



Massachusetts Housing Finance Agency
One Beacon Street, Boston, MA 02108

TEL: 617.854.1000 | FAX: 617.854.1091
TDD: 617.854.1025 | www.masshousing.com

January 8, 2007

MASS HOUSING

2007 FEB -1 P 12: 08

RENTAL MGMT. DEPT.

Mr. Michael Wong, President
CCBA Realty, Inc., General Partner
CCBA Limited Partnership
90 Tyler Street
Boston, MA 02111

RE: Waterford Place, MHFA #87-015
Term Sheet

Dear Mr. Wong:

Based upon the information that was supplied by your organization, MassHousing staff has developed the attached Term Sheet for the financial restructuring of Waterford Place. MassHousing has used January 1, 2007, as the effective date of the restructuring. The Restructuring fee will be \$310,000, of which \$230,000 will be deposited into the Replacement Reserve Account as an additional deposit. The monthly and annual deposits to the Replacement Reserve Escrow have been increased to \$5,000 and \$60,000, respectively.

The interest rate on the new 30-year first mortgage has been maintained at the existing interest rate of 8.4%. However, MassHousing has eliminated the override fee of 0.5%, of the original first mortgage, or approximately \$23,000 annually. The Borrower will also be entitled under our proposal to receive a 25% share of Incremental Net Operating Income (NOI), if the actual annual NOI generated by the property for an applicable calendar year exceeds the previously projected NOI for the Property. MassHousing estimates that Incremental NOI share payment will be between \$20,000 and \$25,000, annually.

Please review the Term Sheet and return to MassHousing before February 2, 2007. If you need any additional information, please do not hesitate to contact, Thomas Wolf, the Workout Officer, or me.

Sincerely,


Brian DeLorey
Director of Rental Management

Cc: Alice Senturia
Connie Tippens
Beth Sullivan
Carol Gilchrist, Esquire
Henry Rosen, Esquire
W. Tod McGrath



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TERM SHEET

Re: Waterford Place (the “Property”)

This statement of terms (“Term Sheet”) defines the principal terms and conditions of a proposed restructuring transaction to be completed by the operating partnership, CCBA Limited Partnership (the “Partnership”) and the Massachusetts Housing Finance Agency (“MassHousing”).

Partner Consents: All consents from existing partners of the Partnership necessary to effect the contemplated restructuring transaction described below must be executed and delivered to MassHousing no later than March 3, 2007.

Transfer of Ownership Interest: Any transfers of partnership interests contemplated with the restructuring shall be subject to MassHousing’s prior written consent and any conditions thereof.

Closing Date: The execution of all documentation and the payment of any required monies necessary to effect the restructuring transaction described herein (“the Closing”), will take place **on or before** April 14, 2007 or on such later date to be determined by MassHousing.

Restructuring Fee: At the Closing, \$310,000 will be paid by the Partnership to MassHousing as a Restructuring Fee. Of that amount, \$230,000 will be deposited into the Property’s Replacement Reserve Account.

Restructuring Date: The restructuring contemplated herein will be effective as of January 1, 2007.

Restructured Mortgage

Loan Terms:

A comprehensive summary of all proposed debt modifications is attached as Exhibit B. Proposed modifications to the MassHousing first mortgage loan must be approved by MassHousing's Bond Insurers.

Only those debt obligations included in the Restructured Loan Terms Table on Exhibit B will be permitted encumbrances of the Partnership.

Any such permitted Partnership debt obligations owed to the General Partner or its affiliates will be expressly subordinated to all MassHousing, SHARP and RDAL liens.

Junior Lender

Consents:

All required consents and subordinations to the Restructured Mortgage Loan Terms from junior lenders must be executed and delivered to MassHousing no later than March 3, 2007.

Minimum Monthly Payment ("MMP"):

Minimum monthly payments ("MMP") of debt service will be required in an amount equal to one-twelfth of the MassHousing-approved Net Operating Income target ("NOI Target") for the Property applicable to 2007, divided by a debt service coverage ratio of 1.3. For the years 2007 to 2036, the MMP shall be \$23,530.06 based upon the approved NOI Target for calendar year 2007 of \$367,069.

A monthly debt service payment less than the Minimum Monthly Payment amount defined above will constitute a default under the restructured MassHousing First Mortgage Loan Documents.

