a reduction in the purchase price of \$50,000. Notwithstanding the foregoing or any other provision of this Agreement to the contrary, Seller shall be unconditionally obligated to remove and discharge; (i) any voluntary liens, including mortgages and real estate taxes and utilities granted by Seller or any prior owner and securing payment of an ascertainable sum of money ("Monetary Encumbrances"); (ii) any liens, encumbrances voluntarily granted or created by Seller after the date of this Agreement. Without limitation, an Objection shall be deemed cured only if Buyer's Title Insurer has agreed to delete reference to such Objection from the Title Commitment or has agreed to provide, any affirmative title insurance coverages which Buyer has reasonably requested in connection therewith or is cured pursuant to a R.E.B.A. Title Standard or otherwise conforms with the title obligations of this Agreement. In the event that Seller has failed to cure all Title Objections with the exception of Monetary Encumbrances, within sixty (60) days of Buyer's Title Objection Notice and all Survey Objections within sixty (60) days of Buyer's Survey Objection Notice, as the case may be, then, within thirty (30) days after the expiration of such sixty (60) day period, Buyer may elect to terminate this Agreement by written notice to Seller, in which event, the Deposit shall be promptly returned to Buyer by Escrow Agent in accordance with the Deposit Escrow Instructions and this Agreement shall terminate and be of no further force and effect, except for those undertakings which are clearly intended to survive a termination. If Buyer does not terminate this Agreement in accordance with the provisions hereof, then Buyer shall be deemed to have elected to proceed with the purchase and take title to the Premises subject to such Title Objections and Survey Objections, which Objections shall be deemed Permitted Exceptions. If Buyer has not elected to terminate this Agreement in accordance with the foregoing, Seller may apply the proceeds of the sale hereunder to the cure or satisfaction of any Monetary Encumbrances which remain uncured on the Closing Date, provided that any documents required to effect such cure are delivered at Closing, or, with respect to mortgages held by institutional lenders, arrangements satisfactory to Buyer's Title Insurer are made for the discharge of such mortgage and the same is deleted from Buyer's Title Commitment.

Buyer may prior to Closing, notify Seller in writing of any objection to title (excluding objections to title which have been waived by Buyer as hereinabove provided or that are or are deemed to be Permitted Exceptions) arising after the Due Diligence Expiration Date. With respect to any objections to title set forth in such notice, Seller shall have an obligation to use reasonable efforts to cure and Buyer shall have the same option to accept title subject to such matters or to terminate this Contract, as set forth above. Seller shall not be obligated to spend in excess of \$50,000 in the aggregate to cure title matters or make the Property conform, exclusive of Monetary Encumbrances and monetary liens other than Monetary Encumbrances, for an ascertainable sum of money ("Involuntary Liens") imposed as a lien after expiration of the Due Diligence Period and encumbering the Property (excluding any liens resulting from the acts or

omissions of Buyer, its agents, representatives, employees, or contractors). Notwithstanding anything else contained herein, Seller shall not be obligated to spend in excess of \$250,000.00 in the aggregate to cure title of Involuntary Liens. If any Title or Survey Objection is raised after expiration of the Due Diligence Period and which is not a Permitted Objection and will not be satisfied from the proceeds of the sale as a Monetary Encumbrance, remains uncured at the time of Closing and Buyer has not elected to terminate this Agreement in accordance with the foregoing, the Closing Date shall be extended for a period of up to sixty (60) days to permit Seller to use reasonable efforts to cure any such Objection. If, after efforts to cure as aforesaid, Seller has not cured such Title Objections which are not Permitted Exceptions or Monetary Encumbrances at the time of Closing (extended as aforesaid), Buyer will have the option, as its sole and exclusive remedies to either (a) terminate this Agreement and receive a refund of the Deposit in accordance with the Deposit Escrow Agreement and Seller shall reimburse Buyer its actual, out of pocket development costs, or (b) proceed to a Closing and to receive a credit against the Purchase Price for any Monetary Encumbrance which is not paid and discharged at Closing from Seller's proceeds as aforesaid, and/or a credit for up the amount necessary to payoff such other Involuntary Liens imposed on the Property, not to exceed \$250,000.00. If Buyer elects the latter, any uncured Title Objections shall be deemed Permitted Exceptions.

11. Operation Pending Closing. Seller shall use reasonable efforts to maintain the Real Property until the Closing Date, or earlier termination of this Agreement, substantially in its present condition, reasonable wear and tear, damage by fire or other casualty, and taking by public authority excepted but shall be obligated to terminate all leases prior to the Closing Date and deliver the Real Property free and clear of all tenants and occupants and their personal property and in broom clean condition.

Seller shall not agree or enter into any lease or other agreement or service contract concerning operation, maintenance or management of the Property or any portion thereof which will extend beyond the Closing Date or impair Seller's ability to perform its obligations under this Agreement, without the prior written consent of Buyer.

12. Insurance, Damage, Destruction or Eminent Domain.

12.1 Damage or Destruction. Seller agrees that it shall provide Buyer forthwith with all files covering any and all damage or destruction claims made with insurance companies or other to the Real Property within the past year and also to provide, within five (5) days after Seller receives knowledge thereof, all claims relating to or concerning the Property. Upon such notice from Seller, Buyer shall then have thirty (30) days within which to exercise the options granted in this Section 12.1 by written notice to Seller as applicable. Seller further agrees that at the time of giving written notice to Buyer of any such damage or destruction, Seller shall provide Buyer with complete copies of all policies of insurance covering that portion of the Real Property so damaged or destroyed.

