



**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of
Acton Community Housing Corporation:

We have performed the procedures enumerated below, which were authorized by Acton Community Housing Corporation, solely to assist you with respect to your review of the Franklin Place Partners, LLC's Chapter 40B cost certification and compliance with the limited dividend requirement. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Project Description

We have conducted an agreed-upon procedures engagement of the compiled financial statements and various legal documents outlined in the administrative section of this report for the Franklin Place Partners, LLC's 12 unit residential housing Project in Acton, known as Franklin Place (the Project), for compliance with the limited dividend requirements of Massachusetts General Law, Chapter 40B (Chapter 40B) and applicable sections of the Massachusetts Code of Regulations.

Per the regulatory agreement, Franklin Place Partners, LLC is engaged in the development and sale of 12 units of residential housing, including 3 units for qualifying low income families in Acton, Massachusetts.

Town of Acton Zoning Board of Appeals provided a decision upon the application of Franklin Place Partners, LLC for a Comprehensive Permit on March 24, 2004 for 12 units. The permitting for these units, with MassHousing approval, qualified as a limited dividend organization under the MassHousing Housing Starts subsidy program and Chapter 40B. The Acton Board of Selectmen or its designee serves as monitoring agent.

The Project was financed with a \$3,350,000 construction loan by a non-governmental entity for which MassHousing served as project administrator pursuant to "Guidelines for Housing Programs in Which Funding is provided through Non-Governmental Entity" issued by the Department of Housing and Community Development (DHCD).

Administrative

Our engagement included consideration of the following documents as they pertain to the procedures set forth by Acton Community Housing Corporation:

- *Financial Statement* compiled by Elliott H. Puretz, CPA, P.C., Certified Public Accountant, dated March 30, 2006.
- The comprehensive permit decision approved by The Town of Acton Zoning Board of Appeals dated March 24, 2004.
- A signed Project regulatory agreement dated May 9, 2005.
- A Massachusetts quitclaim deed dated April 9, 2004.
- Complete appraisal report dated July 29, 2003 prepared by Avery Associates.
- Settlement statements for the 12 units and the subsequent sale of the 3 related party unit sales (10 Franklin Place Unit 5, 12 Franklin Place Unit 6 and 11 Franklin Place Unit 7)

The agreed-upon procedures and our findings are as follows:

Procedure

1. Obtain and read the executed comprehensive permit document to determine what the allowable profit level is, if indicated in the document; what other dividend restriction language, if any, may be included in the document, particularly relating to land values, permissible overhead expenses and related party expenditures.

Finding

We obtained and read the comprehensive permit approved on March 24, 2004 for Franklin Place Partners, LLC. The agreement appears to specify that the “maximum allowable profit is not to exceed 20% of total development costs, exclusive of development fees”. The agreement does not appear to specify any additional restrictions on maximum allowable profit, land values, permissible overhead and related party expenditures.

Procedure

2. Obtain and read the executed Project regulatory agreement to determine what the allowable profit level is, if indicated in the agreement; what other dividend restriction language, if any, may be included in the agreement, particularly relating to land values and permissible overhead and related party expenditures.

Finding

We obtained and read the regulatory agreement (attached without exhibits). The agreement appears to specify that the “aggregate profit from the Project which shall be payable to the developer”, Franklin Place Partners, LLC, “or to the partners, shareholders or other owners of the developer or the Project shall not exceed 20% of total development costs of the Project, which development costs have been approved by the monitoring agent”. “All profits from the Project in excess of the allowable profit shall be paid to the municipality”. “The municipality agrees that all amounts constituting excess profit shall be deposited in the Affordable Housing Fund”. The agreement does not appear to specify any other restrictions on allowable profit, land values, permissible overhead and related party expenditures.

Procedure

3. Obtain and read the land appraisal to determine what the indicated value for the land was in an undeveloped state; what methodology was used to determine land value (this should reflect the value of the site under its highest and best use without the use of a comprehensive permit, unless stated otherwise in the comprehensive permit or regulatory agreement); that the assumptions in the report appear generally reasonable; and that the report is prepared by a licensed appraiser.

Finding

We obtained and read the complete appraisal report prepared on the property by Avery Associates dated July 29, 2003. The report stated the appraisal methodology as “market value” of a “fee simple interest” at its “highest and best use” “under existing zoning and by right uses”. The appraisal specifically states that it does not include “a value of the property for multi-family residential development”. The method used in the report noted a market value of \$1,160,000. The report, prepared and signed by Jonathan H. Avery, included a state license number.

Procedure

4. Obtain and read the *financial statement* to determine: that the compilation was prepared by a CPA; that the report covers general requirements of a compilation.

Finding

We obtained and read the *financial statement* compiled by Elliott H. Puretz, CPA, P.C., Certified Public Accountant, dated March 30, 2006 and noted the Accountant’s Compilation Report states it was “compiled in accordance with Standards for Accounting and Review Service established by the American Institute of Certified Public Accountants”. The Accountant’s Compilation Report identified that the information “was not reviewed or audited”.

Procedure

5. Obtain and read the *financial statement*. Determine that the income statement of the financial statement includes the revenue from the initial sales of all 12 units of the Project. Calculate the percentage profit figure (net profit/total development cost) to determine it reflects a value of less than 20%.

Finding

We obtained and read the *financial statement*. The *Income Statement's* development proceeds appear to reflect revenue from all units in the Project based on the number of units agreed upon in the regulatory report as compared to the number of settlement statements received.

The total profit per the *financial statement's Income Statement* is \$249,513. The profit per the *Income Statement* of \$249,513 divided by the total costs and expenses per the *Income Statement* of \$5,411,411 is 4.6%. The maximum allowable profit is 20%.

Procedure

6. Obtain and read the *financial statement* to determine that the *Income Statement* appears to include cost categories which could reasonably be expected for the subject project; that the calculations presented are free of material mathematical errors; that there are no cost line items which do not relate directly to the development of the subject site. Note the land acquisition amount and notes detailing related party activity to determine if the land acquisition was an arm's length transaction. Based on the state's August 2005 guidelines for New England Fund (NEF) projects, "allowable acquisition costs shall not be unreasonably greater than the current appraised fair market value under existing zoning without a comprehensive permit." If no appraisal is available, note the effect on the calculated maximum allowable profit if the full value of the land is calculated as profit rather than a cost. If this analysis results in an excess profit, then an appraisal should be obtained and the analysis repeated for any excess land value. The results of this analysis should be noted in the report. Any guidance on this issue stated in either the regulatory agreement or comprehensive permit should be noted in the report.

Finding

We obtained and read the *financial statement's Income Statement*. All titles: cost of properties sold, selling expenses and administrative expenses are cost categories which appear to be reasonably expected for the Project.

We footed the *Income Statement* and it appears to be free of material mathematical errors.

We obtained the *financial statement* and noted that management elected to omit substantially all of the disclosure normally required under generally accepted accounting principles.

We obtained and read the quit claim deed on the property. The quit claim deed on the property, dated April 9, 2004, states the acquisition price of the land was \$900,000.

We obtained and read the complete appraisal report prepared on the property by Avery Associates dated July 29, 2003. The method used in the report noted a market value of \$1,160,000.

Procedure

7. If a separate line item for developer overhead expense is listed, it should be determined that the overhead expense totals are not in excess of amounts typically approved by other state program administrators (see November 2005 Massachusetts Housing Partnership (MHP) Guidelines, Appendix A); that no line items are also listed for activities which would reasonably be expected to be covered as an overhead activity. Any guidance on this issue stated in either the regulatory agreement or comprehensive permit should be noted in the report.

Finding

The *Income Statement* does not include a line titled Developer's Overhead.

Procedure

8. Obtain and read the *financial statement* for disclosure of related party transactions. Note in the findings the nature and the amounts of those related party activities disclosed. Recalculate the percentage profit figure (net profit/total development cost) to determine the effects to the allowable profit had the related party transactions been transacted at arm's length and to determine the recalculation reflects a value of less than 20%.

Finding

We obtained the *financial statement* and noted that management elected to omit substantially all of the disclosure normally required under generally accepted accounting principles. However, the following paragraph was explicitly included in the *Accountant's Compilation Report*:

“I did determine that the statements include sales of three units at less than fair market value to a related entity that have not been adjusted in the income statement. Company management has estimated that revenues and related net income for the year ended December 31, 2005 would have increased by approximately \$312,000 had the sales been made at market value.”

The total profit per the *Income Statement* is \$249,513. The profit per the *Income Statement* of \$249,513 plus the \$312,000 related party sales profit divided by the total costs and expenses per the *Income Statement* of \$5,411,411 is 10.4%. The maximum allowable profit is 20%.

Procedure

9. The portions of related party costs which are retained by a related party should be noted to determine if they are commensurate with charges which would be incurred if similar functions were performed by non-related third parties. This is generally accepted by other state program administrators as a total of 14% for general contractor overhead, general conditions and profit (see November 2005 MHP Guidelines, Appendix A). MHP Guidelines should also be used to determine the appropriate sales commissions for market rate and affordable units. With regard to related party sales of market rate units, the units should be valued at the greater of: (1) the actual sales price and (2) the average sales price of the highest three arm's length sales of comparable units. This is consistent with MassHousing's cost certification policy.

Finding

As noted in Procedure #8, related party sales of market rate units were identified. As the resale *Settlement Statements* were provided for the subsequent arm's length sales occurring the day after the related party transaction sale, the subsequent sales price was used. Based on reading the *Settlement Statements*, the disclosure was made relating to the estimated revenues and related net income was based on the subsequent sale of the units.

We obtained the *financial statement* and noted no additional related party disclosures.

We have attached the following documents to this report:

- Regulatory agreement, without exhibits
- *Financial Statement* compiled by Elliott H. Poretz, CPA, P.C., Certified Public Accountant, dated March 30, 2006
- Settlement statements for the following units to a related party and the subsequent unit sales: 10 Franklin Place Unit 5, 12 Franklin Place Unit 6 and 11 Franklin Place Unit 7

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion, on the evaluated records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Town of Acton and Acton Community Housing Corporation and is not intended to be and should not be used by anyone other than those specified parties.