Required Payments:

Commencing on the Restructuring Date, the monthly debt service payment to MassHousing shall consist of the following:

- (a) the greater of: (i) an estimate of net operating income ("NOI"), less any amounts still outstanding relating to the Partnership's share of prior-year Incremental NOI Sharing (later defined in this Term Sheet), or (ii) the Minimum Monthly Payment (defined above), plus
- (b) all required escrow obligations (e.g., Tax and Insurance escrows, and the Replacement Reserve deposit).

**Application by
MassHousing of
Required
Payments:**

Application of Required Payments:

The Required Payments will be applied: (i) first to required escrows for taxes, insurance and the Replacement Reserve deposit; (ii) second to interest on the Restructured MassHousing First Mortgage Loan; (iii) third to principal outstanding on the Restructured MassHousing First Mortgage Loan; (iv) fourth, in equal portions, to interest on the SHARP loan (if applicable) and the RDAL Loan (if applicable); (v) fifth, in equal portions, to principal on the SHARP loan (if applicable) and the RDAL Loan (if applicable); and thereafter to interest and principal on any remaining Partnership indebtedness in accordance with its lien priority.

**Incremental NOI
Sharing:**

Commencing on the Restructuring Date, if the actual annual NOI generated by the Property for an applicable calendar year exceeds the previously projected annual NOI for the Property (as presented in Exhibit A), MassHousing will permit the Partnership to retain 25% of such excess ("Incremental NOI") as is computed and approved by MassHousing in the following year on the basis of MassHousing's reconciliation of the audited financial statements for such applicable calendar year. The remaining Incremental NOI, as determined through the audit reconciliation process, will be paid to MassHousing and applied first to any deferred payments on the Restructured MassHousing First Mortgage Loan (i.e., the difference between accrued and paid amounts) and then applied in accordance with the Application of Required Payments, described above.

**Extension of Affordability
Provisions:**

Commencing on the Restructuring Date, the affordability provisions contained in the Regulatory Agreement and/or other existing documents that may otherwise expire (as presented in Exhibit C) shall be extended through December 31, 2037 and shall be part of the Restructured Loan Terms and defined and described in the Restructured Loan Documents. The number and percentage of affordable units will be as follows:

Number of Affordable Units: 26 units (65%)

Prepayment of the proposed Restructured Mortgage Loan, SHARP debt and all attendant costs related to prepayment shall not be permitted prior to fifteen (15) years from the Closing Date and thereafter shall only be permitted with the written consent of MassHousing.

Capital Needs:

Projected capital expenditures, as identified in a MassHousing - approved capital needs assessment for the Property, will be funded through a combination of (i) the Property's existing replacement reserve account, (ii) projected annual contributions to the Property's replacement reserve account of \$1,500 per unit (projected to increase by 3% per annum); and (iii) the \$230,000 Replacement Reserve deposit described above.

Termination of SHARP Option Agreement:

If applicable, as of the Closing Date, the SHARP Option Agreement shall be terminated.

Application of Escrows:

At the Closing, funds held in the following escrow and partnership accounts, as well as any accrued interest, will be transferred to MassHousing to satisfy a portion of the Restructuring Fee requirement outlined above. The actual amount of such funds as of December 31, 2006 is as follows and will be revised or confirmed by MassHousing prior to Closing.

<u>Account</u>	<u>Actual Amount</u>
Special Escrow	\$ 272,999

Transaction Costs:

MassHousing and the Partnership will each be responsible for its own transaction costs. Such transaction costs shall not be treated as a project expense and shall not be paid from the Property Operating Account.

Reimbursement of RSO and Legal Fees:

At the Closing, the existing partners of the Partnership will reimburse the Property Operating Account for all unauthorized legal fees and RSO fees paid by the Partnership through the Restructuring Date.

Transfer of Funds
To Operating Account
From Distribution

Account: At the Closing, the existing partners of the Partnership will transfer any funds in the Partnership Distribution Account to the Property Operating Account.

Payment to Creditors: At the Closing, the Partnership will bring current all project payables due as of the date of the Closing. The Partnership will demonstrate and certify that (i) all payables have been paid, and (ii) the cash balances in the Property's accounts exceed the sum of (x) the remaining payables and (y) accrued expenses for which no MassHousing-held escrow for taxes and/or insurance is provided, by an amount equal to at least one and one-half months of budgeted operating expenses in the 2007 NOI budget (the "Base Amount of Working Capital").

