



Delivered via email to: drosen@landvest.com

March 21, 2022, revised 4.12.22, revised 5.12.22, revised 5.17.22, revised 7.22.22,
revised 8.17.22, **revised 9.5.22 v2 - FINAL**

William Lowell
Trustee, Foster Estate
C/o David Rosen
LandVest
10 Post Office Square
Suite 1125
Boston, MA, 02109

**RE: Offer for Castle Farm, 484 Charles River Street, Needham, Massachusetts –
approximately 64.16 acres of land with improvements**

Dear Mr. Lowell,

Northland Residential Corporation (“Northland”) in partnership with the Town of Needham, (the “Town” and collectively the “Parties”) have had the opportunity to assess the Foster Estate’s (the “Trust”) Castle Farm property (the “Property”). The Parties see a unique opportunity wherein Northland would lead, in partnership and collaboration with the Town, the acquisition and preservation of more than 50% of the Property through Town ownership and the implementation of a clustered land use development plan on approximately 28 acres of the property.

Specifically, the Parties’ land use concept envisions Town ownership of approximately 34 acres, the implementation of a clustered development on approximately 14 acres, and the set aside of approximately 14 acres of the development parcel as an open space buffer/set back area. In total our collective vision leaves intact approximately 48 acres, or 75% of the Property’s 64.16 total acres. The Town’s intent is that the acquired land area would be used in combination with the 31 acre Ridge Hill Parcel, which was gifted by Barbara and Hank Foster to the Town in 1980 for “conservation and passive recreation purposes” creating a contiguous 65+ acre corridor running from Charles River Street to the Charles River. To ensure that all of the 34 acres of new Town Owned land will remain substantially in its current state, the Town will seek Town Meeting authorization to place a conservation restriction (“CR”) on the two Charles River Street parcels which provide the only frontage and access.

To enable this outcome and to provide the Trust fair market value, a portion of the Property, would be developed into a high-quality age-directed clustered townhouse neighborhood, like the firm's present work in Wellesley (Fieldstone Way) and Milton (Wolcott Woods). Northland has a long-standing and well-regarded reputation of producing best in class land use plans and in working with Family Trusts, Trust Beneficiaries and/or Family Offices in the balancing of asset monetization and family interests to respect, honor and preserve family legacies.

To date, Northland has held several meetings and had numerous conversations with the Town and Town governance enthusiastically shares the outlined vision for the Property as it feels that the vision offers a superior and preferred alternative to a conventional single family tract housing land use. Without directly speaking for the Town, I firmly believe that we are completely aligned on the potential the opportunity presents and the steps involved to achieve the envisioned outcome.

In collaboration and partnership with the Town of Needham, Northland offers the Trust \$21,000,000 in cash, contingent upon our ability, and at our sole cost, to, among other items more fully detailed in the attached Offer to Purchase, secure in as timely a fashion as possible, an executed Development Agreement with the Town, for the envisioned land use of the Property, inclusive of the outlined cluster project, application for and receipt of a Site Eligibility Letter from the Department of Housing and Community Development (DHCD), or other relevant state subsidizing agent, and application and submission of a jointly prepared (Town and Northland) Local Initiative Program – Local Action Unit (LIP-LAU) plan application. Northland plans to permit the project as a Local Initiative Program– Local Action Unit or Friendly Comprehensive Permit project with no more than a 5% inclusionary housing allocation.

The attached Offer to Purchase (“O2P”) details the terms of our offer.

Please understand that this O2P must be accepted and agreed to by the close of business **September 6th, 2022.**

We believe our experience and reputation for implementing carefully planned communities will enable the Trust to obtain maximum value for the property and simultaneously honor the lifelong environmental and land stewardship legacy of Hank and Barbara Foster. We (Town and Northland) very much look forward to the opportunity to work with the Trust to pursue an outcome that addresses the varied interests at the table.

Very truly yours,

NORTHLAND RESIDENTIAL CORPORATION



John C. Dawley
President & CEO

cc:

David Rosen - LandVest

Chris Heep – Town of Needham, Town Counsel

Kate Fitzpatrick – Town of Needham, Town Administrator

Richard Thomas – Northland Residential

Peter Crabtree – Northland Residential



OFFER TO PURCHASE

DATE: March 21, 2022, revised 4.12.22, revised 5.12.22, revised 5.17.22, revised 7.22.22, revised 8.17.22, **revised 9.5.22 v2 FINAL.**

BUYER: A single-purpose LLC affiliate of Northland Residential Corporation. Northland Residential Corp is located at 80 Beharrell Street, Suite E, Concord, MA 01742.

