

RFP # 16-28 - RIVER'S EDGE, WAYLAND, MA

EXHIBIT 1.2

**Price Summary Form, Project Pro Forma, and
Statement of Estimated Tax Revenues**

RFP # 16-28 - RIVER'S EDGE, WAYLAND, MA

EXHIBIT 1.2

**PRICE SUMMARY FORM, PROJECT PRO FORMA, AND
STATEMENT OF ESTIMATED TAX REVENUES**

Disposition of Municipal Real Estate – River's Edge Property
TOWN OF WAYLAND
41 Cochituate Road
Wayland, Massachusetts 01778

Name of RFP Respondent: Baystone Development LLC

PURCHASE PRICE

The RFP Respondent (as Buyer) agrees to pay to the Town of Wayland (as Seller) the following purchase price for the purchase of the Property identified in the RFP ("Purchase Price"):¹⁰

Net Purchase Price to Town
\$ 3,240,000

The RFP Respondent shall purchase the Property and be solely responsible for all costs and expenses of the Project including without limitation all costs and expenses for the RFP Respondent to undertake and complete Demolition of the former Wayland/Sudbury Septage Facility, to design and construct the On-Site Package Treatment Plant, to design and construct the Water Main Extension to connect the Project to the public water supply, and to complete the On-site Soils Removal. The RFP Respondent's contractor's or engineering estimate of its costs and expenses for each of these three items is as follows (each an "Estimate"):

Gross Purchase Price , as if property is sewer- and water-connected, with no Existing Site Conditions Work	\$ 7,385,000
Costs of Existing Site Conditions Work	Estimate
Demolition of the former Wayland/Sudbury Septage Facility	\$ 265,000
Design and Construction of On Site Sewer Package Treatment Plant	\$ 2,100,000
Design and Construction of Water Main Extension	\$ 820,000
On-Site Soil Removal Work	\$ 960,000
Net Purchase Price to Town	\$ 3,240,000

¹⁰ Capitalized Terms are defined below or are defined in the RFP.

RFP # 16-28 - RIVER'S EDGE, WAYLAND, MA

In addition to the Purchase Price, the RFP Respondent agrees to pay to the Town:

- A. All applicable and lawful taxes, betterments, assessments, connection fees and annual use rates (*i.e.* for public water) assessed by the Town to the Property in accordance with Massachusetts law;
- B. All applicable permit fees and review costs for the On Site Package Treatment Plan as may be required by the Town of Wayland; and
- C. All closing costs and other charges to be assessed to the Buyer in accordance with the Land Disposition Agreement to be executed with the Town and the RFP Respondent.

Attached hereto as Attachment 1 is the RFP Respondent's Pro Forma for the Project.
[Please complete in the form attached].

Attached hereto as Attachment 2 is the RFP Respondent's Statement of Estimated Tax Revenues. [Please complete in the form attached].

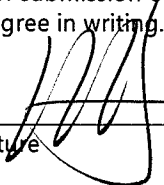
PUBLIC WATER ALTERNATIVE – AT TOWN'S OPTION

As an alternative, at the Town's sole and exclusive option, and as may be contingent on State funding being provided to the Town, the Town may elect to design and construct the Water Main Extension. In this alternative, RFP Respondent's estimate of Water Extension costs shall be paid to the Town as an addition to the Net Purchase Price to Town.

Alternative	Purchase Price
Design and Construction of Water Main Extension	\$ <u>820,000</u>

AUTHORIZED SIGNATURE

This Proposal will remain subject to acceptance by the Town of Wayland for one (1) year after the date of submission of proposals or for such additional time as the Town and the RFP Respondent may agree in writing.

