

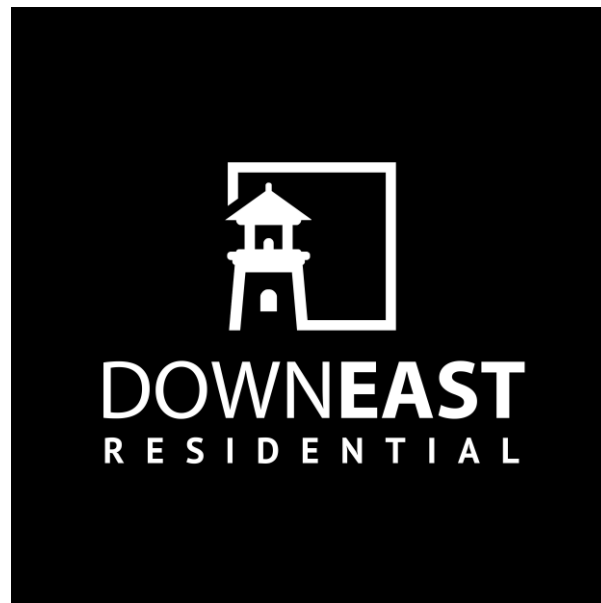
Downeast Residential LLC
REQUEST FOR PROPOSAL (RFP)

REDEVELOPMENT AND REUSE OF THE WHITE CLIFFS MANSION

Downeast Residential LLC
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Prepared By: Downeast Residential LLC
Date: December 7, 2022

Attn:
John Coderre
Town Administrator
Town of Northborough, MA
63 Main Street
Northborough, MA



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REDEVELOPMENT AND REUSE OF THE WHITE CLIFFS MANSION
Northborough - Massachusetts

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For questions or information regarding Engineering, contact:

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Name: Damon Amato
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For questions or information regarding Project Design, contact:

Name: Ben Legare
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PROJECT OBJECTIVE

The objective and ultimate goal for this project is restore and preserve the exterior of the existing building, specifically as it is visible from main street. We also intend to establish a preservation restriction on the exterior of said building, regardless of the interior usage, in addition to preserving as much of the historical interior as possible considering current building code.

PROJECT SUMMARY

With the monumental task of properly preserving the exterior of such a large building, we intend to tap Community Preservation Funds from the state of Massachusetts in order to help fund the cost to renovate the exterior of the existing building. In order to offset the remaining renovation costs, we will need a zoning waiver or to create a zoning overlay district that encompasses the entire property for more densely populated residential in order to get approvals for approximately 110-160 new apartments on the property, with approximately 10% of those being Affordable units. It would be a mix of rental units and condos for sale, with a mix of 2, 3, and 4 bedroom apartments.

The exact number of units would not be known until much further along in the process, and depend on what engineers and architects are able to reasonably fit on the property considering parking, utility upgrades, and potentially a traffic light on Main street. We intend to provide several amenities to the residents there, including (but not limited to) a fitness center, indoor pool, and community space.

The exterior of the apartment buildings will boast historically accurate aesthetics that match with the existing building, creating a lovely pocket community right near downtown, fostering more commerce and boosting the local economy a great deal.

Since there may be a multitude of different commercial uses for the existing building, we would not want to be held to a specific use. Our intention is to seek out an operator for a Brewery on site, preferably one who would also want to have a restaurant space as well. The second floor of the building would either be part of that space, or as a separate coffee shop.

OWNERSHIP STRUCTURE/PAYMENTS

We propose to purchase the property for \$1, with the intention of making a payment to the town of Northborough in the amount of \$8,000 PER UNIT that we can build as apartments. Payments would be made either 1) at closing of sale to an end buyer OR 2) at certificate of occupancy if it is a rental unit. If we are not able to secure either Community Preservation Funds or other state, local, or federal grants to renovate the exterior of the existing building, then the PER UNIT payment would be used to do so. Once completed, a third-party management company would manage the entire property, including the commercial spaces.

FEASIBILITY

As an experienced operator with over \$25 Million in assets being managed, Downeast Residential would be funding the initial permitting of the development with cash, and then procuring a construction loan for the apartments from a local credit union.

As a standalone facility, an average nanobrewery can expect to pay about \$5,000/month in triple net rent. Not including ongoing costs and considering an average 9.1% margin, any operator would need additional relief for the first few years in business in order to ramp up clientele. We would like to consider a 10 year Real Estate Tax abatement for the building in order to keep costs to a minimum and ensuring a thriving and improving business within the town.

COMMUNITY BENEFITS/MASTER PLAN

While the existing building may have a tax abatement, the apartment buildings will not be expected to receive the same abatement. The estimated assessed value will be somewhere between \$35-\$50M, producing local yearly tax revenue of between \$577,000-\$825,000. This also meets chapter 4 of the Northborough Master Plan with housing goals of encouraging diverse housing options, enhancing the existing character of a community, while also providing Affordable housing that is accessible to those who need it. Most importantly, it incorporates housing walkable to downtown to supplement and support the area's economic viability.

In accordance with preserving the exterior architecture of the existing building, we will also be hiring a landscape architect to present a plan for the grounds to bring the greenery back to life and also be maintained as a cornerstone landmark in Northborough. Being close to downtown is of paramount importance, so we would propose a public biking system akin to what one would see in cities like Boston or Washington. Public bikes would be managed by third-party companies, and create a quick and easy way for local community members to bike from White Cliffs to downtown, where a second set of bikes would be. This would make local commerce extremely easy, convenient, and decrease traffic in the downtown area.

TEAM

Downeast Residential LLC
110 Maple Lane
Northborough, MA
01532

Damon Amato - manager
110 Maple Lane
Northborough, MA
01532

- **Damon has an extensive background financing, underwriting, and managing large properties. Damon currently manages three large residential portfolios, three self storage facilities, and a multitude of smaller rental properties that add up to over 200 residential units and 150,000 net rental square feet of self storage facilities. With the financial contacts Damon has, creating a financing structure that works for any deal becomes seamless.**

Ben Legare - manager
3 Colby Farm Lane
Newburyport, MA
01950

- **A graduate of the Wentworth Institute in Boston with a Masters degree in architecture, Ben has over 15 years experience being entrenched in zoning code and designing aesthetically pleasing buildings and commercial spaces, including the entrance to Great Wolf Lodge. Together with Damon Amato since 2016, Downeast Residential has renovated many historical buildings in downtown Newburyport, Massachusetts, as well as built over 50 single family houses across New England, including a 15 single family house sub division that included a tri-party agreement and massive zoning changes within the town.**

REFERENCES

- 1) Robert Ciampitti, Liberty Law
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- 2) Megan Mulligan, Mulligan Law
Megan@meganmulliganlaw.com
- 3) David Daly, The Daly Group
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- 4) Bill Nolan, Savoie Nolan Architecture
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