SELLER: Barbara D. Foster Trust – 484 Charles River Street
Charles H.W. Foster 2000 Trust - Charles River Street Lots
c/o William Lowell, Trustee Foster Trusts

PROPERTY(S): 484 Charles River Street – 57.86+/- acres - #199-304-2
Charles River Street Lot – 3.25+/- acres – #199-304-4
Charles River Street Lot – 3.05+/- acres = #199-304-5
All located in Needham, Massachusetts.

PROJECT: The Buyer is interested in purchasing the Property, in its entirety, in order to implement, in partnership and collaboration with the Town of Needham, an Open Space Cluster Plan Use of the property, wherein approximately 54% or 34 acres of the Property is preserved via Town ownership, through the permitting and development of a 70-unit age-targeted by design townhouse community on the balance of the Property. The Project will be permitted as a *collaborative* Local Initiative Project – Local Action project, aka a Friendly Comprehensive Permit Project, with no greater than 5% of the units being moderate-income units. (the “Project”)

PURCHASE PRICE: Twenty One Million Dollars (\$21,000,000) contingent upon our ability, and at our sole cost, to secure in as timely a fashion as possible all required permits and approvals as outlined below, prior to closing. Payment will be made in cash at Closing.

Northland and the Town will disclose the Parties contributions to the total upon written acceptance of an Offer to Purchase by the Trustees.

DEPOSIT: Upon execution of a mutually acceptable Purchase and Sale Agreement, Buyer shall place in escrow a deposit of Two Hundred Fifty Thousand Dollars (\$250,000.00) (the “Deposit”). The Deposit will be held by Marcus, Errico, Emmer & Brooks, P.C. as Escrow Agent in an insured, interest bearing account. Accrued interest will accrue to the Buyer at closing. If no closing occurs, the interest will follow the Deposit. If Buyer elects to proceed at the end of the Review Period, the Deposit and any earned Deposit interest shall be credited towards the purchase price. The Deposit shall be fully refundable in accordance with the terms of this Offer to Purchase.

**PURCHASE & SALE****AGREEMENT:**

Buyer and Seller shall use commercially reasonable efforts to enter into a mutually satisfactory Purchase and Sale Agreement (“Purchase and Sale”) within twenty (20) business days of acceptance of this Offer to Purchase. Seller shall provide Buyer with the first draft of the Purchase and Sale within seven (7) business days of the execution of this Offer to Purchase.

REVIEW**PERIOD:**

Upon execution of this O2P and Buyer’s receipt of all pertinent documents and documentation, if any, pertaining to the Property, the Buyer shall have a Sixty (60) day period (“Review Period”) to conduct a thorough due diligence review of the Property, including, but not limited to:

- Receipt and review of all state and local permits, licenses, and other binding agreements, if any, affecting the Property.
- Assessment of the physical condition of the Property, including confirmation of the presence and adequacy of all related infrastructure (sewer, water, electric/comm) necessary and required to support the proposed Project.
- Physical condition of any existing improvements on the Property.
- Status of title and survey.
- Review and analysis of environmental site assessment.
- Geotechnical R&A, inclusive of soil testing for stormwater management purposes.
- Review of ability to connect the Project to Town sewer and water.

Buyer shall be entitled to inspect all aspects of the Property, which may or may not affect the envisioned use of the Property. Seller understands that physical and invasive testing may be required to verify the condition of the Property; however, no testing shall be done until Seller has been notified of the scope of the testing, the methodologies to be used, and the identities of the consultants/contractors retained by the Buyer. Buyer and its consultants/contractors will provide Seller with certificates of insurance five (5) days prior to commencement of any testing, naming Seller as an additionally insured party. Buyer shall use reasonable efforts to return the Property to its pre-testing condition.

If Buyer is not satisfied, in its sole discretion, with the results of its analysis during the Review Period, the Buyer shall have the right to terminate the agreement on, or before 5:00 PM on the business day immediately following the last day of the Review Period, the 60th day, whereupon the Deposit plus interest will be returned within five (5) days to the Buyer. In the event Buyer elects to proceed with the purchase, then the Deposit shall become non-refundable subject to the Conditions of Closing described herein.



