INCLUSIONARY HOUSING PLAN

283 MELROSE STREET

NEWTON MASSACHUSETTS

283 Melrose Street is a 43,773 square foot parcel of land with an existing wood frame building originally constructed in 1855 as a single-family dwelling, used as a social hall for several decades thereafter and more recently used as a theater, located at the intersection of Melrose Street and Ash Street in the Village of Auburndale. The rehabilitation and restoration of the theater building is at the core of a new mixed-use development on the site, which involves a 6000+/- square foot addition to the building and the erection of a new free-standing 20-unit residential building with underground parking for 29 cars (the "Project"). The project requires a zone change from the current Multi-Residence 1 (MR1) to the newly-created Mixed-Use 4 (MU4) District and a special permit from the Board of Aldermen. With the rezoning, the residential component of the Project would not exceed the by-right, lot area per unit requirements of the MU4 District. Nonetheless, the Developer, Stephen Vona, has agreed to voluntarily comply with the Inclusionary Housing Ordinance Section 30-24(f)(the "Ordinance").

Consistent with the City of Newton's goals, the Project will provide three (3) inclusionary units, which represents 15% of the total units to be designated as affordable in accordance with the Ordinance. The Developer has prepared this Inclusionary Housing Plan, which sets forth information concerning the inclusionary housing units to be included in the project. The developer has agreed that pursuant to section 30-24(f)(8)(c) and (d) of the of the Ordinance, prior to marketing the inclusionary housing unit, to enter into an agreement with the Newton Planning and Development Department to use the listing of "Eligible Households" provided by the Newton Housing Authority, to the extent permitted by law, and to develop a supplemental list of "Eligible Households" that will be eligible to purchase or rent, as the case may be, the inclusionary housing units.

The Developer has agreed that per Section 30-24(f)(8)(e) of the Ordinance, the Project will be subject to a covenant to be recorded with the Middlesex South Registry of Deeds that limits the sale price or rental of the designated inclusionary units certified as Local Action Units under the DHCD LIP. There shall be two forms of the covenant for the inclusionary housing unit: (1) the LIP Regulatory Agreement for Rental Projects and (2) the LIP Regulatory Agreement for Ownership Projects, both as approved by the City Solicitor, with such modifications as may be approved by the City Solicitor in the Developer. In the event of a conflict between this Plan and either of the Regulatory Agreements, the Regulatory Agreements shall control.

Per Section 30-24(f)(8)(g), the Developer agrees to submit, on an annual basis, a Compliance Report certifying compliance with the provisions of this Plan and Section 30-24(f). The Developer understands that the City intends to qualify the inclusionary housing units developed under this Project for the DHCD Subsidized Housing Inventory under the LIP. The LIP Guidelines, dated February 22, 2008, while not attached hereto, are made a part of this Plan by reference.

Overview of the Project

The Developer is committed to providing 15% of the total number of units at the Project as an affordable unit to households earning less than 80% of the area median income. As currently designed, the Project will have twenty (20) units, three (3) units will be made available to eligible households/families in accordance with the Newton Inclusionary Housing Ordinance. The unit breakdown by size and location is attached hereto as Exhibit 1.

Rental Units

The rental rate will be calculated prior to project occupancy based on market conditions. For the inclusionary housing unit, in accordance with Section 30-24(1)(b)(i), rent (including a utility allowance) will not exceed 30% of the monthly income of an Eligible Household, assuming 1.5 persons per bedroom. The estimated gross rent, including natural gas heat, electric cooking, electricity, natural gas water heat, water, sewer, refrigerator, natural gas customer charge, and one parking space is calculated as follows:

Typical two-bedroom Unit:

Household Size: Three (3) *(# of BR x 1.5 persons/BR)

70% of Adjusted Median Household Income:	$55,800.00
Monthly Gross Income:	$ 4,650.00
Monthly Gross Rent: (35% of monthly income)	$ 1,628.00
Less Utility Allowance:	
Natural Gas Heat: $62.00	
Electric Cooking: $ 9.00	
Hot Water (Gas): $63.00	
Water: $37.00	
Sewer: $55.00	
Total Utility allowance:	$ -256.00
Maximum Net Rent:	$ 1,371.00

Note: the telephone and cable service are specifically excluded from the utility allowance.

