

**MassDevelopment**  
**PROJECT ELIGIBILITY APPLICATION**  
**Projects Applying for Comprehensive Permits pursuant to M.G.L. ch. 40B**

**General Information**

Name of Development Residences at Acorn Park

1. Location of Site (Give the exact assessors map, block and lot numbers of the site, as well as its street number and the name of cross streets):

Map/Block/Lot: Parcel ID 40-1, Area 561924, Book 1207, Page 102,  
Deed Date 7/2/1999

Street Address: Acorn Park Drive

City/Town; Zip Code: Belmont

Cross Streets (if Applicable): Route 2 and Acorn Park Drive

2. Developer (and applicant, if different legal entity):

Name: AP Cambridge Partners II, LLC

Street: 700 South Henderson Road

City/Town; Zip Code: King of Prussia, PA 19406

Telephone: 610-337-5560

3. Legal Structure:

a.) Is the applicant/developer a Limited Dividend Organization

Yes  No

b.) Limit on annual return on equity (if applicable) 10%

5. Type of financing applying for:

- a.)  Construction Loan  
b.)  Construction to Permanent  
c.)  Permanent Only

6. Project Description: A 300 unit mixed income apartment community, comprising of 25% 1 BR units, 50% 2 BR units and 25% 3 BR units. 25% of each unit type will be affordable by chapter 40B requirements. There will be 5 residential buildings, 4 stories each with one level of underground parking plus a community building

**Local Contact**

Describe any local discussions/consultations that have taken place with the relevant governing boards of the community, noting dates of these meetings and comments that have been made to date. At a minimum, prior to any submitting a Project Eligibility Application to MassDevelopment, meetings must be held with the Chief Elected Official or Town/City Manager or their representatives.

1. Chief Elected Official (Mayor, Selectmen, etc.) /Town or City Manager

Name: Selectman Telephone 617-489-8213

Meeting Dates: 3/15 \_\_\_\_\_

Comments:

Chair Anne Marie Mahoney

Will Brownsbarger

Paul Solomon

2. Planning Board

Meeting Dates: \_\_\_\_\_

Comments:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Zoning Board of Appeals

Meeting Dates: \_\_\_\_\_

Comments:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4. Other (Specify)

Meeting Dates: \_\_\_\_\_

Comments:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Site Information**

1. Total Gross Area of Site:  
Acreage: 15.67 Acres Square Footage: 679,538
  
2. Total Buildable Area of Site:  
Acreage: approx. 10 acres Square Footage: 435,000
  
3. Current Zoning Classification: Belmont Uplands District  
Current/Existing Use(s) Undeveloped Land  
Planned Use(s) - Refer to Municipal Land Use Plan (if applicable):  
245,000 s.f. office/lab building
  
4. a.) Is any portion of the site a designated wetlands areas?  
Yes X No \_\_\_\_\_  
  
If yes, attach map of site noting all wetlands, including buffer areas.  
  
b.) Is the site located with a designated flood hazard area?  
Yes X No \_\_\_\_\_  
  
Note: (If applicable, include a copy of any Order of Conditions issued by the local Conservation Commission or Massachusetts Department of Environmental Protection relating to the site as an attachment).  
  
c.) Are there any hazardous waste sites adjacent to or within a 1/2-mile radius of the site?

Yes \_\_\_\_\_ No X

Describe:

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d.) What were the prior uses of the subject property?

Describe:

One time used as landfill during the construction  
Route 2

e.) Is the site or any building thereon listed, nominated or eligible for listing on the National Register of Historic Places?

Yes \_\_\_\_\_ No X

f.) Is the site within a designated municipal, state or federal Historic District?