In the event that the Real Property shall be damaged or destroyed by fire or any other casualty or act of God between the date of execution hereof and the Closing Date and the cost to restore the Real Property shall be in excess of \$100,000, Buyer shall have the option, (i) to proceed with this transaction in accordance with the terms of this Agreement, in which event, the Purchase Price shall be reduced by the amount of the deductible on the insurance policies

covering the Real Property, and Seller shall assign to Buyer all insurance proceeds received or receivable by the Seller up to the amount of the Purchase Price (with any balance to the Seller) as a result of such damage or destruction (such option being referred to herein as the "Closing Option"), or (ii) to terminate this Agreement, in which event the Seller shall retain all insurance proceeds, and the entire Deposit shall be returned to Buyer (along with any interest which may have accrued under the escrow account) and both parties shall be released from further liability hereunder (the "Termination Option"), except with respect to liabilities which expressly survive termination of this Agreement.

In the event any such damage or destruction occurs and the cost to restore the Real Property shall be \$10,000 or less, Buyer shall proceed with the Closing of this transaction in accordance with this Agreement and Seller shall assign to Buyer the Seller's rights under the existing insurance policies covering the Real Property, and the Purchase Price shall be reduced by the amount of any deductible on such insurance policies. All determinations as to the cost to restore the damage or destruction shall be made by Seller's insurance company.

Seller shall also provide the Buyer with all documents in Seller's possession that reflect any and all claims made after the date of this Agreement against any insurance company which cover or relate to the Property.

12.2. Eminent Domain. If, prior to the Closing Date, eminent domain proceedings affecting the Real Property shall be commenced by any competent public authority against the Real Property or any portion thereof, Buyer shall have the option (i) to elect to proceed with this transaction (the "ED Closing Option") and pay the Purchase Price without deduction in which event any compensation paid or payable as a result of such eminent domain proceedings shall be and become the sole property of Buyer up to the amount of the Purchase Price, with any balance to Seller, or (ii) to terminate this Agreement (the "ED Termination Option"), in which event Seller shall retain such award, and the entire Deposit shall be returned to Buyer (along with any interest which may have accrued under the escrow account), and thereafter both parties shall be released from any further liability hereunder, except with respect to liabilities which expressly survive termination of this Agreement. Seller agrees that it shall give to Buyer written notice of any such eminent domain proceedings within five (5) business days after it first receives written notice thereof, and upon the giving of such notice, Buyer shall then have thirty (30) days within which to exercise the options granted in this Section by written notice to Seller.

13. Fees and Commissions. Buyer and Seller each represent to the other that they have dealt with no broker, agent or representative in connection with this transaction, except Jason R. Madden and Michael J. Chapin (the "Broker"). The Buyer shall be responsible for the payment of any and all sales commissions or fees to Broker pursuant to a separate agreement, which shall not be due and payable until execution, delivery and recording of the Deed pursuant to this Agreement. Buyer and Seller each agree to indemnify, defend and hold the other harmless from and against any and all loss, cost, damage, liability or expense, including reasonable attorneys' fees, which the other may sustain, incur or be exposed to by reason of their breach of any representations made herein and any resulting claims for a fee or commission by any broker [other than the Broker]. The provisions of this Section shall survive the Closing Date, the delivery of the Deed, or the earlier termination of this Agreement.

14. Representations.

14.1 Seller's Representations. Seller represents, to Seller's actual knowledge, without investigation or inquiry and without imposing a duty to investigate or inquire, the following are true and correct as of the Date of this Agreement and shall be true and correct at the Closing.

(a) Seller is a duly organized and validly existing limited liability company under the laws of the Commonwealth of Massachusetts, and Sylvain J. Tremblay, as manager, has the legal right, power and authority to enter into this Agreement and to perform all of his obligations hereunder, and the execution and delivery of this Agreement and the performance by Seller of his obligations hereunder: (i) have been duly authorized by all requisite vote or assent of 100% of the Members of the Seller (including the execution of this Agreement by a duly authorized signatory of Seller), and (ii) will not conflict with, or result in a breach of, any of the terms and provisions of any law, regulation, order, judgment, writ, injunction or decree of any court or governmental authority having jurisdiction over Seller or the Property, or any agreement or instrument to which Seller is a party or by which it is bound which would have an adverse effect upon this Agreement or the Property.

(b) Except for the Leases (on Schedule A), and contracts (on Schedule C) of this Agreement, Seller is not a party to any lease, contract, oral tenancy or other material agreement affecting the Real Property and in effect on the date of this Agreement.

(c) Seller has received no written notice of any suits, actions or proceedings pending against or affecting the Property before any court or administrative agency or officer, including, but not limited to, any eminent domain proceedings, and Seller is not in default with respect to, nor has notice of violation of, any judgment, order, writ, injunction, rule or regulation of any court or governmental agency or officer to which Seller is subject in any way affecting the Property or the transactions provided for herein.

(d) The Seller has not been adjudicated insolvent or bankrupt, or petitioned or applied to any tribunal for the appointment of any receiver or trustee; nor has Seller commenced any proceeding relative to the reorganization, dissolution or liquidation of the Seller.

(e) Seller has received no written notice of any current building code, sign code or zoning code violations, and to the best of Seller's knowledge there are no claims or lawsuits currently pending or threatened which, if adversely determined, would affect the title to the property and no claims for a real estate abatement is pending or has been made and no notice of any betterment has been received from the city.

(f) Seller, without investigation of inquiry and without imposing a duty to investigate or inquire, represents to its actual knowledge that during the period of Seller's ownership there have been no environmental releases at the property known to the Seller.

