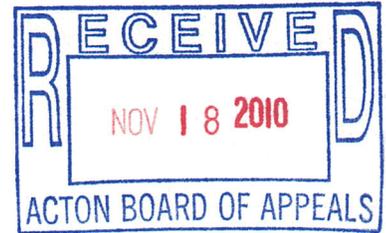


DESCHENES & FARRELL, P.C.

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One Billerica Road
Chelmsford, MA 01824-3010
Telephone: (978) 250-8877
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*Douglas C. Deschenes
Kathryn Lorah Farrell*

November 16, 2010

*Anthony J. Natola
Melissa E. Robbins
Kevin S. Eriksen*

Acton Zoning Board of Appeals
472 Main Street
Acton, MA

VIA Hand Delivery

RE: 3 Charter Road- Proposed Affordable Housing Project

Dear Members of the Board,

I am writing on behalf of my client, Common Ground Development Corporation, in regards to the Affordable Housing Project proposed at 3 Charter Road in Acton, Massachusetts (the "Project"). Enclosed, in reference to the Project, please find a Modification to the Comprehensive Permit that allows for a change in the subsidizing agency from the Massachusetts Housing Partnership (hereinafter "MHP") to the Department of Housing and Community Development (hereinafter "DHCD"). Please allow this to act as the Applicant's formal and official request for modification of the Comprehensive Permit, pursuant to the requirements of 760 CMR 56 § 11.

The reason for the modification is that MHP cannot provide funding for the Project at this time, however, DHCD has agreed to provide funding for the Project and will therefore be the subsidizing agency and therefore act as the Project Administrator for purposes of Final Approval and monitoring. I have attached hereto a copy of the commitment letters from DHCD.

As stated above, please allow this letter, and the attached formal modification, to act as the Applicant's formal and official request for an insubstantial modification of the Comprehensive Permit pursuant to the requirements of 760 CMR 56 § 11.

Please contact me if you have any questions regarding this matter. Thank you for your time and attention to this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Douglas C. Deschenes".

Douglas C. Deschenes

Enclosures.

MODIFICATION OF COMPREHENSIVE PERMIT
G.L. C. 40B §§20-23; 760 CMR 56 § 11.

APPLICANT: Common Ground Development Corporation

PROPERTY: 3 Charter Road, Acton Massachusetts

DATE: _____, 2010

On October 21, 2008, the Acton Zoning Board of Appeals (“Board”) issued to the Applicant a comprehensive permit for the Property, which permit was subsequently modified on June 1, 2009 (hereinafter the “Comprehensive Permit”). After due consideration of the Applicant’s request, pursuant to the requirements of 760 CMR 56 § 11, the Board hereby approves a modification to the Comprehensive Permit as follows:

- A. Amend the language throughout the Comprehensive Permit to delete any reference to “Massachusetts Housing Partnership” and replace with “Department of Housing and Community Development”.
- B. Amend the language throughout the Comprehensive Permit to recognize the Department of Housing and Community Development as the subsidizing agency for any and all purposes under the Comprehensive Permit.
- C. In all other respects, the Comprehensive Permit is hereby ratified.

ACTON ZONING BOARD OF APPEALS

COMMONWEALTH OF MASSACHUSETTS

Middlesex, ss.

On this ____ day of _____, 20 __, before me, the undersigned notary public, personally appeared _____ (name of document signer/Chairperson of the Acton Zoning Board of Appeals), proved to me through satisfactory evidence of identification, which was _____ (source of identification) to be the person whose name is signed on the preceding/attached document, and acknowledged to me that he/she signed it voluntarily for its stated purpose.

Notary Public
My Commission Expires:



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

Deval L. Patrick, Governor ♦ Timothy P. Murray, Lt. Governor ♦ Tina Brooks, Undersecretary

January 11, 2010

Steven Joncas
Common Ground Development Corporation
167 Dutton Street
Lowell, MA 01852

Re: Old High School Commons, Acton

Dear Mr. Joncas:

On behalf of Governor Deval Patrick, I am pleased to announce the selection of Old High School Commons (the "Project"), located in Acton, MA, for a **Conditional Reservation** of Low-Income Housing Tax Credits. The Department of Housing and Community Development ("DHCD") is setting aside \$334,294 of its 2010, 2011 and/or 2012 federal Low-Income Housing Tax Credits for the project. This letter represents a **Conditional Reservation** of the stated amounts of tax credits. This amount is based upon DHCD's determination that this is the least amount of tax credits necessary for the feasibility of the Project. This tax credit amount is subject to DHCD review at the time of allocation and at the time the Project is placed in service pursuant to Section 42 of the Internal Revenue Code. At the time these subsequent reviews take place, DHCD reserves the right to reduce the tax credit amount based on DHCD's determination of the least amount of tax credits necessary for the feasibility of the Project at that time.