Yes \_\_\_\_\_ No X

5. Describe the form of site control that you have including type of agreement and expiration date if applicable. (Attach copies of relevant executed agreements as Attachment 1):

6. Most Recent "Arms Length" Sale:

Date: 6/26/1999 Price: \$ 20,000,000 (larger parcel includes subject property)

Seller:

Arthur D. Little

Buyer:

AP Cambridge Partners, LLC; AP Cambridge Partners II, LLC

7. Availability of Utilities (Describe whether any of the following will be provided as part of this development):

a.) Sanitary Sewer: Yes X No     

Distance from Site: approx. 1,100 ft (located in Cambridge on Acorn Park Drive)

Size Connector: 10"

b.) Storm Sewer: Yes      No X

Distance from Site: N/A Size Connector: stormwater control will be done on-site

c.) Public Water: Yes X No     

Distance from Site: approx 1,130 ft Size Connector: 8"  
(located in Cambridge on Acorn Park Drive)

d.) Gas: Yes      No X

Electricity: Yes X No     

e.) Streets: Yes X No     

Sidewalks: Yes      No X

Curbs: Yes      No X

### Project Information

1. Size of Development:

a.) Total Number of Units: 300

b.) Number of Handicapped Accessible Units: 15

c.) Number of Buildings: 5

d.) Number of Stories (By Construction Type - See #4 below): 4

- e.) Number of Commercial Units: 0
2. Total Gross Square Footage of Building Space: 382,706  
Total Gross Square Footage of Commercial Space: 0
3. Project Type:
- a.) New Construction X
- b.) Rehabilitation \_\_\_\_\_
4. Construction Type (if applicable, indicate number of each):
- a.) Detached: \_\_\_\_\_
- b.) Townhouse: \_\_\_\_\_
- c.) Low-Rise (less than 35 feet): \_\_\_\_\_
- d.) Mid-Rise (between 35-70 feet): X
- e.) High-Rise (more than 70 feet): \_\_\_\_\_
5. Fire Code Type (check all that apply):
- a.) Concrete Frame \_\_\_\_\_
- b.) Protected Steel \_\_\_\_\_
- c.) Masonry Bearing Wall \_\_\_\_\_
- d.) Wood Frame X
- e.) Other \_\_\_\_\_
6. Type Fuel:
- a.) Gas X
- b.) Oil \_\_\_\_\_
- c.) Electric \_\_\_\_\_

d.) Other \_\_\_\_\_

7. Parking Spaces:

a.) Enclosed/Below-Grade (specify): 220 (below building)

b.) Surface: 207

c.) Total: 427

8. Initial Rent or Sales Schedule - Complete the chart below for each proposed unit type according to affordability restriction. In the box for number of bedrooms, indicate the bedroom breakdown by identifying the number of single room occupancies (SRO's), studios, 1BR, 2BR, etc.

Unit Type	# of Units	# of Bedrooms	# of Baths	Net Sq. Feet	Proposed Rent (per unit & aggregate)	Proposed Sale Price (per unit & aggregate)
Less Than 50% A.M.I.	15	1	1	760	\$664 net*	
	30	2	2	1,130	\$796 net*	
	15	3	2	1,350	\$926 net*	
Less Than 60% A.M.I.						
Less Than 80% A.M.I.						
Market Rate	60	1	1	760	\$1,650	
	120	2	2	1,130	\$2,150	
	60	3	2	1,350	\$2,520	

\* utility allowance deducted

**INITIAL CAPITAL BUDGET**  
**(Estimated Sources and Uses of Funds)**

<b>Development Funding</b>	<b>Total Funding</b>	<b>Source(s)</b>
Construction Debt:	\$47,042,801	Mass. Development (Key Bank)
Permanent Debt:	\$47,042,801	Tax-exempt Bonds
Public Equity/Soft Debt:	0	
Private Equity:	\$24,961,170	Developer
<b>TOTAL PERMANENT SOURCES:</b>	<b>\$72,003,971</b>	