(g) Seller is not aware of any underground storage tanks located on the premises.

(h) Seller shall not withhold any documents from Buyer required to be provided pursuant to Section 8 of this Agreement.

It shall be a condition precedent to closing that the foregoing representations shall be true as of the Closing and if not, Buyer's sole recourse shall be to terminate this Agreement and receive refund of the Deposit, and thereafter both parties shall be released from any further liability hereunder, except with respect to liabilities which expressly survive termination of this Agreement.

15. Buyer's Representations. Buyer represents and warrants the following are true and correct on the Date of this Agreement and shall be true and correct at the Closing.

(a) Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the Commonwealth of Massachusetts, is qualified to do business in the Commonwealth of Massachusetts and has all necessary power to execute and deliver this Agreement, to perform all obligations hereunder, and that this Agreement and any other documents delivered in connection herewith have been duly authorized by all requisite action on Buyer's part, and that this Agreement is valid and legally binding on Buyer, and to the best of Buyer's knowledge, will not conflict with or result in a breach of any of the terms, covenants and provisions of any contract or instrument or agreement as to which Buyer is currently bound or any law or regulation, order, judgment, writ, injunction or decree of any court or governmental authority.

(b) To the best of Buyer's knowledge there is no litigation or proceeding pending or threatened, which would prevent Buyer from complying with any of its obligations under this Agreement.

(c) Buyer has not been adjudicated insolvent or bankrupt, or petitioned or applied to any tribunal for the appointment of any receiver or trustee; nor has Buyer commenced any proceeding relative to the reorganization, dissolution or liquidation of Buyer.

(d) Buyer warrants and represents it has funds sufficient to purchase the Property and perform its obligations hereunder.

16. Remedies.

(a) In the event Seller fails or refuses to perform its obligations under this Agreement, Buyer may, as its sole remedy therefor, either (i) bring an action in specific performance to enforce the terms of this Agreement or (ii) terminate this Agreement and recover from Seller a refund of the Deposit. The provisions of this Section shall survive termination of this Agreement.

(b) In the event Buyer fails or refuses to perform its obligations under this Agreement, Seller shall, as its sole and exclusive remedy therefor at law or in equity, be entitled to receive the Deposit as liquidated damages (and not as a penalty) in lieu of, and as full compensation for, all other rights or claims of Seller against Buyer due to such default, and thereafter the obligations of the parties hereto that do not expressly survive termination of this Agreement shall cease, and this Agreement shall be void without any recourse to the parties

hereto. Buyer acknowledges that the actual damages in the event of Buyer's default would be difficult to ascertain and that the deposit is a reasonable forecast of Seller's damages, and is an acceptable method to establish same. The foregoing provision shall not limit or restrict Seller's ability to enforce indemnity agreements of Buyer hereunder under Section 9.1 hereof. The provisions of this Section shall survive the Closing and delivery of the Deed, or earlier termination of this Agreement.

17. Notice. Unless and until changed by written notice as provided herein, all notices, demands and requests which may or are required to be given by either party to the other shall be in writing, and shall be sent by (i) personal delivery with receipt, (ii) reputable overnight carrier, (iii) confirmed facsimile or email or (iv) United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

To Seller:

2-12 Prescott Street LLC
39-41 Lincoln Street LLC
56 Redgate Lane
Reading, MA 01867
Attention: Sylvain Tremblay
Fax: (please complete)
Email:

cc: Joshua E. Latham, Esq.
Latham Law Offices LLC
643 Main Street
Reading, MA 01867
Fax No. 781-944-7079
Email: JoshLatham@lathamesq.com

To Buyer:

MKM Reading LLC
109 Oak Street – Suite G20
Newton, MA 02464
Attention: Kenton Chase
Fax. 617-928-1900
Email: kenchase01@yahoo.com

cc: Scott M. Jamieson, Esq.
Shocket Law Office LLC
175 Highland Avenue – Suite 303
Needham, MA 02494
Fax No. 781-429-3113
Email: sjamieson@shocketlaw.com

All notices, demands and requests which shall be served upon either party in the manner aforesaid shall be deemed sufficiently served or given for all purposes hereunder two business days after such notice, demand or request shall be duly mailed to the other party, or upon delivery, if personally delivered or sent by email or facsimile before 6:00 p.m. on any business day or upon the next business day if sent by reputable overnight carrier.

18. Limitation of Liability. If the person executing this Agreement on behalf of Seller or Buyer is executing this Agreement in a representative or fiduciary capacity or as an officer or manager of either Seller or Buyer, only the principal, estate or entity represented shall be bound, and neither the person executing this Agreement on behalf of Seller or Buyer, as the case may be, nor any director, officer, employee, shareholder, partner, trustee or beneficiary of any trust, shall be personally liable for any obligation, express or implied, hereunder except to the extent that the proceeds of sale are distributed to any such persons. The acceptance and recording of a deed by the Buyer or his nominee as the case may be, shall be deemed to be a full performance and discharge of every agreement and obligation herein contained or expressed, except such as are explicitly stated herein to be performed after the delivery of said deed.

19. Miscellaneous.

(a) This Agreement shall not be altered, amended, changed, waived, terminated or otherwise modified in any respect or particular unless the same shall be in the writing and signed by or on behalf of the party to be charged therewith.

(b) This Agreement shall be interpreted and enforced in accordance with the laws of the Commonwealth of Massachusetts, without regard to its conflict of law rules.

(c) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and to their respective heirs, executors, administrators, successors and assigns.