The inclusionary unit will be rented such that the mean income of households in the inclusionary units, as of lease commencement, does not exceed 80% of the area median income (adjusted for household size) as provided in Section 30-24(f)(l)(v) of the Ordinance.

Ownership Units

The Ownership Units shall be priced such that the mean income of households in the inclusionary units, as of the sale date, does not exceed 80% of the area median income (adjusted for household size) as provided in Section 30-24(f)(l)(iii) of the Ordinance, Accordingly, the Ownership Units shall marketed and sold at an approximate sale price of $165,000, or as may be adjusted, in accordance with the formula promulgated by the Executive Office of Housing and Economic Development (EOHED). See attached Exhibit 2.

Construction Specifications and Amenities

The building is of wood frame construction with EFIS (exterior finishing insulation system) and cementitious clapboard siding, rubber roof, Harvey windows, Brosco, Nu-wool insulation, and a poured concrete foundation. Each unit is separately metered for electricity, gas and water and sewer service. Each apartment is separately heated by gas-fired forced hot air and is separately centrally air conditioned. Amenities: Each apartment includes a stove, refrigerator, dishwasher, garbage disposal. The inclusionary unit will be fully built out prior to its occupancy. The exterior of the inclusionary units will be indistinguishable in design and of equivalent materials to the exteriors of the market rate units in the Project. In addition, the materials used and the quality of construction, including heating, ventilation, and air conditioning systems, will be equivalent to the market rate units in the development. However, in accordance with Section 30-24(:f)(6)(c), the Developer reserves the right to include certain amenities, including without limitation so-called designer or high end appliances and fixtures in the market rate units only.

Location of the Inclusionary Units

In accordance with Section 30-24(f)(6), the inclusionary housing units are sited in a no less desirable location than the market rate units. The inclusionary housing units will contain, at a minimum, the larger of either; (1) 60% of the floor area of the corollary market rate unit or (2) the minimum square footages as set forth in the Ordinance and the DHCD regulations. The inclusionary rental unit will have 1,042 square feet of habitable space. The inclusionary ownership units will be no less than 800 (1BR) and 900 sf (2BR) respectively. The Floor Plans showing the location of the inclusionary units are attached hereto as Exhibit 3.

EXHIBIT 1	THE VILLAGE AT TURTLE LANE			
	Unit Breakdown by Size & Location			
LEVELS			**Condominium**	**Totals**
Apartment Building	Floor	Unit #	NSF	# Bedrooms
Affordable Unit	1	1	662	1
		2	859	1 + Den
		3	850	1 + Den
		4	1140	2
		5	1126	2
		6	1084	2
	2	7	658	1
		8	862	1 + Den
Affordable Unit		9	861	1 + Den
		10	1169	2
		11	1076	2
		12	929	2
	3	13	982	2
		14	995	2
		15	1080	2
		16	1079	2
Theatre Building	Floor	Unit #	NSF	# Bedrooms
	1	1	1427	2
		2	982	2
	2	3	1539	2
Affordable Unit		4	1042	2
Total Unit Count				
1 Bedroom				2
1 Bedroom Plus Den				4
2 Bedroom				14
Total # Units				20

EXHIBIT 2	THE VILLAGE AT TURTLE LANE		
	Unit Breakdown by Size & Location		
Boston MSA 3-Person Household	**Annual income**	Monthly income	30% of monthly income
70% of area median income	$54,906	$4,576	$1,373

Home Sale Price		$165,000	
Down payment 5%		$8,250	
Mortgage Amount		$156,750	
Principal and Interest		$965.00	
Real Estate Taxes		$138	
Private Mortgage Insurance		$102	
Homeowners Insurance		$83	
Association/Condo Fee		$60	
Total Monthly Housing Costs		$1,348	