Payment to MassHousing of
Excess Operating

Cash: At the Closing, the Partnership will pay to MassHousing all cash in the Property Operating Account in excess of the Base Amount of Working Capital. On the Closing Date, the Borrower shall certify that the Base Amount of Working Capital shall be no greater than \$42,872.63 which amount is equal to the projected operating expenses for the Property for one and one-half (1 ½) month (excluding amounts to be deposited in the Replacement Reserve and the Tax Escrow Account) for the 2007 calendar year. MassHousing will apply such cash to any arrearages that exist in tax and insurance escrows, to past due debt service and/or to the Replacement Reserve Account.

Partnership
Asset Management

Fees: As of the Restructuring Date, the General Partner will not be authorized to use Partnership funds to pay itself, an affiliate or a third party "asset management" or "investor services" fees for managing the investment of the existing partners of the Partnership, except out of its share of Incremental NOI, if any.

Financial
Reporting:

Within 90 days after the end of each calendar year, the Partnership shall provide an audited financial report that shall include all schedules

required by MassHousing, prepared in accordance with the annual reporting requirements of MassHousing. Failure to provide such completed report on a timely basis in accordance with such annual reporting requirements will be considered an event of default under the Restructuring Agreement and grounds for immediate dismissal of the auditing firm.

Documentation and Release of Claims:

At the Closing, MassHousing and the Partnership will execute a Restructuring Agreement and amendments to the mortgage, notes and other such other documents as MassHousing may reasonably require to effect the terms of the transaction in form acceptable to all parties. MassHousing reserves the right to impose such other requirements and require such other documents, certifications, consents and opinions from the Partnership (and/or third parties) as MassHousing deems necessary or appropriate, in its sole and absolute discretion, in connection with the proposed restructuring. The Restructuring Agreement will include a release with prejudice of all claims filed by the Partnership or related entities in any action against MassHousing with respect to the existing loans and loan documents. At the Closing, the Partnership will execute a new management agreement.

Opinions and Title:

At the Closing, the Partnership shall deliver an authority and enforceability opinion, and such other opinions as MassHousing may deem necessary or desirable, all such opinions to be acceptable in form and substance to MassHousing in MassHousing's sole discretion. At the Closing, the Partnership shall deliver an endorsement to MassHousing's existing title policy insuring the mortgage, as amended as of the Restructuring Date, as a continuing first mortgage lien, such endorsement to be acceptable in form and substance to MassHousing in MassHousing's sole discretion.

Acceptance:

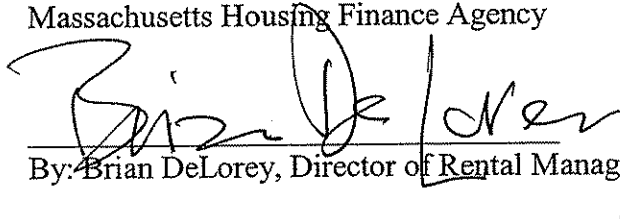
This proposal is open for your acceptance until noon on February 2, 2007. If for any reason MassHousing has not received your written unconditional acceptance of this proposal by that time, this proposal will expire. Time is of the essence with respect to each and every obligation and provision of this proposal.

Contingencies:

This proposal is offered as a Letter Of Intent between the parties. If accepted by the Partnership, the parties will work in good faith to close the transaction contemplated herein on or before April 14, 2007. Prior to the closing, if any, of such a transaction, the existing Loan Documents will not be deemed to be modified in any respect. If for any reason, despite the parties' good faith efforts, the transaction contemplated herein is not closed on or before April 14, 2007 (with time being of the essence), this proposal shall automatically terminate and the obligations of the parties hereunder shall cease and this proposal shall be of no further force or effect.

MassHousing looks forward to proceeding with a debt restructuring transaction under the terms and conditions stated above.

