



creating housing options for seniors

March 30, 2003

Ms. Jennifer Goldston
Community Preservation Planner
Newton Planning and Development Department
1000 Commonwealth Ave.
Newton, MA 02459

Dear Ms. Goldston:

Enclosed for your consideration is Cooperative Living of Newton, Inc. (CLN)'s application for Community Preservation Funds. As we discussed last week, we have entered into a Purchase and Sale Agreement with the owner of this property and are trying to move the project along quickly so we can keep the seller interested in working with us. We have received a funding commitment from both Newton's CDBG funds and Auburndale Cooperative Bank. We have an application pending with the State's HOME program and expect to hear their decision in May. We have initiated an appeal to the private sector and have received our first commitment of \$50,000.00 from the Farnsworth Trust. We hope to have all our commitments in place so we can proceed with the sale and not lose this rare property.

The enclosed application describes the project in greater detail. We are seeking to acquire and renovate the building for use as 11 units of affordable housing for seniors. There will be community space on site as well. We would like to complete work on the exterior of the building to bring back some of its original charm and grace, fitting with the neighborhood and make substantial improvements to the site, parking area, and landscaping to ensure that this property is of the highest quality possible. This is in keeping with both CLN's standards, and addresses the concerns and requests of neighbors. The total budget for the project, approximately \$1,900,000 (including exterior work) is attached. Construction cost estimates were provided by Macomber Construction. We are seeking actuals now that the weather has cleared and we can focus further on the outside work to be done. In this application, we are requesting \$200,000 that will be applied to the exterior construction, site improvements and site work.

As you well know, the demand for affordable housing is intense. This project provides a unique opportunity to provide quality affordable housing for a very vulnerable segment of our population: seniors. The site's location is perfect for those who are limited in their ability to drive or access services, businesses and public spaces. We have gathered much support for this project and hope you will be able to join with us to make Pelham House a reality.

Please call me if you have any questions or require any additional information.

I look forward to hearing from you.

Sincerely,

A handwritten signature in cursive script that reads "Marcie Laden".

Marcie Laden
Executive Director

APPLICATION FOR COMMUNITY PRESERVATION FUNDING

Submit to Community Preservation Planner
Newton Planning and Development Department
1000 Commonwealth Avenue, Newton, MA 02459
communitypreservation@ci.newton.ma.us
617-796-1120 ext. 1131

Name of Applicant Cooperative Living of Newton, Inc.

Sponsoring Organization, if applicable same

Mailing Address 1171 Washington Street City Newton State MA Zip 02465

Daytime Phone 617-527-6576 Email cooperativeliving@juno.com

Name of Proposal Pelham House, 45 Pelham Street

CPA Category (circle all that apply): Open space Historic preservation Recreation Community Housing

CPA Funding Requested \$200,000 Total Cost of Project \$1,900,000

PROJECT DESCRIPTION

1. Goals

Cooperative Living of Newton, Inc., (CLN) is proposing to acquire and renovate 45 Pelham Street into 11 new affordable housing units combined with community living space for low-income seniors. This project will do more than create new affordable housing units. In keeping with CLN's mission, our program will provide a community for seniors where there will be significant shared public space to reduce the isolation seniors often face and provide staff to help build relationships with the tenants in an effort to identify problems, which might otherwise go unnoticed. This often happens with seniors, who may experience problems associated with aging that can be managed when addressed, but can prove severely debilitating when ignored. Staff will also promote and encourage interaction between tenants and help create connections with the larger community to offer resource and referral information when appropriate. Our goal is to provide the same level of quality, supportive housing for low-income seniors that is found at the high end of the senior housing market.

2. Community Need

Seniors are the fastest growing segment of our population. As well as an increase in numbers, the needs of seniors are increasing and they grow more complex as people live longer, remaining healthy and independent. But the availability of affordable housing options has not kept up with this growth. This is where CLN has, and will continue to focus our energies on its major area of service: creating housing options.

With increasing housing costs, fixed incomes and continuous cuts to public assistance and housing programs, elders have found themselves living longer, but in less stable housing situations. Studies done over the past ten years highlight the intense desire of seniors to remain as independent as possible, within the communities they have lived. Recent increases in housing costs and the lack of support make this difficult for many seniors to achieve. Many elders are forced into inappropriate housing situations such as living with families in crowded units, living in less than safe physical conditions or in homes that demand a sizeable amount of their limited incomes or are beyond their ability to maintain. Often they

have to leave the community where they have a long history. Without help displacement is likely. The ills associated with displacement, particularly involuntary displacement, are well documented.

There is a well-recognized scarcity of affordable housing in this area. There are over 1800 applicants waiting for units for elderly and/or special needs on the City of Newton's Housing Authority waiting list. Currently there are only 362 units. This project will make 100% of its units available to low income seniors. This project is being funded through a variety of public and private financing sources and each source has its own restrictions for keeping the units affordable for extensive periods of time. The units will be kept affordable for a minimum of 40 years, with a likely renewal for another 40 years at that end of that period.

3. Community Support

There has been tremendous support for this project. Support has come from organizations and groups serving seniors, individuals, affordable housing supporters, aldermen, and the public sector. We have received a vote of project support from the Newton Housing Partnership and have been approved for funds from Newton's CDBG funds. We have also received a financing commitment from Auburndale Cooperative Bank. We have held a series of meetings to inform the neighbors on the project. Letters of support are attached.

