



U. S. Department of Housing & Urban Development

Office of Housing  
New England Regional Office  
T.P. O'Neill Jr. Federal Building  
10 Causeway Street, Room 301  
Boston, MA 02222-1092

July 14, 2014

Mr. Charley Gardner  
MAP Underwriter  
Oak Grove Capital  
2177 Youngman Ave. Suite 100  
St. Paul, MN 55116

Dear Mr. Gardner:

SUBJECT: Section 223(f) Firm Commitment Amendment  
Project Name: Waterford Place Apartments  
Project Address: 180 192 Shawmut Ave., Boston, MA 02118  
Project Number: 023-11321  
Mortgagor: CCBA Waterford Place, LLC

At your request the firm commitment has been amended to reflect a mortgage increase, the loan's actual interest rate, with an updated 92264-A, and revised critical repairs, along with the corrected Mortgagor's name.

**Un-numbered paragraph is deleted and replaced by:**

We understand that you, as Mortgagee, have agreed to make a loan to CCBA Waterford Place, LLC (hereinafter called the "Mortgagor",) in an amount not exceeding the sum of Five Million Five Hundred Seventy Thousand and One Hundred dollars \$5,570,100. to be secured by a credit instrument and security instrument (hereinafter jointly called the "Mortgage") covering real property with existing building(s) thereon, (hereinafter called the project), located at 180 to 192 Shawmut Avenue, Boston, MA as shown on the As-built Survey, Surveyor's Certificate, and legal description of the property included with the firm commitment application.

**Paragraph 2. is deleted and replaced by:**

2. The Mortgage shall bear interest at the rate of 3.89 percent per annum payable on the first day of each month on the outstanding balance of principal. The first payment to principal (Commencement of amortization) shall be due not later than the first day of the second month following the date of endorsement of the Mortgage for insurance. The Mortgage shall be payable

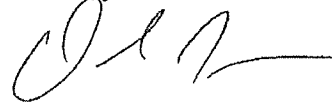
on a level annuity basis by 420 monthly payments of principal and interest in the amount of \$24,296.83. The maturity and final payment date shall be 34 years and 11 months following the due date of the first payment to principal.

**Special Condition 46 is deleted and replaced by:**

This commitment is based on a first years' MIP premium of 1%, or \$55,701., to be paid at initial endorsement and annual premiums thereafter of .45% or \$25,065.45.

In all other respects the January 24, 2014, firm commitment is unchanged.

Sincerely,



*MB*: Maurice Barry  
Director  
Boston Multifamily Project Management



U.S. Department of Housing and Urban Development

MASSACHUSETTS STATE OFFICE, NEW ENGLAND AREA  
Office of Housing  
Thomas P. O'Neill, Jr. Federal Building  
10 Causeway Street - Third Floor  
Boston, Massachusetts 02222-1092

Phone (617)994-8500

Fax (617) 565-5493

Charley Gardner, MAP Underwriter  
Oak Grove Capital  
2177 Youngman Ave., Suite 100  
St. Paul, MN 55116

Dear Mr. Gardner:

SUBJECT: Project Name Waterford Place.  
Project No: 023-11321  
Location: Boston, Ma

This responds to your May 27, 2014 request to extend the firm commitment issued for the subject project as issued January 24, 2014. The firm commitment is hereby further extended for a period of sixty(60)days from the current expiration date of May 24, 2014.

The original firm commitment dated January 24, 2014 is hereby extended for a period of (60)sixty days to expire on July 23, 2014.

If there are any remaining questions concerning this commitment, please call Sheila Galicki, Chief of Production Branch (617)994-8519.

Very sincerely yours,

A handwritten signature in black ink, appearing to read "M. Barry", written over the typed name.

Maurice E. Barry,  
Director, Project Management  
New England Multifamily HUB



U.S. Department of Housing and Urban Development  
MASSACHUSETTS STATE OFFICE, NEW ENGLAND AREA  
Office of Housing  
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Boston, Massachusetts 02222-1092  
Fax (617) 565-6557

Charley Gardner, MAP Underwriter  
Oak Grove Capital  
2177 Youngman Ave. Suite 100  
St. Paul, MN 55116

MAR 31 2014

Dear Mr. Gardner:

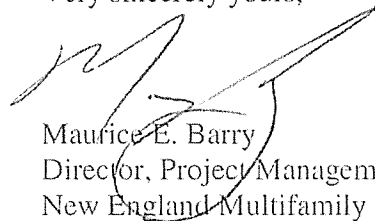
SUBJECT: Project Name : Waterford Place  
Project No. : 023-11321  
Location : Boston, MA

This responds to your March 5 request to extend the firm commitment issued for the subject project by this office on January 24, 2014.

The original firm commitment is hereby extended for a period of sixty (60) days from the current expiration date.

The project must achieve endorsement within this extended period. If there are any questions concerning this commitment, please call Warren Mroz, Public Trust Specialist at (617) 994-8543.

Very sincerely yours,



Maurice E. Barry  
Director, Project Management  
New England Multifamily HUB

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
OFFICE OF HOUSING  
FEDERAL HOUSING COMMISSIONER

COMMITMENT TO INSURE UPON COMPLETION  
SECTION 207 (PURSUANT TO SECTION 223(F))

JAN 2 4 2011

**Project Name:** Waterford Place

**Project Number:** 023-11321

**To:**

Oak Grove Capital	Waterford Place LLC c/o CCBA
Mortgagee	Mortgagor
2177 Youngman Ave. Suite 100	90 Tyler Street
Address	Address
St. Paul, MN 55116	Boston, MA 021118
City and State	City and State

Dear Sir or Madam:

We understand that you, as Mortgagee, have agreed to make a loan to Waterford Place LLC (hereinafter called the "Mortgagor"), in an amount not exceeding the sum of Five Million Twelve Thousand Nine Hundred dollars \$5,012,900 to be secured by a credit instrument and security instrument (hereinafter jointly called the "Mortgage") covering real property with existing building(s) thereon, (hereinafter called the project), located at 180-192 Shawmut Ave., Boston, MA as shown on the As-built Survey, Surveyor's Certificate, and legal description of the property included with the firm commitment application.

It is your intention to present the said Mortgage to this Administration for mortgage insurance under the provisions of Section 207, pursuant to Section 223(f) of the National Housing Act, and the Regulations there under now in effect.

The Federal Housing Commissioner acting herein on behalf of the Secretary of Housing and Urban Development hereby agrees to insure said Mortgage under the provisions of said Act and Regulations upon the following conditions:

1. Prior to endorsement of the Mortgage for insurance, the Mortgagor shall present to the Commissioner a title policy or title evidence in conformity with the Regulations above-mentioned which shall show that title to the property on the date of endorsement of the Mortgage for insurance is vested in the Mortgagor free of all encumbrances other than said Mortgage, and all exceptions to title (either junior or prior to said Mortgage) except such as are specifically determined to be acceptable by the Commissioner. The Mortgagor shall also furnish satisfactory proof that there exist no unpaid obligations contracted in connection with the Mortgage transaction, the purchase of the mortgaged property or refinancing of existing indebtedness, or the completion of the repairs, except such obligations as may be approved by the Commissioner. If such title evidence is in the form of a title insurance policy, it shall by its terms inure to the benefit of the Mortgagee and/or the Secretary of Housing and Urban Development, as their interests may appear. If under the laws of the jurisdiction in which the Project is located the chattels and personal property of the Mortgagor required in the operation of the Project are not covered by and subject to the terms of the Mortgage, the Mortgagee must require and receive from the Mortgagor a chattel mortgage or such other security instrument as may be necessary covering such personal property and chattels.

2. The Mortgage shall bear interest at the rate of 4.25 percent per annum payable on the first day of each month on the outstanding balance of principal. The first payment to principal (Commencement of

amortization) shall be due not later than the first day of the second month following the date of endorsement of the Mortgage for insurance. The Mortgage shall be payable on a level annuity basis by 420 monthly payments of principal and interest in the amount of \$24,505.90. The maturity and final payment date shall be 34 years and 11 months following the due date of the first payment to principal.

3. The credit instrument and the security instrument to be insured shall be in the form prescribed by the Commissioner for use in connection with Section 207 loans in the locality in which the property is situated.

4. The Mortgagor must possess the powers necessary for operating the Project and meeting all the requirements of the Commissioner for insurance of the Mortgage. Prior to endorsement of the Mortgage for insurance, there shall be filed with the Commissioner a copy of the instrument under which the Mortgagor entity is created (unless the Mortgagor is an individual) together with copies of all instruments or agreements necessary under the laws of the applicable jurisdiction to authorize execution of the Mortgage and the other closing documents, and a Regulatory Agreement or other instrument as will permit the Commissioner's regulation of the Mortgagor as to rents, charges and methods of operation. Such instrument shall provide, among other things, for the establishment of a Reserve Fund for Replacements by payment of \$24,000 per annum to be accumulated monthly under the control of the Mortgagee, commencing on the date of the first payment to principal as established in the insured Mortgage unless a later date is agreed to by the Commissioner.

