



October 5, 2023

Mr. Larry Smith  
Chebacco Hill Capital Partners, LLC  
PO Box 1044  
Sudbury, MA 01776

**Re: Chebacco Hill at 133 Essex Street, Hamilton, MA (the “Subject Property”)**

Dear Mr. Smith:

We understand you are planning to develop a 59-unit homeownership development age-restricted to households 55 years old and older at 133 Essex Street in Hamilton, Massachusetts (the “Subject Property”). LDS was asked to provide a broker’s opinion letter relative to the market rate sales prices for the Subject Property. LDS is a licensed broker in the Commonwealth of Massachusetts.

Our goal was to examine the existing and planned supply of age-restricted new construction single/duplex/triplex, and/or townhouse-style two-bedroom condominium ownership units in Hamilton, MA to confirm that the market rate sale prices at the Subject Property are achievable, as well provide demographic research relative to the over 55 population. This information will be used in connection with a M.G.L. Chapter 40B site eligibility application. Therefore, 75% of the units will be priced at market and 25% will be income-restricted to households earning at or below 80% of Area Median Income (“AMI”).

Hamilton is a rural-suburban town with a rich equestrian heritage. It is located on the North Shore of Massachusetts and is tied to much outdoor recreation through its proximity to the ocean and numerous beaches and reservations. The Subject Property is in South Hamilton steps from the Chebacco Woods trail system with wide and smooths paths that traverse woodlands and go by two large ponds. It is expected that the Subject Property will create a walking trail that will provide the ability to connect to the offsite trail system (Town of Hamilton, 2023; Essex County Trail Association, 2023).

Hamilton is closely tied to neighboring Wenham, sharing a school system, library, recreation department, commuter rail station and newspaper. The Hamilton/Wenham Commuter Rail Station is a less than three miles or a 7-minute drive from the Subject Property. It is served by the Newburyport/ Rockport Line, which provides outbound service to Newburyport and inbound service to Boston’s North Station 7 days a week. It is approximately a 40-minute ride to North Station from Hamilton/Wenham (MBTA, 2023). There are no freeways in Hamilton, and Route 128 is accessed via Beverly which is approximately 3.5 miles from the Subject Property.

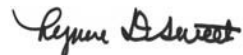
Hamilton is a bucolic community that attracts residents for its extensive green space and outdoor recreation. Therefore, it has few retail amenities. However, the Subject's Property in South Hamilton has access to major highways and other amenities within a 5–10-minute drive. The Beverly Hospital is 5.4 miles or approximately a 12-minute drive from the Subject Property.

As currently planned, all fifty-nine of the units at the Subject Property will be two-bedroom units in attached duplexes and triplexes and detached single-family homes. All units will have two-and one-half bathrooms. The 59 new construction units will average 2,063 square feet in size and each unit will have a two-car garage. The homes will be spread out along a looped road off Chebacco Road and are designed to provide their owners with individual privacy and a maximum amount of green space.

The information in this letter was compiled after reviewing project documentation and research on the multiple listing service. We have defined the Primary Market Area ("PMA") as the town of Hamilton.

We look forward to answering any questions you may have. Thank you for your time and attention.

Sincerely,  
LDS Consulting Group, LLC



By: \_\_\_\_\_  
Lynne D. Sweet, Managing Member

# Research and Conclusions

Based on our analysis and existing market conditions, the following market rate sale prices and condominium fees appear to be achievable in today’s market:

*Table 1: Subject Property Homeownership Pricing*

Type	Size	Market Count	Market Price	Monthly condo Fee
Single	2,350	9	1,065,000	\$559.74
Duplex	2,050	20	965,000	\$507.18
Tri-end	2,000	10	935,000	\$491.41
Tri-middle	1,850	5	825,000	\$433.60

In addition, the 55 and older population in Hamilton grew by 32% from 2010-2023 and will make up 57% of the total population in Hamilton in 2028. Furthermore, the average net worth of households age 55 and older is \$2,979,274 indicating that current Hamilton age-qualified households have the capital necessary to afford the proposed market rate prices at the Subject Property. Moreover, the average median single family home sale price according to Banker and Tradesman Town Stats in 2022 was \$850,000 in Hamilton. This indicates that potential purchasers looking to downsize from their existing homes to the Subject Property will be able to make a substantial down payment on a home at the prices currently proposed.

