

Massachusetts
**Housing
Partnership**

160 Federal Street
Boston, Massachusetts 02110
Tel: 617-330-9955
Fax: 617-330-1919

October 4, 2023

Elias Patoucheas, Principal CH Realty
Ventures LLC
700 Providence Highway
Norwood MA 02062

Re: Determination of Project Eligibility: Hammond and Sheafe Street Development (the "Project")
Massachusetts Housing Partnership Fund Board's ("MHP") Fannie Mae MBS Program

Dear Mr. Patoucheas:

This letter is in response to your request for a determination of Project Eligibility under the provisions of the Commonwealth of Massachusetts comprehensive permit process (M.G.L. Chapter 40B, 760 C.M.R. 56, and the Massachusetts Department of Housing and Community Development's Comprehensive Permit Guidelines; collectively, the "Comprehensive Permit Rules") for the above-referenced Project. The Project, as proposed in your application received on August 1, 2023 (the "Application"), shall consist of ninety six (96) rental apartments, including fifty five (55) one-bedroom apartments, thirty (30) two-bedroom apartments and eleven (11) three-bedroom apartments in a single building located on what is currently six individual parcels of land at 615 and 621 Hammond Street, 8, 14 and 18 Sheafe Street, and 545 Heath Street in Brookline.

In connection with your request, and in accordance with the Comprehensive Permit Rules, MHP has performed an onsite inspection of the Project, has reviewed initial pro forma and other pertinent information submitted by CH Realty Ventures LLC (the "Applicant"), and has taken into consideration comments submitted from the Town of Brookline.

Based upon our review, we find the following:

- 1) The Project, as proposed, appears generally eligible under the requirements of MHP's Fannie Mae MBS Program (the "Program"), subject to final approval.
- 2) The proposed site is an appropriate location for the Project. Specifically, (a) the Project aligns with the Town's affordable housing and planning goals for this area; (b) the site is within walking distance to public transit via MBTA bus and rapid transit; (c) the site is within walking distance to a wide variety of service and retail uses; and (d) the Project aligns closely with the Massachusetts Sustainable Development Goals relative to the reuse of already developed land, mixed use, expansion of housing opportunities, and transit-oriented development.

- 3) MHP's Design Review Consultant, Rick Fenuccio, found that the proposed conceptual design for the Project is generally appropriate for the site and complies fully with 40B design standards. Specifically, (a) Project density and massing are consistent with established development and architectural patterns within the Town and the surrounding neighborhood; (b) the provision of fully enclosed parking under the building reduces negative visual impact on the surrounding neighborhood; (c) exterior facades feature a variety of colors, materials and building planes which work together to ameliorate wall expanses; (d) effort has been made to enhance the relationship to adjacent streets by pulling the face of the building back from the three primary street sides to improve pedestrian perspective and introduce opportunities for open space and landscaping.
- 4) Based upon comparable rentals in the area and proposed rents, the proposed Project appears financially feasible within the Brookline/Chestnut Hill market.
- 5) The Project appears financially feasible on the basis of estimated development and operating costs set forth in the initial pro forma provided by the Applicant and a land value determination consistent with the Comprehensive Permit Rules. In addition, the Project budgets are consistent with the Comprehensive Permit Rules relative to cost examination and limitations on profit and distributions.
- 6) The Applicant will be a single-purpose entity subject to MHP's limited dividend requirements.
- 7) The Applicant has site control as evidenced by deeds.

This letter is intended to be a written preliminary determination of Project Eligibility under the Comprehensive Permit Rules, establishing fundability by a subsidizing agency under a low- and moderate-income housing subsidy program, which qualifies the Project for consideration for a comprehensive permit under M.G.L. Chapter 40B (a "Comprehensive Permit").

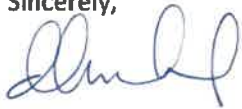
This preliminary determination of eligibility is subject to final review of eligibility and final approval by MHP and is expressly limited to the specific Project proposed in the Application and subject to the minimum affordability and limited dividend requirements set forth in Exhibit A attached hereto. The requirements that may be imposed by your Comprehensive Permit must not result in a loan to value ratio that exceeds MHP's requirements. Changes to the proposed Project, including without limitation, alterations in unit mix, proposed rents, development team, unit design, development costs and/or income restrictions may affect eligibility and final approval. Accordingly, you are encouraged to keep MHP informed of the status and progress of your Comprehensive Permit application and any changes to the Project that may affect financial projections and/or eligibility under the Program. In addition, MHP requires that it be notified (1) when the Applicant applies to the local ZBA for a Comprehensive Permit; (2) when the ZBA issues a decision; and (3) when any appeals are filed.

Please note that this preliminary determination of Project Eligibility is not a commitment or guarantee of or by MHP for financing, either expressed or implied, and if you determine not to apply to MHP for permanent financing and/or in the event your application for permanent financing with MHP is denied, this letter shall be of no further force and effect. Also, please note that this letter shall be of no force or effect if the Applicant has not filed for a Comprehensive Permit within two (2) years of the date of this letter.

Final review and approval under the Comprehensive Permit Rules will be undertaken by MHP only in conjunction with an application to MHP for permanent financing for the Project. After the ZBA's issuance of a Comprehensive Permit for the Project, MHP would be pleased to entertain a request for permanent financing pursuant to, and in accordance with, MHP's standard underwriting process. At that time, MHP shall require a complete loan application, a copy of the ZBA decision and any amendments thereto, a copy of any decision by the Housing Appeals Committee, revised preliminary plans and designs, if applicable, and such additional documents and information as required in connection with MHP's loan underwriting process.

Should you have any comments or questions concerning this letter, please do not hesitate to call Katy Lacy directly at 857-330-9955.

Sincerely,



Danielle J. Kinkel
General Counsel

cc: Roberta Rubin, Chief Counsel, Executive Office of Housing and Livable Communities
Bernard Greene, Chair, Selectboard
Jesse Geller, Chair, ZBA

EXHIBIT A

**Affordability
Requirements:**

At least twenty four (24) of the units must be affordable to households earning up to eighty percent (80%) of the area median income. The affordability requirements will be documented through an affordable housing agreement that will be recorded prior to the mortgage and shall create covenants running with the property for a minimum period of thirty (30) years.

**Limited Dividend
Policy:**

The Project owner must comply with MHP's limited dividend policy.