(d) All prior understandings and agreements between the parties are merged in this Agreement, which alone fully and completely expresses the agreement between them, and which is entered into after full investigation, neither party relying upon any statement or representation made by the other not embodied in this Agreement, and without regard to or aid of canons requiring construction against the Buyer, Seller or party drawing this Agreement.

(e) No failure or delay of either party in the exercise of any right given to such party hereunder or the waiver by any party of any condition hereunder for its benefit shall constitute a waiver of any other or further right nor shall any single or partial exercise of any right preclude other or further exercise thereof or any other right. The waiver of any breach hereunder shall not be deemed to be a waiver of any other or any subsequent breach hereof.

(f) Each party hereto shall from time to time exercise, acknowledge and deliver such further instruments and perform such additional acts as the other party may reasonably request to effectuate the intent of this Agreement.

(g) Each of the schedules referred to herein and attached hereto is incorporated herein by this reference.

(h) No provision of this Agreement shall survive the Closing except as herein expressly provided.

(i) If suit or action is filed to interpret or enforce this Agreement or relating to any dispute between Buyer and Seller relative to this Agreement, the prevailing party shall be entitled to be awarded its reasonable attorneys' fees in addition to other costs and disbursements allowed by law, including the same with respect to an appeal.

(j) This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument.

(k) If any term or provision of this Agreement, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each

term and provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law.

(l) Buyer may not assign this Agreement, except to a Permitted Assignee without first obtaining Seller's written consent which consent shall not be unreasonably withheld or delayed. A "Permitted Assignee" shall mean any entity controlling, controlled by or under common control with Buyer or its principals, including without limitation, a limited partnership in which any such entity is the sole general partner. Any assignment in contravention of this provision shall be void. No assignment shall release the Buyer herein named from any obligation or liability under this Agreement. Any Permitted Assignee shall be deemed to have made any and all representations and warranties made by Buyer hereunder, as if such Assignee were the original signatory hereto.

(m) Seller and Buyer agree not to record this Agreement or any memorandum hereof. Notwithstanding anything to the contrary contained herein, the Buyer or Seller may wish to complete the transaction or a portion of the transaction contemplated hereby as one element of a like-kind exchange under Section 1031 of the Internal Revenue Code. Seller agrees to cooperate with Buyer and Buyer agrees to cooperate with Seller, as the case may be, to accomplish that end, provided, however, that such cooperation shall not require Seller or Buyer to assume any liability in connection with the other's exchange or to take title to the property being exchanged.

20. Financing. This Agreement shall not be contingent upon Buyer obtaining financing however Buyer shall have the right to do so in which event Seller agrees to reasonably cooperate with Buyer and Buyer's lender.

21. Title. It is understood and agreed by the parties that the Real Property shall not be in the conformity with title provisions of this Agreement unless:

(a) All buildings, structure or improvements including but not limited to any driveways, garages and all means of access to the premises, shall be located completely within the boundary lines of said premises and shall not encroach upon or under the property of any other person or entity unless by validly recorded easement conferring vested, perpetual rights to maintain such encroachment;

(b) No building, structure or improvement of any kind belonging to any other person or entity shall encroach upon or under said premises;

(c) The premises shall abut a public way or a private way to which Buyer shall have both pedestrian and vehicular access, and if a private way, such private way in turn has satisfactory access to a public way; or, if a public way, such public way is duly laid out or accepted as such by the city or town in which said premises are located.

22. Title Insurance: If the Buyer desires to obtain an owner's policy of title insurance for the Real Property it shall be a condition of Buyer's obligation to purchase the premises that at the time for delivery of the deed, Seller sign all certificates and other documents customarily and

reasonably required by Buyer's or Lender's Title Insurance Agent in order to obtain said title insurance, including, but not limited to, an affidavit stating that:

(a) There are no tenants, lessees or parties in possession as of the date of delivery of the deed; and

(b) Seller knows of no work which would entitle anyone to mechanics' or materialmen's liens with regard to the premises.

(c) If, subsequent to the delivery of the Seller's deed, any mechanic's or laborer's lien, shall be filed against the Real property, based upon any work performed at, or materials furnished to, the Real Estate during the period of Seller's ownership (whether or not such lien, charge or order shall be valid or enforceable as such) and not due to the acts or omissions of Buyer, its agents, representatives, employees or contractors, within 20 days after notice to the Seller of the filing thereof, the Seller shall take such action, by bonding, deposit, payment or otherwise, to remove such lien of record as against the Property. This paragraph shall survive delivery of the deed for a period of 93 days.

23. Approvals: The Buyer obligation to purchase the Real Property is expressly contingent upon the following governmental permits and approvals (the "Approvals"): a) the Real Property being rezoned to the DSGOD by the Town of Reading and b) the issuance of a Special Permit and Site Plan Review by the Town of Reading to redevelop the Property as a residential condominium or residential rental development pursuant to the DSGOD to be determined by the Buyer. Buyer agrees to use diligent efforts to apply for and obtain the Approvals at Buyer's sole cost and expense. Seller agrees to reasonably cooperate with Buyer in applying for and obtaining the Approvals no cost to Seller and provided it shall not require substantial dedication of Seller's time. In the event Buyer is unable to obtain the Approvals within one (1) year from the date of the execution of this Agreement, as said date may be extended pursuant to Section 4 of this Agreement, Buyer shall have the right to terminate this Agreement by notice to Seller and thereupon this Agreement shall be null and void without further recourse to the parties. In the event the Real Property has been rezoned to the DSGOD, and the 90 day Due Diligence Period has expired, then the Deposits shall be nonrefundable and shall be released to Seller forthwith upon Buyer's termination thereafter. In the event the Real Property has not been rezoned to the DSGOD, then the Deposits shall be fully refundable to Buyer upon termination in accordance with this Section 23.

