

**DEVELOPMENT AGREEMENT
REGARDING THE DEVELOPMENT OF PROPERTY
ON MAIN STREET AND ELM STREET, MEDWAY**

This Agreement (this "Agreement") is entered into on this 15th day of November, 20226⁵ by and between Rte. 85 Realty Corp. ("Developer"), with a usual business address 8 Uxbridge Road, Mendon, MA 01756, and the Town of Medway, a municipal corporation organized under the laws of the Commonwealth of Massachusetts, with a usual place of business at 155 Village Street, Medway, MA ("Town"), acting by and through its duly elected Select Board ("Select Board"), with the Developer and the Town being referred to herein together as the "Parties", regarding the construction of a mixed-use development on property located at 81R and 107, 111, 113, 115, 115A, 119, 119A, 119B Main Street, and 1 and 3 Elm Street, Medway, MA (collectively, the "Property").

NOW THEREFORE, based upon good and valuable consideration, the receipt of which is hereby acknowledged by the Parties, the Parties agree as follows:

A. THE PROJECT

The Developer intends to construct on the Property a mixed-use development consisting of up to 267 residential units (the "Units") (of which 15 of which are expected to be 3 bedroom Units, 106 are expected to be two bedroom Units, and 146 are expected to be 1 bedroom Units) (the "Residential Component") and commercial uses in multiple buildings (the "Commercial Component" and, with the Residential Project, the "Project"), as preliminarily depicted on a *preliminary concept plan* entitled "Heritage on Main," prepared by Bohler Engineering, dated November 18, 2025 (the "Concept Plan"), and attached hereto as Exhibit A (the "Project"). The Parties acknowledge that the Concept Plan is preliminary and subject to further review and revision at the Developer's sole discretion, except as expressly provided herein; however under no circumstances shall (a) the Residential Component exceed the individual and total numbers of units or bedrooms stated herein, and/or (b) the Commercial Component shown in the Concept Plan (restaurant, bank, general convenience store and gas station) be altered without the prior written consent of the Select Board, which consent shall not be unreasonably withheld. The Project will be constructed on the portion of the Property located within the Central Business Zoning District and will be proposed under the Mixed Use Development provisions of Section 10.3 of the Medway Zoning Bylaw (the "Bylaw"). The Parties recognize that the Project design and program is preliminary and is subject to change prior to and as a result of Project permitting, subject to the terms hereof.

B. MITIGATION PAYMENTS

If all Final Approvals are issued for the Project, and the Developer elects to proceed with construction of the Project, as evidenced by the Developer's application for a building

permit, the Developer will pay the Town a total of Three Million, Eight Hundred Thousand Dollars (\$3,800,000), as set forth in greater detail below (the “Mitigation Payments”).

1. Water and Sewer Payments:

- a. The Developer agrees to pay the Town Eight Hundred Thousand Dollars (\$800,000) to mitigate the Project’s potential impacts on water and sewer infrastructure and capacity (the “Water and Sewer Payment”).
- b. The Water and Sewer Payment shall be in addition to, and shall not reduce or offset, any applicable water and sewer connection fees . The Developer reserves the right to request a reduction or abatement of such connection fees for the Affordable Units, as hereinafter defined, but recognizes that the decision of whether to approve any such request shall be subject to the sole discretion of the Town.
- c. The Town intends to utilize the Water and Sewer Payment to purchase additional sewer flow capacity. However, the Town specifically acknowledges and agrees that it has adequate capacity to accommodate the Project as shown on the Concept Plan and that approval of said Project and connection to the Town’s sewer and water systems is not contingent or conditioned upon the Town securing additional capacity.
- d. The Water and Sewer Payment will be paid upon the following schedule:
 - i. Four Hundred Thousand Dollars (\$400,000) shall be paid upon issuance of the first building permit for the Residential Component.
 - ii. Four Hundred Thousand Dollars (\$400,000) shall be paid upon issuance of the final certificate of occupancy for the Residential Component.

2. Development Impact Payments

- a. The Developer shall make additional Project mitigation and community benefit payments to the Town totaling Three Million Dollars (\$3,000,000) (“Mitigation Payments”).
- b. The Mitigation Payments are intended and believed by the Parties to fully and adequately mitigate the Project’s impacts on the Town.

The Mitigation Payments shall be paid in ten equal annual installments of Three Hundred Thousand Dollars (\$300,000) each. The first such payment shall be due on or before December 31 of the year during which the final certificate of occupancy is issued for the Residential

Component, and each subsequent payment of the Mitigation payments shall be paid on or before December 31 of each following year. The Developer may, in its sole discretion, prepay all or any portion of the Mitigation Payments without penalty. If not paid on the dates specified, the Developer shall pay interest at the rate of fifteen percent per annum on the outstanding balance.