RETURN TO:

GRAHAM & HARSIP
289 GREAT ROAD STE 101
ACTON, MA 01720



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REGULATORY AGREEMENT

***For Comprehensive Permit Projects in Which Funding is Provided
Through a Non-Governmental Entity***

This Regulatory Agreement (this "Agreement") is made this 9 day of May 2005, by and among the Massachusetts Housing Finance Agency (the "Project Administrator"), as project administrator acting on behalf of the Department of Housing and Community Development ("DHCD"), the Town of Acton, Massachusetts (the "Municipality"), and Franklin Place Partners, LLC, a Massachusetts limited liability company, having an address at 178 Great Road, Acton, MA 01720, and its successors and assigns (the "Developer").

RECITALS

WHEREAS, the Developer intends to construct a housing development known as Franklin Place at a 4.9-acre site located at 520 Main Street in the Municipality of Acton, more particularly described in Exhibit A attached hereto and made a part hereof (the "Project"); and

WHEREAS, the Project is being financed with a \$ 3,350,000.00 construction loan (the "Loan") by a non-governmental entity for which the Massachusetts Housing Finance Agency serves as project administrator pursuant to Guidelines for Housing Programs in Which Funding is Provided Through a Non-Governmental Entity (the "Guidelines") issued by DHCD; and

WHEREAS, the Developer has received a comprehensive permit (the "Comprehensive Permit") from the Zoning Board of Appeals of the Municipality in accordance with Chapter 40B, Sections 20-23, of the Massachusetts General Laws (the "Act"), which permit is recorded with the Middlesex South District Registry of Deeds ("Registry") in Book 43185, Page 515; and

WHEREAS, pursuant to the Comprehensive Permit and the Guidelines, the Project is to consist of a total of 12 condominium units, of which 25% percent (3 units) (the "Affordable Units") will be sold at prices specified in this Agreement to Eligible Purchasers (as defined herein) and will be subject to this Agreement; and

WHEREAS, the Developer has agreed to retain the Acton Board of Selectmen, or its designee, (the "Monitoring Agent") to perform administration, monitoring and enforcement services regarding compliance of the Project with the Guidelines and the Comprehensive Permit during the period of affordability of the Affordable Units; and

WHEREAS, the Monitoring Agent has agreed to perform such administration, monitoring and enforcement services during the period of affordability of the Affordable Units; and

42628/95

Franklin Place Condominium, Acton, Great Road, Acton

Handwritten initials

WHEREAS, the parties recognize that Affirmative Fair Marketing (as defined herein) is an important precondition for initial sales and resales of the Affordable Units and that local preference cannot be granted in a manner that results in a violation of applicable fair housing laws and regulations; and

WHEREAS, the parties recognize that the Municipality has an interest in preserving affordability of the Affordable Units and may offer valuable services in administration, monitoring and enforcement.

NOW, THEREFORE, in consideration of the agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Project Administrator, the Municipality, and the Developer hereby agree as follows:

1. Definitions. In addition to the terms defined elsewhere in this Agreement, the following terms shall have the meanings set forth below:

Additional Windfall Amount shall have the meaning set forth in Section 7 hereof.

Affirmative Fair Marketing means outreach and other marketing efforts to minority households in a manner consistent with the affirmative fair marketing policies of the Project Administrator for homeownership projects and sufficient to satisfy the requirements of applicable fair housing laws and regulations, in accordance with a plan approved by the Project Administrator.

Affordable Housing Fund shall have the meaning set forth in Section 7 hereof.

Allowable Profit shall have the meaning set forth in Section 6(a) hereof.

Approved Capital Improvements means the documented commercially reasonable cost of capital improvements made to any Affordable Unit, provided that such cost is approved by the Monitoring Agent and further provided that such cost was not previously included in the calculation of the Maximum Resale Price for any prior sale of such Affordable Unit.

Example: The documented commercially reasonable cost of a new roof paid for by Seller may be included in the Maximum Resale Price on his sale of the Affordable Unit to Buyer, but the documented commercially reasonable cost of a new septic system included in the Maximum Resale Price when Seller purchased the Affordable Unit is not included in calculating the Maximum Resale Price to Buyer.

Area means the Primary Metropolitan Statistical Area that includes the Municipality

Base Income Number means the most recently published Area median income number

(MFI), as published by HUD.

Certified Cost and Income Statement shall have the meaning set forth in Section 6(b) hereof.

Chief Elected Official means in the case of a city, the Mayor of such city, and in the case of a town, the Board of Selectmen of such town.

Deed Rider means the deed rider in the form attached hereto as Exhibit C and fully incorporated herein by reference to be attached to each deed of each Affordable Unit as provided in Section 5 hereof.

Default Notice and Project Administrator Default Notice shall have the meanings given such terms in Section 20(a) hereof.

Eligible Purchaser means an individual(s) or household who qualifies as a First-Time Homebuyer (unless otherwise specified in the Guidelines) earning no more than eighty percent (80%) of the Base Income Number and, if applicable, owning assets not in excess of the limit set forth in the Guidelines, as amended from time to time. If HUD discontinues publication of median income statistics, then the Monitoring Agent shall designate another measure of eligible income. To be considered an Eligible Purchaser, the individual(s) or household must intend to occupy the Property as his, her or their principal residence and must provide to the Municipality and to the Monitoring Agent such certifications as to income and, if applicable, assets as the Municipality and the Monitoring Agent may require to justify designation as an Eligible Purchaser.

Eligible Purchaser Certificate shall have the meaning set forth in Section 5(a) of the Deed Rider.

Excess Profit shall have the meaning set forth in Section 6(d) hereof.

First-Time Homebuyer means an individual(s) or household, none of whom have had an ownership interest in a principal residence at any time during the three (3)- year period prior to the purchase date of the Affordable Unit.

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

Initial Sale Price means the price at which the Affordable Unit is first sold by the Developer to an Eligible Purchaser. The Initial Sale Price from the Developer to the first Eligible Purchaser shall be no greater than the maximum price affordable to a buyer earning up to seventy percent (70%) of the Base Income Number (although an Eligible Purchaser may actually earn up to eighty percent (80%) of the Base Income Number), with a maximum debt to income ratio of thirty percent (30%).

Marketing Documentation shall have the meaning set forth in Section 8 hereof.

Marketing Plan shall have the meaning set forth in Section 8 hereof.

Maximum Resale Price means the sum of (A) the Base Income Number (at the time of resale) multiplied by the Resale Price Multiplier, plus (B) the Resale Fee, plus (C) Approved Capital Improvements, if applicable.

Monitoring Agent means Acton Board of Selectmen, or designee, as the Monitoring Agent under the Monitoring Services Agreement or any successor monitoring agent selected in accordance with the provisions of Section 6 of the Monitoring Services Agreement. The Monitoring Agent may also include the Municipality under contract with the Monitoring Agent (or any other duly selected successor monitoring agent) and the Project Administrator to provide a portion of the services under the Monitoring Services Agreement.

Monitoring Services Agreement means the Monitoring Services Agreement of even date herewith among the Developer, the Monitoring Agent, the Municipality and the Project Administrator in the form attached hereto as Exhibit D and incorporated herein by reference.

Plans and Specifications shall have the meaning set forth in Section 2 hereof.

Project means the 12-unit development located at 520 Main Street, Acton, MA, which, pursuant to the terms of the Comprehensive Permit and the Guidelines, includes 3 units of affordable housing.

Resale Fee shall have the meaning set forth in the Deed Rider attached hereto as Exhibit C.

Resale Price Certificate means the certificate in recordable form issued by the Project Administrator and recorded with the first deed of each Affordable Unit from the Developer to the initial Eligible Purchaser, which certificate sets forth the Resale Price Multiplier to be applied on the resale of such Affordable Unit, according to the terms of the Deed Rider for such unit, for so long as the restrictions set forth in this Agreement continue. If on any resale the Maximum Resale Price includes Approved Capital Improvements, the Monitoring Agent shall issue a new Resale Price Certificate to be recorded with the deed for such resale, which certificate shall include a new Resale Price Multiplier to be applied on each subsequent resale of such Affordable Unit according to the terms of the Deed Rider for such unit, for so long as the restrictions set forth in this Agreement continue.

Resale Price Multiplier means, for each Affordable Unit, the number calculated by dividing the Initial Sale Price by the Base Income Number at the time of the initial sale from the Developer to an Eligible Purchaser, and which will be multiplied by the Base Income Number at the time of resale to determine (in part) the Maximum Resale Price. In the event that the purchase price paid for any Affordable Unit includes Approved Capital Improvements, the Resale Price Multiplier shall be recalculated by the Monitoring Agent

by dividing the purchase price so paid (not including the Resale Fee) by the Base Income Number at the time of such purchase.

Example: Assume the Base Income Number at the time of the initial sale is \$80,800 and the Initial Sale Price is \$150,000. The Resale Price Multiplier would equal 1.86 ($150,000/80,800 = 1.86$). Then assume that at the time the initial purchaser sells the unit, the Base Income Number has increased to \$88,072 and Approved Capital Improvements (e.g., a new roof) equal \$5,000, the Maximum Resale Price (herein defined) would be calculated as follows: $\$88,072 \times 1.86 = \$163,814 +$ the Resale Fee (herein defined) $+ \$5,000$. If the subsequent purchaser sells the unit at a time when the Base Income Number is \$85,000, the Maximum Resale Price would be calculated as follows: (i) recalculated Resale Price Multiplier = 1.92 ($168,814/88,072 = 1.92$); (ii) $\$85,000 \times 1.92 = \$163,200 +$ the Resale Fee + Approved Capital Improvements (if applicable).

The initial Resale Price Multiplier for each Affordable Unit is set forth in Exhibit B attached hereto.

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

Total Development Costs means the total budget for the acquisition and construction of the Project (including both hard and soft costs), as approved by the Project Administrator.