4. Timeline

The timeline for this project is as follows:

Development Schedule:

Major Funding Commitments Received	7/1/03
Construction Loan Closing	7/1/03
Construction Start	8/1/03
50% Construction Completion	11/1/03
Construction Completion	2/1/04
First Certificate of Occupancy	2/15/04
Final Certificate of Occupancy	2/15/04
Sustained Occupancy	4/15/04
Permanent Loan Closing	4/1/04

5. Credentials

CLN developed and has maintained the Cooperative Living House in Newton for almost 10 years. That project provides affordable housing for seniors in a congregate model, for 11 individuals at 390 Newtonville Ave. CLN has focused its attention and energies on the needs of seniors, particularly housing needs, since 1980. We are extremely qualified to operate and manage housing for low-income seniors. The successful development of that property has provided CLN with the experience necessary to ensure the successful completion of this new Pelham Street Project. To further guarantee its success, CLN has assembled a well-qualified development team of professionals for this project. Marcie Laden, Executive Director of CLN has had over 15 years of experience in development of affordable housing. She previously served as Director of Development and Housing at Advocates, Inc. in Framingham and was formerly Executive Director of the Women's Institute for Housing and Development, Inc. Donna Townsend, Project Consultant, is an Elder Housing Consultant who has worked to develop housing for seniors in the greater Boston area for many years.

Development Team

Project Sponsor

Cooperative Living of Newton, CLN
Marcie Laden, Executive Director
Newton, MA

Development Consultant

Donna Townsend
Allston, MA

Architect

Janet Buck
Buck, Smith & McAvoy, Architects, Inc.
Boston, MA

Legal

Kristine Sheehy
Foley Hoag, LLP
Boston, MA
and
Marijo McCarthy
Widett & McCarthy
Newton, MA

Contractor

George Macomber Company
Boston, MA

6. *Success Factors*

The success of this project will be measured by successful completion of each step in the timeline, beginning with the receipt of major financing commitments. Ongoing success of the project is measured and evaluated by CLN's Board of Directors and Project Advisory Committee which will review the project on an on-going basis using a variety of criteria, including: vacancy rates, demand, tenant evaluations of property, level of neighborhood support, etc.

7. *Budget*

Please see attached Sources and Uses of Funds Budget

8. *Other Funding*

CLN has received the following commitments:

\$550,000 Newton CDBG

\$1,700,000 Auburndale Cooperative Bank, construction and permanent financing

\$50,000 Farnsworth Trust (private equity)

CLN has under consideration

→ \$550,000 MA State HOME Fund

\$76,500 Newton Rehabilitation Funds

\$150,000 (private equity grants)

9. *Maintenance*

Ongoing maintenance expenses are included in the annual operating expenses of the project that are covered by annual operating income. See attached operating budget.

10. Evidence of Site Control

see attached Purchase and Sale Agreement

11. Zoning

CLN is currently working with our attorney, the aldermen and city's zoning department to secure necessary zoning approvals. Appropriate zoning is required by all funders and is included as a condition in our Purchase and Sale Agreement.

12. Environmental Remediation

13. Professional Standards for Rehabilitation

CLN will be using qualified, professional architects and builder, all of whom have worked on many community-based projects. They are extremely sensitive to the need for projects to be done to the highest standards possible. CLN, as a member of this community is also committed to ensuring that the project is completed in a professional and quality manner. In addition, the inclusion of local and state public funds in the project for development and renovation adds another layer of review of project plans and construction.

14. Additional Community Benefits

In addition to adding new affordable housing units in the City, this project will serve to improve the building and its local neighborhood. We have just begun to learn the history of the building and that it had been operating as a Home for the Aged in the 1930's. It has served seniors in one way or another since that time. We are, in effect, keeping to its long-time use providing homes for seniors in the neighborhood. A home for independent seniors provides a tremendous resource to any community: seniors feel committed to their neighborhoods, are concerned about their community and are often a vital, active part of their neighborhoods. Seniors tend to utilize local business and services. Providing an opportunity for seniors to remain in a community helps increase the diversity of a neighborhood; and it is diversity that stimulates its vitality and richness.

Our work to the building will also be a benefit to the neighborhood. With the support of Community Preservation Funds, we will be able to make the exterior improvements necessary to bring this building back to its stately beauty. Exterior work will include a new, more attractive roof, landscaping, new fencing, asphalt removal and repairs, improving and redoing the garage, removal of siding and repair and replacement of clapboard siding. We hope to install new doors, decking and other facades that will hide or change some of the exterior features that indicate an institutional use and make it more appropriately residential in appearance.

CLN has always been a good neighbor, maintaining property, addressing neighbors' concerns and building networks with the community. We expect to do the same on Pelham Street—being a good neighbor and working to build a strong community for all of us.

ATTACHMENTS

Budgets

Purchase and Sale Agreement

Environmental Information

Letters of Support

CLN Information

In separate files on Newton CPC website.

500 per efficiency
600-650 lbr.