As of the date of this Conditional Reservation, there are insufficient 2010 federal tax credits available to fund your entire Conditional Reservation. If a sufficient amount of 2010 federal tax credits to fund your entire Conditional Reservation becomes available to DHCD through returned tax credits between the date of this Conditional Reservation and December 1, 2010, then DHCD will make an allocation of 2010 federal tax credits to the Project subject to all of the conditions set forth below. If additional 2010 federal tax credits sufficient to meet the entire Conditional Reservation do not become available, then, subject to all of the conditions set forth below, DHCD may make an allocation of 2011 and/or 2012 federal tax credits to the Project for all or a portion of this amount and will issue, by the end of the calendar year, a binding commitment to allocate 2011 and/or 2012 federal Low-Income Housing Tax Credits to the Project in accordance with Internal Revenue Code Section 42(h)(1)(C), M.G.L. c. 62 sec. 6I, and M.G.L. c. 63 sec. 31H for the balance of the Conditional Reservation amount. Such binding commitment will contain conditions established by DHCD, and all such conditions must be met to DHCD's satisfaction in order for DHCD to allocate 2011 and/or 2012 tax credits to the Project.

This Conditional Reservation is issued pursuant to and in reliance upon information presented in the Low-Income Housing Tax Credit Program/One Stop Application submitted June 25, 2009, which stated the developer shall lease 15 of the 15 units (or 100%) in the Project to individuals or families whose income is 60% or less of the area median gross income as determined in accordance with Section 42 of the Internal Revenue Code. The Application also stated that at

least 2 units would be leased to households whose incomes are at or below 30% area median gross income adjusted for family size. Should such information or any other information presented in the above-referenced application change, DHCD must be notified immediately and it reserves the right to reduce and/or withdraw this Conditional Reservation. **With the issuance of this award letter, DHCD will not permit an increase in the total developer fee, overhead, and consulting costs (as calculated in accordance with the calculation schedule provided in the 2009 QAP), from the calculation submitted in the approved One Stop Application.**

This Conditional Reservation for the Low-Income Housing Tax Credits is subject to the Project's meeting one of the following requirements:

1) The Project is eligible for a Carryover Allocation pursuant to Section 42 of the Internal Revenue Code.

If the Project has not been Placed in Service pursuant to Section 42 of the Internal Revenue Code by December 31, 2010, the Project may be eligible to receive a Carryover Allocation of 2010 tax credits if all conditions stipulated by DHCD in Attachment 1 have been met. The Project will then have until December 31, 2012, in which to be Placed in Service. Documentation verifying that the conditions in Attachment 1 have been met as stipulated must be submitted to Michelle O'Meara, DHCD, 100 Cambridge Street, Suite 300, Boston, MA 02114 no later than May 1, 2010. DHCD expressly reserves the right to reduce or withdraw this Conditional Reservation if all conditions in Attachment 1 are not met to DHCD's satisfaction by May 1, 2010. If the Project receives a 2010 Carryover Allocation, a binding election must be made by December 1, 2010, whether to freeze the tax credit rate at the December rate or select the rate for the month the Project is placed in service.

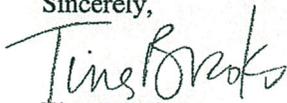
2) The Project or one or more buildings in the Project is Placed in Service pursuant to Section 42 of the Internal Revenue Code.

If the Project or one or more buildings in the Project is placed in service by the end of 2010, the Project or one or more buildings in the Project may be eligible to receive an IRS Form 8609 (Final Allocation) of credits provided that the Project satisfies all pertinent IRS and DHCD requirements. You must contact Michelle O'Meara in writing at the above address no later than May 1, 2010 if your project will be placed in service by December 31, 2010.