24. Seller Bankruptcy: If the Seller should file bankruptcy during the pendency of the Agreement, the Buyer shall have the option of terminating the Agreement at which time the Escrow Agent will immediately refund the Buyer's deposit and all interest earned thereon.

25. Performance. Time is of the essence in the performance of the obligations of Buyer under this Agreement. If any outside date for the performance of any obligation or giving of any notice under this Agreement shall occur on a weekend or legal holiday, then the date for such performance or notice shall be extended until the next succeeding business day.

Next page is the signature page.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

SELLER:

2-12 Prescott Street LLC

By: Sylvain J Tremblay
Sylvain J. Tremblay, Manager

39-41 Lincoln Street LLC

By: Sylvain J Tremblay
Sylvain J. Tremblay, Manager

BUYER:

Reading MKM LLC

By: [Signature]
Kenton Chase, Manager

The undersigned Escrow Agent hereby acknowledges its receipt of the Deposit and agrees to the terms of this Agreement solely with respect to the obligations, terms and covenants contained in this Agreement relating to the Escrow Agent.

ESCROW AGENT:

Latham Law Offices LLC

By: [Signature]
Joshua E. Latham, Esquire

Schedules Annexed Hereto

- A: List of Leases (to be terminated by Seller prior to closing)
- B: Escrow Provisions
- C: All Contracts affecting the Property as of the date of the Agreement.

SCHEDULE A

List of Leases

Domenic Tango Plumbing	Parking	Tenancy at Will
Doucette Moving	Office, Parking, Storage	Tenancy at Will
Dave Pouliot Landscaping	Office, Parking	Tenancy at Will
Dennis Hoffman-Irrigation	Office, Parking	Tenancy at Will
Paul Stathos	Indoor workspace	Tenancy at Will

SCHEDULE B

Duties and Responsibilities of Escrow Agent:

Escrow Agent shall deliver the Deposit to Seller or Buyer promptly after receiving a joint written notice signed by Seller and Buyer directing the disbursement of the same, such disbursement to be made in accordance with such direction. If Escrow Agent receives written notice from Buyer or Seller that the party giving such notice is entitled to the Deposit, which notice shall describe with reasonable specificity the reasons for such entitlement, then Escrow Agent shall (i) promptly give notice to the other party of Escrow Agent's receipt of such notice and enclosing a copy of such notice and (ii) subject to the provisions of the following paragraph which shall apply if a conflict arises, on the fourteenth day after the giving of the notice referred to in clause (i) above, deliver the Deposit to the party claiming the right to receive it.

In the event that Escrow Agent shall be uncertain as to its duties or actions hereunder or shall receive instructions or a notice from Buyer or Seller which are in conflict with instructions or a notice from the other party or which, in the reasonable opinion of Escrow Agent, are in conflict with any of the provisions of this Contract, it shall be entitled to take any of the following courses of action:

- (a) Hold the Deposit as provided in this Contract and decline to take any further action until Escrow Agent receives a joint written direction from Buyer and Seller or any order of a court of competent jurisdiction directing the disbursement of the Deposit, in which case Escrow Agent shall then disburse the Deposit in accordance with such direction;
- (b) In the event of litigation between Buyer and Seller, Escrow Agent may deliver the Deposit to the clerk of any court in which such litigation is pending; or
- (c) Escrow Agent may deliver the Deposit to a court of competent jurisdiction and therein commence an action for interpleader, the cost thereof to Escrow Agent to be borne by whichever of Buyer or Seller does not prevail in the litigation.

Escrow Agent shall not be liable for any action taken or omitted in good faith and believed by it to be authorized or within the rights or powers conferred upon it by this Contract and it may rely, and shall be protected in acting or refraining from acting in reliance upon an opinion of counsel and upon any directions, instructions, notice, certificate, instrument, request, paper or other documents believed by it to be genuine and to have been made, sent, signed or presented by the proper party or parties. In no event shall Escrow Agent's liability hereunder exceed the aggregate amount of the Deposit. Escrow Agent shall be under no obligation to take any legal action in connection with the Deposit or this Contract or to appear in, prosecute or

defend any action or legal proceedings which would or might, in its sole opinion, involve it in cost, expense, loss or liability unless, in advance, and as often as reasonably required by it, Escrow Agent shall be furnished with such security and indemnity as it finds reasonably satisfactory against all such cost, expense, loss or liability. Notwithstanding any other provision of this Contract, Buyer and Seller jointly indemnify and hold harmless Escrow Agent against any loss, liability or expense incurred without bad faith on its part and arising out of or in connection with its services under the terms of this Contract, including the cost and expense of defending itself against any claim of liability.

Escrow Agent shall not be bound by any modification of this Contract affecting Escrow Agent's duties hereunder unless the same is in writing and signed by Buyer, Seller and Escrow Agent. From time to time on or after the date hereof, Buyer and Seller shall deliver or cause to be delivered to Escrow Agent such further documents and instruments that fall due, or cause to be done such further acts as Escrow Agent may reasonably request (it being understood that the Escrow Agent shall have no obligation to make any such request) to carry out more effectively the provisions and purposes of this Contract, to evidence compliance with this Contract or to assure itself that it is protected in acting hereunder.