SOURCES and USES of FUNDS			
CLN			
Pelham House Development Budget			
SOURCE OF FUNDS			
Mass Home State Rehab Funds*		550000.00	
City Newton CDBG/Home Funds**		550000.00	
Newton Rehab		76000.00	
Auburndale Bank**		302516.00	
(conventional financing)			
Newton Community Preservation Act Funds*		200000.00	
Equity/Grant Funding*		170000.00	
Equity/Grant Funding**		50000.00	
TOTAL SOURCES FUNDS			\$1,898,516.00
USE of FUNDS			
Acquisition		950,000.00	
Construction (Interior Rrenovations and Handicap Accesibility)		507,458.00	
Construction (exterior and site work)		200,000.00	
Construction Contingency		30,447.00	
Environmental Remediation		76,500.00	
Architect/Engineering		40,000.00	
Financing Fees		19,329.00	
Development Consultant		15,000.00	
Developer Fees		20,000.00	
Misc. Gen. Dev. & Contingency (inc. furnishings, equipment)		39,782.00	
TOTAL USE FUNDS			1,898,516.00
*pending			
** committed			

EXTERIOR/SITE WORK	
new roof	
tree removal/tree work	
landscaping	
siding removal	
clapboard replacement	
new roof/repair garage	
asphalt removal	
asphalt repair/driveway redone	
new garage door/ new exterior doors	
decking/ramping	
remove old fencing/install new fencing	
ground lighting	
fire escape treatments, replacements	
foundation work	
Total Initial Estimate	\$200,000
Actuals being completed.	

STANDARD FORM
PURCHASE AND SALE AGREEMENT

Widett and McCarthy, P.C.
1075 Washington Street
West Newton MA 02465

This 10th day of February, 2003.

1. PARTIES AND MAILING ADDRESSES
- Central Directory for Nurses, Inc., a Massachusetts corporation, with a mailing address at 662 Chestnut Hill Avenue, Brookline, Massachusetts 02445
- hereinafter called the SELLER, agrees to SELL and
- Cooperative Living of Newton, Inc., a Massachusetts non-profit corporation, or its nominee, with an address at 1171 Washington Street, Newton, Massachusetts 02465
- hereinafter called the BUYER, agrees to BUY, upon the terms hereinafter set forth, the following described premises.
2. DESCRIPTION
- The land and improvements thereon located at 45 Pelham Street, Newton Centre, Middlesex County, Massachusetts more fully described in a deed recorded with Middlesex South Registry of Deeds in Book 19040, Page 194.
3. BUILDINGS, STRUCTURES IMPROVEMENTS, FIXTURES
- Included in the sale as a part of said premises are the buildings, structures, and improvements now thereon, and the fixtures belonging to the SELLER and used in connection therewith including, if any, all wall-to-wall carpeting, drapery rods, automatic garage door openers, venetian blinds, window shades, screens, screen doors, storm windows and doors, awnings, shutters, furnaces, heaters, heating equipment, stoves, ranges, oil and gas burners and fixtures appurtenant thereto, hot water heaters, plumbing and bathroom fixtures, garbage disposers, electric and other lighting fixtures, mantels, outside television antennas, fences, gates, trees, shrubs, plants, refrigerators, air conditioning equipment, ventilators, dishwashers, washing machines and dryers.
4. TITLE DEED
- Said premises are to be conveyed by a good and sufficient quitclaim deed running to the BUYER, or to the nominee designated by the BUYER by written notice to the SELLER at least seven (7) days before the deed is to be delivered as herein provided, and said deed shall convey a good and clear record and marketable title thereto, free from encumbrances, except
- (a) Provisions of existing building and zoning laws;
 - (b) Existing rights and obligations in party walls which are not the subject of written agreement;
 - (c) Such taxes for the then current year as are not due and payable on the date of the delivery of such deed;
 - (d) Any liens for municipal betterments assessed after the date of this agreement; or
 - (e) Easements, restrictions and reservations of record, if any, so long as the same do not prohibit or materially interfere with the current use of said premises.
5. PLANS
- If said deed refers to a plan necessary to be recorded therewith the SELLER shall deliver such plan with the deed in form adequate for recording or registration.
6. REGISTERED TITLE
- In addition to the foregoing, if the title to said premises is registered, said deed shall be in form sufficient to entitle the BUYER to a Certificate of Title of said premises, and the SELLER shall deliver with said deed all instruments, if any, necessary to enable the BUYER to obtain such Certificate of Title.
7. PURCHASE PRICE
- The agreed purchase price for said premises is Nine Hundred Fifty Thousand (\$950,000.00) dollars, of which
- | | |
|----------------|--|
| \$ 1,000.00 | has been paid as a deposit this day and |
| \$ 210,000.00* | is to be financed by the Seller as a second mortgage and |
| \$ 740,000.00* | is to be paid at the time of delivery of the deed in cash, or by certified, cashier's, treasurer's or bank check(s), or Buyer's lender's attorney's conveyancing or client's trust account check |
- \$ 950,000.00 TOTAL *See Rider A attached for specifics