Unit Purchaser shall have the meaning set forth in Section 5(a) hereof.

Windfall Amount shall have the meaning set forth in Section 5(c) hereof.

2. Construction Obligations. The Developer agrees to construct the Project in accordance with plans and specifications approved by the holder of the mortgage securing the Loan (the "Plans and Specifications") and in accordance with all terms and conditions of the Comprehensive Permit. All Affordable Units to be constructed as part of the Project must be similar in exterior appearance to other units in the Project and shall be evenly dispersed throughout the Project. In addition, all Affordable Units must contain complete living facilities including but not limited to a stove, kitchen cabinets, plumbing fixtures, and washer/dryer hookup, all as more fully shown in the Plans and Specifications. The Project must fully comply with the State Building Code and with all applicable state and federal building, environmental, health, safety and other laws, rules, and regulations, including without limitation all applicable federal and state laws, rules and regulations relating to the operation of adaptable and accessible housing for the handicapped. Except to the extent that the Project is exempted from such compliance by the Comprehensive Permit, the Project must also comply with all applicable local codes, ordinances and by-laws. The Project Administrator shall monitor compliance with the construction obligations set forth in this section in such manner as the Project Administrator may deem reasonably necessary.

3. Maximum Initial Sales Price/Maximum Resale Price. The Developer

agrees to sell each Affordable Unit to an Eligible Purchaser for no more than the Maximum Initial Sales Price set forth in Exhibit B attached hereto and incorporated herein by reference. The initial Resale Price Multiplier for each Affordable Unit shall be as set forth on Exhibit B attached hereto. Prior to the delivery of the first deed for each Affordable Unit, the Project Administrator shall issue the Resale Price Certificate to the Developer, and the Developer shall record the Resale Price Certificate with the first deed of each Affordable Unit. On resale of an Affordable Unit, if the Maximum Resale Price includes Approved Capital Improvements, the Monitoring Agent shall issue a new Resale Price Certificate, which recalculates the Resale Price Multiplier, and the purchaser, shall record the new Resale Price Certificate immediately after the recording of the deed to such Affordable Unit. The Resale Price Multiplier set forth in the most recently recorded Resale Price Certificate shall apply to each subsequent resale of the Affordable Unit.

4. Subsidized Housing Inventory. The units in the Project designated on the Plans and Specifications and the Comprehensive Permit as Affordable Units shall be included in the Subsidized Housing Inventory as that term is described in 760 CMR 31.04(1) in accordance with rules and regulations issued by DHCD, as amended from time to time.

5. Deed Riders; Affordability Requirement. (a) At the time of sale of each Affordable Unit by the Developer, the Developer shall execute and shall as a condition of the sale cause the purchaser of the Affordable Unit to execute a Deed Rider in the form of Exhibit C attached hereto and incorporated herein by reference. Such Deed Rider shall be attached to and made a part of the deed from the Developer to the initial purchaser of the Affordable Unit (the "Unit Purchaser"). Each such Deed Rider shall require the Unit Purchaser at the time he desires to sell the Affordable Unit to offer the Affordable Unit to the Monitoring Agent at a discounted purchase price more particularly described therein. The Monitoring Agent shall have the option upon terms more particularly described in the Deed Rider either to permit the sale of the Affordable Unit to the Municipality or to find an Eligible Purchaser. There shall be Affirmative Fair Marketing prior to the selection of an Eligible Purchaser.

(b) The Deed Rider shall require the seller and the Eligible Purchaser to execute at the time of resale a Deed Rider approved by the Monitoring Agent, which will be attached and made a part of the deed to the Eligible Purchaser, so that the affordability of the Affordable Unit will be preserved each time that subsequent resale of the Affordable Unit occurs. (The various requirements and restrictions regarding resale of an Affordable Unit contained in the Deed Rider are hereinafter referred to as the "Resale Restrictions").

(c) If, upon the initial resale or any subsequent resale of an Affordable Unit, the Monitoring Agent in the exercise of due care with the full cooperation of the then current owner is unable to find an Eligible Purchaser for the Affordable Unit and the Municipality fails to exercise its right to purchase the Affordable Unit, the then-current owner of the Affordable Unit shall have the right to sell the Affordable Unit to any person, regardless of his income and assets and at fair market value (as more fully described in Section 4 of the Deed Rider), free of any future Resale Restrictions,

provided that the difference between the actual resale price and the discounted purchase price for which the Municipality or an Eligible Purchaser could have purchased the Affordable Unit (the "Windfall Amount") shall be paid by the then-current owner of the Affordable Unit to the Municipality. The Municipality agrees that all sums constituting Windfall Amounts from the sale of Affordable Units shall be deposited in the Municipality's Affordable Housing Fund (as that term is hereinafter defined).

(d) In the event the Municipality purchases an Affordable Unit, the Municipality shall promptly after its acceptance of a deed of such Affordable Unit, either (i) sell the Affordable Unit, after Affirmative Fair Marketing, to an Eligible Purchaser at the same price for which it purchased the Affordable Unit plus any expenses incurred by the Municipality during its period of ownership subject to the Deed Rider, with the recording of an Eligible Purchaser Certificate satisfactory in form and substance to the Monitoring Agent, or (ii) rent the Affordable Unit to a person or household who would qualify as an Eligible Purchaser upon terms and conditions applicable to low-income rental units under the Massachusetts Housing Finance Agency Enabling Act. The Municipality shall not sell or rent to a person or household who would not qualify as an Eligible Purchaser.

(e) Whether any such Affordable Unit will remain a Subsidized Housing Unit included in the Subsidized Housing Inventory shall be determined solely by the rules and regulations issued by DHCD then in effect. The parties agree that all reasonable measures should be taken so as to preserve the affordability of the Affordable Units during the full period of affordability, subject to the terms of the Deed Rider.

6. Limited Dividend Requirement. (a) Developer agrees that the aggregate profit from the Project which shall be payable to Developer or to the partners, shareholders or other owners of Developer or the Project shall not exceed twenty percent (20%) of Total Development Costs of the Project (the "Allowable Profit"), which development costs have been approved by the Monitoring Agent on behalf of the Project Administrator pursuant to the Monitoring Services Agreement.

(b) Upon issuance of a final Certificate of Occupancy for the Project or upon the issuance of final Certificates of Occupancy for all of the Units, the Developer shall deliver to the Monitoring Agent an itemized statement of Total Development Costs together with a statement of gross income from the Project received by the Developer to date in form satisfactory to the Monitoring Agent (the "Certified Cost and Income Statement") prepared and certified by a certified public accountant satisfactory to the Monitoring Agent. If all Units at the Project have not been sold as of the date the Certified Cost and Income Statement is delivered to the Monitoring Agent, the Developer shall at least once every ninety (90) days thereafter until such time as all of the Units are sold, deliver to the Monitoring Agent an updated Certified Cost and Income Statement.

(c) If any Unit is sold prior to the date the initial Certified Cost and Income Statement is approved by the Monitoring Agent, the Developer shall upon the request of the Project Administrator provide evidence reasonably satisfactory to the Project Administrator that any profit distributed to the Developer on such sale, combined with

reasonably projected total profits from the Project, will not exceed the Allowable Profit. The holder of the mortgage securing the Loan shall not be obligated to release the Unit being sold as security for the Loan until the Developer has satisfied this requirement.

(d) All profits from the Project in excess of the Allowable Profit (the "Excess Profit") shall be paid by the Developer to the Municipality. The Municipality agrees that all amounts constituting Excess Profit shall be deposited in the Affordable Housing Fund (as hereinafter defined).

(e) Notwithstanding the foregoing, the Project Administrator shall have the sole right to approve the Certified Cost and Income Statement and to determine the Allowable Profit. For so long as the Developer complies with the requirements of this Section 6, the Developer shall be deemed to be a limited dividend organization within the meaning of the Act.

(f) The Developer shall fully comply with the profit limitation conditions set forth in the Comprehensive Permit, pages 31-32.

7. Affordable Housing Fund. The Municipality agrees that upon the receipt by the Municipality of any Windfall Amount, Excess Profit, or any amount paid to the Municipality pursuant to the provisions of Sections 3, 4 and 6 of the Deed Rider (the "Additional Windfall Amounts"), the Municipality shall deposit any and all such Windfall Amounts, Excess Profit, or Additional Windfall Amounts into an interest bearing account established with an institutional lender (the "Affordable Housing Fund"). Sums from the Affordable Housing Fund shall be expended from time to time by the Municipality for the purpose of reducing the cost of Affordable Units to Eligible Purchasers upon resale or for the purpose of encouraging, creating, or subsidizing the construction or rehabilitation of housing for persons and families who qualify as Eligible Purchasers elsewhere in the Municipality.

8. Marketing Plan. Prior to marketing or otherwise making available for sale any of the Units, the Developer must obtain the Project Administrator's approval of a marketing plan (the "Marketing Plan") for the Affordable Units to be administered under the supervision of the Monitoring Agent. Such Marketing Plan must describe the buyer selection process for the Affordable Units, including any lottery or similar procedure for choosing among Eligible Purchasers, and must provide for Affirmative Fair Marketing of Affordable Units. At the option of the Municipality, the Marketing Plan may also include a preference for local residents for up to seventy percent (70%) of the Affordable Units; provided that, in the event a local resident preference is established, use of the preference shall not violate applicable fair housing laws and regulations. When submitted to the Project Administrator for approval, the Marketing Plan should be accompanied by a letter from the Chief Elected Official of the Municipality which states that the buyer selection process and local preference (if any) have been approved by the Municipality and that the Municipality will perform any aspects of the Marketing Plan which are set forth therein as responsibilities of the Municipality. All costs of carrying out the Marketing Plan with respect to outreach, location and selection of the initial Eligible Purchasers shall be paid

by the Developer; thereafter, such costs shall be paid from the Resale Fee (as defined in the Deed Rider). The Developer agrees to maintain for at least five (5) years following the sale of the last Affordable Unit, a record of all newspaper ads, outreach letters, translations, leaflets, and all Affirmative Fair Marketing efforts (collectively "Marketing Documentation") as described in the Marketing Plan. The Marketing Documentation may be inspected at any time by the Monitoring Agent, the Project Administrator and the Municipality. If at any time prior to or during the initial process of marketing the Affordable Units, the Project Administrator determines that the Developer or the Monitoring Agent has not adequately complied with the approved Marketing Plan, the Developer or Monitoring Agent, as the case may be, shall take such additional corrective measures as shall be specified by the Project Administrator. Until the mortgage securing the Loan is discharged, the Marketing Plan shall not be amended without the approval of the holder of such mortgage; thereafter, any changes shall be approved by the Monitoring Agent.

