



BRAINTREE COOPERATIVE BANK

December 8, 2004

Mr. Richard Springer, President
Cranberry Knoll Corp.
One Winnetuxet Street
Plympton, Ma 02367

Dear Mr. Springer:

I am please to provide you with this letter expressing our interest in your application for construction loan financing using the Federal Home Loan Bank of Boston New England Fund (NEF) for the development of a 24 unit affordable housing development project off of Lake Street, Plympton, Massachusetts.

You indicate that this project will be developed specifically for providing affordable housing and that you will conform to the requirements of the NEF Program as follows:

1. Twenty-five percent of the 24 units (6) will be sold to households earning no more than eighty percent of the Brockton PMSA medium income adjusted for household size according to the latest published income limits in the Federal Register.
2. Those six affordable homes will be sold at a price which enables an income eligible household to pay no more than thirty percent of its gross income for mortgage payments, property taxes, condominium fees, and insurance.
3. The affordable homes will remain affordable for ninety-nine years and resale restrictions will be governed by the regulatory agreement used under the NEF Program and by Deed Riders attached to each affordable home.

I have visited the site and find it comparable with the residential use being proposed and believe that the use will be eligible for NEF financing. The preliminary housing designs as submitted appear to be acceptable for the markets being targeted, and the affordable lots located within the subdivision. In addition, the size and appearance of these home lots located within the subdivision. In addition, the size and appearance of these homes will not create any low income housing "stigma" from any observations of the general public.

The preliminary development proforma appears to be in the line with the cost for completing a development of this type in this location. Your proforma also reflects the required number of affordable homes and projected sale prices as will conform with the NEF Program. Finally, your estimated profit falls with the 20% range allowable under NEF for ownership projects.

Once your proposed project has been approved under M.G.L. c. 40B and all other permits are in place, we would be pleased to entertain a more detailed loan application for consideration for funding the project. Said funding would be subject to Bank approval at that time. This letter is not intended to be a financing commitment letter from Braintree Cooperative Bank but merely a review of the information submitted to date, making the determination that the overall project appears compatible with the NEF financing guidelines and our lending standards.

Please feel free to call me if you have any questions.

Sincerely;

Susan K. Kelly
Susan K. Kelly
Vice President