- TIME FOR PERFORMANCE; DELIVERY OF DEED** Such deed is to be delivered at 12:00 noon on the 1st day of May, 2003 at the Middlesex South Registry of Deeds, or at the office of Buyer's or Buyer's lender's attorney, unless otherwise agreed upon in writing. It is agreed that time is of the essence of this agreement.
- 9. POSSESSION AND CONDITION OF PREMISES** Full possession of said premises, free of all occupants, is to be delivered at the time of the delivery of the deed, said premises to be then (a) in the same condition as they now are, reasonable use and wear thereof excepted, and (b) not in violation of said building and zoning laws, and (c) in compliance with the provisions of any instrument referred to in clause 4 hereof. The BUYER shall be entitled personally to inspect said premises at least 24 hours prior to the delivery of the deed in order to determine whether the condition thereof complies with the terms of this clause.
- 10. EXTENSION TO PERFECT TITLE OR MAKE PREMISES CONFORM** If the SELLER shall be unable to give title or to make conveyance, or to deliver possession of the premises, all as herein stipulated, or if at the time of the delivery of the deed the premises do not conform with the provisions hereof, then the SELLER shall use reasonable efforts to remove any defects in title, or to deliver possession as provided herein, or to make the said premises conform to the provisions hereof, as the case may be, and the time for performance hereof shall be extended for a period of thirty (30) days, provided that SELLER shall not be required to expend more than \$5,000.00, including attorney's fees, exclusive of the amount of any undisclosed liens or encumbrances, to cure any such title defect or otherwise make the Premises conform and provided such extension does not cause Buyer's financing commitment to terminate or cause an increase in interest rate.
- 11. FAILURE TO PERFECT TITLE OR MAKE PREMISES CONFORM, etc.** If at the expiration of the extended time the SELLER shall have failed so to remove any defects in title, deliver possession, or make the premises conform, as the case may be, all as herein agreed, or if at any time during the period of this agreement or any extension thereof, the holder of a mortgage on said premises shall refuse to permit the insurance proceeds, if any, to be used for such purposes, then any payments made under this agreement shall be forthwith refunded and all other obligations of the parties hereto shall cease and this agreement shall be void without recourse to the parties hereto.
- 12. BUYER'S ELECTION TO ACCEPT TITLE** The BUYER shall have the election, at either the original or any extended time for performance, to accept such title as the SELLER can deliver to the said premises in their then condition and to pay therefor the purchase price without deduction, in which case the SELLER shall convey such title, except that in the event of such conveyance in accord with the provisions of this clause, if the said premises shall have been damaged by fire or casualty insured against, then the SELLER shall, unless the SELLER has previously restored the premises to their former condition, either
- (a) pay over or assign to the BUYER, on delivery of the deed, all amounts recovered or recoverable on account of such insurance, less any amounts reasonably expended by the SELLER for any partial restoration, or
 - (b) if a holder of a mortgage on said premises shall not permit the insurance proceeds or a part thereof to be used to restore the said premises to their former condition or to be so paid over or assigned, give to the BUYER a credit against the purchase price, on delivery of the deed, equal to said amounts so recovered or recoverable and retained by the holder of the said mortgage less any amounts reasonably expended by the SELLER for any partial restoration.
- 13. ACCEPTANCE OF DEED** The acceptance of a deed by the BUYER or BUYER's nominee as the case may be, shall be deemed to be full performance and discharge of every agreement and obligation herein contained or expressed, except such as are, by the terms hereof, to be performed after the delivery of said deed.
- 14. USE OF MONEY TO CLEAR TITLE** To enable the SELLER to make conveyance as herein provided, the SELLER may, at the time of delivery of the deed, use the purchase money or any portion thereof to clear the title of any or all encumbrances or interests, provided that all instruments so procured are recorded simultaneously with the delivery of said deed, or, with respect to institutional mortgages, reasonably promptly thereafter in accordance with customary conveyancing practices.
- 15. INSURANCE** Until the delivery of the deed, the SELLER shall maintain insurance on said premises as follows:
- | <i>Type of Insurance</i> | <i>Amount of Coverage</i> |
|--------------------------------|--|
| (a) Fire and Extended Coverage | as presently Insured at \$1,000,000.00 |
| (b) Liability Coverage | as presently insured |
- 16. ADJUSTMENTS** Taxes for the then current fiscal year, shall be apportioned and water, sewer and fuel value shall be adjusted, as of the day performance of this agreement and the net amount thereof shall be added to or deducted from, as the case the purchase price payable by the BUYER at the time of delivery of the deed.

OF UNASSESSED
AND
ABATED TAXES

on the basis of the taxes assessed for the preceding fiscal year, with a reapportionment as soon as the new tax rate and valuation can be ascertained; and, if the taxes which are to be apportioned shall thereafter be reduced by abatement, the amount of such abatement, less the reasonable cost of obtaining the same, shall be apportioned between the parties, provided that neither party shall be obligated to institute or prosecute proceedings for an abatement unless herein otherwise agreed.