Escrow Agent shall serve hereunder without fee for its services as escrow agent, but shall be entitled to reimbursement for expenses incurred hereunder, which expenses shall be paid and borne equally by Buyer and Seller, unless such expenses are associated with litigation between Buyer and Seller, in which event they shall be borne by the party that does not prevail in the litigation. Escrow Agent agrees that it will not seek reimbursement for the services of its employees or partners, but only for its actual and reasonably incurred out-of-pocket expenses. Escrow Agent executes this Contract solely for the purpose of consent to, and agreeing to be bound by the provisions of hereof.

Buyer acknowledges and agrees that it has been advised that the Escrow Agent has represented, and will continue to represent, the Seller. The performance or non-performance by the Escrow Agent under this Contract shall in no way preclude the representation of Seller by the Escrow Agent, whether or not relating to any matter pertaining to this Escrow Agreement, and Buyer expressly consents to such representation, whether in connection with a controversy under this Escrow Agreement or otherwise, and waives any objections it may have to such representation on the grounds of conflict of interest or otherwise.

SCHEDULE C

Contracts

Dumpster	Month to month
Elevator service	Month to month
Pest control	Month to month



WALPOLE
CO-OPERATIVE BANK

March 30, 2015

Kenton Chase, Manager
Reading MKM LLC
109 Oak St., Suite G20
Newton MA 02464

Re: 77 units at Reading Village
39-41 Lincoln St., Reading MA
40(b) project

Dear Mr. Chase:

Thank you for meeting with me to discuss the above-referenced project. Please be advised that Walpole Co-operative Bank (the "Bank") has interest in financing the acquisition and development of this project.

The Bank looks forward to receipt of your application when you are ready to proceed.

Sincerely,

WALPOLE CO-OPERATIVE BANK

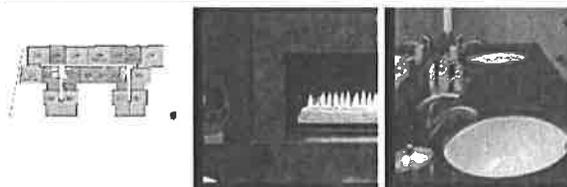
Michael P. Gookin
Vice President



30 Haven

Pet Policy: Cats & Dogs allowed.

Apartment, 53 units 30 Haven Street, Reading Massachusetts 01867



Call this property:

(781) 205-2502

Office hours:

Monday-Sunday: 11:00am-3:00pm

Managed by:

OAK-RJF 30 Haven LLC

\$100 Rent.com Visa® Reward Card Eligible

Tell the leasing office you used Rent.com. If you sign a lease here, call **(866) 432-7369** for your \$100 Rent.com Visa® Reward Card.

Floor Plan Summary

BEDROOM	RENT	BATH	SQ FEET	DEPOSIT
1 Bedroom	\$1900 - \$2000	1	750 - 783	Call
2 Bedroom	\$2300 - \$2500	2	1158 - 1446	Call

Prices, specials, features and availability are subject to change.

Property Details

30 Haven is a new community in downtown Reading. This thriving town played a proud role in the American Revolution in 1776 and boasts award winning schools, superior town services and ample areas for recreation. 30 Haven is just steps from the MBTA Commuter Rail entering North Station in just 30 minutes. The Town of Reading has direct access to 128/I-95 & I-93 and just 15 miles from Logan International Airport.

Our property is conveniently located near Commuter Rail to North Station, Shops and Restaurants. The beautiful grounds feature in town living, walk to everything. Units include the following great amenities new construction, heated garage parking, secure elevators. Open daily 11-3 Call for a tour of our brand new, never lived in, sun-filled apartments.

Property and Units Features

PARKING

Assigned Parking
Garage

KITCHEN

Dishwasher
Garbage Disposal
Microwave
Refrigerator
Stainless Steel
Appliances
Stove

Pet policy

Dogs Allowed. Cats Allowed. Call for service animal policy.

Leasing Terms

Leases Offered: 12 months

Pet Policy: Weight Limit: 40 lbs Max. Number of Pets: 1 Pet Rent: \$20/month

Maps — 30 Haven Street, Reading Massachusetts 01867



MKM Reading, LLC
Ken Chase / Matthew Roman / Matthew Zuker

The principals of MKM Reading LLC, have a combined 30 years of experience in developing and building projects in Massachusetts. Both Ken Chase and Matthew Roman hold Construction Supervisors Licenses (CSL) in the state while Matthew Zuker is a Massachusetts real estate attorney. The principals have completed projects ranging from single family homes to residential subdivisions to condominium/apartment buildings and mixed use projects across the state as principals and members of a development team. Representative development experience includes:

- *Wayland Gardens , 12 unit condominium development (off of Commonwealth Ave, Wayland)*
 - Purchased 40(b) for sale project in Wayland, Massachusetts with 12 condominium units
 - Successfully completed all infrastructure and construction of units in complex
 - 100% sold within 18 months of acquisition, total gross sales from project over \$4M
 - Provided full and complete cost certification to DHCD

- *Kickamuit Woods, 144 unit Residential Rental Development (Swansea, MA)*
 - Permitting 1,2 and 3 bed units for rent through Mass 40(b) program on 25 acre site
 - Extensive review with local community leaders of project goals
 - Awaiting approval of Mass Housing to move forward to site plan review

- *Federal Street Condominiums, 18 unit condominium development*
 - Completed 4 story condominium building including underground parking
 - 18 total units constructed with combination steel and wood frame, parking garage underground for all 18 unit
 - Redesigned façade to more accurately depict original approvals
 - Oversaw installation of safety systems including fire alarms, fire pull boxes, wet and dry sprinkler systems