5. An initial deposit of not less than \$302,400 is to be made to the Reserve Fund for Replacements by the Mortgagor prior to endorsement of the Mortgage for insurance. All existing Reserve funds to be transferred at closing.

6. If any repairs are to be made to an existing Project which require additional sewer, water, gas, or electrical facilities, evidence satisfactory to the Commissioner shall be submitted prior to endorsement of the Mortgage for insurance showing that adequate sewer, water, gas and electrical facilities have been fully installed and that necessary public streets, sidewalks and curbing outside the Project site have been completed. All off-site facilities or utilities required by the special conditions under this commitment shall be included in such evidence.

7. Prior to the endorsement of the Mortgage for insurance, evidence shall be submitted to the Commissioner that the buildings, including electric wiring, plumbing, gas, and other appliances therein have been inspected and approved by all departments, boards, or agencies of the municipality, county or State, or other governmental bureaus or departments having jurisdiction thereof, and by the rating or inspection organization, bureau, association or body performing similar functions and that such certification as may be required with respect to the approval of said buildings for occupancy and otherwise as may be required by the Commissioner have been issued to the Mortgagor.

8. Prior to the endorsement of the Mortgage for insurance, the Commissioner shall be furnished with a current As-built survey duly certified to by a registered surveyor satisfactory to the Commissioner and an updated Surveyor's Certificate showing that there are no easements or encroachments upon the subject property except those approved by the Commissioner and that the improvements of the Project are contained upon the land covered by the Mortgage and within the building restriction lines, if any, on said land and do not encroach upon or overhang any land not covered by the Mortgage or beyond the said building restriction lines, if any, nor any easement or right of way. The survey shall also show the exact location of water, sewer, gas and electric mains, and all easements for such utilities then existing.

9. Upon endorsement of the Mortgage for insurance, the Mortgage must be current with respect to all payments required to be made by its terms, including all deposits required to be made with the Mortgagee for mortgage insurance premiums, fire, and other property insurance premiums, ground rents, water rates, taxes and other assessments; and there shall be in full force and effect fire and other property insurance as required by the insured Mortgage.

10. Upon endorsement of the Mortgage for insurance, the Mortgagee shall pay to the Commissioner in advance, a mortgage insurance premium equal to one per centum of the principal amount of the insured Mortgage to cover the first mortgage insurance premium and shall continue to make payments thereafter as required by the aforesaid Regulations.

11. In the case of Project (I) on which construction was commenced prior to June 30, 1971, (2) which was Completed prior to December 31, 1975, (3) on which an application was filed after completion and prior to December 31, 1975, and (1) which is less than one year old at the time of endorsement of the Mortgage for insurance, the Mortgagor shall furnish satisfactory evidence that the work of the General Contractor is covered by a guarantee acceptable to the Commissioner, running for a period of at least one year, following endorsement of the mortgage, against latent defects and faulty workmanship and defective materials in the construction of the building, which guarantee will be secured by (a) a valid surety bond (FHA Form Number 3259) in an amount not less than ten percent (10%) of the cost of construction, running for a period of not less than two years following endorsement of the Mortgage, with the Mortgagor and Mortgagee named as Obligees on the bond with the Mortgagee's interest assignable to the Commissioner; or (b) a sum equal to two and one-half percent (2½%) of the face amount of the Mortgage to be held in escrow and subject to the control of the Mortgagee for a period of 15 months following endorsement of the Mortgage, which sum, upon failure of such corrections being made as are required by the Mortgagee or the Commissioner within said one year period, may be used by the Mortgagee, or its assigns, for making such required corrections or, with the consent of the Commissioner, may be applied to the last maturing installments of principal of the indebtedness evidenced and secured by the Mortgage.

12. Prior to endorsement of the Mortgage for insurance, the Mortgagor must certify under oath that in selecting tenants for the property covered by the Mortgage, the Mortgagor will not discriminate against any family by reason of the fact that there are children in the family, unless the Commissioner determines that the Project is intended primarily for occupancy by the elderly or handicapped and is not compatible for occupancy by families with children, and that the Mortgagor will not sell the property while the mortgage insurance is in effect unless the purchaser also certifies and files such certification with the Commissioner.

13. The Mortgagor shall not be required to pay to the Mortgagee an initial service charge in excess of two percent (2%) of the original amount of the Mortgage.

14. Prior to endorsement of the Mortgage for insurance, the Mortgagor must certify under oath that so long as the Commissioner has any interest in the Mortgage transaction no part of any building will be rented for a period of less than 30 days or operated in such a manner as to offer any hotel services to any tenants in the building or buildings; and that the property will not be sold so long as the Commissioner retains any interest therein, unless the purchaser files with the Commissioner a like certification executed by such purchaser under oath.

15. Prior to the execution of any repair contracts relative to the subject Project, the Agreement and Certification Form Number 3305A adapted shall be executed by the Mortgagor, Mortgagee, and the Federal Housing Commissioner and the Mortgagor shall be bound thereby with respect to any subsequent contracts or subcontracts. The commitment amount herein above is subject to appropriate reduction in accordance with the terms of the Agreement and Certification.

16. A request for reopening received within ninety (90) days of its expiration must be accompanied by a reopening fee of \$.50 per \$1,000 of the amount of the expired commitment.

17. In the event that additional code requirements are imposed by any state or local authority, after the issuance of this commitment, that would cause the total cost of all required repairs to exceed fifteen percent (15%) of the total HUD/FHA estimate of value after repairs, this commitment shall be null and void.

18. It is a condition of this commitment that any change in sponsorship upon which this commitment was predicated must be indicated in writing by the Mortgagee on behalf of the proposed substitute

sponsor(s) and such request must be approved in writing by the Commissioner. The withdrawal of any principal (individual or entity) shown on the form HUD-2530 could result in HUD declaring this commitment null and void. The closing documents must reflect these continuing contractual relationships. Key principal Chinese Consolidated Benevolent Association of New England Inc. is to be listed in Section IX of the Regulatory Agreement and execute Paragraph 50.

19. In accordance with the HUD MAP Guide, a rider must be attached to the Mortgagee's Certificate requiring the mortgagee to obtain a new Project Capital Needs Assessment every ten years, which covers the lesser of the next ten years or the remaining term of the mortgage plus two years.

20. Title evidence in conformity with the Regulations which shall show that the title to the property on the date of initial endorsement of the mortgage for insurance is vested in the Mortgagor free of all reservations of title (either junior or prior to said mortgage), except such as are specifically determined to be acceptable by the Commissioner. If such title evidence is in the form of a title insurance policy, it shall by its terms inure to the benefit of the Mortgagee and Secretary of Housing and Urban Development, as their interests may appear. Any policy of title insurance must be written on the 2006 American Land Title Association (ALTA) Form with a comprehensive endorsement, an ALTA 8.1 environmental endorsement, an endorsement deleting Item No. 13 from conditions and stipulations (Arbitration), and any other endorsements required by HUD.

21. At least 15 days prior to initial/final endorsement, the mortgagee must submit evidence that it has a commitment for the permanent loan or some other firm written assurance demonstrating that permanent financing will be available at the rate shown in the firm commitment application. The assurance must address, but is not limited to, the source of the financing, the term, interest rate, discounts, extension provisions (including cost and time frame), dates for delivery of the permanent mortgage, and any conditions which are or will be part of, or will impact on, the permanent financing arrangements.

22. Form FHA-2455, Request for Endorsement of Credit Instrument Certificate of Mortgagee, Mortgagor and General Contractor; and a certified loan closing statement, signed by the mortgagor and the mortgagee, are required. The closing statement must itemize the disbursement of the mortgage proceeds, the mortgagor's cash contribution, and any promissory notes made by the mortgagor. The statement regarding the disbursements must be specific and list the amounts to be paid to satisfy the mortgagor's obligations for: existing debt, repairs, discounts, financing fees, legal expenses, organizational expenses, title and recording costs, etc. Any required escrows such as for GNMA, taxes, or insurance must also be listed.

23. Prior to initial endorsement, the owner must provide HUD with certification/evidence that all accounts payable and outstanding liabilities for project operating expenses have been cleared and released.

24. Prior to initial endorsement, fifty percent (50%) of any cash out proceeds after funding transaction costs, including the assurance of completion requirements must be held in escrow by the Mortgagee until the required non-critical repairs are completed and HUD approves the release.