Given the state of the economy and the ability for Buyer to get consultants and subcontractors to perform tasks in a timely manner, Buyer shall have the right to extend the Review Period for an additional 15 days to complete the tasks outlined above. Buyer shall communicate to Seller the status of its Due Diligence assessment on or about 30 days from the execution date of the O2P.

DOCUMENTS:

Seller shall provide copies of any and all, documents it has in its possession pertaining to the Property (“the Documents”). Documents shall include, but not be limited to:

- Environmental Reports (including information regarding underground fuel storage tanks).
- Geotechnical information for the site.
- State and local permits and licenses for prior permitted uses, if any.
- Title updates including any deed restrictions or easements affecting the Property.
- Survey or Site Plans.
- Any documentation or plans related to wetlands, water-related setbacks, and restrictions of uses including Order of Conditions, certificates of compliance, violation notices or other items.
- Any traffic or curb cut information available, including restrictions on access or required off-site mitigation and improvements.
- Any documentation related to historic use and restrictions.
- Any reports or information regarding utility availability or lack of availability including sewer, water, electric, gas and cable tv.
- Permits and approvals issued previously for the Property, if any.

APPROVAL PERIOD:

Simultaneously and in parallel with the stated Review Period, (unless Buyer elects to terminate), Buyer at Buyer’s sole cost and expense, shall use commercially reasonable efforts to enter into a binding Development Agreement with the Town of Needham (the “Town”) for the envisioned Project, prepare, submit and receive, in concert with the Town, a Site Eligibility Letter (“SEL”) from the MA Department of Housing and Community Development (“DHCD”) or other applicable state subsidizing agency for the envisioned Project, and subsequent thereto, the preparation and submission of a joint LIP-LAU application to DHCD or other applicable state subsidizing agency, establishing the right(s) to apply for the a Comprehensive Permit for construction and operation of the Project (the “Permits and Approvals”). Buyer shall have until March 15th, 2023 to obtain the Permits and Approvals for the Project. Seller agrees to fully cooperate with Buyer in this effort. The Purchase and Sale shall allow the Approval Period to be extended to resolve or defend any and all appeals.

So long as Buyer is proceeding diligently to obtain the Permits and Approvals, the Approval Period may be extended by Buyer for up to one (1) additional 60 day period and one (1) additional 30 day period, with



written notice given to Seller, not less than thirty (30) business days' notice prior to the end of the then current Approval Period. If Buyer has not yet obtained the Permits and Approvals for the Project prior to the expiration of the Approval Period as it may be extended, then Buyer shall have the right in its sole discretion to terminate the Purchase and Sale by written notice given to the Seller, in which event the Deposit and all interest earned thereon shall be returned to Buyer and the Purchase & Sale shall be of no further force of effect, except for the provisions thereof, such as confidentiality, that the parties agree shall survive any termination of the Purchase & Sale.

**REAL ESTATE
TAXES:**

Seller shall pay the real estate taxes for the Property through to the Closing.

CLOSING DATES: The closing shall take place in two installments:

1. Installment 1 – 90 days following the execution of the Purchase and Sale Agreement Buyer shall close on the 3.05 acre Charles River Street parcel for \$2,500,000.
2. Installment 2 – Buyer shall close on the remaining Trust property within 45 days of the receipt of Permit and Approvals as outlined above for \$18,500,000.

**CONDITIONS
OF CLOSINGS:**

In the event that the following conditions are not met, the deposit plus accrued interest shall be returned to the Buyer:

- Subject Property must have clear and marketable title.
- Availability of suitable soils, access to municipal sewer, water and utilities (electric/TV/Comm).
- There shall be no adverse the environmental condition of the Property or adverse change in environmental condition, prior to closing following the Review Period.
- Such other closing conditions to which Buyer and Seller agree in the Purchase & Sale.
- Execution of a Development Agreement with the Town of Needham (the "Town") for the envisioned Project, prepare, submission and receipt of, in concert with the Town, of a Site Eligibility Letter ("SEL") from the MA Department of Housing and Community Development ("DHCD") or other applicable state subsidizing agency for the envisioned Project, and subsequent thereto, the preparation and submission of a joint LIP-LAU application to DHCD or other applicable state subsidizing agency, establishing the right(s) to apply for the a Comprehensive Permit for construction and operation of the Project (the "Permits and Approvals").
- Vote of the Needham Town Meeting to authorize acquisition of property and appropriation of the Town portion of the purchase price.