9. No Discrimination. Neither the Developer nor the Municipality shall discriminate on the basis of race, creed, color, sex, age, handicap, marital status, national origin, or any other basis prohibited by law in the selection of buyers for the Units; and the Developer shall not so discriminate in connection with the employment or application for employment of persons for the construction, operation or management of the Project.

10. Monitoring Agent. The Developer shall retain the Acton Board of Selectmen or its designee for purposes of administration, monitoring and enforcement under this Agreement pursuant to an agreement substantially in the form of the Monitoring Services Agreement attached hereto as Exhibit D. All notices and reports required to be submitted under this Agreement shall be submitted simultaneously to the specified entity and to the Board of Selectmen or its designee. In the event that the Board of Selectmen or its designee shall cease to serve or shall fail to exercise diligence and care in its duties, a successor monitoring agent shall be selected in accordance with the provisions of Section 6 of the Monitoring Services Agreement.

11. Compliance. The Developer agrees to comply and to cause the Project to comply with all requirements of the Comprehensive Permit, the Guidelines and all other applicable laws, rules, regulations, and executive orders. The Project Administrator, the Monitoring Agent and the Chief Elected Official of the Municipality, from the date hereof through the date which is five (5) years after the Developer has sold the last unit in the Project, shall have access during normal business hours to all books and records of the Developer and the Project in order to monitor the Developer's compliance with the terms of this Agreement.

12. Recording. Upon execution, the Developer shall immediately cause this Agreement and any amendments hereto to be recorded or filed with the Registry, and the Developer shall pay all fees and charges incurred in connection therewith. Upon recording or filing, as applicable, the Developer shall immediately transmit to the Project Administrator and the Monitoring Agent evidence of such recording or filing including the date and instrument, book and page or registration number of the Agreement.

13. Developer's Representations, Covenants and Warranties. The Developer hereby represents, covenants and warrants as follows:

(a) The Developer (i) is a limited liability company duly organized under the laws of the Commonwealth of Massachusetts, and is qualified to transact business under the laws of this State, (ii) has the power and authority to own its properties and assets and to carry on its business as now being conducted, and (iii) has the full legal right, power and authority to execute and deliver this Agreement.

(b) The execution and performance of this Agreement by the Developer (i) will not violate or, as applicable, has not violated any provision of law, rule or regulation, or any order of any court or other agency or governmental body, and (ii) will not violate or, as applicable, has not violated any provision of any indenture, agreement, mortgage, mortgage note, or other instrument to which the Developer is a party or by which it or the Project is bound, and (iii) will not result in the creation or imposition of any prohibited encumbrance of any nature.

(c) The Developer will, at the time of execution and delivery of this Agreement, have good and marketable title to the premises constituting the Project free and clear of any lien or encumbrance (subject to encumbrances created pursuant to this Agreement, and any other documents executed in connection with the Loan, or other encumbrances permitted by the Project Administrator).

(d) There is no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency now pending, or, to the knowledge of the Developer, threatened against or affecting it, or any of its properties or rights, which, if adversely determined, would materially impair its right to carry on business substantially as now conducted (and as now contemplated by this Agreement) or would materially adversely affect its financial condition.

14. Restrictions on Transfers and Junior Encumbrances. Except for sales of Units to homebuyers as permitted by the terms of this Agreement, Developer will not sell, transfer, lease, exchange or mortgage the Project without the prior written consent of the Monitoring Agent and, for so long as the Loan is outstanding, the holder of the mortgage securing the Loan.

15. Casualty. Until such time as decisions regarding repair of damage due to fire or other casualty, or restoration after taking by eminent domain, shall be made by a condominium association or trust not controlled by the Developer (or if the Project consists of detached dwellings, by homebuyers), Developer agrees that if the Project, or any part thereof, shall be damaged or destroyed or shall be condemned or acquired for

public use, the Developer will use its best efforts to repair and restore the Project to substantially the same condition as existed prior to the event causing such damage or destruction, or to relieve the condemnation, and thereafter to operate the Project in accordance with the terms of this Agreement, subject to the approval of the holder of the mortgage securing the Loan (for so long as the Loan is outstanding).

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

17. Notices. All notices to be given pursuant to this Agreement shall be in writing and shall be deemed given when delivered by hand or when mailed by certified or registered mail, postage prepaid, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party (or its successor) may from time to time designate by written notice:

Project Administrator:

Massachusetts Housing Finance Agency
One Beacon Street
Boston, MA 02108
Attention: General Counsel

Municipality:

Town of Acton Board of Selectmen
472 Main Street
Acton, MA 01720

Developer:

Franklin Place Partners, LLC
178 Great Road
Acton, MA 01720

Monitoring Agent:

Acton Board of Selectmen, or designee,
472 Main Street
Acton, MA 01720
Attention: Chairman

18. Term. (a) The term of this Agreement shall continue until the date the Developer has sold all of the Affordable Units subject to the Deed Rider containing the Resale Restrictions in accordance with this Agreement and the Monitoring Agent and the Project Administrator have determined that the Developer has complied with the limited

dividend requirement contained in Section 9 hereof. The recording of a discharge of this Agreement executed by the Project Administrator shall evidence the end of the Term.

(b) The Developer intends, declares and covenants on behalf of itself and its successors and assigns that this Agreement and the covenants, agreements and restrictions contained herein (i) shall be and are covenants running with the land, encumbering the Project for the term of this Agreement as provided in subsection (a) of this Section 18, and are binding upon the Developer's successors in title, (ii) are not merely personal covenants of the Developer, and (iii) shall bind the Developer, its successors and assigns and enure to the benefit of the Project Administrator and the Municipality and their successors and assigns for the term of the Agreement. Developer hereby agrees that any and all requirements of the laws of the Commonwealth of Massachusetts to be satisfied in order for the provisions of this Agreement to constitute restrictions and covenants running with the land shall be deemed to be satisfied in full and that any requirements of privity of estate are also deemed to be satisfied in full.

(c) The Resale Restrictions contained in each of the Deed Riders which are to encumber each of the Affordable Units at the Project pursuant to the requirements of this Agreement shall constitute an affordable housing restriction as that term is defined in Section 31 of Chapter 184 of the Massachusetts General Laws. Such Resale Restrictions shall be for the benefit of the Municipality, and the Municipality shall be deemed to be the holder of the affordable housing restriction created by the Resale Restrictions in each of the Deed Riders.

19. Further Information. The Developer and the Municipality each agree to submit any information, documents or certifications requested by the Monitoring Agent which the Monitoring Agent shall deem necessary or appropriate to evidence the continuing compliance of the Developer and the Municipality with the terms of this Agreement.

20. Defaults; Remedies. (a) The Developer and the Municipality each covenant and agree to give the Project Administrator written notice of any default, violation or breach of the obligations of the Developer or the Municipality hereunder (with a copy to the other party to this Agreement) within seven (7) days of first discovering such default, violation or breach (a "Default Notice"). If the Project Administrator becomes aware of a default, violation, or breach of obligations of the Developer or the Municipality hereunder without receiving a Default Notice from Developer or the Municipality, the Project Administrator shall give a notice of such default, breach or violation to the offending party (with a copy to the other party to this Agreement) (the "Project Administrator Default Notice"). If any such default, violation, or breach is not cured to the satisfaction of the Project Administrator within thirty (30) days after the giving of the Default notice by the Developer or the Municipality, or if no Default Notice is given, then within thirty (30) days after the giving of the Project Administrator Default Notice, then at the Project Administrator's option, and without further notice, the Project Administrator may either terminate this Agreement, or the Project Administrator may apply to any state or federal court for specific performance of

this Agreement, or the Project Administrator may exercise any other remedy at law or in equity or take any other action as may be necessary or desirable to correct non-compliance with this Agreement.

(b) If the Project Administrator elects to terminate this Agreement as the result of a breach, violation, or default hereof, which breach, violation, or default continues beyond the cure period set forth in this Section 20, then whether the Affordable Units continue to be included in the Subsidized Housing Inventory shall from the date of such termination be determined solely by DHCD rules and regulations then in effect.

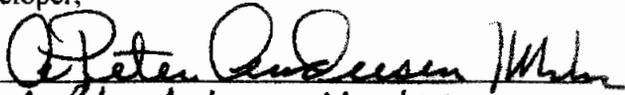
21. Enforcement Services. In the event of serious or repeated violations of the substantive or reporting requirements of this Agreement or a failure by the Developer to take appropriate actions to cure a default under this Agreement, the Municipality or the Monitoring Agent (with the prior consent of the Municipality) shall have the right to take appropriate enforcement action against the Developer, including, without limitation, legal action to compel the Developer to comply with the requirements of this Agreement. Notwithstanding anything herein to the contrary, for so long as the Loan is outstanding, neither the Municipality nor the Monitoring Agent shall take any enforcement action against the Developer without prior notice to the holder of the mortgage securing the Loan. The Developer shall pay all fees and expenses (including legal fees) of the Monitoring Agent in the event enforcement action is taken against the Developer hereunder. The Developer hereby grants to the Monitoring Agent and the Municipality a lien on the Project, junior to the lien securing the Loan, to secure payment of such fees and expenses. The Monitoring Agent and the Municipality shall be entitled to seek recovery of its respective fees and expenses incurred in enforcing this Agreement against the Developer and to assert a lien on the Project, junior to the lien securing the Loan, to secure payment by the Developer of such fees and expenses. The Monitoring Agent and the Municipality may perfect a lien on the Project by recording/filing one or more certificates setting forth the amount of the costs and expenses due and owing in the Registry. A purchaser of the Project or any portion of the Project shall be liable for the payment of any unpaid costs and expenses which were the subject of a recorded/filed certificate prior to the purchaser's acquisition of the Project or any portion thereof.