### **Special Conditions:**

25. Prior to endorsement of the Mortgage for insurance, all critical repairs as cited in the PCNA Report are to be completed and an escrow for repairs must be established. See Exhibit A.

26. Prior to endorsement of the Mortgage for insurance, the Mortgagor must provide verification that all critical repairs have been completed and inspected. An inspection fee of \$2,838 shall be paid at initial/final endorsement.



27. The mortgagor must comply with the HUD MAP Guide regarding smoke detectors. This would be considered critical repair work and must be completed and inspected prior to initial/final endorsement. See *Exhibit A if applicable*.

28. An additional cash amount or letter of credit (at the option of the Mortgagee) of not less than 20 percent of the repair cost estimate will also be placed in an escrow. .

29. The Mortgagee may release funds from the mortgage proceeds portion of the escrow in proportion to the cost of work completed, less a 10 percent holdback. The holdback amount must be held until all work is completed and found acceptable.

30. Funds remaining in the escrow account, including the holdback portion, may be released when: (1) all repairs have been satisfactorily completed, (2) evidence of clear title has been provided to the field office, and (3) latent defects assurances have been provided.

31. All non-critical repairs must be completed by the mortgagor within twelve (12) months of endorsement.

32. If the mortgagor has not completed all repairs by the end of the repair period, the Mortgagee will complete the repairs using the escrowed funds. The Mortgagee will provide the Mortgagor with a breakdown of these repairs and the cost(s) of completion (including administrative expenses). Funds remaining in the escrow account after completion will be returned to the Mortgagor less reasonable administrative costs incurred in completing the repairs.

33. During the course of repairs the Commissioner and his representatives shall at all times have access to the property and the right to inspect the progress of the repairs. In addition, if required by the Commissioner, the mortgagor will furnish at the project site all necessary facilities for the use of the Commissioner's inspector such as office space, use of a telephone, typewriter, etc. The inspection of the repairs by a representative or representatives of the Commissioner shall be for the benefit and protection of the Secretary of Housing and Urban Development. If the deviations from the work write-up or unsatisfactory workmanship or defective materials are not corrected to the satisfaction of the Commissioner prior to the completion of repairs, the Mortgage will not be considered eligible for insurance.

34. Mortgagor must submit certified annual financial statements in accordance with HUD Handbook 4371.1.

35. Updated Corporate Instrument(s) and Organizational documents and composition of governance (officers) are subject to approval and acceptance by HUD Regional Counsel prior to endorsement.

36. The following language must be added to the Mortgage Note:

"The debt evidenced by this Note may not be prepaid either in whole or in part for a period of five (5) years from the date of endorsement hereof except in cases where the prior written approval of the Federal Housing Commissioner is obtained and such written approval is expressly based upon the mortgagor entering into a Rental Use Agreement with the Commissioner to maintain the property as rental housing for the remainder of the specified five (5) year period."

37. In the event the mortgagee is assigning the loan to another lender, HUD must review and give its advance consent prior to the closing and assignment.

38. Properly endorsed copies of this Commitment, FHA Form No. 2453-MM, must be received by HUD/FHA before Form No. 2205A; Cost Certification will be completed and released by HUD/FHA. *If applicable*.

39. HUD strongly recommends that new construction projects and rehabilitation projects utilize energy saving construction methods, mechanical systems, and appliances. In particular, those meeting Energy Star standards should be considered. Therefore, please encourage your mortgagors to incorporate such energy saving approaches into their plans and specifications.

40. This commitment is subject to the closing requirements of HUD MAP Guide and Multifamily Program Guide.

41. A closing date may be established no earlier than two weeks after submission of *three* complete sets of draft closing documents. These draft documents must reflect the loan reprocessing after the interest rate has been finalized. Please note that a closing date will not be established until all documents have been reviewed and approved. Review of closing packages will not be initiated unless all required exhibits are submitted.

42. By accepting this commitment the Mortgagee and Mortgagor agree that HUD may continuously rely on the information contained in the firm commitment application, and each is obliged to amend or supplement the information provided in the firm commitment application if any of the material facts that have been represented therein should change prior to endorsement of the loan.

43. Updated, certified rent roll to be provided for review and approval prior to closing.

44. The survey submitted per condition 8 must be current and conform to the current standards per Mortgagee letter 2011-21.

45. All management documents are to be updated/compliant with current MAP requirements. The management agreement shall not contain a prohibited hold harmless clause or outdated references. No construction management fee is allowed. Handbook 4381.5 REV-2 contains information pertaining to special fees.

46. This commitment is based on a first years' MIP premium of 1%, or \$50,129 to be paid at initial endorsement and annual premiums thereafter of .45% or \$22,558.05.

47. Mortgagor to provide a specification for the window replacement with an indication of the noise attenuation provided. Noise attenuation to be the maximum practical.

48. An acceptable subordination agreement (in conformance with MAP Guidelines, etc.) for all secondary debt must be approved by HUD legal prior to closing. All secondary debt to be verified, approved and subject to MAP guide limits/terms. Term Sheet from MassHousing to be provided for acceptance detailing any debt including SHARP loans/interest and any debt deferral/forgiveness


49. Updated financial statements and REO Schedules to be provided for review and acceptance. This includes the key principal CCBA.

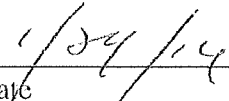
50. Verification that leaking hydraulic elevator equipment has been properly repaired and that all related spillage has been resolved and disposed of in accordance with applicable regulations to be provided for review/acceptance..

51. This commitment shall expire 60 days from the date hereof, unless extended by the Commissioner. Upon such expiration, all rights and obligations of the respective parties shall cease. Prior to any extension of this commitment, the Commissioner may, at his/her option, reexamine the commitment to determine whether it should be extended, should be extended in the same amount, or should be amended to include a lesser amount. A request for the reopening of this commitment received within 90 days of its expiration must be accompanied by the reopening fee prescribed by the Regulations.

This commitment and exhibits referred to herein, together with the applicable HUD Regulations, constitute the entire agreement between us. You must advise the Commissioner of your acceptance of this firm commitment by signing on the lines indicated and returning such executed copy to the Commissioner within ten business days of the firm commitment.

Secretary of Housing and Urban Development  
By: Federal Housing Commissioner

By:   
Authorized Agent  
Maurice Barry, Director Project Management  
New England Multifamily HUB


  
Date

The above commitment to insure is hereby acknowledged by the undersigned, and we hereby agree to be bound by the terms thereof.

Oak Grove Capital Commercial Mortgage, LLC  
Mortgagee

Waterford Place LLC  
Mortgagor

By: 

By: 

Date: 2/5/2014

Date: 2/10/2014

## Exhibit A

### Critical Repairs

1. The dwelling units feature HUD compliant hard-wired smoke detectors in the hallways of the units; however, the bedrooms feature non-compliant removable battery operated smoke detectors; therefore, installation of compliant smoke detectors in all bedrooms is required.	(101 Each @ \$35.00)	\$3,535
2. The fire sprinkler head in the bathroom at Unit 607 was observed without an escutcheon. The installation of an escutcheon is required to comply with NFPA. (1 Each @ \$25.00)		\$25.00
3. The GFCI outlet in the master bathroom (which also protects the other bathroom) was observed dysfunctional. The GFCI requires replacement to comply with NEC. (1 Each @ \$35.00)		\$35.00
4. The elevator equipment in the mechanical room on the first floor was observed with a possible hydraulic oil leak. D3G recommends inspection by qualified service technician to evaluate and repair possible hydraulic leak. (1 Each @ \$250.00)		\$250.00
5. The threshold at the entry door on Shawmut Avenue was observed with a change in height of greater than 1/2". The threshold requires replacement to comply with ADA. (1 Each @ \$150.00)		\$150.00
6. The building was observed without a "van accessible" handicapped parking space. The existing handicapped parking space located underneath the building was observed without an access aisle. The installation of a 96" wide (required for van accessible space) access aisle and "van accessible" signage is require to comply with ADAAG. (1 Each @ \$125.00)		\$125.00
7. The existing handicapped accessible ramp in the parking garage was observed without flared sides or edge guard. The installation of flared sides or edge guard on the ramp is required to comply with ADAAG. (1 Each @ \$250.00)		\$250.00
		TOTAL: \$4,370

### Non Critical Repairs

1. Unit 602 was observed with a window in the master bedroom with a cracked seal causing the window to appear "fogged". The window sash requires replacement. The owner has elected to replace the windows at the property; therefore, no cost is associated with this repair. (1 Each @ \$.00)		No Cost
2. Unit 602 was observed with a broken towel bar in the bathroom. The towel bar requires replacement. (1 Each @ \$25.00)		\$25.00
3. The bathroom ceiling in unit 607 was observed with drywall damage. The drywall damage requires repairs and repainting. (1 Each @ \$150.00)		\$150.00
4. The existing fully ballasted EPDM was observed in fair physical condition and approaching the end of it's estimated useful life (EUL). Additionally, site management mentioned continuous service issues related to existing roof. The roof requires replacement to prevent further damage to the building envelope.* (6,256 Square Feet @ \$8.23)		\$51,487