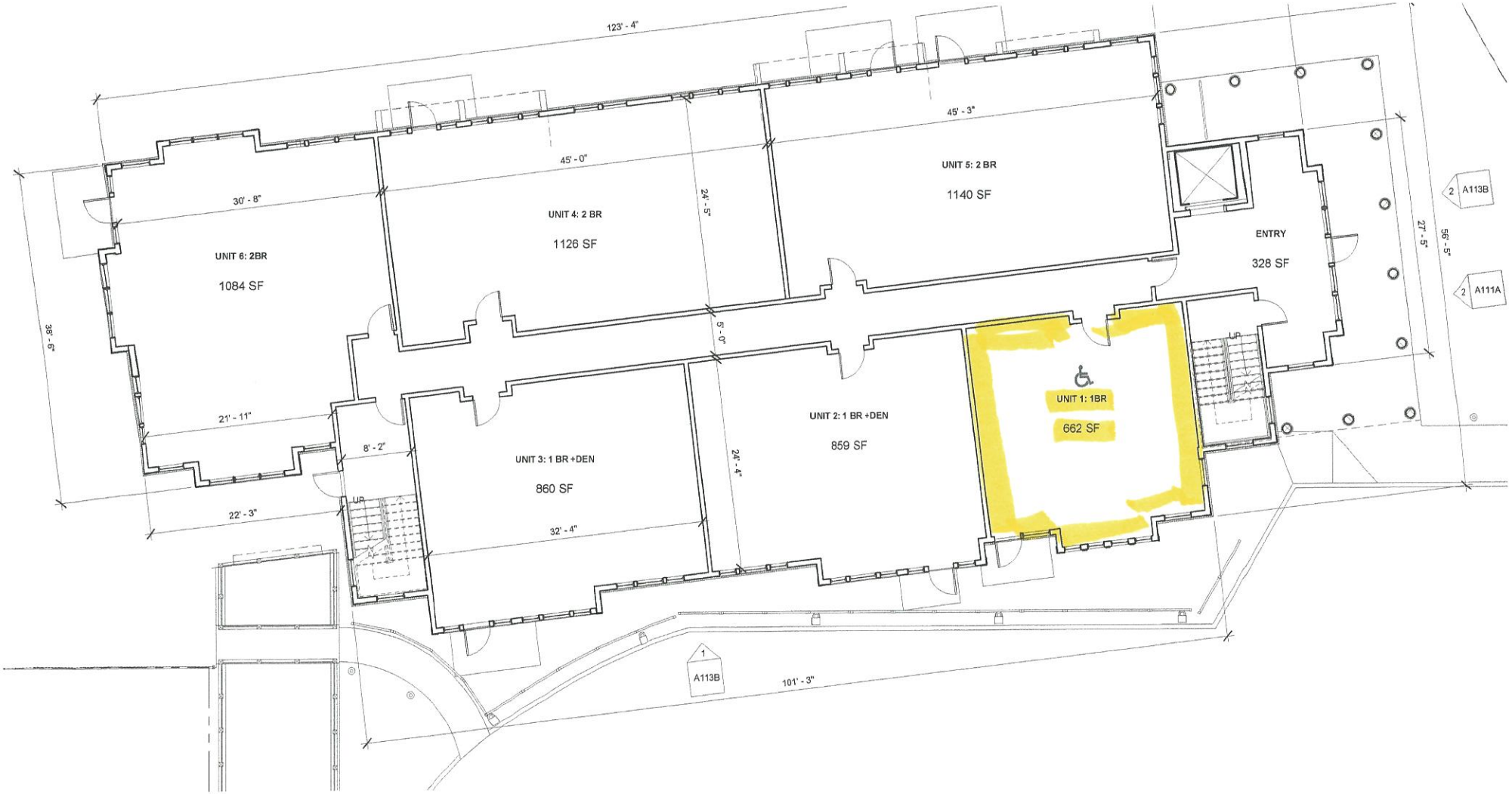
INCLUSIONARY HOUSING PLAN

283 MELROSE STREET

NEWTON MASSACHUSETTS

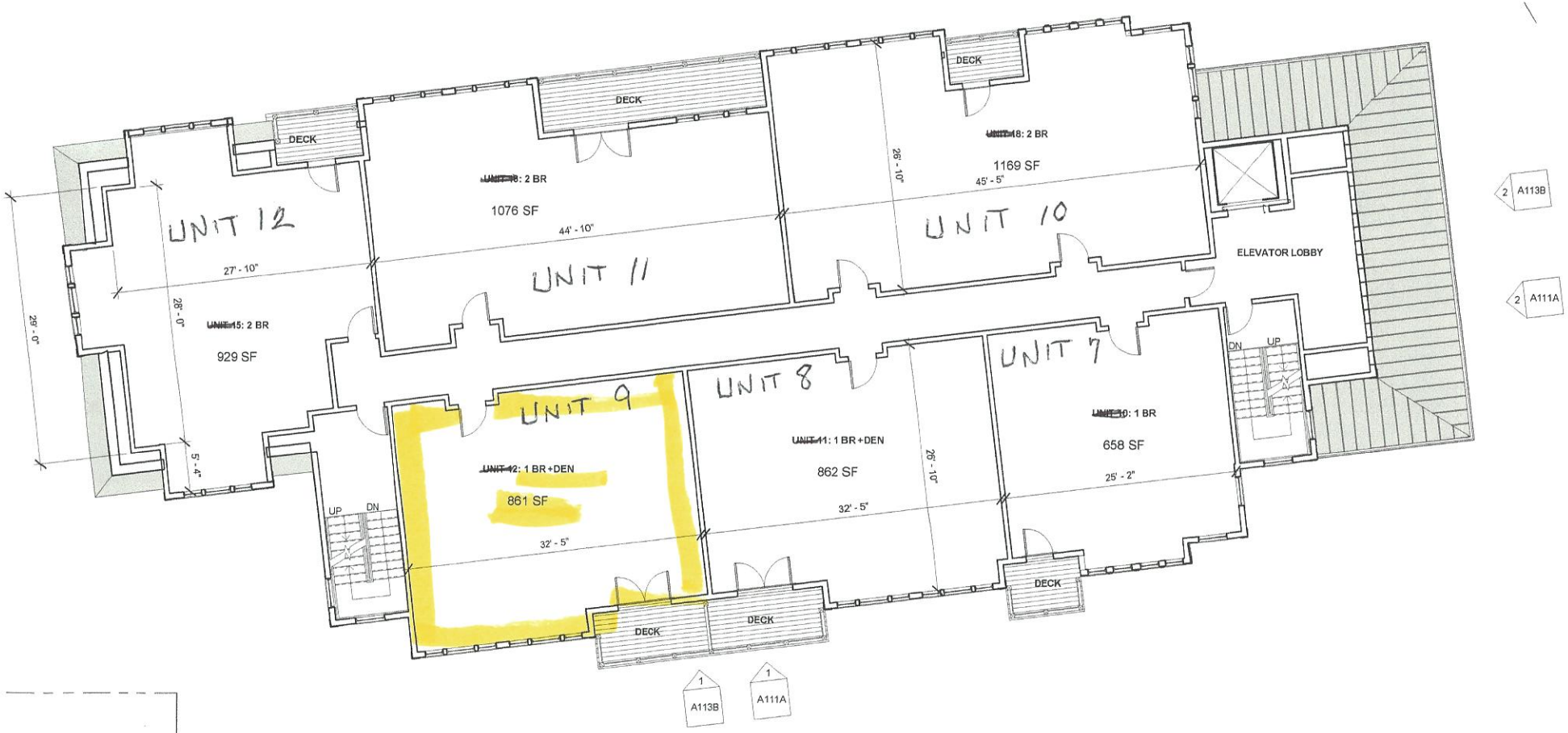