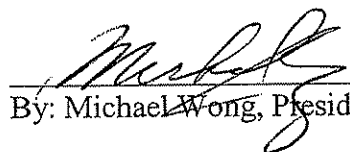
Massachusetts Housing Finance Agency


By: Brian DeLorey, Director of Rental Management

Agreed to and Accepted:

CCBA Limited Partnership

By: CCBA Realty, Inc., its General Partner


By: Michael Wong, President

Date: 1/30/07

EXHIBIT A

Based on 1997 Originally-Projected Net Operating Income
CCBA Limited (a/k/a Waterford Place) Partnership

Year	Projected Net Operating Income for the purpose of determining Incremental NOI Sharing
2007	\$273,000
2008	\$272,000
2009	\$271,000
2010	\$270,000
2011	\$268,000
2012	\$276,000
2013	\$284,000
2014	\$293,000
2015	\$302,000
2016	\$311,000
2017	\$320,000
2018	\$330,000
2019	\$340,000
2020	\$350,000
2021	\$361,000
2022	\$371,000
2023	\$382,000
2024	\$394,000
2025	\$406,000
2026	\$418,000
2027	\$431,000
2028	\$443,000
2029	\$456,000
2030	\$470,000
2031	\$484,000
2032	\$498,000
2033	\$513,000
2034	\$528,000
2035	\$543,000
2036	\$559,000

Exhibit B

Waterford Place

Table I - Existing Loan Terms

Loan	Estimated Loan Balance 12/31/06	Existing Annual Interest Rate	Compound or Simple Interest	Existing Maturity Date	Remaining Term to Maturity	Existing Amortization Method	MassHousing Override Fee
MassHousing First Mortgage Loan	\$3,932,346	8.40%	C	12/01/2026	20 Years	Continuous	0.50%
Operating Deficit Loan - Principal	\$74,163	0.10%	S	12/01/2026	20 Years	Cash Flow	N/A
Operating Deficit Loan - Accrued Interest	\$22,569	0.00%	N/A	12/01/2026	20 Years	Cash Flow	N/A
SHARP Loan - Principal	\$1,629,564	0.10%	S	01/01/2027	20 Years	N/A	N/A
SHARP Loan - Accrued Interest	\$731,644	0.00%	N/A	01/01/2027	20 Years	N/A	N/A

Table II - Restructured Loan Terms

Loan (1)	Estimated Loan Balance as of Restructuring Date (2)	New Annual Interest Rate	Compound or Simple Interest	New Maturity Date	Remaining Term to Maturity	Amortization Term	Amortization Method	MassHousing Override Fee
MassHousing Restructured Mortgage Loan (3)	\$4,049,078	8.40%	C	12/31/2036	30 Years	30 Years	Cash Flow	0.00%
MassHousing First Mortgage Loan	\$1,629,564	0.10%	S	12/31/2036	30 Years	30 Years	Cash Flow	0.00%
SHARP Loan - Principal	\$731,644	0.00%	N/A	12/31/2036	30 Years	30 Years	Cash Flow	N/A
SHARP Loan - Accrued Interest								

(1) Only those debt obligations included on this Table will be permitted encumbrances of the Partnership as of the Restructuring Date.

(2) Loan Balances to be confirmed or revised by MassHousing prior to the Closing.

(3) The MassHousing Restructured Mortgage Amount is the sum of the outstanding balances of all loans funded by MassHousing (1st Mortgage(s), ODL, Arrearage, etc.).

Exhibit C

Waterford Place
Affordability Restrictions

Document and Date	Units Restricted and Current Terms
Mortgage Commitment Letter (February 2, 1989)	<p>Not less than 65% of the units in the Project will be rented at all time to low-income persons or families at or below the adjusted rentals.</p> <p>Special Condition #26 stated that 65% of all the units to be set-aside in perpetuity for low-income families.</p>
Land Use Restriction Agreement Between CCBA Limited Partnership and Massachusetts Housing Finance Agency (June 30, 1989)	<p>Percentage of Units Occupied by Families or Individuals of Low or Moderate Income: Not completed.</p> <p>The term of the Occupancy Restriction...shall commence on the later of the first day of which 10% of the units in the Project are first occupied or the date of issue of the obligations and shall end on the latest of the following (a) the date which is 15 years after the date on which 50% of the units in the project are first occupied; (b) the first day on which no Obligation issued with respect to the Project is outstanding...</p>
Regulatory Agreement (June 30, 1989)	<p>Owner will make reasonable effort to fulfill the Agency's statutory requirement...that 25% of the units in SHARP assisted Projects be available to low-income persons and families.</p>
SHARP Contract (May 30, 1989)	<p>Total number of Subject Units: 26 units.</p> <p>Until termination of the Subsidy Repayment Note and the Mortgage Note, or notes, from the Mortgagor to MHFA, the Subject Units shall be maintained as Affordable Housing.</p>
SHARP Option Agreement (June 28, 1989)	<p>Number of Subject Units as a percentage of Total Number of Units (the "Percentage"): 65%</p>
Housing Creation Agreement between Perry/Jaymont Ventures and CCBA Limited Partnership and the Boston Redevelopment Authority (June 21, 1989)	<p>Whereas, Developer recognizes the need to provide housing for Low and Moderate Income Residents in the City of Boston and has agreed that not less than sixty-five percent (65%) of the dwelling units in the Housing Development be maintained as Affordable Units;</p> <p>"Low Income Household" shall mean a household where total income of members thereof at the initial occupancy does not exceed fifty percent (50%) of the median income for the Boston Standard Metropolitan Statistical Area....</p> <p>Developer shall rent not less than twenty-six (26) units in the Housing Development to Low-Income Households.</p>