### Owner Elected Repairs:

5. The owner has elected to refurbish the balconies at the property. ** (27 Each @ \$411.00)		\$11,097
6. The owner has elected to replace the store-front doors at the property. ** (2 Each @ \$1,026.00)		\$2,052
7. The owner has elected to replace the single hollow metal doors at the property. ** (4 Each @ \$399.00)		\$1,596
8. The owner has elected to replace the double hollow metal doors at the property. ** (2 Each @ \$729.00)		\$1,458
9. The owner has elected to replace the aluminum sliding patio doors at the property. ** (27 Each @ \$570.00)		\$15,390
10. 10. The owner has elected to refurbish the roof-top patios. ** (4,040 Square Feet @ \$5.88)		\$23,755
11. The owner has elected to perform technical pointing on the brickwork at the property. ** (5,000 Square Feet @ \$1.76)		\$8,800
12. The owner has elected to paint the exterior stucco. ** (3,360 Square Feet @ \$.89)		\$2,990
13. The owner has elected to paint the exterior CMU. ** (1,350 Square Feet @ \$.89)		\$1,201
14. The owner has elected to replace the aluminum storefront windows. ** (990 Square Feet @ \$24.00)		\$23,760
15. The owner has elected to replace the single hung insulated glass windows at the property. ** (260 Each @ \$382.00)		\$99,320
16. The owner has elected to replace the picture windows at the property. ** (16 Each @ \$470.00)		\$7,520
17. The owner has elected to replace the HVAC boilers at the property. ** (4 Each @ \$6,473.00)		\$25,892
18. Replace the water circulation pump for the HVAC boilers. ** (2 Each @ \$1,485.00)	\$2,970	\$2,970

Total Non-Critical Repairs: \$270,462

Supplement to  
Project Analysis

U.S. Department of Housing  
and Urban Development  
Office of Housing  
Federal Housing Commissioner

OMB Approval No. 2532-0029  
(exp. 10/30/2012)

Section or Title Number

FHA Section 223(f)

Valuation Trial  Conditional  Firm See last page for Public Reporting burden statement before completing this form

Privacy Act Note: The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information required in the form by virtue of Title 12, United States Code, Section 1701 et. Seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. While no assurance of confidentiality is pledged to respondents, HUD generally disclosed this data only in response to a Freedom of Information Act request.

Name of Mortgagee (Borrower) Project Number  
CCBA Waterford Place, LLC TBD

Name of Project

Waterford Place Apartments

Location of Project (street, city & state)

180 Shawmut Avenue, Boston, MA 02118

Type of Borrower

Private  Profit  Public  Nonprofit  State or Federal instrumentality, etc.

Management Coop.  Sales  Investor-Sponsor  Builder-Seller  Limited Distribution

Type of Project

Rental Housing  Mobile Home Court  Board and Care  New Construction  Non-Elevator

Cooperative  Nursing Home  Single Rm. Occupancy  Rehabilitation  Elevator

Condominium  Intermediate Care Facility  Redevelopment  Existing

Capital Advance 202/811  Housing for the Elderly  Supplement Loan

I. Determination of Maximum Insurable Mortgage

Criteria column 1 column 2 column 3

1. Mortgage or Loan Amount Requested in Application None \$ 5,012,900.00

2. Reserved N/A

3. Amount Based on Value or Replacement Cost

a. Value (Replacement Cost) in Fee Simple \$ 8,950,000.00 X 85% \$ 7,616,000.00

b. (1) Value of Leased Fee \$ -

(2) Grant/Loan funds attributable to R. C. items \$ -

(3) Excess Unusual Land Improvement \$ -

(4) Cost Containment Mortgage Deduction \$ -

(5) Total lines (1) to (4) \$ - X 85% \$ -

c. Unpaid Balance of Special Assessment \$ -

d. Total line b plus line c \$ -

e. Line a minus line d \$ 7,616,000.00

4. Amount Based on Limitations Per Family Unit

a. Number of no Bedroom Units - X \$ 151,561.80 \$ -

Number of one Bedroom Units 9 X \$ 169,746.30 \$ 1,527,716.70

Number of two Bedroom Units 11 X \$ 208,145.70 \$ 2,289,602.70

Number of three Bedroom Units 10 X \$ 280,660.40 \$ 2,806,604.00

Number of four or more Bedroom Units 10 X \$ 294,767.10 \$ 2,947,671.00

b. Cost Not Attributable to Dwelling Use \$ - X 85.0% N/A

c. Warranted Price of Land \$ 2,000,000.00 X 85.0% \$ 1,700,000.00

d. Total lines a through c \$ 11,071,894.40

e. Total Number of Spaces \$ - X 0 \$ -

f. Sum: Value of Leased Fee and Unpaid Balance of Special Assessment(s) \$ -

g. Line d or line e, whichever is applicable, minus line f \$ 11,071,894.00

5. Amount Based on Debt Service Ratio

a. Mortgage Interest Rate 4.750% %

b. Mortgage Insurance Premium Rate 0.450% %

c. Initial Curtail Rate 1.116% %

d. Sum of Above Rates 6.316%

e. Net Income \$ 372,506.58 X 86.0% \$ 316,630.59

f. Annual Ground Rent \$ - Plus Annual Spec. Assmt. \$ -

g. Line e minus line f \$ 316,630.59

h. Line g divided by line d \$ 5,012,900.00

i. Annual Tax Abatement Savings \$ - divided by 6.316% \$ -

j. Line h plus line i \$ 5,012,900.00

1. Determination of Maximum Insurable Mortgage (cont.)

Criteria	column 1	column 2	column 3
<b>6. Amount Based on Estimated Cost of Rehabilitation Plus</b>			
(i) "As Is" Value, or (ii) Acquisition Cost, or (iii) Existing Mortgage Indebtedness Against the Property Before Rehabilitation;			
a. Total Estimated Development Cost	\$		
b. Estimated Cost of Off-Site Construction	\$		
c. Sum of lines a & b		\$	
6/7/2013	\$		
d. Line c minus line b		\$	
f. "As Is" Value of Prop. Before Rehab.	\$	X	0 %
g. Existing Mortgage Indebtedness (Property Owned) or Purchase Price of Property (to be Acquired)	\$		
h. Line e plus line f or line g, whichever is less		\$	
i. Line h	X	0 %	N/A
<b>7. Amount Based on Borrower's Total Cost of Acquisition Section 223(f)</b>			
a. Purchase Price of Project	\$	-	
b. Repairs and Improvements, if any	\$	-	
c. Other fees (Initial Deposit to RFR)	\$	-	
d. Loan Closing Charges *	\$	-	
e. Sum of lines a through d		\$	-
f. Enter the Sum of any Grant/Loan and Reserves for Replacement and Major Movable Equipment to be purchased as an asset of the project		\$	-
g. Line e minus line f		\$	-
h. Line g	X	85.0%	None
			N/A
<b>8. Amount Based on Sum of Unit Mortgage Amounts</b>			
			N/A
<b>9. Amount Based on Estimated Cost to Borrower</b>			
a. Total Estimated Cost (Exclusive of Site and Required Construction Off the Site)	\$		
b. Purchase Price of Site	\$		
c. Total Cost of Clearing Site, if any	\$		
d. Expense of Relocating Occupants, if any	\$		
e. Cost of Off-Site Construction, if any	\$		
f. Sum of line a through line e		\$	
g. Line f	X	0 %	N/A
<b>10. Amount Based on Existing Indebtedness, Repairs, and Loan Closing Charges Section 223(f)</b>			
a. Total Existing Indebtedness	\$	5,445,258.00	
b. Required Repairs	\$	283,834.00	
c. Other Fees (Initial Deposit to RFR)	\$	302,400.00	
d. Loan Closing Charges *	\$	213,699.20	
e. Sum of line a through line d		\$	6,245,191.20
f. Enter the Sum of any Grant/Loan and Reserves for Replacement and Major Movable Equipment on Deposit		\$	-
g. Line e minus line f		\$	6,245,191.20
h. 80% of Value	\$	8,000,000.00	X
			80.00%
i. Greater of line g or line h		\$	7,168,000.00
<b>11. Amount Based on Deduction of Grant(s), Loan(s), Tax Credit(s) and Gift(s) for Mortgageable Items:</b>			
a. 100% Project (Replacement) Cost *	\$		
b. (1) Grants/loans/gifts	\$	-	
(2) Tax Credits	\$		
(3) Value of Leased Fee	\$		
(4) Excess Unusual Land Improvement Cost	\$		
(5) Cost Containment Mtge Deduction	\$		
(6) Unpaid Balance of Special Assessment	\$		
(7) Sum of Lines (1) through (6)		\$	
c. Line a, minus line b, (7)			N/A

\* Project Cost applies to Criteria 7 and 10 under Section 223 (f) and applications pursuant to 223(f). Project Replacement Cost applies to Section 221 (d) and other Sections of the Act mortgages limited by Replacement Cost. (10/07/03)

\* Attach format for computing loan closing charges.

