

May 14, 2007

Via Electronic Mail and Federal Express

Scituate Zoning Board of Appeals
Town Hall
600 Chief Justice Cushing Highway
Scituate, MA 02066

Re: Herring Brook Meadow LLC Comprehensive Permit Application

Dear Members of the Board:

In connection with the above referenced application, I attach for your information the following items:

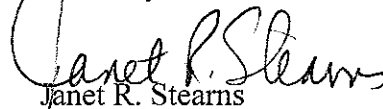
- A Development Pro Forma for the project
- A copy of an Extension of Option, with the term extended until June 30, 2008
- Copies of checks in the amount of \$1,237.34 and \$5,000, as evidence of agreement to make an additional deposit to the Board's peer review escrow account

As requested by the Board, our project engineer will be hand delivering a separate submission today to the Board that responds to peer review comments received to date. As further requested by the Board, this technical submission is being made ten days in advance of the upcoming continued hearing on the project.

I will be sending originals of the above referenced peer review fee checks under separate cover later in the week. Although my client has agreed to place an additional amount of \$5,000 on deposit in anticipation of some remaining peer review fees, we have continued to express our concern with the high costs of the peer review fees for this project. We would appreciate the opportunity to discuss this with the Board at the upcoming continued hearing.

Please let me know if I can provide you with any additional information.

Sincerely,


Janet R. Stearns

JRS/ntrc
Enclosures

**SCITUATE - HERRING BROOK MEADOW
DEVELOPMENT BUDGET**

Location Scituate
Date of Analysis 3/1/2007

Project Inputs		Average Price Per Unit		
Total Units	60			
Affordable Units (2BR)	13	Affordable Units (2BR)	159,700	
Affordable Units (3BR)	2	Affordable Unit (3BR)	176,900	25.00%
Market Rate (2BR)	42	Market Rate 2BR	399,000	
Market Rate (3BR)	3	Market Rate 3BR	440,000	
SF Per Unit (2BR)	1,406			
SF Per Unit (3BR)	2,010	Blended Ave Affordale	161,993	
		Blended Ave Market	401,733	
Total Square Feet	87,380			
Land Acquisition	\$880,000			
Land Carrying Costs	\$100,000	Developer Overhead (1st 20)	\$4,000	
		Developer Overhead (next 52)	\$2,000	
Hard Cost Variables				
Construction Cost Per SF	\$122.00			
Contingency	5.0%			
Underground Garage Spaces	60			
Soft Cost Variables				
Marketing-Affordable Units	3.0%	Per Unit - Legal, Title, Closing	\$900	
Commissions-Market Units	5.0%	Deed stamps	\$4.56 for \$1,000 of value	
Loan to Value	75.0%	Soft Cost Contingency	5.0%	
Number of Months	12	Financing & Application Fee	1.05%	

USES

Site Acquisition	PER UNIT	TOTAL
Acquisition	16,333	\$980,000
HARD COSTS		
	PER UNIT	TOTAL
Site Preparation		
Construction Stake Out/Engineering		\$ 50,000.00
Site Utilities		\$ 50,000.00
Gas		\$ 50,000.00
Roads, Walks & Parking		\$ 600,000.00
Storm Water Detention/Stormceptors		\$ 250,000.00
Site Improvements		\$ 350,000.00
Landscaping		\$ 152,000.00
Unusual Site Conditions		\$ 10,000.00
On-Site Sewage Treatment		\$ 1,000,000.00
Site Development Total	41,867	\$ 2,512,000.00
construction @ 87,380 GSF	177,673	\$ 10,660,360.00
garages @ \$9,000		\$ 540,000.00
amenities/common areas	0	0.00
contingency @ 5.00%	10,977	\$ 658,618.00
Sub-Total Hard Costs	\$ 255,849.63	\$ 15,350,978.00

SOFT COSTS		
permits/surveys/fees (e.g Town, Hook-ups, etc.)	2,083	125,000
architectural	4,167	250,000
Peer review consultants (traffic, engineering, other)	500	30,000
environmental/site engineering	3,750	225,000
deed stamps	1,585	95,129
recording, title and legal closing	900	54,000
legal fees	1,250	75,000
insurance	2,500	150,000
taxes	833	50,000
security	333	20,000
financing fee/application fees	2,738	164,286
monitoring agent fee	167	10,000
construction manager	2,083	125,000
appraisal	117	7,000
maint-unsold units	83	5,000
utilities	167	10,000
accounting	333	20,000
construction inspection	250	15,000
construction loan interest	14,167	850,000
development consultant	833	50,000
soft cost contingency @ 5.0%	1,942	116,521
marketing-affordable units @ 3.00%	1,215	72,897
commissions - mkt units @ 5.00%	15,065	903,900
developer overhead	2,667	160,000
Sub-total Soft Costs	\$ 59,728.88	\$ 3,583,733.00