- *Hammond Pond Park, 29 Unit Residential Rental Development (Brookline, MA)*
 - Acquired 7 separate parcels from 7 owners of land for residential development
 - Received Town approval for 27 luxury condominiums and 2 single family homes in Brookline, MA
 - Development constructed and sold out

- *Ridgecrest Village, 12 Unit In-Fill Apartment (West Roxbury, MA, MA)*
 - Received approval from City of Boston 12 unit infill apartment building on behalf of client

- *Ridgecrest Green, 54 Unit In-Fill Apartment (West Roxbury, MA, MA)*
 - Received Small Project Chapter 80 approval from City of Boston for 54 unit infill apartment building on behalf of client
 - Oversaw \$1 million dollar off-site mitigation package with multiple City of Boston departments

- *324 Broadway, Chelsea, MA, Mixed Use- CVS and 9 Unit Residential Condominium (Chelsea, MA)*

- Assisted client in obtaining approvals for downtown mixed use project
- General construction services, project completed ahead of schedule

- *Dancer Farms, 8 Lot Luxury Subdivision (Dover, MA)*
 - Obtained all approvals for 8 lot luxury home subdivision in Dover, MA

- *Haven Terrace, 5 Lot Luxury Subdivision (Dover, MA)*
 - Obtained all approvals for 5 lot luxury home subdivision in Dover, MA

- *Preservation Acres, Westborough, MA(off of Arch Street)*
 - Approvals achieved for cluster subdivision of 10 homes on a 20 acre parcel

- *10-12 Homer St Brookline*
 - Completed \$1.3 million renovation of luxury 8 unit building

- *Built single families and duplexes extensively throughout the Eastern Part of Massachusetts*
 - Built in communities including Wayland, Newton, Brookline, Cambridge, Wellesley, Weston, Weymouth, Charlton, Revere, Somerset, Swansea, Southborough
 - Single family and 2 unit condominiums
 - Pre-sale and custom / semi-custom



SEB LLC

Unparalleled Experience and Client Service

Who We Are and What We Do

For over 40 years, SEB and its principals have been leaders in the planning and development community, specializing in mixed-income multi-family residential housing. SEB has provided housing development consulting services that have resulted in the approval and development of more than 13,000 units of housing. Our work has involved a broad range of housing types in a variety of different communities, from small home ownership communities to large rental developments.

Working in cooperation with our clients and development partners, we have completed over one thousand diverse consulting assignments – ranging from development of mixed-use multi-family developments, to permitting assistance with specific affordable housing development projects on urban and suburban sites, to larger scale neighborhood plans in cities and towns.

SEB also provides affordable housing administrative and lottery services. We have leased/sold more units of affordable housing than any other entity or lottery administrator in the state across a wide variety of developments and programs. We have excellent relationships with Masshousing, Masshousing Partnership, the Department of Housing and Community Development and MassDevelopment – all of the State Subsidizing Agencies involved in the oversight of the affordable housing sell-out & lease-up process. SEB's involvement ensures a coordinated and efficient process while strictly adhering to all state, local regulatory and compliance related requirements.

SEB has been involved in public or private sector projects in more than 180 cities and towns in Massachusetts, including the partial list below.

Abington	Acton	Amesbury	Amherst	Andover	Arlington	Ashburnham
Ashland	Athol	Attleboro	Avon	Barnstable	Bedford	Bellingham
Belmont	Berkley	Berlin	Beverly	Billerica	Bolton	Boston
Bourne	Boxborough	Boxford	Braintree	Brewster	Brockton	Brookline
	Burlington	Cambridge				
Canton	Carlisle	Chatham	Chelmsford	Chelsea	Clinton	Concord
Danvers	Dartmouth	Dedham	Dennis	Dighton	Dover	Duxbury
East	Bridgewater	Easton	Edgartown	Everett	Fall River	Falmouth
Fitchburg	Framingham	Franklin	Freetown	Gardner	Georgetown	Gloucester
Grafton		Groton	Groveland	Hanover	Hanson	Harvard
Harwich	Haverhill	Hingham	Holyoke	Hopkinton	Ipswich	Kingston
Lancaster	Lawrence	Leominster	Lexington	Lincoln	Littleton	Lowell
Ludlow	Lynn	Lynnfield	Malden	Mansfield	Marblehead	Marion
Marlboro	Edgartown	Mashpee	Maynard	Medfield	Medford	
Medway	Melrose	Mendon	Merrimack	Methuen	Middleboro	Milford
Millville	Milton	Nantucket	Natick	Needham	New Bedford	Newburyport
Newton	Norfolk	North Andover	North Reading	Northampton	Northborough	
Northbridge	Norton	Norwell	Norwood	Oxford	Palmer	Peabody
Pelham	Pembroke	Pittsfield	Plainville	Plymouth	Randolph	Raynham
Reading	Rehoboth	Revere	Richmond	Rockport	Rockland	Rowley
Salem	Salisbury	Sandwich	Saugus	Scituate	Seekonk	Sharon
Sherborn	Shrewsbury	Somerset	Somerville	Southborough	Southbridge	Springfield
Stoneham	Stoughton	Stow	Sturbridge	Sudbury	Sutton	Swansea
Taunton	Tewksbury	Townsend	Tyngsboro	Upton	Wakefield	Walpole
Waltham	Wareham	Watertown	Wayland	Wellesley	Wellfleet	
West Tisbury	Westborough	Westminster	Weston	Westport	Westwood	Weymouth
Whitman	Wilmington	Winchester	Woburn	Worcester	Wrentham	Yarmouth

Background

Our History

SEB is a continuation, through various iterations, of a consulting practice which began in 1970 in Cambridge, MA. Bob Engler remains as one of the partners in the first firm – Justin Gray Associates – and has been joined by his two sons, Geoff and Brian, who have now been working together over 10 years.