Maximum Insurable Mortgage (Lowest of the Foregoing Criteria)

\$ 5,012,800.00

Previous editions are obsolete

**II. Total Requirements for Settlement**

Part A		Part B	
1. Fees Not to be Paid in Cash		1. a. Development Cost	\$ 952,561.20
a. BSPRA/SPRA	\$ -	b. Adjustment for Contracted Amounts in Excess of form HUD-92264 Estimates	
b. Builder's Profit	\$ -	(1) Construction Contract	\$ -
c. Other	\$ -	(2) Architect's Contract	\$ -
Total (enter in part B on line 5)	\$ -	(3) Other	\$ -
2. Commitment, MKtg., Fees and Discounts and Escrows		c. Total of lines a & b	
a. Fees	\$ -	\$ 952,561.20	
CNMA	\$ -	2. Land Indebtedness (or Cash Required for Land Acquisition)	
Other	\$ -	\$ 5,445,258.00	
b. Discounts	\$ -	3. Subtotal (lines 1c + 2)	
Permanent Loan	\$ -	\$ 6,397,819.20	
Construction Loan	\$ -	4. a. Mortgage Amount	
c. Escrows	\$ -	\$ 5,012,900.00	
Debt Service Reserve (Board & Care)	\$ -	b. Grant/Loan	
Other	\$ -	\$ -	
Total (enter in part B on line 9)	\$ -	5. Fees Not to be Paid in Cash	
3. Working Capital		\$ -	
a. Working Capital	\$ -	6. Subtotal (lines 4a + 4b + 5)	
b. Minimum Capital Investment (Sec. 202 & Sec. 811)	\$ -	\$ 5,012,900.00	
c. Non-Really Items Not Included in Mortgage	\$ -	7. Cash Investment Required (line 3 minus line 6)	
Total (enter in part B on line 10)	\$ -	\$ 1,384,919.20	
		8. Initial Operating Deficit *	
		\$ -	
		9. Commitment, Marketing Fees, Discounts and Escrows	
		\$ -	
		10. Working Capital	
		\$ -	
		11. Non-Eligible Costs (20% Repair Escrow)	
		\$ 65,892.80	
		(\$ + \$ )	
		12. Total Estimated Cash Requirement	
		\$ 1,440,812.00	
		(sum of lines 7 + 8 + 9 + 10 + 11)	
		Front Money Escrow, If Any	
		\$ -	

\* Note: for Section 223(f) cases, attach the format for computing the operating deficit.

Source	Funds Available
Borrower Cash	\$ 1,171,814.91
Existing Replacement Reserves	\$ 268,997.09
<b>Total Available Cash for Project</b>	<b>\$ 1,440,812.00</b>

**IV. Recommendations, Requirements and Remarks**

- Recommend Approval; Subject to Conditions Stated Below, If Any
- Recommend Rejection for Reasons Stated Below (if more space is needed, continue on page 4).

MAP Underwriter: *Charles W Gardner* 10/21/13 DATE: \_\_\_\_\_  
 Associate Underwriter: *George George Kiefe* 1/22/2014. DATE: \_\_\_\_\_

Signature of the Mortgage Credit Examiner: \_\_\_\_\_ Date: \_\_\_\_\_





# Multifamily Summary Appraisal Report

U.S. Department of Housing and Urban Development  
Office of Housing  
Federal Housing Commissioner

OMB Approval No. 2502-0029  
(exp. 07/31/2009)

This form is in compliance with the requirements of the Uniform Standards of Professional Appraisal Practice for written reports, except where the Jurisdictional Exception is invoked to allow for minor deviations, as noted throughout.

Additional technical direction is contained in the HUD Handbooks referenced in the lower right corner.

Application Processing Stage  SAMA  Feasibility (Rehab)  Firm  
 Property Rights Appraised  Fee Simple  Leasehold

Project Name: Waterford Place Apartments  
 Project Number: TBD

Purpose: This appraisal evaluates the subject property as security for a long-term insured mortgage. Included in the appraisal (consultation for Section 221) are the analyses of market need, location, earning capacity, expenses, taxes, and warranted cost of the property.

Scope: The Appraiser has developed, and hereunder reports, conclusions with respect to: feasibility; suitability of improvements; extent, quality, and duration of earning capacity; the value of real estate proposed or existing as security for a long-term mortgage; and several other factors which have a bearing on the economic soundness of the subject property.

## A. Location and Description of Property

1. Street Nos. 180  
 2. Street Shawmut Avenue  
 3. Municipality Boston

4a. Census Tract No. 704.02  
 4b. Placement Code  
 4c. Legal Description (Optional) See Appraisal  
 5. County Suffolk  
 6. State and Zip Code MA, 02118

7. Type of Project  Highrise  2 - 5 sty. Elev.  Walkup  Row House  Town House  
 Elevator(s) 2  Detached  Semi-Detached  
 8. No. Stories 7  
 9a. Foundation  Slab on Grade  Full Basement  Partial Basement  Crawl Space  
 9b. Basement Floor  Structural Slab  Slab on Grade

10.  Proposed  Existing  
 11. Number of Units: Revenue 40, Non-Rev. 0  
 12. No. of Bldgs. 1  
 13a. List Accessory Bldgs. and Area: None Area

13b. List Recreation Facilities and Area: Community Room with full kitchen Area Approx. 350

13c. Neighborhood Description

Location:  Urban  Suburban  Rural  
 Built Up:  Fully Developed  Over 75%  25% to 75%  Under 25%  
 Growth Rate:  Rapid  Steady  Slow  
 Property Values:  Increasing  Stable  Declining  
 Demand/Supply:  Shortage  In Balance  Oversupply  
 Rent Controls:  Yes  No  Likely

Present Land Use:  % 1 Family  % 2 to 4 Family  
 100%  % Multifamily  % Condo/Coop  
 % Commer.  % Industrial  
 % Vacant  
 Change in Use:  Not Likely  Likely  Taking Place  
 From \_\_\_\_\_ to \_\_\_\_\_  
 Predominant Occupancy:  Owner  Tenant 0 % Vacant

Description of Neighborhood. (Note: Race and racial composition of the neighborhood are not appraisal factors.) Describe the boundaries of the neighborhood and those factors, favorable or unfavorable, that affect marketability, including neighborhood stability, appeal, property conditions, vacancies, rent control, etc.

The subject property is located at 180 Shawmut Avenue in the South End neighborhood of Boston. The South End had undergone significant transformation and revitalization in the past few decades. The neighborhood is economically and socially diverse and features a number of public parks as well as excellent access to a wide variety of retail, restaurants, art galleries, museums, theaters, schools, area colleges and universities, hospitals, employment centers, and public transportation, many of which are within a short walking distance to the subject property.

## Site Information

14. Dimensions: ft. by \_\_\_\_\_ ft. or \_\_\_\_\_ 16,563 sq. ft.  
 15a. Zoning (If recently changed, submit evidence) EDA (Economic Development Area) - North

15b. Zoning Compliance  Legal  Illegal  Legal nonconforming (grandfathered use)  No zoning

15c. Highest and Best Use as Improved  Present Use  Proposed Use  Other use (explain)

15d. Intended M/F Use (summarize: e.g., Market Rent: HI - Med. - Lo-End; Rent Subsidized; Rent Restricted with or without Subsidy; Applicable Percentages)  
 40 unit apartment building - 14 units are unrestricted market rate and 26 are rent and income restricted to households earning less than 60% of AMI.