	<b>Total Costs</b>	<b>Per Unit Costs</b>
<b>Site Acquisition</b>		
Hard Costs:		
•Site Preparation		
•Landscaping		
•Residential Construction		
<b>Subtotal Hard Costs:</b>		
Contingency		
<b>Total Hard Costs:</b>		
<b>Soft Costs:</b>		
•Permits/Surveys		
•Architectural		
•Engineering		
•Legal		
•Insurance		
•Security		
•Developer's Fee		
•Construction Manager		
•Property Taxes		
•Construction Interest		
•Financing/Application Fee		
•Utilities		
•Maintenance (Unsold Units)		
•Accounting		
•Commissions		
<b>Subtotal Soft Costs:</b>		
Contingency		
<b>TOTAL DEVELOPMENT COSTS</b>		

**SEE ATTACHED BUDGET**

The Uplands at Belmont  
Belmont, MA  
15-Apr-04

Number of Units: 300

**DEVELOPMENT BUDGET**

**Hard Costs**

	Per Unit	Total	Development Assumptions
Acquisition	29,600	8,880,000	appraised value estimate
Sitework / Utility connections	11,667	3,500,000	
Construction (units)	118,440	35,532,000	\$90gsf x 1316gsf/unit
FF&E	2,000	600,000	
Contingency	6,505	1,951,600	5% of Construction Costs + Sitework
<b>Sub-Total Hard Costs</b>	<b>168,212</b>	<b>50,463,600</b>	

**Soft Costs**

Permits & surveys	833	250,000	
Architecture & Engineering	4,000	1,200,000	
Legal, Title & Recording	1,467	440,000	TBD
Accounting & Cost Certification	200	60,000	
Civil/Environmental /Geotech Engineering	667	200,000	
Finance Fees	7,056	2,116,926	4.5% of loan/credit enhancement
Taxes	467	140,000	
Insurance	300	90,000	
Construction Loan Interest	12,231	3,669,338	
Rent up & Marketing	1,000	300,000	
Appraisal/Market Study/other studies	83	25,000	
Clerk of the Works	0	0	
Development consultant	667	200,000	(difference included in dev overhead or fee)
Lease-up deficit	0	0	
Soft Cost Contingency	881	264,312	5% of Total Soft Cost (w/o dev oh, dev fee and loan interest)
Developer Overhead	8,390	2,516,959	5% of TDC (w/o acq, dev, oh fee, dev consultant, lease..)
Developer Fee	33,559	10,067,835	20% of TDC (w/o acq, dev, oh fee, dev consultant, lease..)
<b>Sub-Total Soft Costs</b>	<b>71,801</b>	<b>21,540,370</b>	

**TOTAL DEVELOPMENT COSTS**

240,013

72,003,970

**DEVELOPMENT SOURCES**

Construction/Permanent Loan	47,042,801
Developer Equity	24,961,170

**TOTAL DEVELOPMENT SOURCES**

72,003,970

**CONSTRUCTION PERIOD SOURCES & USES**

Construction Loan	47,042,801
Developer Equity	24,961,170
Contributed developer fee	10,067,835
Developer cash	14,893,335

The Uplands at Belmont  
Belmont, MA

Number of Units: 300

**OPERATING BUDGET**

**RENTAL REVENUES**

	Units	Rent /Month	Trending	Notes
Affordable 1 BR	15	664	2.0%	50% of med inc - 111 util allow
Affordable 2 BR	30	796	2.0%	50% of med inc - 134 util allow
Affordable 3 BR	15	926	2.0%	50% of med inc - 159 util allow
Market 1 BR	60	1650	2.0%	
Market 2 BR	120	2150	2.0%	
Market 3 BR	60	2520	2.0%	
<b>TOTAL UNITS</b>	<b>300</b>			

Other Income - parking  
Other Income - Misc @ 1%  
Vacancy & Bad Debt -afford units  
Vacancy & Bad Debt -mrkt units  
Management Fee  
Annual Operating Expenses  
Real Estate Taxes