Document and Date	Units Restricted and Current Terms
<p>Land Disposition Agreement between Boston Redevelopment Authority and CCBA Limited Partnership (June 30, 1989)</p>	<p>The Redeveloper shall improve the Property with forty (40) rental units, of which twenty-six (26) shall be "affordable" in accordance with the Covenants contained in Exhibit "B" attached hereto and made part hereof. It is intended and agreed that Section 301a(1) (2) and (4) including Exhibit "B" shall be covenants running with the land and be binding upon the Owner, its successors and assigns, for the benefit of and shall be enforceable by the Authority and its successors and assigns, for a period of thirty years from the date of the deed, unless a notice of restriction is recorded by the Authority or its successors and assigns before the expiration of the thirty years from the date of the deed in which case the agreement, covenants and restrictions contained herein are for public and charitable purposes.</p>
<p>Deed (BRA) (June 26, 1989)</p>	<p>The Grantee, its successors and assigns shall make Twenty-Six (26) of the Forty (40) rental units available for "Affordable" housing and comply with all of the covenants described in Section 301a (4) of the Agreement and Exhibit B attached thereto and incorporated by reference.</p>
<p>Certificate of Vote Boston Redevelopment Authority (June 15, 1989)</p>	<p>Voted: That the BRA adopt the above mentioned Resolution with regard to the Final Designation of the CCBA Limited Partnership, the nominee of the tentative designee CCBA, as Redeveloper of South End Renewal Parcel 3B-2B, for the construction of 40 rent housing units, 26 (65%) of which will be affordable to low- and moderate-income households.</p>

Partnership Name:

Globally-Linked Assumptions:

Projected Annual NOI Trending Rate from 2006 Forward

CAAG From Stabilized Year (1 = Use; 0 = Don't Use)
 CAAG From 1998 to 2005 (1 = Use; 0 = Don't Use)
 Other (Input Rate to be Used)

Subject to: Maximum Projected Trending Rate
 Minimum Projected Trending Rate

Resulting Annual NOI Trending Rate (calc.)

Projected Replacement Reserve Deposits
 Replacement Reserve Deposit Trending Rate
 Exclude RR Deposit from NOI Calculation (1 = Yes; 0 = No)

Property-Specific Variables:

Initial Year of Stabilized Operations
 Net Operating Income in Stabilized Year

Year	1993
1999 Audited NOI	\$209,131
2000 Audited NOI	\$319,718
2001 Audited NOI	331,320
2002 Audited NOI	338,555
2003 Audited NOI	436,220
2004 Audited NOI	474,029
2005 Audited NOI	457,359
2006 Audited NOI	428,526
2006 Budgeted NOI	\$11,898
2007 Budgeted NOI	343,444
2007 Budgeted Replacement Reserve Deposit	\$18,000
2007 Budgeted Replacement Reserve Deposit	\$60,000 (Calc.)

Compound Average Annual Growth from Stabilized Year to 2005 (calc.) 4.2%
 Compound Average Annual Growth from 1998 to 2005 (calc.) 1.0%

Partnership Share of Incremental NOI

Projection Year	Applicable Incremental NOI Target / Threshold	Projection Year	Applicable Incremental NOI Target / Threshold
2007	\$273,000	2027	\$431,000
2008	272,000	2028	\$443,000
2009	271,000	2029	\$456,000
2010	270,000	2030	\$470,000
2011	269,000	2031	\$484,000
2012	276,000	2032	\$498,000
2013	284,000	2033	\$513,000
2014	293,000	2034	\$528,000
2015	302,000	2035	\$543,000
2016	311,000	2036	\$559,000
2017	320,000	2037	\$576,000
2018	330,000	2038	0
2019	340,000	2039	0
2020	350,000	2040	0
2021	361,000	2041	0
2022	372,000	2042	0
2023	383,000	2043	0
2024	394,000	2044	0
2025	405,000	2045	0
2026	418,000	2046	0