18. BROKER'S FEE DELETED
19. BROKER(S)
WARRANTY DELETED
20. DEPOSIT The deposit made hereunder shall be held in escrow by the BUYER, subject to the terms of this agreement and shall be duly accounted for at the time for performance of this agreement. In the event of any disagreement between the parties, the BUYER shall hold the deposit is subject to written instructions mutually given by the SELLER and the BUYER or an order of a court of competent jurisdiction.
21. BUYER'S
DEFAULT;
DAMAGES If the BUYER or BUYER's nominee shall fail to fulfill the BUYER's agreements herein, all deposits made hereunder by the BUYER shall be retained by the SELLER as liquidated damages as Seller's sole remedy at law or in equity for BUYER'S breach of this Agreement.
22. RELEASE BY
HUSBAND OR
WIFE DELETE
23. BROKER AS
PARTY DELETE
24. LIABILITY OF
TRUST,
SHAREHOLDER,
BENEFICIARY, etc. If the SELLER or BUYER executes this agreement in a representative or fiduciary capacity, only the principal or the estate represented shall be bound, and neither the SELLER or BUYER so executing, nor any shareholder or beneficiary of any trust, shall be personally liable for any obligation, express or implied, hereunder.
25. WARRANTIES AND
REPRESENTATIONS The BUYER acknowledges that the BUYER has not been influenced to enter into this transaction nor has BUYER relied upon any warranties or representations not set forth or incorporated in this agreement or previously made in writing, except for the following additional warranties and representations, if any, made by either the SELLER: NONE
26. MORTGAGE
CONTINGENCY See Rider A
27. CONSTRUCTION
OF AGREEMENT This instrument, executed in multiple counterparts, is to be construed as a Massachusetts contract, is to take effect as a sealed instrument, sets forth the entire contract between the parties, is binding upon and enures to the benefit of the parties hereto and their respective heirs, devisees, executors, administrators, successors and assigns, and may be cancelled, modified or amended only by a written instrument executed by both the SELLER and the BUYER. If two or more persons are named herein as BUYER their obligations hereunder shall be joint and several. The captions and marginal notes are used only as a matter of convenience and are not to be considered a part of this agreement or to be used in determining the intent of the parties to it.
28. ADDITIONAL
PROVISIONS The initialed riders, if any, attached hereto, are incorporated herein by reference. SEE RIDER A

NOTICE: This is a legal document that creates binding obligations. By signing. The parties hereto are representing that each has the authority to bind the party to the obligations assumed herein. If not understood, consult an attorney.

SELLER:

Central Directory for Nurses, Inc.

By: Michael J. Galatis
Michael J. Galatis, President and Treasurer

By: Jan Gallatis
Jan Gallatis, Clerk

Cooperative Living of Newton, Inc.

By: Gail Flackett
Gail Flackett, President

By: Fredrick Clanagan
Fredrick Clanagan, Clerk

EXTENSION OF TIME FOR PERFORMANCE

Date _____

The time for the performance of the foregoing agreement is extended until
_____ o'clock _____ M. on _____
the _____ day of _____ 2003, time still being of the essence of this agreement as
extended. In all other respects, this agreement is hereby ratified and confirmed.

This extension, executed in multiple counterparts, is intended to take effect as a sealed instrument.

SELLER

BUYER

RIDER A
TO
STANDARD FORM PURCHASE AND SALE AGREEMENT

CENTRAL DIRECTORY FOR NURSES, INC., SELLER
COOPERATIVE LIVING OF NEWTON, INC., BUYER

February 10, 2003

General Conditions. By signing at the end of this Rider, the parties hereto agree that

(a) Clause 26 appearing on page 3 of the Standard Form Purchase and Sale Agreement (P&S") is deleted in its entirety and is set forth in this Rider by the same numbered Clause.

(b) additional Clauses starting at Clause 28 are a part of this Rider;

(c) If any of the terms and conditions of this Rider conflict in any way with the P&S, then the terms and conditions of this Rider shall control;

(d) "The Closing" shall mean the time for performance or the time for delivery of the deed to be delivered hereunder; wherever in this Rider or in the P&S reference is made to the time for the performance date for delivery of the deed or the Closing, such reference shall be to the date specified in Clause 8, as the same may be extended pursuant to the provisions hereof;

(e) All reference to the "then current year" and like references with respect to real estate taxes payable in respect of said premises shall be construed to mean the then current fiscal tax period within which such taxes are payable; and

(f) all provisions contained in the P&S and in this Rider (collectively "this Agreement") are binding upon the parties hereto.

26. **Mortgage Contingency.** BUYER's obligations hereunder shall be subject to BUYER obtaining on or before April 15, 2003 (the "Financing Date"), a firm written commitment for a first mortgage loan from an institutional lender, as well as necessary financing from the City of Newton and the Commonwealth of Massachusetts DHCD, to be secured only by said premises for not more than \$1,000,000.00 at prevailing interest rates and with reasonable and customary terms, but not extraordinary conditions which BUYER can not reasonably satisfy, and obliging such lenders to issue funds for the net proceeds of such loan as required by SELLER under Clause 7, after applying to one institutional mortgage lender. In the event that BUYER does not notify SELLER of BUYER's inability to obtain such a mortgage commitment before 5:00 p.m. on the Financing Date, it shall be conclusively presumed that BUYER has obtained such mortgage commitment and the contingency contained in this Clause shall be deemed to be waived. In the event BUYER gives notice to SELLER on or before 5:00 p.m. on the Financing Date of BUYER's inability to obtain such a mortgage commitment as provided above, then this Agreement shall automatically terminate and become null and void and without recourse to any party hereunder, and all deposits and interest on such deposit shall be forthwith refunded to BUYER.

If necessary, SELLER agrees to accept a note secured by a second mortgage in an amount calculated by subtracting the then outstanding balance of the current mortgage with Sovereign Bank, including principal, accrued interest, late fees and any and all other bank charges due at the time, and adding any and all liens for real estate taxes, water and sewer charges, and utility charges then due. The interest on such note due to the SELLER one year from the date of closing will equal eight (8%) percent. The BUYER agrees, if possible, to make principal payments during the year from fifty (50%) percent of any private funds as they are received on behalf of the project. The BUYER also agrees to work diligently to find an alternative source of funding for this note.