Signature 

Roy S. MacDowell III

Manager

7-5-16
Date

RFP # 16-28 RIVER'S EDGE, WAYLAND, MA**Attachment 1 to Price Summary Form:****Project Pro Forma**

Name of RFP Respondent: Baystone Development LLC

Operating Pro Forma**First Full Operating Year****Project Revenues****Market Rate**

# Units	Type	Avg Size	Total SF	Mo Rent	Rent psf/yr	Annual Revenues
3	Studio	625	1,875	\$1,875	\$36.00	\$67,500
72	1-BR	865	62,280	\$2,387	\$33.11	\$2,062,204
64	2-BR	1,255	80,320	\$2,897	\$27.70	\$2,224,804
2	3-BR	1,400	2,800	\$3,300	\$28.29	\$79,200
141			147,275	<i>Average</i> \$2,620	\$30.10	\$4,433,708

Affordable

# Units	Type	Avg Size	Total SF	Mo Rent	Rent psf/yr	Annual Revenues
2	Studio	625	1,250	\$1,056	\$20.28	\$25,344
23	1-BR	865	19,895	\$1,311	\$18.19	\$361,811
21	2-BR	1,255	26,355	\$1,593	\$15.23	\$401,471
1	3-BR	1,400	1,400	\$1,425	\$12.21	\$17,100
47			48,900	<i>Average</i> \$1,429	\$16.48	\$805,726

Plus: Miscellaneous Income (tenant fees)	\$105,000
--	-----------

Gross Revenues:	\$5,344,434
-----------------	-------------

Less: 5% Vacancy	(\$267,222)
------------------	-------------

Effective Gross Income	\$5,077,212
Revenue/Unit	\$27,006

Unit Matrix:

# Units	Type	Avg Size	Mkt Rent	Aff Rent
5	Studio	625	\$1,875	\$1,056
63	1-BR	805	\$2,300	\$1,261
32	1-BR + Den	985	\$2,550	\$1,425
70	2-BR	1,225	\$2,850	\$1,567
15	2-BR + Den	1,400	\$3,100	\$1,750
3	3-BR	1,400	\$3,300	\$1,945
188		1,044		

RFP # 16-28 RIVER'S EDGE, WAYLAND, MA**Operating Expenses**

	Per Unit Cost	Expenses
Administrative	\$316	\$59,408
Marketing & Leasing	\$437	\$82,156
Repairs & Maintenance	\$1,105	\$207,740
Payroll (Maintenance & Manager Staff)	\$1,463	\$275,000
Property Management Fee	\$675	\$126,930
Insurance	\$400	\$75,200
Utilities	\$900	\$169,200
Other:	\$133	\$25,000
Real Estate Taxes (see attached)	\$4,336	\$815,210
Total Expenses	\$9,765	\$1,835,844
Expenses as % of Effective Gross Income		36.16%

	Per Unit	Total
Net Operating Income	\$17,241	\$3,241,368

	Per Unit	Total
Property Value 5.0% cap rate	\$344,826	\$64,827,364

RFP # 16-28 RIVER'S EDGE, WAYLAND, MA**Operating Expenses**

	Per Unit Cost	Expenses
Administrative	\$316	\$59,408
Marketing & Leasing	\$437	\$82,156
Repairs & Maintenance	\$1,105	\$207,740
Payroll (Maintenance & Manager Staff)	\$1,463	\$275,000
Property Management Fee	\$675	\$126,930
Insurance	\$400	\$75,200
Utilities	\$900	\$169,200
Other:	\$133	\$25,000
Real Estate Taxes (see attached)	\$4,336	\$815,210
Total Expenses	\$9,765	\$1,835,844
Expenses as % of Effective Gross Income		36.16%

	Per Unit	Total
Net Operating Income	\$17,241	\$3,241,368

	Per Unit	Total
Property Value 5.0% cap rate	\$344,826	\$64,827,364

RFP # 16-28 RIVER'S EDGE, WAYLAND, MA

**Attachment 2 to Price Summary Form:
Statement Of Estimated Tax Revenues**

Name of RFP Respondent: Baystone Development LLC

Project Revenues

Gross Revenues (from Pro Forma)	\$5,344,434
Less: 5% Vacancy	(\$267,222)
Effective Gross Income	\$5,077,212

Operating Expenses	30%	(\$1,523,164)
---------------------------	------------	----------------------

NET OPERATING INCOME	\$3,554,049
-----------------------------	--------------------

Estimated Property Assessment	8.0% cap rate	\$44,425,609
--------------------------------------	----------------------	---------------------

Estimated Taxes based on FY2015 Tax Rate	\$18.35	\$815,210
---	----------------	------------------