**OPERATING EXPENSES**

	Total	Per Unit
MANAGEMENT FEE	249,313	831
ADMINISTRATION	350,000	1,167
MAINTENANCE	400,000	1,333
UTILITIES	190,000	633
TAXES	666,479	2,222
INSURANCE	115,000	383
MONITORING FEE	12,000	40
REPLACEMENT RESERVES	103,627	345
<b>TOTAL OPERATING EXPENSES</b>	<b>2,086,419</b>	<b>6,955</b>

**OPERATING PRO-FORMA- initial yr - stabilized occupancy**

Gross Rental Income 6,671,160  
Other Income (parking + miscellaneous)-vacancy 112,266  
(less) Vacancy and Bad Debt -afford units (11,455)  
(less) Vacancy and Bad Debt -mrkt units (426,888)  
Effective Rental Income 6,232,817  
Total Income 6,345,083  
(less) Annual Operating Expenses (2,086,419)  
**NET OPERATING INCOME 4,258,664**  
Available for Debt Service 3,548,887  
Debt Service Coverage Ratio 1.20  
Supportable Mo ortgage (debt service / constant = 0.07543953) 47,042,801

The Uplands at Belmont  
Belmont, MA

300

Number of Units:

ANNUAL RENTAL INCOME

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Rental Income	6,671,160	6,604,563	6,940,675	7,079,488	7,221,078	7,365,500	7,512,810	7,663,066	7,816,327	7,972,654
Other Income	112,266	114,511	116,802	119,138	121,520	123,951	126,430	128,958	131,538	134,168
<b>TOTAL GROSS INCOME</b>	<b>6,783,426</b>	<b>6,919,095</b>	<b>7,057,476</b>	<b>7,198,626</b>	<b>7,342,598</b>	<b>7,489,450</b>	<b>7,639,239</b>	<b>7,792,024</b>	<b>7,947,865</b>	<b>8,106,822</b>
(less) Vacancy and Bad Debt -afford units	(11,455)	(11,684)	(11,918)	(12,156)	(12,399)	(12,647)	(12,900)	(13,158)	(13,422)	(13,690)
(less) Vacancy and Bad Debt-mkt units	(426,868)	(435,426)	(444,134)	(453,017)	(462,077)	(471,319)	(480,745)	(490,360)	(500,167)	(510,171)
<b>NET RENTAL INCOME</b>	<b>6,345,083</b>	<b>6,471,984</b>	<b>6,601,424</b>	<b>6,733,453</b>	<b>6,866,122</b>	<b>7,005,484</b>	<b>7,145,594</b>	<b>7,288,506</b>	<b>7,434,276</b>	<b>7,582,961</b>
<b>ANNUAL OPERATING EXPENSES</b>										
Management Fee	249,313	254,299	259,385	264,573	269,864	275,261	280,767	286,382	292,110	297,952
Administration	350,000	357,000	364,140	371,423	378,851	386,428	394,157	402,040	410,081	418,282
Maintenance	400,000	408,000	416,160	424,463	432,973	441,632	450,465	459,474	468,664	478,037
Utilities	190,000	193,800	197,676	201,630	205,662	209,775	213,971	218,250	222,615	227,068
Real Estate Taxes	666,479	679,809	693,405	707,273	721,418	735,847	750,564	765,575	780,886	796,504
Insurance	115,000	117,300	119,646	122,039	124,480	126,969	129,509	132,099	134,741	137,436
Tax Credit Monitoring Fee	12,000	12,240	12,485	12,734	12,989	13,249	13,514	13,784	14,060	14,341
Replacement Reserves	103,627	105,700	107,814	109,970	112,169	114,413	116,701	119,035	121,416	123,844
<b>SUB-TOTAL OPERATING EXPENSES</b>	<b>2,086,419</b>	<b>2,128,147</b>	<b>2,170,710</b>	<b>2,214,124</b>	<b>2,258,407</b>	<b>2,303,575</b>	<b>2,349,646</b>	<b>2,396,639</b>	<b>2,444,572</b>	<b>2,493,463</b>
<b>NET OPERATING INCOME</b>	<b>4,258,664</b>	<b>4,343,837</b>	<b>4,430,714</b>	<b>4,519,328</b>	<b>4,609,715</b>	<b>4,701,909</b>	<b>4,795,947</b>	<b>4,891,866</b>	<b>4,989,704</b>	<b>5,089,498</b>
Debt Service	(3,548,887)	(3,548,887)	(3,548,887)	(3,548,887)	(3,548,887)	(3,548,887)	(3,548,887)	(3,548,887)	(3,548,887)	(3,548,887)
<b>NET CASH FLOW</b>	<b>709,777</b>	<b>794,951</b>	<b>881,827</b>	<b>970,442</b>	<b>1,060,828</b>	<b>1,153,023</b>	<b>1,247,061</b>	<b>1,342,980</b>	<b>1,440,817</b>	<b>1,540,611</b>
Debt Service Coverage Ratio	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
Return on Equity	2.8%	3.2%	3.5%	3.9%	4.2%	4.6%	5.0%	5.4%	5.8%	6.2%