## Building Information

16a. Yr. Built 1991  
 16b.  Manufactured Housing  Conventionally Built  Modules  Components  
 17a. Structural System Steel  
 17b. Floor System Concrete  
 17c. Exterior Finish Brick  
 18. Heating/A/C System VG, VE

**B. Additional Information Concerning Land or Property**

19. Date acquired	20. Purchase Price	21. Additional Costs Paid or Accrued \$ -	22. If Leasehold, Annual Ground Rent \$ -	23a. Total Cost \$ -	23b. Outstanding Balance N/A
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24a. Relationship (Business, Personal, or Other) Between Seller and Buyer Business	24b. Has the Subject Property been sold in the past 3 years? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> "Yes," explain:
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25. Utilities	Public	Community	Distance from Site	26. Unusual Site Features
Water	X		on site	<input type="checkbox"/> Cuts <input type="checkbox"/> Fills <input type="checkbox"/> Rock Formations <input type="checkbox"/> Erosion <input type="checkbox"/> Poor Drainage <input checked="" type="checkbox"/> None
Sewers	X		on site	<input type="checkbox"/> High Water Table <input type="checkbox"/> Retaining Walls <input type="checkbox"/> Off Site Improvements
				<input type="checkbox"/> Other (Specify) none

**C. Estimate of Income (Attach forms HUD-92273, 92264-T, as applicable)**

27. No. of Each Family Type Unit	Rentable Living Area (Sq. Ft.)	Composition of Units	Unit Rent per Mo. (\$)	Total Monthly Rent For Unit Type (\$)
(a) 3	541	1 BR / 1 BA (Market)	\$ 1,777.00	\$ 5,331.00
(b) 5	541	1 BR / 1 BA (50% AMI)	\$ 838.00	\$ 4,190.00
(c) 1	697	1 BR / 1 BA Large (Market)	\$ 1,838.00	\$ 1,838.00
(d) 3	807	2 BR / 2 BA (Market)	\$ 2,463.67	\$ 7,391.00
(e) 8	807	2 BR / 2 BA (50% AMI)	\$ 1,000.00	\$ 8,000.00
(f) 4	1,213	3 BR / 2 BA (Market)	\$ 2,692.00	\$ 10,768.00
(g) 6	1,213	3 BR / 2 BA (50% AMI)	\$ 1,151.00	\$ 6,906.00
(h) 3	1,405	4 BR / 2 BA (Market)	\$ 4,000.00	\$ 12,000.00
(i) 7	1,405		\$ 1,277.00	\$ 8,939.00
(j) 0	0	Model / Employee	\$ -	\$ -

28. Total Estimated Rentals for All Family Units \$ 65,363.00

<input type="checkbox"/> Attended 0	Offstreet Parking and Other Non-Commercial Ancillary Income (Not Included in Unit Rent)			
<input checked="" type="checkbox"/> Self Park 23	Open Spaces 3	@ \$ 167.00	per month = \$ 501.00	
	Covered Spaces 20	@ \$ 190.00	per month = \$ 3,800.00	
	Laundry 40	Sq. Ft. or Living Units @ \$ 11.96	per month = \$ 478.20	
	Application Fees 40	@ \$ -	per month = \$ -	
	Misc. Other Income 40	@ \$ -	per month = \$ -	
<b>Total Spaces 23</b>	<b>Total Monthly Ancillary Income</b>			<b>\$ 4,779.20</b>

30. Commercial Income (Attach Documentation)

Area-Ground Level 0	sq. ft. @ \$ -	per sq. ft./month = \$ -	Total Monthly \$ -
Other Levels 0	sq. ft. @ \$ -	per sq. ft./month = \$ -	Commercial Income \$ -

31. Total Estimated Monthly Gross Income at 100 Percent Occupancy \$ 70,142.20

32. Total Annual Rent (Item 31 x 12 months) \$ 841,706.44

33. Gross Floor Area 52,088 Sq. Ft.	34. Net Rentable Residential Area 40,082 Sq. Ft.	35. Net Rentable Commercial Area Sq. Ft.
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36. Non-Revenue Producing Space

Type of Employee	No. Rms.	Composition of Unit	Location of Unit in Project

36a. Personal Benefit Expense (PBE) (May produce additional revenue and expenses to be considered above and below.)

Tenant Employee-Paid Utilities	Type(s) Electric, Phone, Cable, Internet	Monthly Cost \$ -
Landlord Employer-Paid Utilities	Type(s) Heat, Hot Water, Water & Sewer, Trash	Monthly Cost \$ -

D. Amenities and Services Included In Rent (Check and circle appropriate items; fill-in number where indicated)

37a. Unit Amenities

<input checked="" type="checkbox"/>	Ranges (Gas or Elec.)	<input type="checkbox"/>	Disposal/Compactor
<input checked="" type="checkbox"/>	Refrig. (Gas or Elec.)	<input checked="" type="checkbox"/>	Air Conditioning (central or window)
<input checked="" type="checkbox"/>	Micro Wave	<input checked="" type="checkbox"/>	Dishwasher
<input checked="" type="checkbox"/>	Carpet	<input checked="" type="checkbox"/>	Window treatment (blinds, drapes, shades)
<input checked="" type="checkbox"/>	Balcony/Patio	<input type="checkbox"/>	Fireplac(e) No. _____
<input checked="" type="checkbox"/>	Laundry hookups (in unit)	<input type="checkbox"/>	Security System(s) (Describe) _____
<input type="checkbox"/>	6/7/2013		
<input type="checkbox"/>	Wash/Dryer (in unit)		
<input type="checkbox"/>	Other (Specify) _____		

37b. Project Amenities

<input type="checkbox"/>	Guest room(s) No. _____	<input checked="" type="checkbox"/>	Community room(s) No. 1
<input type="checkbox"/>	Sauna/Steam room(s) No. _____	<input type="checkbox"/>	Swimming Pool(s) No. _____
<input type="checkbox"/>	Exercise room(s) _____	<input type="checkbox"/>	Racquetball court(s) No. _____
<input type="checkbox"/>	Tennis Court(s) No. _____	<input type="checkbox"/>	Plunge/Play area(s) No. _____
<input checked="" type="checkbox"/>	Laundry Facilities (coin)		
<input type="checkbox"/>	Project Security System(s) (Describe) _____		
<input type="checkbox"/>	Jacuzzis/Community Whirlpool(s) No. _____		
<input type="checkbox"/>	Other (specify) _____		

37c. Unit Rating

	Good	Aver.	Fair	Poor
Condition of Improvement	<input checked="" type="checkbox"/>			
Room Sizes and Layout	<input checked="" type="checkbox"/>			
Adequacy of Closets and Storage	<input checked="" type="checkbox"/>			
Kitchen Equip., Cabinets, Workspace	<input checked="" type="checkbox"/>			
Plumbing - Adequacy and Condition	<input checked="" type="checkbox"/>			
Electrical - Adequacy and Condition	<input checked="" type="checkbox"/>	None		
Soundproofing - Adequacy and Condition		<input checked="" type="checkbox"/>		
Insulation - Adequacy and Condition		<input checked="" type="checkbox"/>		
Appeal and Marketability	<input checked="" type="checkbox"/>			

37d. Project Rating

	Good	Aver.	Fair	Poor
Location	<input checked="" type="checkbox"/>			
General Appearance	<input checked="" type="checkbox"/>			
Amenities & Rec. Facilities		<input checked="" type="checkbox"/>		
Density (units per acre)		<input checked="" type="checkbox"/>		
Unit Mix	<input checked="" type="checkbox"/>			
Quality of Construction (matl. & finish)	<input checked="" type="checkbox"/>			
Condition of Exterior	<input checked="" type="checkbox"/>			
Condition of Interior	<input checked="" type="checkbox"/>			
Appeal to Market	<input checked="" type="checkbox"/>			
Soundproofing - Vertical		<input checked="" type="checkbox"/>		
Soundproofing - Horizontal		<input checked="" type="checkbox"/>		

38. Services

Gas: <input checked="" type="checkbox"/> Heat	<input checked="" type="checkbox"/> Hot Water	<input type="checkbox"/> Cooking	<input type="checkbox"/> Air Conditioning	<input type="checkbox"/> Lights/etc.
Elec: <input type="checkbox"/> Heat	<input type="checkbox"/> Hot Water	<input type="checkbox"/> Cooking	<input type="checkbox"/> Air Conditioning	
Other: <input type="checkbox"/> Heat	<input type="checkbox"/> Hot Water	<input checked="" type="checkbox"/> Water	<input type="checkbox"/> Other (specify) _____	

39. Special Assessments

a. <input type="checkbox"/> Prepayable	<input type="checkbox"/> Non-Prepayable
b. Principal Balance	\$ _____
c. Annual Payment	\$ _____
d. Remaining Term	_____ Years