- That no commercial access be provided to/from the Project to and the present or prospective Town owned land. Access to the Town owned land for emergency, passive recreation (walking, xcnty skiing, snowshoeing), maintenance, and connection to and maintenance of utilities serving the Project shall be permitted.
- That the parcels known as 199-304-4 and 199-305-5 be subjected to a conservation restriction upon conveyance to the Town of Needham or such reasonable time thereafter as needed to obtain State approval.

**BROKERAGE
COMMISSION:**

Buyer and Seller acknowledge that LandVest, 10 Post Office Square, Suite 1125, Boston, MA, 02109 is the sole broker for this transaction. Seller shall be responsible for any real estate brokerage commission due as a result of this transaction.

**EXPRESSION
OF INTENT:**

Buyer and Seller agree that the terms set forth herein are intended merely as an outline for negotiation of a potential purchase and sale transaction to be documented by formal, mutually acceptable written agreement, and only reflect our present understanding of the discussions we have had regarding the prospective terms and conditions of the proposed transaction. Buyer and Seller agree to hold the information contained herein as confidential. Except for the confidentiality and exclusivity agreement, this Offer to Purchase is not, and shall not be deemed to constitute, a formal or binding agreement and the provisions hereof are not binding on either party for any reason. Notwithstanding any provision to the contrary contained herein, this Offer to Purchase shall not constitute an agreement to negotiate and solely constitutes an outline of the prospective terms of negotiation. Buyer and Seller each acknowledge and agree that each party is proceeding with negotiations related to the proposed transaction at its sole cost and expense (which may involve substantial transaction costs) and that either party may terminate or discontinue negotiations at any time, for any reason or for no reason, without any liability or obligation whatsoever. Actions taken by either Buyer or Seller, including but not limited to expenditure of funds, incurring or canceling other commitments, or acts taken to implement any of the provisions of this Offer to Purchase, shall not be construed as part performance of the terms and conditions contained herein, nor shall the party taking such action be regarded as having changed its position in reasonable reliance on the terms and conditions contained herein, so as to give rise to a claim of promissory estoppel or other equitable claims.

**THIRD-PARTY
EXPENSES:**

Each party shall be responsible for its own legal, advisory and miscellaneous expenses associated with completion of this transaction.

**CONFIDENTIAL
NATURE OF**



TRANSACTION: Buyer and Seller acknowledge the confidential nature of this transaction and agree not to disclose the terms of this Offer to Purchase or share any of the Documents described herein to any other parties other than employees, agents, consultants and lawyers, etc. working on behalf of the parties to this transaction.

EXCLUSIVITY: Following execution of an Offer to Purchase, Seller shall take the Property off the market and not solicit or accept any other offers.

If the Seller agrees to the terms and conditions described in this letter, please have a copy signed and returned to me. This offer shall terminate and be of no further force and effect if it has not been accepted by Seller and returned to Buyer on, or before 5:00 p.m. EST on Tuesday **September 6th, 2022.**

[SIGNATURES ON FOLLOWING PAGES]



AGREED TO AND ACCEPTED BY:

SELLER

By: *William A. Powell*

Date: September 6, 2022

Title: Trustee of Barbara Foster Trust
and Charles H.W. Foster Trust



AGREED TO AND ACCEPTED BY:

Northland Residential Corp

By: _____

Date: _____

Title: _____



J. Raymond Miyares Thomas J. Harrington Christopher H. Heep Donna M. Brewer Jennie M. Merrill
Bryan Bertram Ivria Glass Fried Alexandra B. Rubin Ethan B. Dively Maurica D. Miller Rian Rossetti

September 6, 2022

BY EMAIL (drosen@landvest.com)

David A. Rosen, Chairman
LandVest
Ten Post Office Square
Boston, MA 02109

Re: Foster Estate – Northland and Town of Needham Offer to Purchase

Dear David:

This letter is intended to accompany the Offer to Purchase from Northland and the Town of Needham as revised 9.5.22. In connection with the Town's acquisition of the 28 acre meadow parcel, it will agree ^{to} not construct any major municipal buildings on the 28 acre meadow parcel. In addition, without otherwise restricting the permissible uses of the property as a matter of law or of record, the Town's intent is to use the 28 acre meadow parcel as open space and for passive recreation only.

Thank you very much, and please let me know if I can answer any questions or provide more information.

Sincerely,

Christopher H. Heep

cc: K. Fitzpatrick, Town Manager
J. Dawley, Northland

CH
9/6/22