All projects will be subject to annual compliance monitoring to allow DHCD to certify the Project's compliance with Section 42(g) of the Internal Revenue Code.

I am pleased by your interest in using the Low-Income Housing Tax Credit to provide affordable housing and look forward to seeing the Project move toward completion.

Sincerely,



Tina Brooks
Undersecretary

Cc: State Senator James B. Eldridge, Middlesex and Worcester District
State Representative Cory Atkins, Fourteenth Middlesex District

By my signature below, I acknowledge the terms and conditions of this Conditional Reservation of Tax Credits. I fully understand that the Conditions required for a Carryover Allocation and/or Binding Commitment *must be met by the dates specified in Attachment 1 hereto or my Reservation of Tax Credits will be in jeopardy. I understand that late submission of the required documentation will result in penalty fees* (Please sign this acknowledgment and return it to DHCD.)

William Flych
Signature President, Common Ground Development Corp.

2/8/10
Date

**Low-Income Housing Tax Credit Program
Conditional Reservation
January 11, 2010
Attachment 1**

The following requirements must be met to DHCD's satisfaction by May 1, 2010, to be eligible to receive a Carryover Allocation and/or Binding Commitment pursuant to Section 42 of the Internal Revenue Code:

- Evidence of full financial closing by December 1, 2010
- Submission to DHCD of a formal opinion in the format prescribed by DHCD (available on our website) from the project accountant demonstrating (1) ownership of the property by the entity receiving the tax credit allocation, and (2) certifying compliance with Section 42 of the Internal Revenue Code and Treasury Regulation 1.42-6 that more than ten percent (10%) of the Owner's total reasonably expected basis in the Project has been incurred by May 1, 2010.
- Execution of the Release and Indemnification Agreement (available on our website) by an authorized representative of the entity anticipating receiving the tax credit allocation and submission of the Agreement to DHCD. The Agreement releases and indemnifies DHCD from any loss, demand or judgment resulting from the allocation of tax credits. DHCD assumes no liability for determination of the qualified basis of any project. All tax credit developers should consult a qualified tax accountant, tax attorney, and/or syndicator to determine final eligibility for the credit.
- Execution of the Owner Certification (available on our website) by an authorized representative of the entity anticipating receiving the tax credit allocation and submission of the Certification to DHCD. If applicable, submission of a revised One-Stop Application.
- Payment to DHCD of the tax credit commitment fee which is a portion of the tax credit processing fee. The total tax credit processing fee is equal to 8.5% of the annual tax credit amount for for-profit developers and 4.5% of the annual tax credit amount for non-profit developers. The total processing fee associated with this project is \$15,043. The commitment fee is equal to one-third of the total processing fee minus the application fee. The amount owed by May 1, 2010 for this project is \$5,014. (No application fee received) Please make the check payable to the Department of Housing and Community Development.
- Identification of an accountant with previous LIHTC experience acceptable to DHCD.
- Identification of a general contractor acceptable to DHCD.
- Identification of a management agent acceptable to DHCD. Please provide evidence that all key property manager(s) have received training regarding the compliance requirements of IRC Section 42.

- Submission of documentation identifying the finalized terms and conditions of all non-DHCD fund sources, including an updated One Stop. Please note that you must submit the updated One Stop in electronic and paper form.
- Submission of compliance with the Massachusetts Historical Commission.
- Submission of evidence of compliance with all recommendations contained in the Phase I Environmental Site Assessment Report.
- Submission of final plans and specifications satisfactory to DHCD including evidence:
 - that high speed internet access will be provided in all units; and
 - that the final plans and specifications meet or exceed Energy Star standards and incorporate the sustainable design features pledged in the One Stop application submitted June 25, 2009.

Please be advised that any material changes to the plans and specifications must be reviewed and approved by DHCD.
- Submission of an “as-is” appraisal supporting the acquisition cost carried in the approved One-Stop for each phase.
- Submission of evidence of compliance with the Massachusetts Architectural Access Board and all applicable federal, state, and local regulations regarding handicapped accessibility.
- Submission of evidence of all necessary zoning approvals from the Town of Acton.
- Submission of projected Placed in Service date as agreed to in the partnership or operating agreement.
- Submission of a Fair Housing narrative describing how the marketing, tenant selection, and other applicable policies and procedures will incorporate the Department’s Fair Housing principles.
- Commitment from a syndicator and/or investor acceptable to DHCD.