28. **Conditions of Purchase.** It shall also be a condition of BUYER's obligation to purchase said premises that at the Closing:

- (a) the proposed use of said premises as converted to housing, including but not limited to neighborhood support, comply with applicable zoning, building and subdivision laws and regulations without variance, special permit or nonconforming use exception; and

- (b) BUYER and BUYER's lender can obtain an owner's and lender's policy of insurance insuring title to said premises in BUYER, free from encumbrances except as set forth in Clause 4 of this Agreement and for standard exceptions and other exceptions, including but not limited to takings, assessments and orders, as are routinely taken in ALTA Owner's or Lender's policies, issued by a title insurance company qualified to do business in Massachusetts.
29. **MCA Standards.** Any matter or practice arising under or relating to this Agreement which is the subject of a title standard or a practice standard of the Massachusetts Conveyancers Association in effect on the date of this Agreement shall be covered by such title standard or practice standard to the extent applicable.
30. **Broom Clean Condition.** SELLER shall deliver said premises at the Closing in broom clean condition, removing all of SELLER's personal property and trash with the exception of personal property included in the purchase price.
31. **Access.** BUYER, BUYER's agents and BUYER's lenders shall have the right of access, upon 24 hours notice and during reasonable hours, to enter on said premises for the purpose of all reasonable inspections, including but not limited to measurements and appraisals.
32. **UST, Chlordane and UFFI.** SELLER represents and warrants to BUYER that, to the best of SELLER's knowledge, information and belief, (a) there are no underground storage tanks or other subsurface facilities on said premises and (b) chlordane has not been used as a pesticide on said premises. In addition, SELLER hereby represents, warrants and certifies that, after having taken reasonable steps as determined by the Department of Public Health to determine whether urea formaldehyde foam insulation ("UFFI") is present in said premises, to the best of SELLER's knowledge, UFFI is not present in the premises. The provisions of this Clause shall survive the Closing.
33. **Affidavits and Certificates.** At the Closing, SELLER shall execute and deliver to BUYER the following documents:
- (a) an affidavit stating that SELLER is not a foreign person under Internal Revenue Code Section 1445;
 - (b) an affidavit to BUYER and BUYER's title insurance company certifying that there are no parties in possession of said premises and that no work has been done on said premises which would entitle anyone to claim a mechanic's or materialman's lien with respect to said premises;
 - (c) Internal Revenue Code Section 1099B Forms and W-9 Forms;
 - (d) an affidavit representing there is no urea formaldehyde foam insulation on or in said premises;
 - (e) any other affidavits and certificates customarily required by BUYER's lenders and banks in the greater Boston area in connection with mortgage loans for transactions of this type.
34. **Brokers.** BUYER and SELLER represent to each other that neither party has dealt with any broker or any other person in connection with this purchase of said premises. BUYER and SELLER agree that each will hold harmless and indemnify the others from any loss, cost, damage and expense, including reasonable attorney's fees, incurred by BUYER or SELLER for a commission or finder's fee as a result of the falseness of these representations. The provisions of this Clause shall survive the Closing.
35. **Notices.** All notices required or permitted to be given hereunder shall be in writing and deemed duly given when (a) mailed by registered or certified, first-class mail, return receipt requested, postage prepaid, (b) hand delivered, (c) sent by facsimile, or (d) sent by overnight delivery service, addressed:

if to SELLER, as specified on page one of this Agreement

if to BUYER, as specified on page one of this Agreement

with a copy to:

Marijo McCarthy
Widett and McCarthy, P.C.
1075 Washington Street
West Newton, Massachusetts 02465
Phone: (617) 964-5559
Fax: (617) 964-5529