TOTAL DEVELOPMENT COSTS \$ 315,578.52 \$ 18,934,711.00

SOURCES

	PRICE	TOTAL
Affordable Units (2BRS)	13 \$ 159,700	\$ 2,076,100
Affordable Units (3BRS)	2 \$ 176,900	\$ 353,800
Market Units (2BRS)	42 \$ 399,000	\$ 16,758,000
Market Units (3BRS)	3 \$ 440,000	\$ 1,320,000
TOTAL SALES REVENUES		\$ 20,861,700

PROFIT (LOSS) \$ 1,926,989
PERCENTAGE PROFIT 10.2%

EXTENSION OF OPTION TO PURCHASE REAL ESTATE

WHEREAS Donnamarie Tonelli of Scituate, Plymouth County, Massachusetts, (hereinafter referred to as "Seller"), her heirs, successors and assigns and Herring Brook Meadow, LLC, a Massachusetts limited liability company with its principal offices located at 265 Newbury Street, Peabody, Massachusetts (hereinafter referred to as "Purchaser" or "Buyer") its successors and assigns, entered into a option agreement to purchase the land and buildings located at 126 Chief Justice Cushing Highway, Scituate, Plymouth County, Massachusetts, being Lot C containing 41,390 square feet, as shown on "Subdivision Plan of Land, Chief Justice Cushing Highway, Scituate, Mass; owned by John N. Reilly; Scale: 40' = 1"; July 25, 1956; Lewis W. Perkins & Son, Eng'rs. Hingham, Mass." recorded with Plymouth Registry of Deeds as Plan No. 56 of 1957 in Plan Book 11, Page 4, in the Deed recorded with the Plymouth District Registry of Deeds, in Book 9442, Page 66, dated March 20, 2006 ("the Option"); and,

WHEREAS, the Buyer has exercised due diligence in obtaining the permitting required for its project, but that said permitting has taken a longer period of time than initially anticipated by both the Seller and Buyer, and,

WHEREAS, although the Option has is scheduled to expire on June 30, 2007 both the Seller and Buyer are agreeable to extend the option to purchase the aforementioned real estate on the terms set forth in the Purchase and Sales Agreement attached as Exhibit "A" to the Option;

THEREFORE the Seller and Buyer agree as follows:

(1) **TERM:** The term of the Option shall be extended June 30, 2008, provided that Buyer continues to pursue said permits in good faith and exercises due diligence.

(2) **CONSIDERATION FOR THE EXTENSION:** The Seller and Buyer agree that the past non-refundable option payments from the Buyer to the Seller are adequate consideration to bind the parties to this extension.

(3) **CONDITIONS:** All other terms and conditions contained in the Option not expressly or implicitly modified herein shall remain in full force and effect and be binding on the Seller and Buyer, their heirs, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

SELLER:

Donnamarie Tonelli
Donnamarie Tonelli

COMMONWEALTH OF MASSACHUSETTS

PLYMOUTH, ss

April 13, 2007

On this 13 day of April 2007, before me the undersigned notary public, personally appeared Donnamarie Tonelli proved to me through satisfactory evidence of identification, which was a Massachusetts Drivers Licenses, to be the person whose name is signed on the preceding or attached, and acknowledged to me that she signed it voluntarily for its stated purpose.

[Signature]
Notary Public Michele Harrison
My commission expires: 12/12/07

BUYERS:

Herring Brook Meadow, LLC

By:

James R. Motzkin MANAGER
James R. Motzkin, Manager

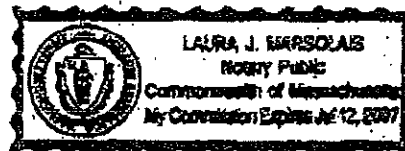
COMMONWEALTH OF MASSACHUSETTS

ESSEX, ss

April 19, 2007

On this 19th day of April 2007, before me the undersigned notary public, personally appeared James R. Motzkin as Manager of Herring Brook Meadow, LLC proved to me through satisfactory evidence of identification, which was a Massachusetts Drivers Licenses, to be the person whose name is signed on the preceding or attached, and acknowledged to me that he signed it voluntarily for its stated purpose.

Laura J. Marsolais
Notary Public
My commission expires:



Security enhanced document. See back for details.

HERRING BROOK MEADOW LLC

265 NEWBURY ST.
PEABODY, MA 01960

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DATE May 10, 2007

62-447/113
970

PAY TO THE ORDER OF Town of Scituate ZBA

\$ 1237.34 -

One Thousand Two Hundred Thirty-seven & 34/100

DOLLARS

Rockland Trust

FOR _____

James R. Metzler

⑆000138⑆ ⑆011304478⑆ 2970002008⑆

Security enhanced document. See back for details.

HERRING BROOK MEADOW LLC

265 NEWBURY ST.
PEABODY, MA 01960

139

DATE May 10, 2007

62-447/113
970

PAY TO THE ORDER OF Town of Scituate ZBA

\$ 5000.00 -

Five Thousand & no/100

DOLLARS

Rockland Trust

FOR _____

James R. Metzler

⑆000139⑆ ⑆011304478⑆ 2970002008⑆