Operations

Waterford Place

Partnership-Specific Variables:

Mass Housing First Mortgage Loan:

Outstanding Mortgage Loan Balance as of 12/31/06 \$4,049,078 Existing Rate 8.40% As of 1/1/2007
 Restructured Mortgage Loan Interest Rate (Compound) 2037
 Applicable Mortgage Loan Year of Maturity

IF NOT Restructured:
 Contractual Annual Principal & Interest Payment
 Applicable Annual Interest Rate Override in Dollars

Partnership Monevity Default Status (1 = Yes; 0 = No)
 Lifehood of Year-End 2006 Foreclosure (1 = Yes; 0 = No)

SHARP Loan:

Outstanding Mortgage Loan Balance \$1,029,564
 Principal Disbursements as of 12/31/2006 \$731,644
 Accrued Interest as of 12/31/06 \$2,361,208
 Total as of 12/31/06

Existing Mortgage Loan Interest Rate (Simple) 0.10%
 Change Interest Rate in 2037 to As of 1/1/2007
 Applicable Mortgage Loan Year of Maturity

Part Passu Repayment with RDAL Loan (1 = Yes; 0 = No)

RDAL Loan:

Outstanding Mortgage Loan Balance \$0
 Principal Disbursements as of 12/31/06 \$0
 Accrued Interest as of 12/31/06 \$0
 Total as of 12/31/06

Existing Mortgage Loan Interest Rate (Simple) 0.00%
 Change Interest Rate in to
 Applicable Mortgage Loan Year of Maturity

Other Loan 1:

Outstanding Mortgage Loan Balance \$0
 Principal Disbursements as of 12/31/06 \$0
 Accrued Interest as of 12/31/06 \$0
 Total as of 12/31/06

Existing Mortgage Loan Interest Rate (Simple or Compound Interest? (1=Compound; 0=Simple)) 0.00%
 Change Interest Rate in to
 Applicable Mortgage Loan Year of Maturity

Other Loan 2:

Outstanding Mortgage Loan Balance \$0
 Principal Disbursements as of 12/31/06 \$0
 Accrued Interest as of 12/31/06 \$0
 Total as of 12/31/06

Existing Mortgage Loan Interest Rate (Simple or Compound Interest? (1=Compound; 0=Simple)) 0.00%
 Change Interest Rate in to
 Applicable Mortgage Loan Year of Maturity