The units proposed at the Subject Property will offer a high-quality product that is currently in high demand in the Hamilton condominium market. The Subject Property’s units will offer the privacy and green space that potential purchasers are looking for. The Village at Canter Brook Farm, a 23-unit age restricted home ownership community located in Hamilton is less than 5 miles away from the Subject Property. It should be noted that the applicant’s management team developed the community at the Village at Canter Brook Farm. Its units were completed between January 2020 and December 2021 with an average sales price of \$943,542. The two-bedroom units are slightly larger than those proposed at the Subject Property, but they sold out within three years of breaking ground and during the COVID-19 pandemic. This indicates that there is ample demand in Hamilton for age restricted ownership units. We predict that the Subject Property will have the same success in selling out quickly.

The proposed development at the Subject Property will likely not be built and ready for occupancy for several years. The market rate purchase prices assume that the over 55 homeownership market in Hamilton will continue to grow and there will be continued demand for new construction market rate age restricted homeownership units.

## Supply

We concentrated our research on the 23 two-bedroom duplexes, triplexes, and single-family homes at The Village at Canter Brook Farm in Hamilton, a 55-year-old and above age-restricted development. The units are similar in square footage and construction style to what is proposed at the Subject Property and were all built since 2020. All the homes have 2 bedrooms and 2.5

bathrooms, like what will be offered at the Subject Property. Because they are being developed by the same company, The Village at Canter Brook Farm offers the same level of unit finishes, and community amenities as proposed at the Subject Property. Information was provided by Restoration Capital as well as sourced from the Multiple Listing Service (“MLS”).

The table below summarizes the Village at Canter Brook Farm new construction condominium units in Hamilton, MA sold between 2020 and 2023 compared to the Subject Property and followed by a map. We note that the number of days on the market likely reflects the marketing period for some of the units used as furnished model homes that were part of the initial marketing efforts and should not be considered an indicator of low demand. All sales after December 2021 are resales by original purchasers.