22. Intent and Effect. The terms and conditions of this Agreement have been freely accepted by the parties. The provisions and restrictions contained therein exist to further the mutual purposes and goals of DHCD, the Project Administrator, the Municipality and the Developer set forth herein to create and preserve access to land and to decent and affordable homeownership opportunities for eligible families who are often denied such opportunities for lack of financial resources.

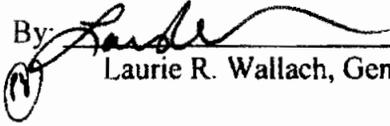
23. Conflict. In the event of any conflict or inconsistency between the terms of the Comprehensive Permit and the terms and provisions of this Agreement, the terms and provisions of this Agreement shall control, provided however that in the event of conflict between the terms of this Agreement and Section G .6 of the Comprehensive Permit (pages 31-32), the terms of said Section G.6 shall control unless otherwise agreed to by the Project Administrator and the Municipality.

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

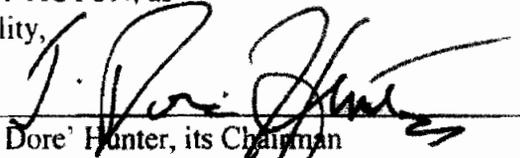
FRANKLIN PLACE PARTNERS, LLC. as
Developer, ✓

By: 
its A Peter Andersen, Member

MASSACHUSETTS HOUSING FINANCE
AGENCY, as Project Administrator, ✓

By: 
Laurie R. Wallach, General Counsel

TOWN OF ACTON, as
Municipality, ✓

By: 
F. Dore Hunter, its Chairman
of the Board of Selectmen

- Exhibit A - Legal Description
- Exhibit B - Maximum Initial Sales Prices/Initial Resale Price Multipliers for Affordable Units
- Exhibit C - Form of Deed Rider
- Exhibit D - Form of Monitoring Services Agreement.

COMMONWEALTH OF MASSACHUSETTS

COUNTY OF Middlesex, ss. May 13, 2005

On this 13th day of May, 2005, before me, the undersigned notary public, personally appeared A. Peter Andersen proved to me through satisfactory evidence of identification, which were personal knowledge of identity, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose, Member of Franklin Park Partners, a Massachusetts limited liability company.



[Signature]
Notary Public
My Commission Expires:

COMMONWEALTH OF MASSACHUSETTS

COUNTY OF Suffolk, ss. MAY 26, 2005

On this 26 day of MAY, 2005, before me, the undersigned notary public, personally appeared Laurie R. Wallach, proved to me through satisfactory evidence of identification, which were personal knowledge, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that she signed it voluntarily for its stated purpose, as General Counsel of Massachusetts Housing Finance Agency.

[Signature]
Notary Public
My Commission Expires:



COMMONWEALTH OF MASSACHUSETTS

COUNTY OF Middlesex, ss. May 9, 2005

On this 9 day of May, 2005, before me, the undersigned notary public, personally appeared F. Dore Hunter, proved to me through satisfactory evidence of identification, which were known to me, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that she signed it voluntarily for its stated purpose, as Chairman of the Board of Selectmen of the Town of Acton.

[Signature]
Notary Public
My Commission Expires: Sept 26, 2008

**FRANKLIN PLACE PARTNERS, LLC
INCOME STATEMENT
YEARS ENDED DECEMBER 31, 2005 AND 2004**

**ELLIOTT H. PURETZ
CERTIFIED PUBLIC ACCOUNTANT
28 HALCYON ROAD
NEWTON, MA 02459-2432
(617) 964-2675**

FRANKLIN PLACE PARTNERS, LLC

FINANCIAL STATEMENT YEARS ENDED DECEMBER 31, 2005 AND 2004

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FINANCIAL STATEMENT	
Income statement Years ended December 31, 2005 and 2004	2

Elliott H. Puretz

Certified Public Accountant

28 Halcyon Road

Newton, MA 02459

Phone/Fax: (617) 964-2675

Email: epuretz@aol.com

Accountant's compilation report

March 30, 2006

Members
Franklin Place Partners, LLC
Acton, Massachusetts

I have compiled the accompanying income statement for Franklin Place Partners, LLC for the years ended December 31, 2005 and 2004. The statement has been compiled in accordance with standards for accounting and review services established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements, information that is the representation of the Company's management. I have not audited or reviewed the accompanying financial statement and, accordingly, do not express an opinion or provide any other form of assurance on it.

However, I did determine that the statements include sales of three units at less than fair market value to a related entity that have not been adjusted in the income statement. Company management has estimated that revenues and related net income for the year ended December 31, 2005 would have increased by approximately \$312,000 had the sales been made at market value.

Management has elected to omit substantially all of the disclosures normally required by generally accepted accounting principles. If the omitted disclosures were included with the financial statement, they might influence the user's conclusions about the Company's results of operations. Accordingly, the statement is not designed for those who are not informed about such matters

Elliott H. Puretz CPA

**FRANKLIN PLACE PARTNERS, LLC
INCOME STATEMENT
YEARS ENDED DECEMBER 31, 2005 AND 2004**

REVENUES	<u>2005</u>	<u>2004</u>	<u>PROJECT TOTAL</u>
Sale of residential housing	\$ 5,660,924	-	\$ 5,660,924
 COSTS AND EXPENSES			
Cost of properties sold	5,115,647		5,115,647
Selling expenses	293,182		293,182
Administrative expenses	<u>1,402</u>	<u>1,180</u>	<u>2,582</u>
Total costs and expenses	<u>5,410,231</u>	<u>1,180</u>	<u>5,411,411</u>
 NET INCOME (LOSS)	 <u>\$ 250,693</u>	 <u>\$ (1,180)</u>	 <u>\$ 249,513</u>

See accountant's compilation report.

COPY

OMB Approval No. 2502-0265

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

FILE NO: 05-074

HUD-1 SETTLEMENT STATEMENT PAGE 1

GRAHAM & HARSIP, P.C.Strawberry Hill Building 289 Great Road, Suite 101
Acton, MA 01720
one 978-264-0480 Fax 978-264-4990B. TYPE OF LOAN 1. FHA 2. FmHA 3. CONV. UNINS.
4. VA 5. CONV. INS.

6. File Number: 05-074

7. Loan Number:

8. Mortgage Ins. Case Number:

NOTE: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

Name & Address of Borrower Cathy I. Traywick, Member CONIC, LLC

815 Depot Road, Boxborough, MA 01719

Name & Address of Seller Franklin Place Partners, LLC

178 Great Road, Acton, MA 01720

Name & Address of Lender

Property Location Town of Acton, Middlesex County, Massachusetts

10 Franklin Place, Unit 5, Acton, MA 01720

Settlement Agent Graham & Harsip, P.C.

Closer Jay R. Peabody

Place of Settlement Strawberry Hill Building, 289 Great Road, Suite 10
Acton, MA 01720I. Settlement Date:
09/14/2005

Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
Gross Amount Due From Borrower		400. Gross Amount Due To Seller	
Contract sales price	500,000.00	401. Contract sales price	500,000.00
Personal property		402. Personal property	
Settlement charges to borrower (line 1400)	125.00	403.	
		404.	
		405.	
Net items paid by seller in advance		Adjustments for items paid by seller in advance	
City/town taxes	to	406. City/town taxes	to
County taxes	to	407. County taxes	to
Assessments	to	408. Assessments	to
		409.	
		410.	
		411.	
		412.	
		413.	
		414.	
Gross Amount Due From Borrower	500,125.00	420. Gross Amount Due To Seller	500,000.00
Amounts Paid By Or In Behalf Of Borrower		500. Reductions In Amount Due Seller	
Deposit or earnest money	50,000.00	501. Excess deposit (see instructions)	
Principal amount of new loan(s)		502. Settlement charges to seller (line 1400)	2,280.00
Outstanding loan(s) taken subject to		503. Existing loan(s) taken subject to	
Home Webster Bank Mortgage	390,915.00	504. Payoff 1st mtg. *Webster Bank	390,915.00
		505. Payoff 2nd mtg.	
		506. Deposit Held By Seller	50,000.00
		507.	
		508.	
		509.	
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
City/town taxes	to	510. City/town taxes	to
County taxes	to	511. County taxes	to
Assessments	to	512. Assessments	to
		513.	
		514.	
		515.	
		516.	
		517.	
		518.	
		519.	
Paid By/For Borrower	440,915.00	520. Total Reduction Amount Due Seller	443,195.00
Amounts At Settlement From/To Borrower		600. Cash At Settlement To/From Seller	
Gross amount due from borrower (line 120)	500,125.00	601. Gross amount due seller (line 420)	500,000.00
Amounts paid by/for borrower (line 220)	440,915.00	602. Less reductions in amount due seller (line 520)	443,195.00
<input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	59,210.00	603. Cash <input checked="" type="checkbox"/> To <input type="checkbox"/> From Seller	56,805.00

I have fully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

Cathy I. Traywick, Member

Seller Franklin Place Partners, LLC

Seller

Address

I certify that this Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Date: 9/13/05

Settlement Agent Jay R. Peabody

It is a crime to knowingly make false statements to the United States on this or any similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

GRAHAM & HARSIP, P.C.
Strawberry Hill Building 289 Great Road, Suite 101
Acton, MA 01720
Phone 978-264-0480 Fax 978-264-4990

B. TYPE OF LOAN 1. [] FHA 2. [] FmHA 3. [] CONV. UNINS.
4. [] VA 5. [] CONV. INS.

6. File Number: 05-074B 7. Loan Number:

8. Mortgage Ins. Case Number:

This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

Address of Borrower Cathy I. Traywick, Member CONIC, LLC

COPY

Address of Seller Franklin Place Partners, LLC

Address of Lender

Property Location Town of Acton, Middlesex County, Massachusetts

12 Franklin Place, Unit 6, Acton, MA 01720

Settlement Agent Graham & Harsip, P.C.

