

**Current Good Faith Estimates of Condo Fees, Utility Charges, and City of Quincy
Real Estate Taxes**

Our best current estimate of the condo fees, utilities expenses, and City of Quincy real estate taxes for a 3,450 Deeded Square Foot model are as follows:

Condo Fees: \$1,199/Month = \$14,386/Year = (\$3.55/RentableSF/Year)or(\$4.17/DeededSF/Year)

Electricity for the Building's Common
Area: \$186/Month = \$2,230/Year = (\$0.55/RentableSF/Year) or (\$0.65/DeededSF/Year)

Gas (entire Building, including your space): \$135/Month = \$1,622/Year = (\$0.40/RentableSF/Year) or (\$0.47/DeededSF/Year)

Subtotal of the above three items: \$4.50/Rentable SF/Year or \$5xxx/Deeded SF/Year

Taxes: \$642/Month = \$7,702/Year = (\$1.90/RentableSF/Year) or (\$2.23/DeededSF/Year)

Electricity for your unit's Lights and Plugs and Your Unit's Heat Pumps:
 \$716/Month=\$8,594/Year=(\$2.12/RentableSF/Year) or (\$2.49/DeededSF/Year)

NOTE: FOR AN ESTIMATE OF ANY ANNUALCHARGE FOR YOUR SPECIFIC SPACE SIZE, PLEASE MULTIPLY THE NUMBER OF "RENTABLE" (GROSS) SQUARE FEET OF YOUR PROPOSED UNIT BY THE RENTABLE SF/YEAR ESTIMATES ABOVE.

This document, and the backup spreadsheet that accompanies it, contain both projections and information obtained from third-party sources believed, to the best of our knowledge, to be reliable. Please be aware: we can make no guarantee as to what any unit's actual condominium fees or Quincy real estate taxes or utilities expenses will be. In order to give all buyers the same information we have prepared per square foot ("SF") estimates (and totals) using a model unit space representing roughly 10% of the total "deeded" space at 234 Copeland Street. The total deeded space at the building is approximately 34,500 SF. 3,450 SF is 10% of 34,500 SF. The definition of "deeded" space is contained in the [Master Deed](#) of the Furnace Brook Condominium Association. You will find the definition there to be fairly close to what you would consider "useable" space. If you were renting space in a similar class and type of office building you would find that a suite's "rentable" space (the combination of useable space and a fair percentage of building common area) would be about 15 to 20% larger than its useable space. In other words at a typical first-class building, if you found a space that suited your needs measuring 2,000 "useable" feet, you would be charged for, say, 18% more (to cover common area of the building such as bathrooms, hallways, mechanical spaces, etc.) for a total of 2,360 "rentable" feet. Similarly, at 234 Copeland, "rentable" space is approximately 18% larger than deeded space. Please note we have provided the estimated expense numbers on both a deeded per foot basis and a rentable per foot basis. We provide the rentable per foot numbers first because they are most relevant to a [lease vs. buy analysis](#).

As of October, 2007 the annual fees billed by the Furnace Brook Office Condominium Association (net of taxes, electricity, and gas) for the entire property (which includes the building next door – 1261 Furnace

Brook Parkway) are billed at a rate of \$215,000 per year. 234 Copeland's share of that total is 65.71%, or \$141,277. ($65.71\% * \$215,000 = \$141,277$).

We are offering (including the percentage of common area that is attributed to each space) approximately 40,500 SF for sale, which is the approximate gross square footage of the building, derived using the principles of a respected office building measurement standard ([BOMA](#)). Taking \$141,277 and dividing it by 40,500 SF, demonstrates that the fees are approximately \$3.50/SF of gross or "rentable" space and \$4.10/SF of deeded space.

We have made certain the building is being delivered to you in excellent condition (with major capital repair issues/improvements satisfactorily addressed). The existing FBOCA reserve set-aside, along with the monthly contributions to the set-aside (which are included in the above monthly condo fee), are projected to be sufficient to address reasonable capital repairs and improvement needs in the future.

To the best of our knowledge at this time, the only items of typical expense that the above condominium fee number does not include are as follows:

- the electrical utility bill for the electricity required for the common space in the building
- the shared gas utility bill for fuel for heat for the building
- each unit's cost for electricity for its own lights, plugs (which will be separately metered for your direct usage)
- each unit's prorated cost for the electricity required to run unit "heat pumps" (located in the ceiling of each unit) which are used to distribute the cooling created by the central cooling tower (located on the roof) and the heat created by the central boilers (located on the roof)

It was not a straightforward exercise to project the electric bill for the common area because formerly there was one bill for the whole building, with no sub-meters for lights and plugs by area. Also, the former use of the building created an electrical demand that we believe was significantly greater than what it will be going forward. Finally, we are currently examining the feasibility of separately metering the garage lights and lot lights so that 234 Copeland only pays its fair share, instead of all of the cost for the garage and lot lights (with 1261 Furnace Brook Parkway picking up its fair share). Our best estimate of the building's common area electric charge is roughly 55 cents per foot.

Our best estimate was made in the following manner: Last year's electric bill (2006) for the building was \$144,214 (or \$3.56/rentable SF). However, Granite was an extremely heavy user of electricity because of all the electronics, computers and office equipment they used and had to cool (particularly in their very large, dedicated, raised-floor computer rooms) for their telecommunications business. Also, because they placed at least 25% more employees into the building than a typical office user, they needed extra electricity for cooling that heat load. Our best guess going forward is that the building will use about 75% (or less) of the electricity that Granite used. 75% of \$144,214 is \$108,160 (or about \$2.67/rentable SF). If we assume 20% of that \$2.67/rentable SF is dedicated to common area; the cost of electricity for the common space of the building will be \$0.55/rentable SF (slightly less if a "lot/garage lighting meter" is separated out, with 34% of that meter billed to the other building). The balance of the \$2.67/rentable SF (or about \$2.12/rentable SF) will theoretically approximate the combination of your separately metered electricity charge for lights and plugs, and the prorated electricity charge for the electricity required to run your heat pumps to distribute heating and cooling to your space.

The gas utility bill for heating the whole building was just \$12,729. Our best guess is that the total bill for heating the building going forward will be higher (for the same reasons that the electric bill will be lower). If it is 25% higher, it will be \$15,900 (or about \$0.40/rentable SF).

Finally, with regard to real estate taxes, as of June 07 the taxes for the building were \$68,719 or \$1.72/rentable SF. We assume a 10% increase for the purpose of this analysis.

Should you have any questions with regard to this analysis and projection please feel free to contact John Craig (781-706-6742).