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April 6, 2007

VIA EMAIL & FIRST CLASS MAIL

Mr. David M. Ennis, President
Affirmative Investments, Inc.
33 Union Street
Boston, MA 02108

RE: **Residual Fund Escrow Agreement**

Dear David:

This letter is in response to your email of April 5, 2007.

As you know, the Chinese Consolidated Benevolent Association of New England, Inc. ("CCBA") agreed to deposit portions of its developer's fee (the "Escrow Deposit") earned in connection with the development of Waterford Place, 180-192 Shawmut Avenue, Boston, MA (the "Property") into an Escrow Account, pursuant to a Residual Fund Escrow Agreement (the "Escrow Agreement"). CCBA, the CCBA Limited Partnership (the "Partnership"), the Boston Redevelopment Authority ("BRA") and by succession US Bank (the "Escrow Agent") are all parties to the Escrow Agreement. The Escrow Agreement was amended to include Affirmative Investments, Inc. a/k/a Community Investments, Inc. ("Affirmative") for the purpose of monitoring the release of the funds in compliance with the "intent" of the Escrow Agreement (the "Second Amendment"). The Second Amendment specifically intends, and provides that the Escrow Agent release to the Partnership the Escrow Deposit upon written instructions from CCBA that the funds are needed in payment of "all or a portion of the purchase price" of the Property pursuant to the Right of Refusal Agreement, and that a copy of CCBA's notice be given to the Partnership and the BRA.

You are well aware that CCBA has issued the appropriate instructions, and the notices have been served on the BRA and the Partnership. Furthermore, the Second Amendment requires that Affirmative monitor the release of the funds for specified purposes, the right of refusal by CCBA being such an expressly mandated purpose of the Escrow Agreement. With that in mind, the Escrow Agreement, by the Second Amendment thereof, obligates you to confirm that the release of the Escrow Deposit is for the purpose of the right of refusal, and to then countersign the release. You are permitted to ask for additional documentation to verify that the right of refusal has occurred, but the Second Amendment



does not vest in you, or the limited partners, the power to summarily withhold your countersignature by, as you state, the "instruct[ion] of the Limited Partners". The limited partners have no authority under the Escrow Agreement to act in this manner.

To verify the exercise of the right of refusal, you have to date, received the following documentation:

- 1) A copy of the March 16, 2007 notice to the Escrow Agent, which requests your counter signature;
- 2) A March 19, 2007 notice to Affirmative of CCBA's intent to exercise the right of refusal (including the Partnership's March 5, 2007 notice to CCBA, and the Secretary's Certification of CCBA's vote);
- 3) The Right of Refusal Agreement;
- 4) A copy of the Notice sent to the BRA regarding CCBA's exercise of the right of refusal to purchase the Property;
- 5) A copy of CCBA's letter invoking its right of refusal and a copy of its earnest money deposit for the said purchase;
- 6) A copy of the notice sent to MassHousing describing the right of first refusal purchase; and
- 7) Our letter dated March 28, 2007 to Regan St. Pierre in your office, clarifying the right of refusal purchase and detailing the timeframe and the purchase price thereof.

I now, again, attach all the above document hereto for your reference.

Your email of April 5, 2007, does not request any additional documentation to confirm the exercise of the right of refusal. Your email only states that, "I have been instructed by the Limited Partners of Waterford Place not to sign" the escrow release. Your withholding of your counter-signature in this manner is a blatant and wholesale violation of the Escrow Agreement, and of your duty as a Monitor pursuant to the Second Amendment, which requires that the "counter-signature for the release . . . not be unreasonably withheld."

As stated above, the Escrow Agreement and its Amendments, including the Second Amendment, do not give the limited partners any rights thereunder. The limited partners' rights under the Limited Partnership Agreement ("LPA") are an entirely different and separate issue.

Your actions are causing you to become an obstacle to the exercise of the right of refusal, which is a right that underpins the documents themselves, and, in fact, is a specific purpose for the installation of this procedure in the first place.



Mr. David M. Ennis, President

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In that it appears that your actions in deference to the limited partners' rights under the LPA and your duty as a Monitor under the Second Amendment are seemingly in conflict, if you feel that you cannot act in a fair and unbiased manner as the Monitor pursuant to the Escrow Agreement, then I urge you to resign and relinquish your responsibilities as a Monitor.

We will be forwarding a copy of this letter to the BRA and MassHousing, both of whom have tabled this matter for an approval vote on April 26, 2007, and both of whom are contemplating their transaction costs to come from the Escrow Deposit. We have also instructed the Escrow Agent to refer this matter to the Director of Public Charities at the Attorney General's office, and we will be joining the Escrow Agent's request of the Attorney General to order you to counter-sign the release of the Escrow Deposit.

Very truly yours,


Warren A. Kirshenbaum

cc: Eric Carriker, Acting Head, Bureau of Charities,
Attorney General's Office
Janet Carlson, Esq., Boston Redevelopment Authority (via email)
Tom Wolf, MassHousing (via email)
Henry Rosen, Esq. (via email)
Sharon Strange (via email)
Roger Murvin (via email)
Mark Wright (via email)
Mark Dietlin (via email)
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