



June 30, 2011

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BY OVERNIGHT FEDERAL EXPRESS

Fifteen Great Road II LLC
200 Baker Avenue, Suite 303
Concord, MA 01742
Attn: Mr. David Hale

Re: Fifteen Great Road Apartments, Littleton, MA (the "Project")
Project Eligibility Letter

Dear Mr. Hale:

Massachusetts Development Finance Agency ("MassDevelopment") received the application of Fifteen Great Road II LLC for financing for the above-referenced Project using the MassDevelopment Tax-Exempt Bond Financing Program and is pleased to provide you with this determination of project eligibility for the Project under that Program.

MassDevelopment has reviewed the fundability of the Project under the MassDevelopment Tax-Exempt Bond Financing Program in accordance with 760 CMR 56.04 and has reviewed all other criteria required under such regulations. After receipt of the application, MassDevelopment provided written notice of the application to the Town of Littleton (the "Town"). A site visit was conducted on May 31, 2011. MassDevelopment received comments concerning the Project from the Town and from third parties within the review period and after and has considered all comments when reviewing the fundability of the Project under the MassDevelopment Tax-Exempt Bond Financing Program and when reviewing all other criteria and findings required under the applicable regulations prior to issuing this letter.

Based on the application dated March 28, 2011, and supplemental information requested by MassDevelopment during its review, the Project involves the following characteristics:

Applicant: Fifteen Great Road II LLC
200 Baker Avenue, Suite 303
Concord, MA 01742

The application was submitted on behalf of the proposed development limited liability company Fifteen Great Road II LLC by Omni Development,

LLC, a related party, with assistance from the Project's housing consultant Equity Alliance LLC. Following standard program procedures, the application was accepted as submitted by the related party with the requirement that organizational documents of the development LLC must provide that its profits, cash flow, and the distribution of returns to the development LLC or to the members or other owners of the development LLC will be limited as set forth in M.G.L. c. 40B ("c. 40B") and MassDevelopment's equity and limited dividend policies and that the development LLC will enter into MassDevelopment's form of Regulatory Agreement. Evidence of the development LLC's organization and existence has been provided and the above certification has been executed by the development LLC, defined herein as the Applicant.

Site: 15 Great Road, approximately 23.09 acres of the land in Littleton, MA and is part of the property shown on Tax Map U1, Parcel 2, Parcel 1-56, and Parcel 6.

The property is located near the Littleton/Acton/Westford town lines.

Project: The Fifteen Great Road Apartments will be a 200-unit garden style rental project in six separate buildings with on-site parking plus a clubhouse/fitness facility.

Subsidizing Program: Massachusetts Development Finance Agency Tax-Exempt Bond Financing Program

Low Income Units: 20% of all units will be priced affordably and set aside for a minimum period of 30 years for tenants with incomes not exceeding 50% of the Area Median Income.

Rental Unit Mix: The Project will consist of 40 1BR (approx. 850 sf. each); 100 2BR (approx. 1100-1300 sf. each); 60 3BR (approx. 1400 sf. each).

Market Rate Units: Of the above total units, there will be 32 one-bedroom units; 80 two-bedroom units; 48 three-bedroom units.

Affordable Units: Of the above total units, there will be 8 one-bedroom units; 20 two-bedroom units; 12 three-bedroom units.

Limited Dividend:

Omni and the Applicant have confirmed that Applicant is the developer of the Project and will be the owner of the Project. The Applicant's organizational documents provide that its profits, cash flow, and the distribution of returns to the Applicant or to the members or other owners thereof will be limited as set forth in c. 40B and the regulations thereunder and MassDevelopment's equity and limited dividend policies and that the Applicant will enter into MassDevelopment's form of Regulatory Agreement containing provisions required under c. 40B and the regulations thereunder as well as the provisions of MassDevelopment's Tax-Exempt Bond Financing Program.

MassDevelopment has reviewed the materials submitted by the Applicant, including, without limitation, preliminary plans, financial projections, and market information, conducted an on-site inspection, and reviewed the Town's and third party's comments and has determined that the Project appears generally eligible and fundable under the requirements of the MassDevelopment Tax-Exempt Bond Financing Program, subject to final review of eligibility for financing and final approval under the c. 40B regulations and has made the additional findings set forth below as required by the c. 40B regulations for the issuance of a project eligibility letter.