Exhibit D-3

Waterford Place

Projected Cash Flow Available for SHARP and RDAL Loan Debt Service

Projection Year	SHARP Loan		RDAL Loan							Cash Available For SHARP Loan Debt Service
	Beginning Balance	Payment From Operations	Payment From Operations	Net Foreclosure Sale Cash Proceeds / New Loan	Payment From Restructured Property Sale	Interest	Principal Amort'n	Ending Balance		
2006	\$2,361,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2007	2,361,000	0	2,000	0	0	2,000	-2,000	2,363,000	0	0
2008	2,363,000	0	2,000	0	0	2,000	-2,000	2,365,000	0	0
2009	2,365,000	0	2,000	0	0	2,000	-2,000	2,367,000	0	0
2010	2,367,000	0	2,000	0	0	2,000	-2,000	2,369,000	0	0
2011	2,369,000	0	2,000	0	0	2,000	-2,000	2,371,000	0	0
2012	2,371,000	0	2,000	0	0	2,000	-2,000	2,373,000	0	0
2013	2,373,000	0	2,000	0	0	2,000	-2,000	2,375,000	0	0
2014	2,375,000	0	2,000	0	0	2,000	-2,000	2,377,000	0	0
2015	2,377,000	0	2,000	0	0	2,000	-2,000	2,379,000	0	0
2016	2,379,000	0	2,000	0	0	2,000	-2,000	2,381,000	0	0
2017	2,381,000	0	2,000	0	0	2,000	-2,000	2,383,000	0	0
2018	2,383,000	0	2,000	0	0	2,000	-2,000	2,385,000	0	0
2019	2,385,000	0	2,000	0	0	2,000	-2,000	2,387,000	0	0
2020	2,387,000	0	2,000	0	0	2,000	-2,000	2,389,000	0	0
2021	2,389,000	0	2,000	0	0	2,000	-2,000	2,391,000	0	0
2022	2,391,000	0	2,000	0	0	2,000	-2,000	2,393,000	0	0
2023	2,393,000	0	2,000	0	0	2,000	-2,000	2,395,000	0	0
2024	2,395,000	0	2,000	0	0	2,000	-2,000	2,397,000	0	0
2025	2,397,000	0	2,000	0	0	2,000	-2,000	2,399,000	0	0
2026	2,401,000	0	2,000	0	0	2,000	-2,000	2,403,000	0	0
2027	2,403,000	0	2,000	0	0	2,000	-2,000	2,405,000	0	0
2028	2,405,000	0	2,000	0	0	2,000	-2,000	2,407,000	0	0
2029	2,407,000	0	2,000	0	0	2,000	-2,000	2,409,000	0	0
2030	2,409,000	146,000	2,000	146,000	0	2,000	144,000	2,263,000	0	0
2031	2,263,000	432,000	2,000	432,000	0	2,000	430,000	1,833,000	0	0
2032	1,833,000	433,000	1,000	433,000	0	2,000	431,000	1,402,000	0	0
2033	1,402,000	433,000	1,000	433,000	0	1,000	432,000	970,000	0	0
2034	970,000	434,000	1,000	434,000	0	1,000	433,000	537,000	0	0
2035	537,000	435,000	1,000	435,000	0	1,000	434,000	103,000	0	0
2036	103,000	103,000	0	103,000	0	0	103,000	0	0	0
2037	0	0	0	0	0	0	0	0	0	0
2038	0	0	0	0	0	0	0	0	0	0
2039	0	0	0	0	0	0	0	0	0	0
2040	0	0	0	0	0	0	0	0	0	0
2041	0	0	0	0	0	0	0	0	0	0
2042	0	0	0	0	0	0	0	0	0	0
2043	0	0	0	0	0	0	0	0	0	0
2044	0	0	0	0	0	0	0	0	0	0
2045	0	0	0	0	0	0	0	0	0	0
									333,000	

Exhibit D-6

Waterford Place

Capital Needs / Replacement Reserve Funding Analysis

Replacement Reserve Account Balance of 12/31/2006 \$50,227

2007 Restructured Base Year Annual Contribution Per Unit \$1,500

3.0%

Projected Annual % Increase in Contribution Per Unit

3.0%

Assumed Additional Annual RR Contribution (if applicable) through Year

Assumed Annual Interest Rate on Account Balances 3.0%

Total Units 40

Projection Year	Beginning Balance	Required Contribution From Recapitalization	Projected Contribution From Operations	Projected Replacement Reserve Expenditures	Projected Interest Earnings	Projected Ending Balance
2007	\$50,000	\$230,000	60,000	-\$176,647	\$7,000	\$170,000
2008	170,000		62,000	-14,373	6,000	224,000
2009	224,000		64,000	-152,514	5,000	149,000
2010	140,000		66,000	-70,333	4,000	139,000
2011	139,000		68,000	-47,355	4,000	164,000
2012	164,000		70,000	-51,885	5,000	187,000
2013	187,000		72,000	-49,049	6,000	216,000
2014	216,000		74,000	-51,443	7,000	246,000
2015	246,000		76,000	-167,889	6,000	160,000
2016	160,000		78,000	-30,200	6,000	214,000
2017	214,000		81,000	-62,114	7,000	240,000
2018	240,000		83,000	-49,780	8,000	281,000
2019	281,000		86,000	-51,516	9,000	324,000
2020	324,000		88,000	-168,488	9,000	253,000
2021	253,000		91,000	-343,005	4,000	5,000
2022	5,000		93,000	-86,012	0	12,000
2023	12,000		96,000	-34,455	1,000	75,000
2024	75,000		99,000	-49,124	3,000	128,000
2025	128,000		102,000	-54,428	5,000	181,000
2026	181,000		105,000	-38,605	6,000	253,000
2027	253,000		108,000	-108,000	8,000	261,000
2028	261,000		112,000	-112,000	8,000	269,000
2029	269,000		115,000	-115,000	8,000	277,000
2030	277,000		118,000	-118,000	8,000	285,000
2031	285,000		122,000	-122,000	9,000	294,000
2032	294,000		126,000	-126,000	9,000	303,000
2033	303,000		129,000	-129,000	9,000	312,000
2034	312,000		133,000	-133,000	9,000	321,000
2035	321,000		137,000	-137,000	10,000	331,000
2036	331,000		141,000	-141,000	10,000	341,000
2037	341,000		146,000	-146,000	10,000	351,000
2038	0		0	0	0	0
2039	0		0	0	0	0
2040	0		0	0	0	0
2041	0		0	0	0	0
2042	0		0	0	0	0
2043	0		0	0	0	0
2044	0		0	0	0	0
2045	0		0	0	0	0
2046	0		0	0	0	0