Closer Jay R. Peabody

Place of Settlement Strawberry Hill Building, 289 Great Road, Suite 10
Acton, MA 01720

I. Settlement Date: 09/14/2005

Table with columns for Borrower's Transaction, Seller's Transaction, and Settlement Agent's Transaction. Rows include items like Contract sales price, Personal property, City/town taxes, County taxes, Assessments, Excess deposit, and Total Reduction Amount Due Seller.

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

Cathy I. Traywick, Member (Signature)

Franklin Place Partners, LLC (Signature)

I certify that the HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement. Date: 9/13/05

Settlement Agent Jay R. Peabody. It is a crime to knowingly make false statements to the United States on this or any similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

A. GRAHAM & HARSIP, P.C.
Strawberry Hill Building 289 Great Road, Suite 101
Acton, MA 01720
Phone 978-264-0480 Fax 978-264-4990

B. TYPE OF LOAN 1. [] FHA 2. [] FmHA 3. [] CONV. UNINS.
4. [] VA 5. [] CONV. INS.
6. File Number: 05-074 7. Loan Number:
8. Mortgage Ins. Case Number:

NOTE: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. Name & Address of Borrower Cathy I. Traywick, Member CONIC, LLC
815 Depot Road, Boxborough, MA 01719

E. Name & Address of Seller Franklin Place Partners, LLC
178 Great Road, Acton, MA 01720

COPY

F. Name & Address of Lender

G. Property Location Town of Acton, Middlesex County, Massachusetts
11 Franklin Place, Unit 7, Acton, MA 01720

H. Settlement Agent Closer Graham & Harsip, P.C.
Jay R. Peabody
Place of Settlement Strawberry Hill Building, 289 Great Road, Suite 10
Acton, MA 01720

I. Settlement Date: 09/26/2005 9/30/05

Table with columns for Borrower's Transaction (J) and Seller's Transaction (K). Rows include Gross Amount Due, Adjustments for items paid by seller in advance, and Total Paid/Reduction Amount.

Bank w pd off should

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

Cathy I. Traywick, Member (signature)

Franklin Place Partners, LLC (signature)

Address fields for Borrower and Seller.

Date: and a statement: "I have caused or will cause the funds to be disbursed in accordance with this statement."

Settlement Agent Jay R. Peabody
Warning: It is a crime to knowingly make false statements to the United States on this or any similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

L. Settlement Charges

				PAID FROM BORROWER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
700. Total Sales/Broker's Commission					
Based on price \$	520,000.00	@	%=		
Division of Commission (line 700) as follows:					
701.	%	\$			
	%	\$			
Total Commission paid at Settlement					
704.					
800. Items Payable In Connection With Loan					
801. Loan origination fee		%			
802. Loan discount		%			
803. Appraisal fee					
804. Credit Report fee					
805. Lenders inspection fee					
806. Mtg. Insurance app. fee					
807. Mortgage broker fee					
808. Tax Service Fee					
809. Underwriting Fee					
810. Flood Certification					
811.					
812.					
813.					
814.					
815.					
816.					
900. Items Required By Lender To Be Paid In Advance					
901. Interest from	//	to //	@ \$	0.0000 /day	
902. Mortgage insurance premium		months			
903. Hazard insurance premium		years			
904. Flood insurance premium		years			
905					
Reserves Deposited With Lender					
1001. Hazard insurance		months @ \$		per month	
1002. Mortgage insurance		months @ \$		per month	
1003. City property taxes		months @ \$	126.90	per month	
1004. County property taxes		months @ \$		per month	
1005. Annual assessments		months @ \$		per month	
1006. Flood insurance		months @ \$		per month	
1007.		months @ \$		per month	
1008. Aggregate Escrow Adjustment					
1100. Title Charges					
101. Settlement or closing fee					
102. Abstract or title search					
103. Title examination					
104. Title insurance binder					
105. Document preparation					
106. Notary fees					
107. Attorney's fees to Graham & Harsip, P.C.					
(Includes item numbers: 1101, 1103-1107)					
108. Title insurance					
(Includes item numbers:)					
109. Lender's coverage	\$ 0.00		Prem	0.00	
110. Owner's coverage	\$ 449,900.00		Prem	0.00	
111. Municipal Lien Certificate to City/Town of					
112. Discharge Servicing Fee to Graham & Harsip, P.C.					
113.					
200. Government Recording and Transfer Charges					
201. Recording fees: Deed \$		Mortgage \$		Releases \$	
202.					
203. Deed Stamps		Registry of Deeds	\$2,371.20	POC	
204.					
205. Record Deed		Registry of Deed	\$125.00	POC	
206.					
207.					
300. Additional Settlement Charges					
301. Survey					
302. Pest inspection					
303. Express Mail		to Federal Express			
304. Registry Certified Copies		to Registry of Deeds/Commonwealth of Massachusetts			
305. Courier Fee		to Custom Courier			
306. Survey/Plot Plan		to EST Land Survey Co.			
307.					
308.					
309.					
400. Total Settlement Charges					

x . 11

Settlement Statement

U.S. Department of Housing
And Urban Development

COPY

OMB Approval No. 2502-0265

T. <input type="checkbox"/> Loan Conv. Unlms.	6. File Number: 05-16103	7. Loan Number:	8. Mortgage Ins. Case No.:
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Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

E. Name and Address of Borrower: Abhinav Garg & Garima Garg, 10 Franklin Place Unit 5, Acton, MA 01720	F. Name and Address of Lender: Drew Mortgage Associates, Inc. 196 Boston Turnpike Road Shrewsbury, MA, 01545
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G. Name and Address of Seller: Conic, LLC
Cathy I. Traywick, Authorized Signatory, 6 Jay Lane, Acton, MA 01720

Seller's TIN#: 20-0663746

H. Settlement Agent: Scheier & Katin, P.C. Place of Settlement: 103 Great Road, Acton, MA 01720 City/Cnty of Settlement: Acton/Middlesex	I. Settlement Date: September 15, 2005
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L. Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
100. Gross Amount Due From Borrower		400. Gross Amount Due to Seller	
101. Contract Sales Price	\$619,439.29	401. Contract Sales Price	\$619,439.29
102. Personal Property		402. Personal Property	
103. Settlement Charges to borrower (line 1400)	\$5,795.67	403.	
104. Payoff 1.		404.	
105. Payoff 2. 2nd Quarter RE Taxes Due 11/1/05	\$380.70	405.	
106. Adjustments for items paid by seller in advance		406. Adjustments for items paid by seller in advance	
106. City/Town taxes 9/15/2005 to 9/30/2005	\$66.24	406. City/Town taxes 9/15/2005 to 9/30/2005	\$66.24
107. County Taxes to		407. County Taxes to	
108. Assessments to		408. Assessments to	
109. Sewer Reserve - Franklin Place Condo	\$500.00	409.	
110. 2 Months Condo Reserve - Franklin Place Condo	\$500.00	410.	
111.		411.	
112.		412.	
120. Gross Amount Due From Borrower	\$626,681.90	420. Gross Amount Due to Seller	\$619,505.53
200. Amounts Paid By Or In Behalf Of Borrower		500. Reductions In Amount Due to Seller	
201. Deposit or earnest money	\$62,674.92	501. Excess deposit (see instructions)	
202. Principal amount of new loan(s)	\$494,400.00	502. Settlement Charges to seller (line 1400)	\$20,396.90
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff 1. Webster Bank (Partial Release)	\$390,915.00
205. National City Bank 2nd Mtg. HELOC Proceeds	\$61,600.00	505. Payoff 2.	
206.		506. to Deposit Held by Graham & Harsip, P.C.	\$59,429.92
207.		507. to Deposit Held by Seller	\$840.00
208.		508. to Deposit Held by Commonwealth of MA - Held by G+H	\$2,405.00
209.		509. to	
210. Adjustments for items unpaid by seller		510. Adjustments for items unpaid by seller	
210. City/town taxes to		510. City/town taxes to	
211. County Taxes to		511. County Taxes to	
212. Assessments to		512. Assessments to	
213.		513.	
214. Interim Water Meter Reading Adjustment	\$10.00	514. Interim Water Meter Reading Adjustment	\$10.00
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. Total Paid By/For Borrower	\$618,684.92	520. Total Reduction Amount Due Seller	\$473,996.82
300. Cash At Settlement From/To Borrower		600. Cash At Settlement To/From Seller	
301. Gross amount due from borrower (line 120)	\$626,681.90	601. Gross amount due to seller (line 420)	\$619,505.53
302. Less Amount paid by/for borrower (line 220)	(\$618,684.92)	602. Less amount paid by/for seller (line 520)	(\$473,996.82)
303. CASH FROM BORROWER:	\$7,996.98	603. CASH TO SELLER:	\$145,508.71

SUBSTITUTE FORM 1099 SELLER STATEMENT: The information contained in Blocks E, G, H and I and on line 401 (or if line 401 is asterisked, lines 403 and 404) is important tax information and is being furnished to the Internal Revenue Service.

If you are required to file a return, a negligence penalty or other sanction will be imposed on you, if this item is required to be reported and the IRS determines that it has not been reported.

SELLER INSTRUCTIONS: If this real estate was your principal residence, file Form 2110, Sale or Exchange of Principal Residence, for any gain, with your income tax return; for other transactions, complete the applicable parts of Form 4797, Form 8252 and/or Schedule D (Form 1040). You are required by law to provide (see Box H) with your correct taxpayer identification number. If you do not provide [see box H] with your correct taxpayer identification number, you may be subject to civil or criminal penalties imposed by law, and under penalties of perjury, I certify that the number shown on this statement is my correct taxpayer identification number.