Number of Units: 300

**ANNUAL RENTAL INCOME**

	Year 11	Year 12	Year 13	Year 14	Year 15
Gross Rental Income	8,132,107	8,294,749	8,460,644	8,629,857	8,802,454
Other Income	136,852	139,589	142,380	145,228	148,133
<b>TOTAL GROSS INCOME</b>	<b>8,268,958</b>	<b>8,434,338</b>	<b>8,603,024</b>	<b>8,775,085</b>	<b>8,950,587</b>
(less) Vacancy and Bad Debt -afford units	(13,964)	(14,243)	(14,528)	(14,819)	(15,115)
(less) Vacancy and Bad Debt-mrkt units	(520,374)	(530,782)	(541,397)	(552,225)	(563,270)
<b>NET RENTAL INCOME</b>	<b>7,734,621</b>	<b>7,889,313</b>	<b>8,047,099</b>	<b>8,208,041</b>	<b>8,372,202</b>

**ANNUAL OPERATING EXPENSES**

Management Fee	303,911	309,989	316,189	322,513	328,963
Administration	426,648	435,181	443,885	452,762	461,818
Maintenance	487,598	497,350	507,297	517,443	527,792
Utilities	231,609	236,241	240,966	245,785	250,701
Real Estate Taxes	812,434	828,683	845,257	862,162	879,405
Insurance	140,184	142,988	145,848	148,765	151,740
Tax Credit Monitoring Fee	14,628	14,920	15,219	15,523	15,834
Replacement Reserves	126,321	128,847	131,424	134,053	136,734
<b>SUB-TOTAL OPERATING EXPENSES</b>	<b>2,543,333</b>	<b>2,594,199</b>	<b>2,646,083</b>	<b>2,699,005</b>	<b>2,752,985</b>

**NET OPERATING INCOME**

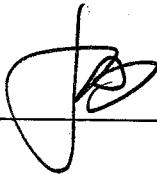
Debt Service	5,191,288	5,295,114	5,401,016	5,509,036	5,619,217
<b>NET CASH FLOW</b>	<b>(3,548,887)</b>	<b>(3,548,887)</b>	<b>(3,548,887)</b>	<b>(3,548,887)</b>	<b>(3,548,887)</b>
Debt Service Coverage Ratio	1,642,401	1,746,227	1,852,129	1,960,149	2,070,330
Return on Equity	1.20	1.20	1.20	1.20	1.20
	6.6%	7.0%	7.4%	7.9%	8.3%

**Applicant Certification**

The undersigned hereby certifies that he/she is \_\_\_\_\_ (Title) of \_\_\_\_\_ (Legal Name of Applicant and that the information requested below for the project know as \_\_\_\_\_ contained in this application to MassDevelopment is true and correct to the best of his/her knowledge.