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

Deval L. Patrick, Governor ♦ Timothy P. Murray, Lt. Governor ♦ Tina Brooks, Undersecretary

December 28, 2009

Steven Joncas
Chief Executive Officer
Common Ground Development Corporation
167 Dutton St
Lowell, MA, 01852

RE: Old High School Commons, Acton (the "Project")

Dear Mr. Joncas:

On behalf of Governor Deval L. Patrick, I am pleased to inform you that funds in the amount of \$675,000 from the HOME Investment Partnerships Program ("HOME") have been conditionally reserved by the Department of Housing and Community Development ("DHCD") for a permanent mortgage loan for the Project, subject to the terms stated herein. If all the requirements of this Conditional Funding Reservation and a state comptroller's Standard Contract for HOME projects are satisfied, the HOME loan will be made to the Project's borrower/owner, Towne School Limited Partnership (the "Developer").

This Conditional Funding Reservation is issued pursuant to and in reliance on your funding application submitted to DHCD on June 25, 2008. The project must proceed to a full financial closing by August 31, 2010 or this Conditional Funding Reservation will expire. It is also based upon your agreement that the Project will consist of fifteen (15) units of rental housing, eleven (11) of which will be HOME-assisted, which will be reserved for 30 years for individuals and families whose incomes are no higher than 50% of area median for not less than 20% of the units, and no higher than 60% of area median for the remaining units (the "Eligible Use"). To accomplish this goal, the loan documents will contain appropriate restrictions on the use of the Project.

The loan term will be 30 years. The term may be extended under certain conditions with the approval of DHCD. The loan will be at an interest rate to be determined by the developer, which may be the "applicable federal rate", and there will be no periodic payments due under the loan. There will be one payment due at maturity, in an amount (subject to adjustment for interest costs, penalties, and other charges under the terms of the loan documents) representing the entire balance of the loan.

As collateral for the loan, DHCD will take a mortgage and security agreement on the real property included in the Project. The priority position of the HOME mortgage will be determined at the time of execution of a HOME Standard Contract. A change in ownership of the Project or in the legal form of the owner of the Project, the placing of additional encumbrances on the Project without the prior written

consent of DHCD, failure to maintain the Eligible Use for the Project, or default under senior mortgage loans, shall be among the events of default under the HOME loan.

This Conditional Funding Reservation will result in the execution of a HOME Standard Contract for the Project, provided that the Developer meets the following general conditions to the satisfaction of DHCD by August 31, 2010:

1. submission to and approval by DHCD of the following:
 - a. updated development and operating pro formas: With the issuance of this award, DHCD will not permit an increase in the total developer fee, overhead, and consulting costs (as calculated within HOME program guidelines), from the calculation submitted and approved in the One Stop Application;
 - b. evidence of firm commitment for construction and/or permanent mortgage financing from those entities and in those amounts shown on the development pro forma, and on such terms as are acceptable to DHCD;
 - c. detailed time lines for the construction of the Project, including construction completion date, funding schedule, and move-in date;
 - d. documentation of the bid process, contractor selection process, and plan for monitoring of construction;
 - e. documentation that the general contractor is bonded or has a Letter of Credit for a minimum of 10% of the construction contract;
2. submission of a purchase and sale agreement or other instrument satisfactory to DHCD which indicates that by the date of the HOME loan closing, the Developer will have clear title to the Project, quality of title to be satisfactory to DHCD's counsel;
3. submission to and approval by DHCD of a final construction budget with bid prices from the selected general contractor;
4. submission of final plans and specifications satisfactory to DHCD including evidence:
 - a. that high speed internet access will be provided in all units; and
 - b. that the final plans and specifications meet or exceed Energy Star standards and incorporate the sustainable design features pledged in the One Stop application dated June 25, 2009;
5. submission of documentation that the building will meet federal and state requirements for accessibility;
6. submission of a Fair Housing narrative describing how the marketing, tenant selection, and other applicable policies and procedures will incorporate the Department's Fair Housing principles; and
7. submission of satisfactory evidence that all other legal, design, regulatory and environmental requirements for the Project are fulfilled and approvals obtained and all site surveys required for the Project are obtained.