A.G. G.C.

Seller's Signature

Settlement Charges			Paid From Borrowers Funds at Settlement	Paid From Sellers Funds at Settlement
0. Total Sales/Broker's Commission based on Price	\$619,439.29 @ % =			
Division of Commission (line 700) as follows:				
1. 4,733.97	to Northwest Properties, LLC - \$24,733.97 POC			
2. 366.98	to Acton Real Estate			
3. Commission paid at Settlement				\$12,366.98
4.				
0. Items Payable In Connection With Loan			POC	
1. Loan Origination fee	%			
2. Loan Discount	%			
3. Appraisal Fee	to Epic Appraisals	\$300.00		
4. Credit Report Fee	to Factual Data	\$24.00		
5. Processing Fee	to Westborough Bank		\$250.00	
6. Flood Certification Fee	to First American		\$18.00	
7. Final Inspection Fee	to Epic Appraisals		\$125.00	
8. Processing Fee	to Drew Mortgage Associates		\$110.00	
9.	to			
0. Premium Pricing Paid by Westborough Bank	to Drew Mortgage Associates (1.00%)	\$4,944.00		
1.	to			
2.	to			
3.	to			
4.	to			
5.	to	\$0.00		
0. Items Required By Lender To Be Paid In Advance				
1. Interest from	9/15/2005 to 10/1/2005 @ 70.3831 /day 16 Days		\$1,126.13	
2. Mortgage Insurance premium for	mo. to			
3. Hazard insurance premium for	1 yrs. to Acadia Insurance Company (Condominium)			
4. Flood Insurance	yrs. to			
5.				
00. Escrow Deposited With Lender				
01. Hazard Insurance	months @ per month		\$0.00	
02. Mortgage Insurance	months @ per month			
03. City property taxes	2 months @ \$126.90 per month		\$253.80	
07.	months @ per month			
08. Aggregate Accounting Adjustment			\$0.00	
00. Title Charges				
01. Settlement or closing fee to				
02. Abstract or title search to				
03. Title examination to	Scheeler & Katin, P.C.		\$150.00	
04. Title insurance binder to				
05. Document preparation to				
06. Notary fees to				
07. Attorney's fees to	Scheeler & Katin, P.C.		\$500.00	
(includes the above items Numbers:)				
08. Title insurance to	First American Title Insurance Company		\$2,655.00	
(Includes the above item numbers:)				
09. Lender's coverage	\$494,400.00 L Prem: \$1,361.25 Endorsement: \$0.00			
10. Owner's coverage	\$619,439.29 O Prem: \$1,293.75			
11. Secure/Record Discharge	to Scheeler & Katin, P.C.			\$75.00
12. Courier Fee (recording/return bank package)	to Custom Courier/UPS		\$86.00	
13. Title Ins. Commission to Title Agent \$1,858.50	to Scheeler & Katin, P.C.			
00. Government Recording and Transfer Charges				
01. Recording fees:	Deed \$125.00 ; Mortgage \$195.00 ; Releases \$75.00		\$320.00	\$75.00
02. Recording fees:	Deed ; Mortgage			\$0.00
03. Tax/stamps:	Deed \$2,824.92 ; Mortgage			\$2,824.92
04. Record Municipal Lien Certificate	to Commonwealth of Massachusetts		\$65.00	
05. Record Assignment of Mortgage	to Commonwealth of Massachusetts		\$76.00	
00. Additional Settlement Charges				
01. Survey to	N/A to			
02. Pest inspection	to			
03. Record Declaration of Homestead	to Commonwealth of Massachusetts		\$35.00	
04. Obtain Municipal Lien Certificate	to Town of Acton		\$25.74	
05. Record 6D Certificate	to Commonwealth of Massachusetts			\$75.00
06. Overnight Courier Fees (payoff)	to UPS			\$18.00
07. Seller Representation Fee	to Graham & Harsip, P.C.			\$4,962.00
00. Total Settlement Charges (enter on lines 103, Section J and 502 Section K)			\$5,795.67	\$20,396.90

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

Borrowers
 Abhinav Garg
 Anima Garg

Sellers
 Cathy J. Traywick, Authorized Signatory

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.
 Settlement Agent: _____ Date: September 15, 2005

A. Settlement Statement

U.S. Department of Housing
And Urban Development

COPY

GMB Approval No. 2502-0265

3. Type of Loan
Jnins.

6. File Number:
05-3485

7. Loan Number:
0146513536

8. Mortgage Ins. Case No.:

C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)*" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. Name and Address of Borrower:
Eileen B. Zornow, 97 Colonial Ridge Drive, Boxborough, MA 01719

F. Name and Address of Lender:
Wells Fargo Bank, N.A.
2703 Wells Fargo Way
Minneapolis, MN, 55408

E. Name and Address of Seller:
Conic, LLC, 6 Jay Lane, Acton, MA 01720

Seller's TIN#:

G. Property Location:
Franklin Place Condominiums, 12 Franklin Place, Unit #6
Acton, MA 01720

H. Settlement Agent:
Scheler & Kalin, P.C.

Place of Settlement:
103 Great Road, Acton, MA 01720

City/Cnty of Settlement: Acton/Middlesex

Tin #: 04-3077671
I. Settlement Date:
September 15, 2005

J. Summary of Borrower's Transaction				K. Summary of Seller's Transaction			
100. Gross Amount Due From Borrower				400. Gross Amount Due to Seller			
101. Contract Sales Price		\$605,350.00		401. Contract Sales Price		\$605,350.00	
102. Personal Property				402. Personal Property			
103. Settlement Charges to borrower (line 1400)		\$5,259.86		403.			
104. Payoff 1.				404.			
105. Payoff 2.				405.			
Adjustments for Items paid by seller in advance				Adjustments for Items paid by seller in advance			
106. City/Town taxes	9/15/2005	to 9/30/2005	\$66.24	406. City/Town taxes	9/15/2005	to 9/30/2005	\$66.24
107. County Taxes		to		407. County Taxes		to	
108. Assessments		to		408. Assessments		to	
109.				409.			
110. 2nd Qtr FY06 due 11-1-05			\$380.70	410.			
111. 2 Month Condo Reserve			\$500.00	411.			
112. Sewer Reserve			\$500.00	412.			
120. Gross Amount Due From Borrower				420. Gross Amount Due to Seller			
200. Amounts Paid By Or In Behalf Of Borrower				500. Reductions In Amount Due to Seller			
201. Deposit or earnest money			\$40,000.00	501. Excess deposit (see Instructions)			
202. Principal amount of new loan(s)			\$235,000.00	502. Settlement Charges to seller (line 1400)			\$20,141.08
203. Existing loan(s) taken subject to				503. Existing loan(s) taken subject to			
204.				504. Payoff 1. Webster Bank			\$390,915.00
205.				505. Payoff 2.			
206.				506. to Deposit Held by Graham & Harsip			\$37,595.00
207.				507. to Deposit Held by Comm. Of Mass. <i>Held by 6-H</i>			\$2,405.00
208.				508. to			
209.				509. to			
Adjustments for Items unpaid by seller				Adjustments for Items unpaid by seller			
210. City/town taxes		to		510. City/town taxes		to	
211. County Taxes		to		511. County Taxes		to	
212. Assessments		to		512. Assessments		to	
213.				513.			
214.				514.			
215.				515.			
216.				516.			
217. Seller to Buyer Water Credit			\$28.88	517. Seller to Buyer Water Credit			\$28.88
218.				518.			
219.				519.			
220. Total Paid By/For Borrower				520. Total Reduction Amount Due Seller			
300. Cash At Settlement From/To Borrower				600. Cash At Settlement To/From Seller			
301. Gross amount due from borrower (line 120)			\$612,056.80	601. Gross amount due to seller (line 420)			\$605,416.24
302. Less Amount paid by/for borrower (line 220)			(\$275,028.88)	602. Less amount paid by/for seller (line 520)			(\$451,084.96)
303. CASH FROM BORROWER:				603. CASH TO SELLER:			
			\$337,027.92				\$154,331.28

SUBSTITUTE FORM 1099 SELLER STATEMENT: The information contained in Blocks E,G,H and I and on line 401 (or if line 401 is asterisked, lines 403 and 404) is important tax information and is being furnished to the Internal Revenue Service.

If you are required to file a return, a negligence penalty or other sanction will be imposed on you, if this item is required to be reported and the IRS determines that it has not been reported.

SELLER INSTRUCTIONS: If this real estate was your principal residence, file Form 2110, Sale or Exchange of Principal Residence, for any gain, with your income tax return; for other transactions, complete the applicable parts of Form 4797, Form 8252 And/or Schedule D (Form 1040). You are required by law to provide (see Box H) with your correct taxpayer identification number. If you do not provide [see box H] with your correct taxpayer identification number, you may be subject to civil or criminal penalties imposed by law, and under penalties of perjury, I certify that the number shown on this statement is my correct taxpayer identification number.