Based on the submitted materials and on-site inspection, MassDevelopment has made the following findings.

1. The Applicant Fifteen Great Road II LLC, a Massachusetts limited liability company, is a limited dividend organization, based on its organizational documents and agreements to abide by the subsidizing agency's (MassDevelopment's) limited dividend policy and requirements of c. 40B.
2. The Applicant controls the site, based on evidence that a related party holds purchase agreements for acquisition of the site and that the related party

and the Applicant hold a purchase and sale agreement for transfer of the site to Applicant for development of the Project, which are deemed by the subsidizing agency to be sufficient for site control as provided in the c. 40B regulations.

3. The Applicant and the proposed Project meet the general eligibility standards of the MassDevelopment Tax-Exempt Bond Financing Program. The application for financing will be subject to final review and approval by MassDevelopment as to eligibility under the standards of MassDevelopment's Tax-Exempt Bond Financing Program and subject to review and final approval under the c. 40B regulations at 760 CMR 56.04(7).
4. The site is generally appropriate for residential development, taking into account prior municipal actions to meet affordable housing needs in the municipality.

The Town provided in its comment letter as a description of its activities to provide affordable housing opportunities in the community a reference to its February 2011 approval of the transfer of a comprehensive permit issued in July 2006 to a developer for another c. 40B project to be located elsewhere in the Town, which project did not proceed in 2006. The Town indicates that at this time approximately 8.68% of its housing stock is considered affordable on the DHCD Subsidized Housing Inventory. The Town further noted that its current goal is to add 40 units to achieve its 10% goal of affordable housing. No information was provided concerning whether this other c. 40B project or any other affordable housing project is now proceeding in the municipality. No other municipal actions to create affordable housing were noted in the letter or otherwise noted by the Town or other parties. Based on the foregoing and on c. 40B and the regulations thereunder, MassDevelopment makes the finding stated above as required by the regulations.

5. The conceptual project design is generally appropriate for the site taking into consideration factors such as proposed use, conceptual site plan and building massing, topography, environmental resources, integration into existing development patterns.

The foregoing finding is made hereunder. MassDevelopment did note, however, in its Project review that while the proposed Project is generally appropriate for the site with respect to topography and buildings 1, 2, 4, 5, and 6 make good use of existing topography (and vegetation) to mitigate visual impact on the single-family home neighborhood to the west,

building 3 does not benefit from topographic buffering and that while three-story buildings are generally appropriate for this site and the Applicant has indicated it will add vegetation buffering, this building could benefit from further mitigation or site plan adjustments when the Project is reviewed by the Town.

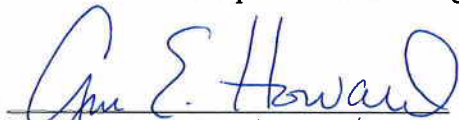
6. The Project appears financially feasible within the rental housing market in which it is located, based on comparable figures provided by Applicant.
7. The initial pro forma has been reviewed, including a land valuation determination consistent with the Massachusetts Department of Housing and Community Development ("DHCD") guidelines. The Project appears financially feasible and consistent with the DHCD guidelines of Cost Examination and Limitations on Profits on the basis of estimated development costs.

This determination of project eligibility is not a binding commitment for financing from MassDevelopment, rather it is a project eligibility letter under the comprehensive permit (M.G.L. c. 40B) regulations for potential financing under the MassDevelopment Tax-Exempt Bond Financing Program only. This letter does not provide evidence of project eligibility for any other MassDevelopment financing program or for any financing that may be obtained from any other source. If financing is obtained from any other source, MassDevelopment has not agreed by issuance of this letter or otherwise to monitor the Project for compliance with c. 40B or its regulations or to otherwise act as the project administrator.

Any commitment for financing from MassDevelopment is subject to review and final approval of the final financing application and execution by Applicant of MassDevelopment's form of Regulatory Agreement and is subject to the approval of the Board of Directors of MassDevelopment.

Massachusetts Development Finance Agency

By:



Name: Ann E. Howard

Title: Chief Operating Officer