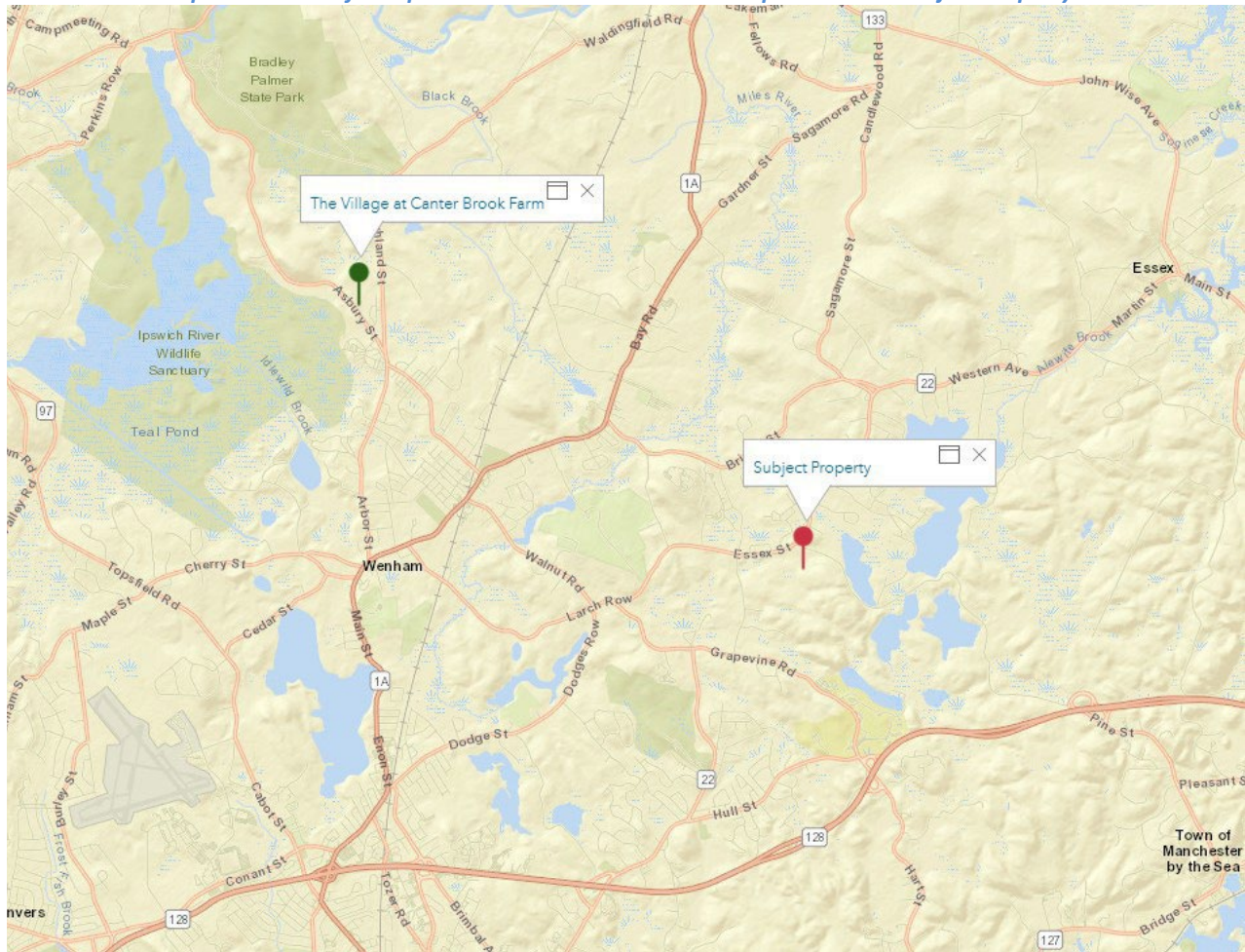
*Table 2*

Comparison of Two-Bedroom Townhomes at Village at Canter Brook Farm to Subject Property								
Address	Sale Date	Baths	Sq ft.	PP	Sq. ft. Price	HOA*	DOM	Unit Type
20 Canter Brook Lane	3/6/2020	2.5	2,579	\$863,241	\$335	\$495	3	Duplex
19 Canter Brook Lane	3/27/2020	2.5	2,579	\$892,102	\$346	\$495	59	Duplex
23 Canter Brook Lane	6/12/2020	2.5	2,347	\$871,745	\$371	\$495	22	End TH
21 Canter Brook Lane	6/29/2020	2.5	2,347	\$926,791	\$395	\$495	26	End TH
6 Canter Brook Lane	8/3/2020	2.5	2,579	\$842,125	\$327	\$495	2	Duplex
9 Canter Brook Lane	9/29/2020	2.5	1,814	\$759,839	\$419	\$495	2	Middle TH
10 Canter Brook Lane	12/29/2020	2.5	2,477	\$852,356	\$344	\$495	197	End TH
22 Canter Brook Lane	5/5/2021	2.5	1,933	\$719,000	\$372	\$495	8	Middle TH
18 Canter Brook Lane	5/7/2021	2.5	2,565	\$1,099,900	\$429	\$495	1	Detached
4 Canter Brook Lane	5/17/2021	2.5	2,579	\$866,140	\$336	\$495	2	Duplex
1 Canter Brook Lane	6/9/2021	2.5	2,347	\$945,000	\$403	\$495	7	End TH
17 Canter Brook Lane	6/18/2021	2.5	2,565	\$1,016,060	\$396	n/a	n/a	Detached
11 Canter Brook Lane	7/23/2021	2.5	2,565	\$960,060	\$374	\$495	1	Detached
14 Canter Brook Lane	9/29/2021	2.5	2,565	\$1,126,644	\$439	\$495	1	Detached
13 Canter Brook Lane	11/4/2021	2.5	2,565	\$1,166,621	\$455	\$495	2	Detached
16 Canter Brook Lane	12/23/2021	2.5	2,565	\$1,065,000	\$415	\$495	225	Detached
15 Canter Brook Lane	12/30/2021	2.5	2,565	\$1,085,545	\$423	\$495	519	Detached
7 Canter Brook Lane	4/11/2022	2.5	2,564	\$964,000	\$376	\$495	344	Duplex
8 Canter Brook Lane	4/15/2022	2.5	2,347	\$961,000	\$409	\$587	12	End TH
12 Canter Brook Lane	6/10/2022	2.5	2,565	\$1,085,000	\$423	\$640	25	Detached
3 Canter Brook Lane	11/1/2022	2.5	2,347	\$829,000	\$353	\$584	22	End TH
2 Canter Brook Lane	4/28/2023	2.5	2,071	\$719,000	\$347	\$466	260	Middle TH
5 Canter Brook Lane	7/27/2023	2.5	3,100	\$1,005,000	\$324	\$664	14	End TH
<b>High</b>		<b>2.5</b>	<b>3,100</b>	<b>\$1,166,621</b>	<b>\$455</b>	<b>\$664</b>	<b>519</b>	
<b>Low</b>		<b>2.5</b>	<b>1,814</b>	<b>\$719,000</b>	<b>\$324</b>	<b>\$466</b>	<b>1</b>	
<b>Average</b>		<b>2.5</b>	<b>2,452</b>	<b>\$943,542</b>	<b>\$385</b>	<b>\$517</b>	<b>83</b>	
<b>Subject Single</b>		<b>2.5</b>	<b>2,350</b>	<b>\$1,065,000</b>	<b>\$453</b>	<b>\$325</b>		