36. Inspection. BUYER shall, at BUYER's sole expense, arrange for an inspection of said premises by structural and HVAC engineers and should the results of such inspection reveal any condition not satisfactory to BUYER, BUYER shall have the right to cancel this Agreement by written notice to SELLER delivered or mailed first class, postage prepaid on or before 5:00 p.m. on February 17, 2003, in which event BUYER's deposit shall be returned and this Agreement shall be null and void and without recourse to any party. Until the Closing, BUYER and BUYER's agents, employees and contractors shall have the right, from time to time, at BUYER's sole cost, expense, risk and hazard and in all such manner as BUYER may reasonably determine, without damage being imposed upon said premises, to enter upon said premises to make, or cause to be made, engineering and development findings in respect thereto, including (without limitation) surveying, conducting test borings in order to determine subsoil conditions of ledge, peat or other soft materials, the making of tests to determine the presence of oil or hazardous or toxic materials, and, in general conducting other soil tests, analyses and studies of said premises. SELLER agrees to fully cooperate with BUYER, in all reasonable respects, but at reasonable times and frequencies and at no cost to SELLER. In consideration of the foregoing BUYER agrees (a) to indemnify and save SELLER harmless from and against all loss, demands, causes of action, costs and expenses, claim, liability, or damage, including reasonable attorneys fees, caused by or related to any and all entries and activities as aforesaid by BUYER or BUYER's agents, employees, licensees and contractors; and (b) as soon as practicable after any excavation to restore the surface and subsurface of said premises to substantially the same condition as they were in immediately prior to such excavation, it being understood and agreed that neither the rights of BUYER under this Clause nor the exercise of such rights shall affect SELLER's representations and warranties under this Agreement.
37. Post-Closing Adjustments. If any errors or omissions are found to have occurred in any calculations or figures used in the settlement statement signed by the parties (or would have been included if not for any such error or omission) and notice hereof is given within two months of the Closing to the party to be charged, then such party agrees to make a payment to correct the error or omission.
38. Keys and Security Systems. SELLER shall deliver to BUYER, at the Closing, keys for all existing locks to all buildings on said Premises and all necessary security codes for alarm systems on said premises.
39. Seller's Warranties and Indemnity. SELLER warrants and represents to BUYER as follows:
- (a) SELLER has full right, power and authority to enter into and become bound by this Agreement and to consummate the transactions contemplated hereby; that any person other than SELLER executing this Agreement has been duly authorized by all necessary action and has full right, power and authority to execute and deliver this Agreement on behalf of SELLER.
 - (b) (i) said premises are not in violation in any respect of the following (herein collectively called the "Environmental Laws"): Massachusetts General Laws Chapter 21E ("c.21E"); the Resource Conservation and Recovery Act of 1976 ("RCRA"), 42 U.S.C. s.6901, et seq., as amended, see Solid Waste Disposal Act; the Comprehensive Environmental Response, Compensation and Reauthorization Act of 1986 ("CERCLA"), 42 U.S.C. s.9601 et seq.; and any other Federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous substance, hazardous waste, hazardous materials, oil, asbestos, Urea Formaldehyde Foam Insulation and the group of organic compounds known as polychlorinated biphenyls ("PCBs") (collectively "hazardous substances"); (ii) there are no liens on or affecting said premises imposed by any Environmental Laws, (iii) there is no actual, asserted or threatened, liability or obligation of SELLER, related to said premises, under any Environmental Laws and (iv) there are no hazardous substances on said premises, nor have hazardous substances been generated, discharged, treated, stored, or disposed of, or otherwise deposited in or located on, or released on or to said premises, including, without limitation, the surface and subsurface waters of said premises.
 - (c) SELLER has not engaged in any activity on said premises and to the best of SELLER's knowledge there is no other person who has engaged in any activity on said premises which would cause (i) said premises to be a hazardous waste treatment, storage or disposal facility within the meaning of or otherwise bring said premises within the ambit of the RCRA, as amended, or any similar state law or local ordinance or other Environmental Law; or (ii) the discharge of hazardous substances, pollutants or effluent into any water source or system, or the discharge into the air of any emissions at any time or which would require a permit under the Federal Water Pollution Control Act, 33 U.S.C. s.1251, et seq., or the Clean Air Act, 42 U.S.C. s.7401, et seq., or any similar state statute, regulation, local ordinance or any other Environmental Law. As used herein, the terms "hazardous substances, hazardous waste, hazardous materials or oil" and "release", "discharge", "disposal", and "solid waste"

shall have the meanings specified in CERCLA, RCRA, and c.21E, provided, in the event any Environmental Law is amended during the term of this Agreement so as to broaden the meaning of any term defined thereby, such broader meaning shall apply subsequent to the effective date of such amendment, and provided further, to the extent that any such Environmental Law establishes a meaning for such terms which is broader than that specified in any other Federal or state environmental laws, such broader meaning shall apply; and no hazardous substances have been used in the construction, renovation, maintenance, repair or replacement of any portion of any improvements on said premises.

- (d) Said premises and their present uses are not in violation in any respect of applicable zoning and building laws and regulations.

And SELLER agrees that if BUYER pays the agreed purchase price to SELLER and records a deed to said premises, SELLER shall indemnify and hold BUYER harmless from and against, and shall reimburse BUYER with respect to any and all claims, demands, causes of action, loss, damage, liabilities, costs and expenses (including reasonable attorneys' fees and court costs) asserted against or incurred by BUYER by reason of or arising out of a breach of any representation or warranty of SELLER as set forth in this Clause.

40. Premises Compliance. Notwithstanding anything herein contained, said premises shall not be considered to be in compliance with the provisions of this Agreement with respect to title unless:
- (a) all buildings, structures and improvements, including but not limited to, any driveways, garages and cesspools or leaching fields, and all means of access to said premises, shall be located completely within the boundary lines of said premises and shall not encroach upon or under any property of any other person or entities; and
 - (b) no building, structure, improvement or property of any kind encroaches upon or under said premises from other premises.
41. Maintenance of Premises. Between the date hereof and the Closing SELLER shall maintain and service said premises and its appurtenances at the same or greater level of effort and expense as SELLER has maintained or serviced said premises for SELLER's own account prior to this Agreement.
42. Pending Litigation or other Actions Affecting Premises. SELLER represents that SELLER is not aware of any unresolved litigation or pending or ongoing regulatory hearings or actions which could affect said premises, and SELLER agrees to keep BUYER informed, by notice given pursuant to this Agreement, of any such litigation, hearings or actions, whether scheduled, anticipated, or in progress.
43. Survival of Representations. The acceptance of a deed by BUYER or BUYER's nominee, as the case may be, shall be deemed to be a full performance and discharge of every agreement and obligation herein contained or expressed, except such as are, by the terms hereof, to be performed after the delivery of said deed, and except for the warranties and representations set forth in Clauses 32 and 39 which (a) shall be deemed material to this Agreement, (b) shall survive the delivery of the deed hereunder for the periods set forth below beside each Clause and (c) shall be effective despite any inspection by BUYER, and BUYER shall have the full right to rely on them in purchasing the premises. SELLER acknowledges that BUYER believes in the truth of said representations and warranties and is relying on them, and that but for said belief and reliance, BUYER would not have executed this Agreement.