Note: All non-residential uses, or proposed, within 1/2 mile of the subject site, which may create adverse effects upon subject, must be detailed. Such uses include, but are not limited to, land fills, industrial, know hazardous waste sites, and vacant land that been used for non-agricultural.

Signature of Developer/Applicant \_\_\_\_\_



Date \_\_\_\_\_

4/14/04

**In order for this Project Eligibility Application to be complete, the original with all attachments must be submitted to:**

Anthony E. Fracasso  
Senior Vice President, Investment Banking  
MassDevelopment  
75 Federal Street, 10<sup>th</sup> Floor  
Boston, MA 02110

**With one copy to each of the following:**

Director  
Massachusetts Department of Housing  
Community Development  
One Congress Street, 10<sup>th</sup> Floor  
Boston, MA 02114

**And**

Each of the parties listed in the Local Contact section of this Application

## Attachments

The following items are required to be attached to this application in order for it to be complete:

1. Evidence of site control (SEE TAX BILL) – FEE SIMPLE OWNERSHIP
2. A town/city map noting the site location and its distance from police station, schools, fire station, recreation, public transportation, city or town hall.
3. A site description, including detailed written directions to the site noting the entrance to the site, relevant boundaries and any prominent landmarks that can be used for identification purposes. Confirmation and description of access to a public way must be included and identified on the submitted site plans. A photograph of the entrance of the site with an appropriate landmark must also be included.
4. Preliminary architectural plans and specifications for the proposed development.
5. Site plan including lot lines, existing streets and buildings.
6. Construction period sources & uses of funds.
7. 15-year operating pro-forma including debt service coverage.
8. Rent comparability study.
9. Utilities plan showing existing and proposed locations and types of sewage water, drainage facilities, etc.
10. State approvals or determinations applicable to the site/proposed project, if any, such as Conservation Commission Order of Conditions, MEPA Determination.
11. Site assessments, if any, performed under Chapter 21E.
12. A check for the \$2,500.00 non-refundable application fee made payable to the MassDevelopment must be submitted with each application.

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## 1. Evidence of site control

**Town of Belmont 2004 Real Estate**

TAX RATE PER \$1000

RES. 10.71 PERS. 10.71 COM. 10.71 IND. 10.71

Tax Collector: Susan K. Freiner  
Class Code: 390

Assessed as of January 1, 2003

Account No.: 901964700

**Tax Assessed**

	Due by 11/3/03	Due by 5/3/04
Tax	\$71,944.43	\$71,944.42
Liens	\$0.00	\$0.00
Abatement/Exemption	\$0.00	\$0.00
Credit	\$0.00	\$0.00
Interest	\$0.00	\$0.00
Sub Totals	\$71,944.43	\$71,944.42

**(1) Pay This Amount**

\$71,944.43

Voluntary contributions to local funds (indicate amount):

Scholarship \$  
Capital Endowment \$  
Senior Center \$

**(2) Total Contribution \$**

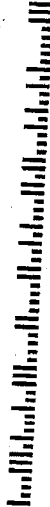
**(3) Total Payment (add lines 1 and 2) \$**

\$71,944.43

Interest at the rate of 14% per annum will accrue on overdue payments from the issue date until the payment is made.

Issue Date: 10/1/03

AP CAMBRIDGE PARTNERS II LLC  
C/O ONEILL PROPERTIES  
700 SOUTH HENDERSON ROAD  
KING OF PRUSSIA, PA 19406-3530



01 04 036783 0007194443 110303 00071944430

Location: 1 ACORN PARK RD

COLLECTOR COPY

**Limited Scope Interim Update  
Appraisal Report**

**of**

**WCOT 22.001**

**Acorn Park Land  
Belmont, MA**

**as of**

**September 30, 2003**

**Executive Summary**  
**Interim Update**