Exhibit D-7

Waterford Place

Projected Cash Investment Returns

Projection Year	Equity Investment: Restructuring Fee to MassHousing	Equity Investment: Replacement Reserve Deposit	Incremental NOI Distributions	Projected Sale Price @ 9.0% Cap Rate	Less Outstanding First Mortgage Debt	Less Outstanding SHARP Mortgage Debt	Less Outstanding RDAL Mortgage Debt	Less Outstanding ODL Mortgage Debt	Less Outstanding HOME Mortgage Debt	Net Investment Flows	Cash-on-Cash Return
2006	-\$80,000	-\$230,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$310,000	7.7%
2007	0	0	24,000	0	0	0	0	0	0	24,000	8.4%
2008	0	0	26,000	0	0	0	0	0	0	26,000	8.7%
2009	0	0	27,000	0	0	0	0	0	0	27,000	9.0%
2010	0	0	28,000	0	0	0	0	0	0	28,000	9.7%
2011	0	0	30,000	0	0	0	0	0	0	30,000	9.0%
2012	0	0	28,000	0	0	0	0	0	0	28,000	9.0%
2013	0	0	28,000	0	0	0	0	0	0	28,000	9.0%
2014	0	0	27,000	0	0	0	0	0	0	27,000	8.7%
2015	0	0	25,000	0	0	0	0	0	0	25,000	8.1%
2016	0	0	24,000	0	0	0	0	0	0	24,000	7.7%
2017	0	0	22,000	0	0	0	0	0	0	22,000	7.1%
2018	0	0	21,000	0	0	0	0	0	0	21,000	6.8%
2019	0	0	20,000	0	0	0	0	0	0	20,000	6.5%
2020	0	0	18,000	0	0	0	0	0	0	18,000	5.8%
2021	0	0	16,000	0	0	0	0	0	0	16,000	5.2%
2022	0	0	13,000	0	0	0	0	0	0	13,000	4.2%
2023	0	0	11,000	0	0	0	0	0	0	11,000	3.5%
2024	0	0	9,000	0	0	0	0	0	0	9,000	2.9%
2025	0	0	6,000	0	0	0	0	0	0	6,000	1.9%
2026	0	0	3,000	0	0	0	0	0	0	3,000	0.0%
2027	0	0	0	0	0	0	0	0	0	0	0.0%
2028	0	0	0	0	0	0	0	0	0	0	0.0%
2029	0	0	0	0	0	0	0	0	0	0	0.0%
2030	0	0	0	0	0	0	0	0	0	0	0.0%
2031	0	0	0	0	0	0	0	0	0	0	0.0%
2032	0	0	0	0	0	0	0	0	0	0	0.0%
2033	0	0	0	0	0	0	0	0	0	0	0.0%
2034	0	0	0	0	0	0	0	0	0	0	0.0%
2035	0	0	0	0	0	0	0	0	0	0	0.0%
2036	0	0	0	0	0	0	0	0	0	0	0.0%
2037	0	0	0	4,700,000	0	0	0	0	0	4,700,000	0.0%
2038	0	0	0	0	0	0	0	0	0	0	0.0%
2039	0	0	0	0	0	0	0	0	0	0	0.0%
2040	0	0	0	0	0	0	0	0	0	0	0.0%
2041	0	0	0	0	0	0	0	0	0	0	0.0%
2042	0	0	0	0	0	0	0	0	0	0	0.0%
2043	0	0	0	0	0	0	0	0	0	0	0.0%
2044	0	0	0	0	0	0	0	0	0	0	0.0%
2045	0	0	0	0	0	0	0	0	0	0	0.0%
			\$406,000							\$4,796,000	