Comparison of Two-Bedroom Townhomes at Village at Canter Brook Farm to Subject Property								
Adress	Sale Date	Baths	Sq ft.	PP	Sq. ft. Price	HOA*	DOM	Unit Type
Subject Duplex		2.5	2,050	\$965,000	\$471	\$325		
Subject Tri-end		2.5	2,000	\$935,000	\$468	\$325		
Subject Tri-middle		2.5	1,850	\$825,000	\$446	\$325		

\* \$495 was HOA fee at the time of the initial sales and has since increased

Map 1- Location of Competitive Two-Bedroom Units Compared to the Subject Property



The Village at Canter Brook Farm is approximately 4.4 miles from the Subject Property. It has 23 total units located in twelve buildings including three duplexes, three triplexes, and eight single family homes like what is proposed at the Subject Property. The project broke ground for site work in December of 2018 and was completely sold out three years later by December 2021. This indicates a demand in Hamilton for age restricted ownership units for households age 55 and older.

As planned, the two-bedroom homes at the Subject Property will have 2.5 bathrooms, like all the Village at Canter Brook Farm. However, they will be slightly smaller than the townhouse style Two-Bedroom Units which have an average unit size of 2,463 square feet. The unit sizes at

some of the Village at Canter Brook Farm units reflect finished basements and bonus rooms, which contributes to the larger average unit sizes. The average sale price over the last two and a half years was approximately \$940,000 and the price per square foot is \$382. Therefore, the proposed sale prices appear to be achievable.

We note that the average number of days on the market for two-bedroom condominiums at Village at Canter Brook Farm is 83 days. However, we believe this number is artificially high as it includes marketing periods from prior to breaking ground. It is likely that the actual average sale periods for two-bedroom homes are much shorter, showing significant supply constraint.

## Demand

There are multiple indicators of demand for ownership housing for households age 55 and older in Hamilton. Restoration Capital is incredibly experienced working in the age restricted ownership market and has had four similar developments sell out. This includes the Village at West Gloucester, the Village at Magnolia Shores in Gloucester, Hatter's Point Condominiums in Amesbury, and The Village at Canter Brook Farms in Hamilton have all successfully sold out over the last 13 years.

The Village at West Gloucester and The Village at Magnolia Shores are both located in Gloucester and have a total of 34 and 45 units respectively. The Village at West Gloucester is an age restricted development less than 10 miles from the Subject Property. It opened between 2011-2014 and duplex style three-bedroom homes initially sold for between \$600,000-\$960,000. The home most recently listed in early 2023 sold for just under \$1.3 million dollars.

The Village at Magnolia Shores is approximately 10 miles from the Subject Property. It offers two-bedroom duplex homes, like the Subject Property, that were completed and sold from 2013 through mid- 2017. Initial sales ranged from approximately \$600,000 to \$890,000. Unlike the Subject Property, Magnolia Shore is an age targeted development but there is no explicit age-restriction in place. The most recent sales at Magnolia Shore were for over a \$1,000,000.

Unlike the Subject Property, the 45 one-and two-bedroom age restricted units at Hatter's Point in Amesbury are flat style in a multifamily elevator building. It was completed in 2020 and most units sold for between \$400,000 and \$1,000,000 depending on unit size. All units recently resold in 2023 spent an average of 17 days on the market. This indicates demand for quality age-restricted ownership housing.

The most similar development to the Subject Property, Canter Brook Farms, completely sold out within three years of breaking ground. Furthermore, it was able to undergo a successful marketing period in the middle of the COVID-19 pandemic.

Based on the success of the initial sales and increasing values of the homes at the other age restricted developments in the area, we believe the Subject Property will sell out at a similar

pace, at the prices proposed.