SELLER

Central Directory for Nurses, Inc.

By: Michael J. Galatis
Michael J. Galatis, President and Treasurer

By: Jan Galatis
Jan Galatis, Clerk

BUYER

Cooperative of Living, Inc.

By: Gail F. Jackett
Gail F. Jackett, President

By: Fredrick Clanaan
Fredrick Clanaan, Clerk

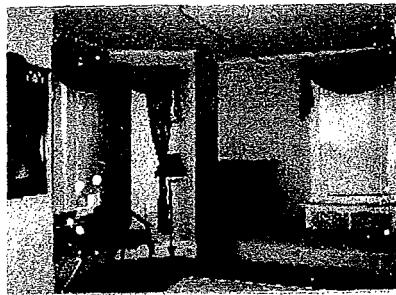
CLN, Inc.
Pelham House Project
45 Pelham St.
Newton Centre, MA

AMENITIES:

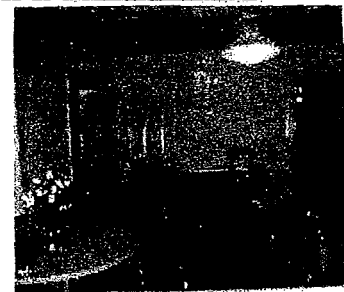
- Location, Location, Location
- 1/2 block from Newton Centre
(shopping, banks, public trans)
- Handicapped accessible ramp
- Elevator (1st to 2nd floor)
- Emergency pulls, lighting, etc.
- Residential neighborhood
- Security Alarms
- Site has non-institutional look
- 2 car garage + 7 parking spaces



Rear of House



Bedroom



Dining Room



Neighborhood Homes

PROJECT UPDATE

PELHAM HOUSE

quality, affordable housing for low-income seniors

45 Pelham Street

Newton, MA

Acquisition and Renovation

11 units: 7 one-bedroom and 4 studio apartments, combined with generous shared, community space

CLN has under agreement a former 19-bed nursing home facility named Pelham House at 45 Pelham Street in the Newton Centre neighborhood of Newton. This former Victorian house with picket fence resides on a tree lined street with other large stately homes, both single and multi-family, just one block from shops, restaurants, banks and public transportation. In addition to an ideal location and non-institutional façade, amenities of the 3-story facility include a discreet wheelchair ramp, elevator emergency pulls, security system, sprinkler system, emergency lighting, updated utilities and sufficient parking. Pelham House, now vacant, was forced to close in April 2002 due to declining Medicaid funding. Nearing foreclosure CLN entered into an agreement in mid-November at a vastly reduced price, CLN has a rare opportunity to purchase a great property in a wonderful location for seniors. The project's location and condition make it an extremely desirable facility that can be converted to affordable rental housing consistent with our mission to assist seniors remain independent as long as possible in a quality, safe and affordable home.

The City of Newton has expressed support for the project and has approved a \$550,000.00 CDBG grant. They have also committed to undertake lead, asbestos and structural inspections at no charge. We have begun meeting with the neighbors, and they too have expressed support for the project. We have received a financing commitment from Auburndale Cooperative Bank for construction and permanent financing and have begun receiving private grant funding with an initial grant of \$50,000.00. We have requests pending with other various public and private funders to complete the project's financial package.

Plans for the building indicate that we can feasibly develop this project into 4 efficiency and 7 one-bedroom apartments. Each unit will have its' own bathroom and kitchen. All units will be adaptable and two units will be handicap accessible. There will also be community space for use by tenants, their friends and families: a common library/living room, common dining area and lounge. With the assistance of CLN's project staff, we will make this project a community. Staff will provide support and information and referral services, to build an internal community of residents and through external outreach, a strong relationship between residents and the outside community.

TARGET POPULATION

This project proposes to provide affordable housing for low-income seniors from our community. With increasing housing costs, fixed incomes and continuous cuts to public assistance and housing programs, elders have found themselves living longer, but in less stable housing situations. Studies done over the past ten years highlight the intense desire of seniors to remain as independent as possible, remaining within the communities they have lived. Recent increases in housing costs make this difficult for many seniors to achieve.

DEVELOPMENT TEAM

CLN has assembled a team of qualified professionals ensure the successful completion of this project.

Project Sponsor

Community Living Network, CLN
Marcie Laden, Executive Director
Newton, MA

Development Consultant

Donna Townsend
Allston, MA

Architect

Buck, Smith & McAvoy, Architects, Inc.
Janet BuckBoston, MA

Legal

Kristine Sheehy
Foley Hoag, LLP
Boston, MA
and
Marijo McCarthy
Widett & McCarthy
Newton, MA

Contractor

Macomber Construction
Boston, MA

Financing

Auburndale Cooperative Bank
Newton, MA

BUDGET

(See attached development budget)

This project will do more than create new affordable housing units. In keeping with CLN's mission, our program will provide a community for seniors where there will be significant shared public space to reduce the isolation seniors often face and staff to build relationships with the tenants in an effort to help identify problems, which might otherwise go unnoticed. This often happens with seniors, who may experience problems associated with aging that can be managed when addressed, but can prove severely debilitating when ignored. Staff will also promote and encourage interaction between tenants building a strong internal community and help create connections with the larger community to offer resource and referral information when appropriate. Our goal is to provide the same level of quality, supportive housing to low-income seniors, which is found at the high end of the senior housing market.