E. Estimate of Annual Expense

Administrative		Maintenance	
1. Advertising	\$ 1,400.00	14. Decorating	\$ 4,500.00
2. Management	\$ 35,225.41	15. Repairs	\$ 22,500.00
3. Other	\$ 27,500.00	16. Extenuating	\$ 4,000.00
4. Total Administrative	\$ 64,125.41	17. Insurance	\$ 18,380.00
Operating		18. Ground Expense	\$ 1,100.00
5. Elevator Main. Exp.	\$ 3,000.00	19. Other	\$ 28,000.00
6. Fuel (Heating and Domestic Hot Water)	\$ -	20. Total Maintenance	\$ 78,480.00
7. Lighting & Misc. Power	\$ 26,760.00	21. Replacement Reserve (0.006 x total structures Line G41)	\$ -
8. Water	\$ 32,950.00	or (0.004 x MTG. for Rehab)	\$ 24,000.00
9. Gas	\$ 38,000.00	22. Total Operating Expense	\$ 343,305.41
10. Garbage & Trash Removal	\$ -	Taxes	
11. Payroll	\$ 75,000.00	N/A	\$ 5,097,000
12. Other	\$ 1,000.00	at \$ 13.14 per \$1000	\$ 68,975.00
13. Total Operating	\$ 176,700.00	24. Personal Prop. Est. Assessed Value	\$ -
		at \$ - per \$1000	\$ -
		25. Empl. Payroll Tax	\$ -
		26. Other	\$ -
		27. Other	\$ -
		28. Total Taxes	\$ 68,975.00
		29. Total Expense (Attach form HUD-92274, as necessary)	\$ 410,280.41

**F. Income Computations**

30a. Estimated Residential Project Income (Line C28 x 12)	\$	734,356
b. Estimated Ancillary Project Income (Line C29 x 12)	\$	57,350
c. Residential and Ancillary Occupancy Percentage *		93.0%
d. Effective Gross Residential and Ancillary Income (Line 30c. x (Line 30a. plus Line 30b.))	\$	782,787
e. Total Residential and Ancillary Project Expenses (Line E29)	\$	410,280
31. Net Residential and Ancillary income to Project (Line 30d. minus Line 30e.)	\$	372,507
32a. Estimated Commercial Income (Line C30 x 12)	\$	-
b. Commercial Occupancy * (90% Maximum) (See Instructions)		0.0%

c. Effective Gross Commercial Income (Line 32a. x Line 32b.)	\$	-
d. Total Commercial Project Expenses  (From Attached Analysis)	\$	-
33. Net Commercial Income to Project (Line 32c. minus Line 32d.)	\$	-
34. Total Project Net Income (Line 31 plus Line 33)	\$	372,607
35a. Residential and Ancillary Project Expense Ratio (Line E29 divided by Line 30d.)		52.41 %
35b. Commercial Expense Ratio (Line 32d. divided by 32c.)		- %

\* Vacancy and collection loss rates and corresponding residential and commercial occupancy percentages are analyzed through market data, but subject by Jurisdictional Exception to overall HUD underwriting mandates.

**G. Estimated Replacement Cost**

36a. Unusual Land Improvements	\$	-
b. Other Land Improvements	\$	-
c. Total Land Improvements	\$	-
<b>Structures</b>		
37. Critical & Non-Critical Repairs	\$	283,834.00
38. Accessory Buildings	\$	-
39. Garages	\$	-
40. All Other Buildings	\$	-
41. Total Structures	\$	283,834.00
<b>Fees</b>		
43. Builder's Gen. Overhead	at	% \$ -
44. Builder's Profit	at	% \$ -
45. Arch. Fee-Design	at	% \$ -
46. Arch. Fee-Supvr.	at	% \$ -
47. Bond Premium	\$	-
48. Other Fees	\$	-
49. Total Fees	\$	-
50. Total All Improvements (Lines 36c. plus 41 plus 42 plus 49)	\$	283,834.00
51. Cost Per Gross Sq. Ft.	\$	-
52. Estimated Construction Time (Months)		

**Carrying Charges & Financing**

53. Interest	Mos. at	%	\$	-
54. Taxes			\$	-
55. Insurance			\$	-
56. FHA Mig. Ins. Prem.	(	1.00%	\$	50,128.00
57. FHA Exam. Fee	(	0.30%	\$	15,038.70
58. FHA Inspac. Fee	(	0.06%	\$	2,838.00
59. Financing Fee (Incl. Legal)	(	1.95%	\$	97,683.60
60. AMPO (N. P. only)	(		\$	-
61. FNMA/GNMA Fee	(		\$	-
62. Title & Recording			\$	15,000.00
63. Total Carrying Charges & Financing			\$	180,699.20

**Legal, Organization & Audit Fee**

64. Legal	\$	15,000.00
65. Organizational / Survey / Other	\$	5,000.00
66. Cost Cert. Audit Fee / 3rd Party Reports	\$	13,000.00
67. Total Legal, Organization & Audit Fees (64 + 65 + 66)	\$	33,000.00
68. Builder and Sponsor Profit & Risk	\$	-
69. Consultant Fee (N. P. only)	\$	-
70. Initial Deposit to Replacement Reserve	\$	302,400.00
71. Prepayment Penalty (if Any)	\$	152,628.00
72. Total Est. Development Cost (Excl. of Land or Off-site Cost) (50 plus 63 plus 67 thru 71)	\$	952,561.20
73a. Warranted Price of Land J-14(3)(New Consir) 16,553 sq. ft. @ 120.82 sq.	\$	2,000,000.00
73b. As Is Property Value (Rehab only)	\$	-
73c. Off-Site (if needed, Rehab only)	\$	-
74. Total Estimated Replacement Cost of Project (72 plus 73a or 73b and 73c)	\$	952,561.20

\* see note 1  
\* see note 2  
\* see note 1

Note 1: Jurisdictional Exception: In HUD programs, land, and/or existing improvements are not valued for their "highest and best use," but instead, for their intended multifamily use (See Section J analysis below.) (Exception: Title II or VI Preservation). Offsite improvements are assumed completed in new construction land valuations (See Line M17 for estimated cost.) Unusual costs of site preparation are deducted from the "Value of the Site Fully Improved" to determine "Warranted Price of Land Fully Improved."

**H. Remarks**

(Note 2: For Rehab only: Estimated Value of land without improvements Estimated Value of land and improvements "As Is" by Residual Method, i.e., After Rehabilitation Correlated Value minus line G 72 Cost of Rehabilitation improvements equals \$ - ; line G 73b is the lesser of this residual amount, and the amount estimated by Supplemental form HUD-92264 "As Is".)

**I. Estimate of Operating Deficit**

Periods	Gross Income	Occup. %	Effec. Gross	Expenses	Net Income	Debt Serv. Reqmt.	Deficit
1. 1st ( ) Mos	\$ -	%	\$ -	\$ -	\$ -	\$ -	\$ -
2. 2nd ( ) Mos	\$ -	%	\$ -	\$ -	\$ -	\$ -	\$ -
3. Total Operating Deficit							\$ -

previous editions are obsolete.

J. Project Site Analysis and Appraisal (See Chapter 2, Handbook 4485.1)

- 1. Is Location and Neighborhood acceptable?  Yes  No
- 2. Is Site adequate in Size for proposed Project?  Yes  No
- 3. Is Site Zoning permissive for intended use?  Yes  No
- 4. Are Utilities available now to serve the Site?  Yes  No
- 5. Is there a Market at this location for the Facility at the proposed Rents?  Yes  No
- 6.  Site acceptable for type of Project proposed under Section 223(f) (If checked, acceptance subject to qualifications listed at bottom of page 6.)

7. Site not acceptable (see reasons listed at bottom of page 6.)

Date of Inspection

June 7, 2013

Note: The Effective Date of all land valuations is the date of inspection.

8. Value Fully Improved		Location of Project			Size of Subject Site	
		180 Shawmut Avenue Boston, MA			16,553	Sq. Ft.
	Comparable Sales Address No. 1	Comparable Sales Address No. 2	Comparable Sales Address No. 3	Comparable Sales Address No. 4	Comparable Sales Address No. 5	
Date of Sale						
Sales Price						
Size per Sq. Ft.	PLEASE SEE APPRAISAL REPORT					
Price per Sq. Ft.						
Adjustments (%)						
Time						
Location						
Zoning						
Plottage			None			
Demolition						
Piling, Etc.						
Total Adjustment Factor						
Adjusted Sq. Ft. Price						
Indicated Value by Comparison						
9. Value of Site Fully Improved					\$	2,000,000.00
10	Value "As Is" No. 1	Value "As Is" No. 2	Value "As Is" No. 3			
Date of Sale						
Sales Price	PLEASE SEE APPRAISAL REPORT					
Ft. / Acres						
Price per Sq. Ft.						
Adjustments (%)						
Time						
Location						
Zoning						
Plottage						
Demolition						
Piling, Etc.						
Other						
Total Adjustment Factor						
Adjusted Sq. Ft. Price						
Indicated Value by Comparison						
11. Value of Site "As Is" by Comparison					\$	2,000,000.00

12. Acquisition Cost (Last Arms-Length Transaction)

Buyer	Address
Seller	Address
Date	Price
0	\$
Source	

13. Other Costs

(1) Legal Fees and Zoning Costs	\$	-
(2) Recording and Title Fees	\$	-
(3) Interest on Investment	\$	-
(4) Other	\$	-
(5) Acquisition Cost (From 12 above)	\$	-
(6) Total Cost to Sponsor	\$	-

14. Value of Land and Cost Certification

(1) Fair Market Value of land fully improved (from 9 above)	\$	2,000,000.00
(2) Deduct unusual items from Section G, item 36a	\$	-
(3) Warranted price of land fully improved (Replacement Cost items excluded) (enter G-73)	\$	2,000,000.00
For Cost Certification Purposes		
(3a) Deduct cost of demol. \$ - and required off-sites \$ - to be paid by Mlgor, or by special assessments	No	\$ -
(4) Estimate of "As Is" by subtraction from improved value	\$	2,000,000.00
(5) Estimate of "As Is" by direct comparison with similar unimproved sites (from 11 above)	\$	2,000,000.00
(6) "As Is" based on acquisition cost to sponsor (from 13 above)	\$	-
(7) Commissioner's estimated value of land "As Is" (the lesser of [4] or [5] above) *	\$	2,000,000.00

\* Where land is purchased from LPA or other Governmental authority for specific reuse, use the lesser of 4, 5, or 6.