Brian Engler is the firm's Lottery Director and is primarily responsible for managing all of the lottery contracts including all elements of affirmative marketing, buyer/tenant selection and ongoing program compliance. Geoff Engler is responsible for SEB's permitting and development portfolio including serving as project manager for all of SEB's own development projects.

Throughout our history, SEB has remained committed to focusing our business in the area of affordable housing, for ourselves, our partners, and our clients. SEB have managed over 1,000 contracts, yet the firm has retained its small size so we could be directly involved in working with our clients and continuing in many cases the long term relationships that we have developed over the past many years.

SEB & The 40B Process

Chapter 40B of M.G.L. was passed in 1969 and remains today as the single most productive vehicle in Massachusetts for developing affordable housing units, whether rental or homeownership. Each 40B project involves a complex administrative and permitting process, from initial conception through the public hearing process, construction and occupancy. There are a myriad of rules, regulations, guidelines, policies, preferred practices, strategies, negotiations and monitoring reviews which must be unequivocally understood in order to be successful.

SEB's role over the past many years has been to guide clients through the entirety of this process, often from beginning to end, or in some cases, for specific and discreet tasks. We have assisted over 100 developers and 20 communities engage in this process; we also undertake our own 40B developments as well. Our knowledge and experience has brought us to half the communities in Massachusetts (180+) through permitting responsibilities, leading workshops, providing technical assistance or carrying out developments for our own portfolio. We have served on State-initiated task forces which have created affordable housing programs under 40B or modified existing 40B regulations/guidelines over time.

The various roles SEB has been asked to play in the development process include:

- Property specific analysis and evaluation
- Site control negotiations
- Preliminary site planning and concept origination
- Financial/pro forma analysis
- Assembling the development team
- Securing construction/permanent loans
- Application (site approval, comprehensive permit, etc.) preparations/submittals
- Leading public presentations/ZBA hearings
- Negotiations on final permits and review of regulatory agreements
- Expert witness at the Housing Appeals Committee
- Lottery agent / Affordable housing administrator
- Acquisition and due diligence assistance of existing 40B developments

Representative Sample of Projects



The Terraces
Newton
Developer
48 for-sale units



**Charles River
Landing**
Needham
Permitting
350 rental units



Chrysler Apartments
(Currently Avalon Natick)
Natick
Permitting
543 rental units



Ink Block
Boston
Lottery Agent
392 Rental & for-sale units



Greendale Village
Needham
Developer
20 for-sale units

SEB Contact Information

SEB, LLC
165 Chestnut Hill Avenue, Unit #2
Brighton, MA 02135
(617) 782-2300
www.s-e-b.com

Brian Engler
Lottery Director / VP
(617) 782-2300 x203
brian@s-e-b.com

Bob Engler
President
(617) 782-2300 x201
Bob@s-e-b.com

Geoff Engler
Vice President
(617) 782-2300 x202
gengler@s-e-b.com



April 22, 2015

Ms. Catherine Racer, Associate Director
Department of Housing and Community Development
100 Cambridge Street, Suite 300
Boston, MA. 02114

*Re: Notice of Application for Chapter 40B Site Eligibility Letter – MassHousing New England
Fund Project: "Reading Village" – 39/41 Lincoln St. and 2-12 Prescott St, Reading, MA*

Dear Kate:

SEB is representing the applicant "Reading MKM, LLC" a limited liability company for the purpose of developing a 77 unit rental development at 39/41 Lincoln St. and 2-12 Prescott St in Reading. In accordance with Section 31.01(2)(c) of the Rules of the Housing Appeals Committee (760 CMR 31.01), this letter serves to notify the Department that a request for site approval letter has been made by Reading MKM, LLC under Masshousing's New England Fund Program for a 77 unit rental development in the Town of Reading.

According to the Rules of the Housing Appeals Committee, Masshousing cannot issue a site approval letter until at least 30 days has elapsed from the time of notification to the Chairperson of the Reading Board of Selectmen. Shortly after that time period, we are hopeful that Masshousing will issue a site approval letter so that the applicant can file a comprehensive permit application with the Reading Zoning Board of Appeals. Any comments received from the Town will be considered by MassHousing during this 30-day comment period.

We will notify you when the site approval letter is issued. In the interim, please contact me directly should you have any questions.

Sincerely,



Geoffrey Engler

cc: Town of Reading

Date of this notice: 07-29-2014

Employer Identification Number:
47-1447467

Form: SS-4

Number of this notice: CP 575 B

MKM READING LLC
KENTON R CHASE MBR
109 OAK ST STE G20
NEWTON, MA 02464

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 47-1447467. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Based on the information received from you or your representative, you must file the following form(s) by the date(s) shown.

Form 1065

04/15/2015

If you have questions about the form(s) or the due date(s) shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, *Accounting Periods and Methods*.

We assigned you a tax classification based on information obtained from you or your representative. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2004-1, 2004-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, *Entity Classification Election*. See Form 8832 and its instructions for additional information.

A limited liability company (LLC) may file Form 8832, *Entity Classification Election*, and elect to be classified as an association taxable as a corporation. If the LLC is eligible to be treated as a corporation that meets certain tests and it will be electing S corporation status, it must timely file Form 2553, *Election by a Small Business Corporation*. The LLC will be treated as a corporation as of the effective date of the S corporation election and does not need to file Form 8832.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at www.irs.gov. If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.