Additionally, the Hamilton population over the age of 55 is growing. The table below shows the Study Area populations age 55 and older from 2010 to 2028, by age groups. The four age groups made up of seniors (age 55 and over) grew by 32% from 2010 to 2023 in the Study Area. **In 2010, individuals ages 55 and over made up 44% of the population. In 2023, they comprised 57% of the population, with the age 65-74 group seeing particularly extreme growth of 17% in just 13 years.**

Looking forward to 2028, persons ages 65 and older are projected to see continued growth in Hamilton, while the number of persons ages 55-64 are projected to decrease slightly. Individuals ages 55 and over will comprise 57% of the population in the Study Area. People in their mid-60's to mid-80's will see the most growth (ESRI, 2023).

*Table 3: Study Area Population Growth by Age, 2010 - 2028*

	2010		2023		Actual Change, 2010 -2023		2028		Projected Change, 2023- 2028	
	#	%	#	%	#	%	#	%	#	%
<b>Total Households</b>	<b>2,692</b>		<b>2,738</b>		<b>46</b>	<b>2%</b>	<b>2,796</b>		<b>58</b>	<b>2%</b>
<b>55-64</b>	597	22%	674	25%	77	13%	552	20%	-122	-18%
<b>65-74</b>	300	11%	536	20%	236	79%	594	21%	58	11%
<b>75+</b>	280	10%	349	13%	69	25%	452	16%	103	30%
<b>All 55+</b>	1,177	44%	1,559	57%	382	32%	1,598	57%	39	3%

We also looked at the economic landscape in Hamilton to discern if the proposed market rate prices were feasible for the targeted households. The table below details the net worth of Hamilton households above the age of 55 by age group. Across all three age brackets, the majority of households have a net worth over \$500,000. Furthermore, a whopping 47% of households over the age of 55 have a net worth of a million of higher. This indicates that older households have the capital necessary to afford the quality housing proposed at the Subject Property.

*Table 4*

**Hamilton Households by Net Worth by Age, 2023**

	55-64		65-74		75+	
	#	%	#	%	#	%
<b>Total households</b>	674		536		349	
<b>Less than \$15,000</b>	75	11%	62	12%	20	6%
<b>\$15,000-\$34,999</b>	12	2%	13	2%	3	1%
<b>\$35,000-\$49,999</b>	9	1%	4	1%	2	1%
<b>\$50,000-\$74,999</b>	11	2%	12	2%	11	3%
<b>\$75,000-\$99,999</b>	12	2%	1	0%	18	5%
<b>\$100,000-\$149,999</b>	16	2%	9	2%	12	3%

Hamilton Households by Net Worth by Age, 2023						
	55-64		65-74		75+	
	#	%	#	%	#	%
\$150,000-\$249,999	30	4%	28	5%	38	11%
\$250,000-\$499,999	50	7%	77	14%	67	19%
\$500,000-\$999,999	59	9%	101	19%	81	23%
\$1000000+	400	59%	229	43%	97	28%
<b>Median Net Worth</b>	\$1,000,001		\$742,043		\$511,467	

Next, we studied the median single family home sale prices Hamilton over the last ten years. To do this, we looked at home sale data provided by Banker and Tradesman to study the median home sale prices in the town of Hamilton as well as year over year changes as shown in the table below.

*Table 5*

Median Single Family Home Sale Price Year to Date (Jan-Aug)		
Hamilton		
Year	\$	% Change
2022	\$850,000	7.9%
2021	\$787,500	19.5%
2020	\$659,000	8.0%
2019	\$610,000	9.9%
2018	\$555,000	3.7%
2017	\$535,000	-0.4%
2016	\$537,318	8.8%
2015	\$494,000	3.2%
2014	\$478,800	-

Single family home sale prices in Hamilton have continued to rise substantially over the last 9 years. We believe that the likely buyer at the Subject Property will be able to put a substantial downpayment on a market rate unit if they are selling their single-family home in Hamilton (Banker and Tradesman, 2023). It is likely that the sale prices in Hamilton will continue to rise in the time it takes to permit and completely build out the Subject Property.

## Pipeline

We reviewed our internal pipeline, MLS and the Hamilton Town Website. We did not identify any other planned age restricted home ownership units in Hamilton. We learned of one development in Boxford being developed by Toll Brothers that is currently under construction. It is 18 miles away, there will be 66 units in the complex and units are priced at \$1,100,000+.



## Works Cited

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