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January 17, 2025

David Gillespie, Senior Vice President
Maynard Kanso, LLC
600 Atlantic Ave, 20th Floor
Boston, MA 02210

Re: Determination of Project Eligibility: Maynard Kanso (the "Project") Massachusetts Housing Partnership Fund Board's ("MHP") Fannie Mae MBS Program

Dear Mr. Gillespie:

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 Executive Office of Housing and Livable Communities' Comprehensive Permit Guidelines; collectively, the "Comprehensive Permit Rules") for the above-referenced Project.

The Project, as proposed in your application received on July 26, 2024 (the "Application"), shall consist of two hundred (200) rental apartments, including nine (9) two- and three- story townhouses and four (4) three-story apartment buildings including ten (10) studio apartments; seventy (70) one-bedroom apartments, one hundred (100) two-bedroom apartments, twenty (20) three-bedroom apartments on a 34.2-acre site at 182 Parker Street in the Town of Maynard and the Town of Sudbury.

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 Maynard Kanso, LLC (the "Applicant"), and has taken into consideration comments submitted from the Town of Maynard, dated 10/21/2024 and the Town of Sudbury, dated 11/21/2024.

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 site is zoned for residential development; (b) the site is centrally located on Route 27, an Urban Principal Arterial Roadway linking Route 2 to Route 20 and serving a mix of residential, commercial and recreational uses; and c) the site is .5 miles from Maynard Crossing, a mixed use development

including high density multi-family housing and a wide variety of service and retail uses.

- 3) The proposed conceptual design for the Project is generally appropriate for the site and complies fully with 40B design standards. Specifically, (a) the site plan concentrates development in an upland area representing less than 20% of the site, minimizing impervious surface and protecting wetland and woodland resources; (b) project density, layout, and massing are acceptable for a project of this scale and successfully integrated into surrounding development patterns; (c) building materials, facades and design are compatible with area architecture; and (d) individual unit plans are spacious and well-lit and provide a variety of unit layout and sizes.
- 4) Based upon comparable rentals in the area and proposed rents, the proposed Project appears financially feasible within the Maynard 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 a purchase and sale agreement.

Based on MHP's review, and considering feedback from the Town of Maynard and the Town of Sudbury the following items should be taken into account in later staged of design development and addressed in your application to the Town of Maynard ZBA:

-Development will require compliance with all state and federal environmental laws, regulation and standards applicable to existing conditions and the proposed use related to stormwater management, wastewater collection and treatment, and hazardous waste safety.

-M.G. L Chapter 40 Section 54 prohibits the issuance of a building permit without an adequate water supply from an approved source. The Applicant should be prepared to provide evidence of an adequate water supply and to provide detailed information relative to its source, anticipated use, and potential impacts on existing capacity.

-Massachusetts Sustainable Development Principles encourage concentrated, mixed-use development and increased pedestrian access linking different uses. MHP recommends that the Applicant work closely with the Town of Maynard to provide safe pedestrian access between Maynard Kanso and Maynard Crossing.

-Given the proposed mix of unit sizes, the Applicant is encouraged to provide designated outdoor recreational area for children.

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").

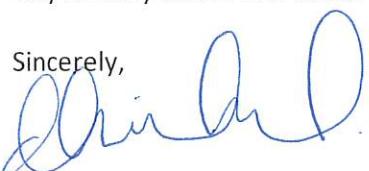
This preliminary determination of eligibility is subject to final review of eligibility and final approval by MHP and is expressly limited to the specific Project proposed in the Application and subject to the minimum affordability and limited dividend requirements set forth in **Exhibit A** attached 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 applicable 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: Christopher Jee, General Counsel, Executive Office of Housing and Livable Communities
Jeffrey Swanberg, Chair, Selectboard
Paul Scheiner, Chair, ZBA

EXHIBIT A

Affordability Requirements: At least fifty (50) 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.