K. Income Approach to Value

(1) Estimated Remaining Economic Life		50 Years
(2) Capitalization Rate Determined By (See Chapter 7, Handbook 4465.1)		
<input checked="" type="checkbox"/> Overall Rate From Comparable Projects		
<input type="checkbox"/> Rate From Band of Investment		
<input type="checkbox"/> Cash Flow to Equity		
(3) Rate Selected		5.00% %
(4) Net Income (Line F 34)	\$	447,116.55
(5) Capitalized Value (Line 4 divided by Line 3)	\$	8,942,000
(6) Value of Leased Fee (See Chapter 3, Handbook 4465.1) Ground Rent \$ - divided by Cap. Rate % equals Value of Leased Fee	\$	-

Remarks: (See item 6 and 7 on page 5)

Please note that in Section K the Appaiser's NOI is used for the creation of a market value.

**L. Comparison Approach to Value**

7. The undersigned has recited three sales of properties most similar and proximate to the subject property and has described and analyzed these in this analysis. If there is a significant variation between the subject and comparable properties, the analysis includes a dollar adjustment reflecting the market reaction to those items or an explanation supported by the market data. If a significant item in the comparable property is superior to, or more favorable than, the subject property, a minus (-) adjustment is made, thus reducing the indicated value of the subject property. If a significant item in the comparable property is inferior to, or less favorable than, the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject property. \*((1) equals the Sales Price divided by Gross Annual Rent]

Item	Subject Property				Comparable Sale No. 1				Comparable Sale No. 2				Comparable Sale No. 3							
Address	160 Shawmut Avenue Boston, MA																			
Proximity to subject	[REDACTED]																			
Sales price	\$	-	<input type="checkbox"/> Unf.	<input type="checkbox"/> Furn.	\$	-	<input type="checkbox"/> Unf.	<input type="checkbox"/> Furn.	\$	-	<input type="checkbox"/> Unf.	<input type="checkbox"/> Furn.	\$	-	<input type="checkbox"/> Unf.	<input type="checkbox"/> Furn.				
Sales price per GBA	\$	-	\$				\$	-	\$				\$	-	\$					
Gross annual rent	\$	-	\$				\$	-	\$				\$	-	\$					
Gross rent multiplier (1)*	PLEASE SEE APPRAISAL REPORT																			
Sales price per unit	\$	-	\$				\$	-	\$				\$	-	\$					
Sales price per room	\$	-	\$				\$	-	\$				\$	-	\$					
Data source																				
Adjustments	Description		Description		+ (-) \$ Adjust.		Description		+ (-) \$ Adjust.		Description		+ (-) \$ Adjust.							
Sales or financing concessions	[REDACTED]																			
Date of sale/time																				
Location																				
Site/view																				
Design and appeal																				
Year built																				
Condition																				
Gross Building Area	Sq. ft.				Sq. ft.				Sq. ft.				Sq. ft.							
Unit Breakdown	No. of Units	Room count			No. Vse	No. of Units	Room count			No. Vse	No. of Units	Room count			No. Vse	No. of Units	Room count			No. Vse
	Tot.	Br.	Ba.		Tot.	Br.	Ba.		Tot.	Br.	Ba.		Tot.	Br.	Ba.		Tot.	Br.	Ba.	
Basement description																				
Functional utility																				
Heating/cooling																				
Parking on/off site																				
Project amenities and fee (if applicable)																				
Other																				
Net Adjustment (Total)	<input type="checkbox"/> +	<input type="checkbox"/> -	\$				<input type="checkbox"/> +	<input type="checkbox"/> -	\$				<input type="checkbox"/> +	<input type="checkbox"/> -	\$					
Adjusted sales price of comparables	\$				\$				\$				\$							

**8. Indicated Value by Sales Comparison Approach \$**

Reconciliation	Capitalization	\$	8,940,000.00	Summation	N/A	Comparison	\$	9,000,000.00
9. The market value (or replacement cost) of the property, as of the effective date of the appraisal, is						\$	8,960,000.00 ** see note below	

\*\* Note: For Section 221 mortgage insurance application processing, acceptable risk analysis produces a supportable replacement cost estimate, and the estimate reflected here is the replacement cost new/summation approach result. In effect, such "appraisals" are in fact USPAP "consultations" concerning economically supportable cost limits. For Section 207 and 223 processing, all three approaches to value are included in the appraisal, but the subject property is appraised for its intended multifamily use, not necessarily its "highest and best use." The definition provided in USPAP for "market value" is generally observed, but see Handbook 4465.1, paragraph 8-4, for qualifications.

Effective Dates: For new construction or substantial rehabilitation proposals, the effective date of the improvements component cost estimation is the Line G53 month estimate added to the report and certification date below. The land component is valued as of the inspection date. For Section 223, the effective date of the appraisal is the same as the reporting date, but assumes (hypothetically) the completion of all required repairs/work write-up items.

- Comments on: (continue on separate page if necessary)
1. Sales comparison (including reconciliation of all indicators of value as to consistency and relative strength and evaluation of the typical investors'/purchasers' motivation in that market).
  2. Analysis of any current agreement of sale, option, or listing of the subject property and analysis of any prior sales of subject and comparables within three years of the date of appraisal.

M. To Be Completed by Construction Cost Analyst			
Cost Not Attributable to Dwelling Use		Total Est. Cost of Off-Site Requirements	
10. Parking	\$ -	16. Off-Site	Est. Cost
11. Garage	\$ -		\$ -
12. Commercial	\$ -		\$ -
13. Special Ext. Land Improvements	\$ -		\$ -
14. Other	\$ -		\$ -
15. Total	\$ -		\$ -
6/7/2013	0 %	17. Total Off-Site Costs	\$ -

N. Signatures and Appraiser Certification			
Architectural Processor	Date	Architectural Reviewer	Date
Cost Processor	Date	Cost Reviewer	Date

I certify that to the best of my knowledge and belief:

- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- my compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice; HUD Handbook 4465.1, *The Valuation Analysis Handbook for Project Mortgage Insurance*; HUD Handbook 4480.1, *Multifamily Underwriting Forms Catalog*; and other applicable HUD handbooks and Notices.
- I have made a personal inspection of the property that is the subject of this report.
- no one provided significant professional assistance to the appraisers signing this report, except for the Architectural and Engineering, and Cost Estimation professionals signing above. These professionals' estimations of the subject property's dimensions and "hard" replacement costs have been relied upon by the Appraiser and Review Appraiser.

**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Appraiser	Date	Review Appraiser	Date
Joanne Shelton	3/26/2013		1/7/14
75492	State	State Certification Number	State
	MA	1703	MA
The Review Appraiser certifies that he/she <input type="checkbox"/> Did <input type="checkbox"/> Did not inspect the subject property			
Chief, Housing Programs Branch	Date	Director, Housing Development	Date
Field Office Manager/Deputy		Date	

O. Remarks and Conclusions (continue on separate page if necessary. Appraisal reports must be kept for a minimum of five years.)

MAP Underwriter	Associate Underwriter
Charles Gardner	DATE 10/21/13
DATE	DATE

Public Reporting Burden for this collection of information is estimated to average 114 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

This information is being collected under Public Law 101-625 which requires the Department of to implement a system for mortgage insurance for mortgages insured under Sections 207, 221, 223, 232, or 241 of the National Housing Act. The information will be used by HUD to approve rents, property appraisals, and mortgage amounts, and to execute a firm commitment. Confidentiality to respondents is ensured if it would result in competitive harm in accord with the Freedom of Information Act (FOIA) provisions or if it could impact on the ability of the Department's mission to provide housing units under the various Sections of the Housing legislation.