EXHIBIT 3

Floor Plans



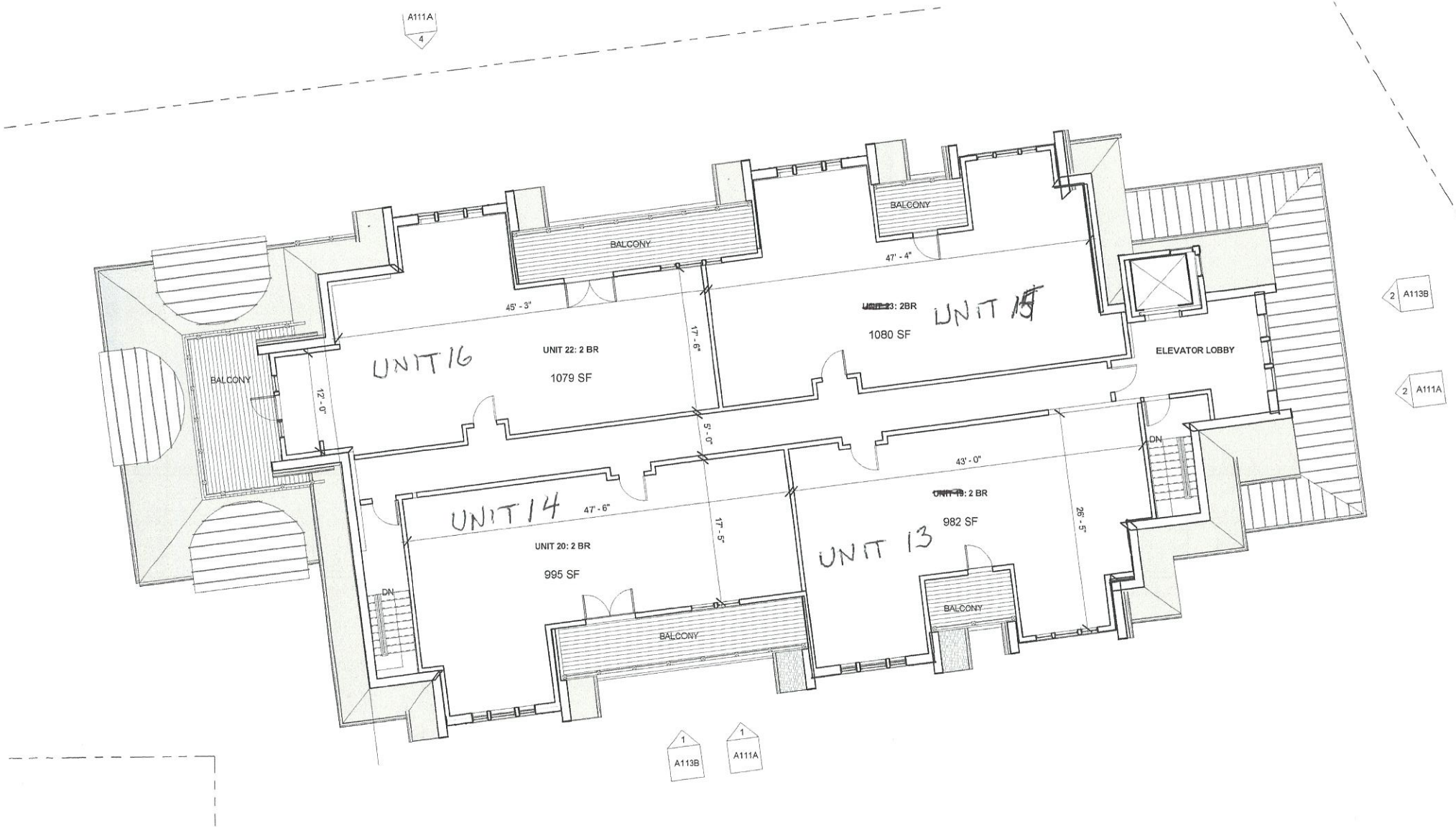
1 BLDG C - LEVEL 1

CONDO BLD G

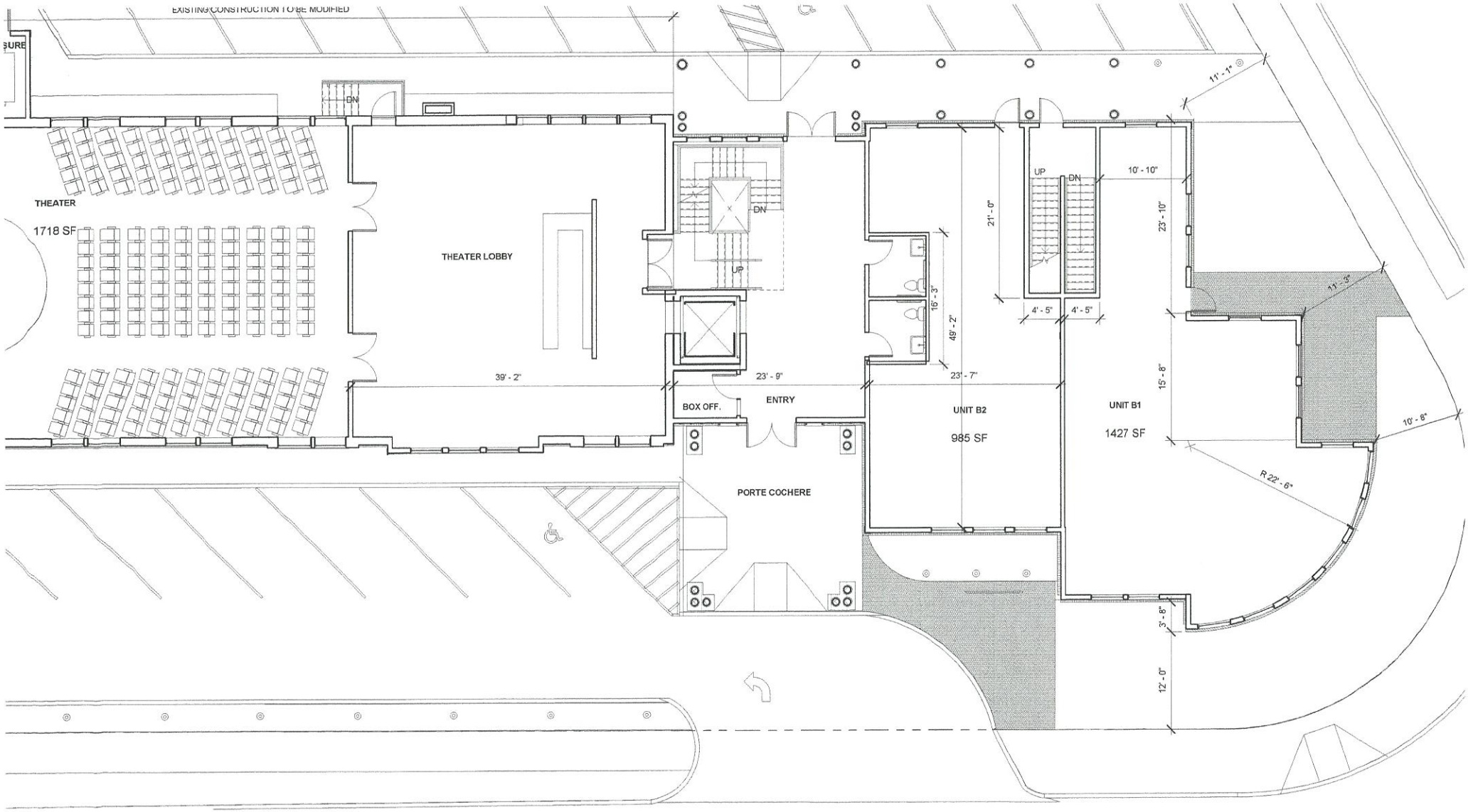


CONDO BLDG B