Seller's Signature

L. Settlement Charges				Paid From Borrowers Funds at Settlement	Paid From Sellers Funds at Settlement
700. Total Sales/Broker's Commission based on Price	\$605,350.00 @ % =				
Division of Commission (line 700) as follows:					
701. \$12,100.00	to Acton Real Estate				
702. \$24,200.97	to POC Northwest Properties, LLC				
Commission paid at Settlement					\$12,100.00
800. Items Payable In Connection With Loan				POC	
801. Loan Origination fee	%				
802. Loan Discount	%				
803.	to				
804.	to				
805.	to				
806.	to				
807.	to				
808.	to				
809. Final Inspection Fee	to RELS Valuation			\$90.00	
810. Processing Fee	to Wells Fargo Bank, N.A.			\$375.00	
811. Flood Life of Loan	to Wells Fargo Flood Service			\$16.00	
812. Tax Service Fee	to Wells Fargo R.E. Tax Service			\$90.00	
813. Application Fee	to Wells Fargo Bank, N.A.		\$450.00		
814.	to				
815.	to				
900. Items Required By Lender To Be Paid In Advance					
901. Interest from	9/15/2005 to 10/1/2005 @ 37.0200 /day 16 Days			\$592.32	
902. Mortgage insurance premium for	mo. to				
903. Hazard insurance premium for	yrs. to				
904. Flood insurance	yrs. to				
905.					
1000. Services Deposited With Lender					
1001. Hazard Insurance	months @ per month				
1002. Mortgage Insurance	months @ per month				
1003. City property taxes	2 months @ \$126.90 per month			\$253.80	
1007.	months @ per month				
1008. Aggregate Accounting Adjustment				\$0.00	
1100. Title Charges					
1101. Settlement or closing fee to					
1102. Abstract or title search to					
1103. Title examination to	N/A				
1104. Title insurance binder to					
1105. Document preparation to					
1106. Notary fees to					
1107. Attorney's fees to	Scheier & Katin, P.C.			\$650.00	
(includes the above items Numbers:)					
1108. Title insurance to	First American Title Insurance Company			\$2,599.00	
(Includes the above item numbers:)					
1109. Lender's coverage	\$235,000.00 L Prem: \$646.25		Endorsement: \$0.00		
1110. Owner's coverage	\$605,350.00 O Prem: \$1,952.75				
111. Secure/Record Discharge	to Scheier & Katin, P.C.				\$75.00
112. Seller Representation	to Graham & Harsip, P.C.				\$4,962.00
113. Title Ins. Commission to Title Agent	\$1,819.30 to				
200. Government Recording and Transfer Charges					
201. Recording fees:	Deed \$125.00 ; Mortgage \$195.00 ; Releases \$75.00			\$320.00	\$75.00
202. Recording fees:	Deed ; Mortgage				\$0.00
203. Tax/stamps:	Deed \$2,761.08 ; Mortgage				\$2,761.08
204. Obtain/Record Municipal Lien Certificate	to Town of Acton/Commonwealth of Mass.			\$90.74	
205. Record 6D Certificate & Certificate of Authority	to Commonwealth of Massachusetts				\$150.00
300. Additional Settlement Charges					
301. Survey to	N/A to				
302. Pest inspection	to				
303.	to				
304.	to				
305. Overnight Courier Fees (return bank package)	to UPS/Custom Courier			\$63.00	
306. Overnight Courier Fees (payoffs)	to UPS				\$18.00
307. Prepare/Record Declaration of Homestead	to Scheier & Katin, P.C./Registry of Deeds			\$120.00	
400. Total Settlement Charges (enter on lines 103, Section J and 502 Section K)				\$5,259.86	\$20,141.08

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or for me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

Borrowers
Helen B. Zornow

Sellers
Conic, LLC

I have prepared the HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Settlement Agent: Michael E. Katin

Date: September 15, 2005

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine or imprisonment. For details see: Title

Settlement Statement

**U.S. Department of Housing
And Urban Development**

COPY OMB Approval No. 2502-0265

an Unins.	6. File Number: M-856-1	7. Loan Number: 5266181	8. Mortgage Ins. Case No.:
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Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

Name and Address of Borrower: STACEY B. MACLAY, 11 Franklin Place, Unit 7, Acton, MA 01720	F. Name and Address of Lender: Drew Mortgage Associates, Inc. 196 Boston Turnpike Road Shrewsbury, MA, 01545
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Name and Address of Seller: CONIC, LLC, 6 Jay Lane, Acton, MA 01720
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Seller's TIN#: 20-0663746 Property Location: FRANKLIN PLACE CONDOMINIUM, 11 Franklin Place, Unit 7 Acton, MA 01720	H. Settlement Agent: Rand & Youmatz, P.C. Place of Settlement: 2 Stevens Street, Andover, MA 01810 City/Cnty of Settlement: Andover/Essex	Tin #: 04-3251753 I. Settlement Date: September 30, 2005
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Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
0. Gross Amount Due From Borrower		400. Gross Amount Due to Seller	
1. Contract Sales Price	\$635,853.63	401. Contract Sales Price	\$635,853.63
2. Personal Property		402. Personal Property	
3. Settlement Charges to borrower (line 1400)	\$4,572.68	403.	
4. Payoff 1.		404.	
		405.	
F. Amounts for items paid by seller in advance		Adjustments for items paid by seller in advance	
6. City/Town taxes to		406. City/Town taxes to	
7. County Taxes to		407. County Taxes to	
8. Assessments to		408. Assessments to	
9.		409.	
0. Sewer Reserve	\$500.00	410.	
1. 2 months Condo Reserve (\$250/month)	\$500.00	411.	
2.		412.	
0. Gross Amount Due From Borrower	\$641,426.31	420. Gross Amount Due to Seller	\$635,853.63
0. Amounts Paid By Or In Behalf Of Borrower		500. Reductions In Amount Due to Seller	
1. Deposit or earnest money		501. Excess deposit (see instructions)	
2. Principal amount of new loan(s)	\$444,500.00	502. Settlement Charges to seller (line 1400)	\$3,185.16
3. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
4.		504. Payoff 1. Webster Bank Partial Release <i>Bank was</i>	\$459,900.00
5. Deposit	\$63,236.36	505. Payoff 2. <i>pd off should be</i>	
6. Closing Costs Credit	\$2,669.75	506. to <i>\$ Cr was sent by</i>	
7. 2nd Mortgage Net Proceeds	\$63,488.47	507. to <i>buyers atty to bank</i>	
8.		508. to <i>who deposited into</i>	
9.		509. to <i>R P Acct.</i>	
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
0. City/town taxes to		510. City/town taxes to	
1. County Taxes to		511. County Taxes to	
2. Assessments to		512. Assessments to	
3.		513. Graham & Harsip, P.C. legal fees	\$4,500.00
		514. Commission POC \$24,996 Northwest Properties	
		515. Final Water Paid in Full POC	
6. Broker Credit	\$12,498.00	516. Broker Credit	\$12,498.00
7.		517. Partial Deposit held by Graham & Harsip	\$60,740.16
8.		518. Partial Deposit held by Comm. Of Mass. <i>per G&H = closing costs</i>	\$2,496.20
9.		519. <i>Franklin to Conic</i>	
20. Total Paid By/For Borrower	\$586,392.58	520. Total Reduction Amount Due Seller	\$543,319.52
30. Cash At Settlement From/To Borrower		600. Cash At Settlement To/From Seller	
31. Gross amount due from borrower (line 120)	\$641,426.31	601. Gross amount due to seller (line 420)	\$635,853.63
32. Less Amount paid by/for borrower (line 220)	(\$586,392.58)	602. Less amount paid by/for seller (line 520)	(\$543,319.52)
33. CASH FROM BORROWER:	\$55,033.73	603. CASH TO SELLER:	\$92,534.11

SUBSTITUTE FORM 1099 SELLER STATEMENT: The information contained in Blocks E,G,H and I and on line 401 (or if line 401 is asterisked, lines 403 and 34) is important tax information and is being furnished to the Internal Revenue Service.

Settlement Charges		Paid From Borrowers	Paid From Sellers
Total Sales/Broker's Commission based on Price	\$635,853.63 @ % =		
Division of Commission (line 700) as follows:			
to		Funds at Settlement	Funds at Settlement
to			
Commission paid at Settlement			
Items Payable In Connection With Loan		POC	
Loan Origination fee	%		
Loan Discount	%		
Appraisal Fee	to First Fidelity	\$300.00	
Credit Report Fee	to Factual Data	\$24.00	
Field Spread Premium	to Drew Mortgage Associates, Inc.	\$6,818.63	
Administrative Fee	to Ohio Savings Bank	\$200.00	
Loan Setup Fee	to Ohio Savings Bank	\$215.00	
Flood Certification Fee	to		
	to		
Items Required By Lender To Be Paid In Advance			
Interest from	9/30/2005 to 10/1/2005 @ 80.6800 /day 1 Days	\$80.68	
Mortgage insurance premium for	mo. to		
Hazard insurance premium for	yrs. to		
Flood Insurance	yrs. to		
Items Deposited With Lender			
Insurance	months @ per month		
Mortgage Insurance	months @ per month		
City property taxes	months @ per month	\$0.00	
	months @ per month	\$0.00	
Aggregate Accounting Adjustment			
Title Charges			
Settlement or closing fee to			
Abstract or title search to			
Title examination to			
Title insurance binder to			
Document preparation to			
Notary fees to			
Attorney's fees to	Rand & Youmatz, P.C.	\$599.00	
(includes the above items Numbers:)			
Title insurance to	Old Republic National Title Insurance Company	\$2,719.00	
(includes the above items Numbers:)			
Lender's coverage	\$444,500.00 L Prem: \$1,223.75 Endorsement: \$0.00		
Owner's coverage	\$635,853.63 O Prem: \$1,495.25		
	to		
	to		
Title Ins. Commission to Title Agent	\$0.00 to		
Government Recording and Transfer Charges			
Recording fees:	Deed \$125.00 ; Mortgage \$175.00 ; Releases \$75.00	\$300.00	\$75.00
Notary fees:	Deed ; Mortgage		\$0.00
State tax/stamps:	Deed \$2,900.16 ; Mortgage		\$2,900.16
State tax/stamps First Deed	\$2,371.20 POC by Seller to		
Municipal Lien Certificate and Recording	to	\$90.00	
Additional Settlement Charges			
Survey to N/A	to		
Pest inspection	to		
Recording 6d Certificate	to		\$75.00
Overnight/Wire Fee	to Rand & Youmatz, P.C.	\$45.00	\$35.00
Discharge Tracking	to Rand & Youmatz, P.C.		\$100.00
Recording 1st Deed \$125.00 POC by Seller	to Commonwealth of Massachusetts		
	to		
Total Settlement Charges (enter on lines 103, Section J and 502 Section K)		\$4,572.68	\$3,185.16

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

[Signature] Sellers