1 BLDG C - LEVEL 2
1/8" = 1'-0"

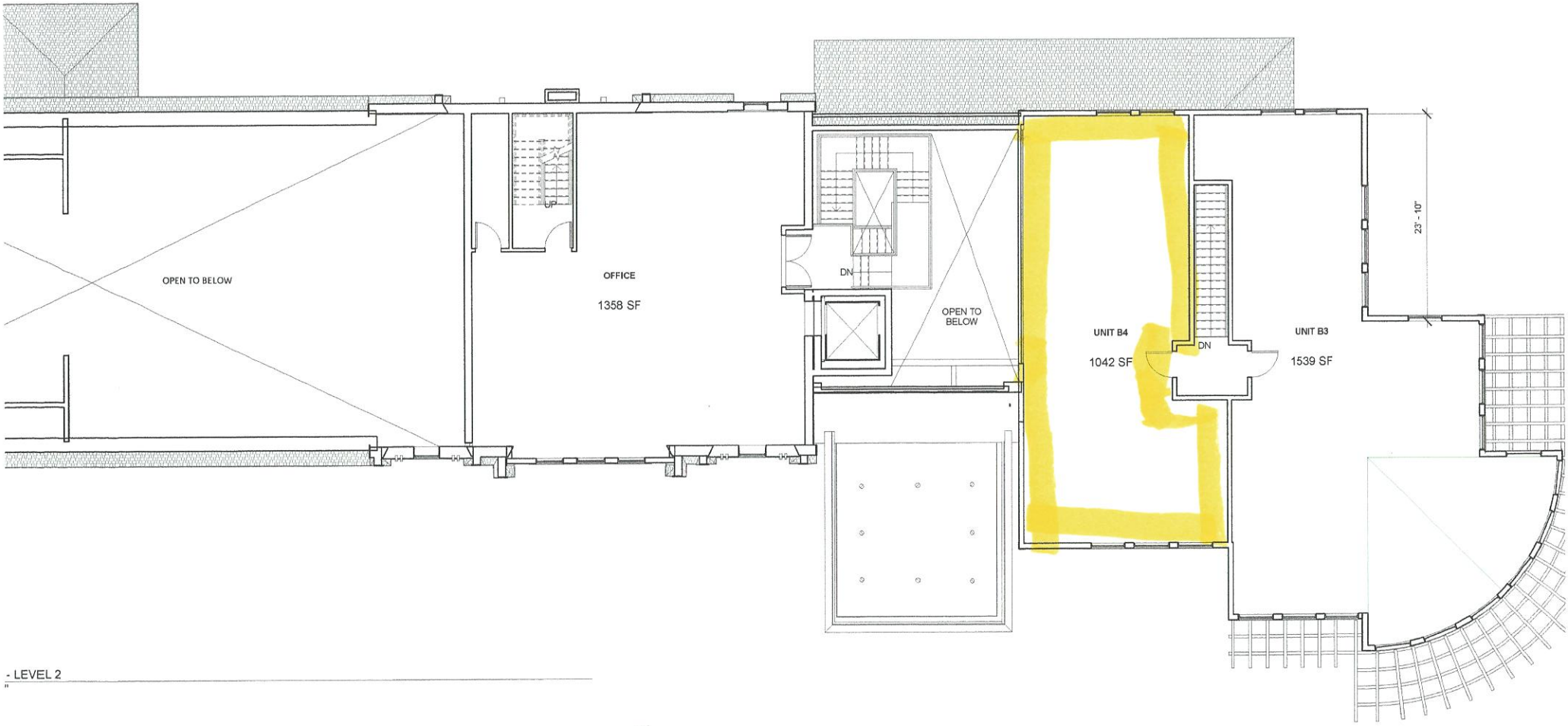

A111A
4
BALCONY
BALCONY
47' - 4"
45' - 3"
UNIT 16
UNIT 22: 2 BR
1079 SF
17' - 6"
~~UNIT 23~~: 2BR
1080 SF
UNIT 15
ELEVATOR LOBBY
2 A113B
2 A111A
BALCONY
12' - 0"
5' - 0"
DN
43' - 0"
UNIT 14
47' - 6"
UNIT 20: 2 BR
995 SF
17' - 5"
~~UNIT 19~~: 2 BR
982 SF
UNIT 13
26' - 5"
DN
BALCONY
BALCONY
1
A113B
1
A111A

CONDO BLDG



THEATER BUILDING

LEVEL 1



- LEVEL 2

THEATER BUILDING LEVEL 2

(RENTAL)