3. Other Municipal Fees and Charges

The Developer acknowledges it will be responsible for all otherwise applicable taxes, application fees, permit, connection and inspection fees.

4. Nonpayment

The Developer acknowledges that the payments required hereunder constitute municipal charges for purposes of G.L. c.40, §58, and the Town shall have the right, without limitation, to pursue any and all available remedies to the Town, in law or in equity, to enforce the Developer's obligations hereunder.

C. INCLUSIONARY UNITS

1. The Developer acknowledges that the Project is subject to Section 8.6 of the Zoning Bylaw, Affordable Housing. The Developer intends to apply for a special permit under Section 10.3.D.6 of the Bylaw, to provide ten percent of the units shall be reserved for rental to low- and moderate-income tenants ("Affordable Units"), in conformity with the requirements of the Massachusetts Executive Office of Housing and Livable Communities ("EOHLC") for inclusion on the Town's Subsidized Housing Inventory ("SHI").
2. The Developer shall cooperate with the Town to ensure that the Affordable Units are included on the Town's SHI, including without limitation, by completing and executing all standard documents required by EOHLC and providing documentation reasonably requested by EOHLC.

D. DONATION OF LAND

1. Within thirty days after issuance of the first building permit for the Project, the Developer shall donate to the Town by quitclaim deed all of its right, title and interest in the parcels known and numbered as 0 and 26 Kelley Street, Medway, Massachusetts, identified as Assessors parcels 49-032-0001 and 49-032 ("Donation Parcels").
2. No representations or warranties are made with respect to the extent or sufficiency of the Developer's title in or to the Donation Parcels.
3. The Developer's obligation under this paragraph shall be satisfied by delivering to

the Town an executed quitclaim deed of the Donation Parcels, without regard to any vote or decision by the Medway Town Meeting, the Town's Select Board, or any other municipal body, board or official, to accept or refuse to accept the Donation Parcels.

E. PROJECT PERMITTING

1. The Parties agree that the Project will require issuance of a special permit by the Town's Planning and Economic Development Board ("PEDB"), pursuant to Section 10.3 of the Bylaws, as well as other permits and approvals, and that nothing herein is intended or shall be construed to bind or limit the discretion or autonomy of the PEDB or any other local regulatory body with its review of the Project or guarantee the issuance of any permit or approval.
2. The Select Board agrees that it will support the Project, including without limitation through the submittal of written comments to the PEDB and other permitting boards, agencies and officials in favor of issuance of a special permit and any other approvals that may be required for the Project in general conformance with this Agreement.
 - a. The Developer shall notify the Town Manager and the Director of Community and Economic Development of any proposed substantial changes to the Project.
 - b. The Town Manager shall review and inform the Developer within seven business days of receipt of said proposed changes as to whether the proposed changes require modification of this Agreement or would cause the Select Board to exercise its rights to terminate this Agreement as provided for hereunder.
 - c. The Parties agree that only substantial changes to the Project that materially alter any provision of this Agreement shall require modification of this Agreement. The Parties agree that the Town Manager shall have the ability to approve proposed changes to the Project, which he determines are either not substantial or will not materially alter any provision of this Agreement.
3. Except as set forth otherwise, the Developer's obligations hereunder shall be enforceable only if it commences construction of the Project after receiving all necessary permits and approvals, subject only to conditions it finds acceptable in its sole discretion (the "Final Approvals").

F. SUCCESSORS AND ASSIGNS

The Developer agrees that this Agreement shall run with the Property and bind the Developer and its successors in interest and assigns. The Town may record a Notice of this Agreement against the Property upon the issuance of the first building permit for the Project.

MISCELLANEOUS

1. Any amendment to this Agreement shall occur only pursuant to a written amendment that is

duly authorized and executed by the Parties.

2. The Parties acknowledge they had advice of counsel before executing the Agreement.
3. The Town shall have the right to enforce the Developer's obligations hereunder by seeking any and all remedies available to it in law or in equity.
4. This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, and the Developer and its successors in interest agree to submit to the jurisdiction of any appropriate Massachusetts court for the adjudication of any dispute arising out of this Agreement.
5. This Agreement may be executed in any number of counterparts, which together shall constitute one instrument. An electronic signature on this Agreement shall have the same effect as an original.
6. All notices and other communications required or permitted to be given under or by reason of this Agreement shall be in writing and may be delivered by electronic mail, facsimile, US mail or overnight mail. Notices, demands, and communications will unless another address is specified in writing, be sent to the persons and at the addresses indicated below:

To the Town: Town Manager
155 Village Street
Medway MA 02053

With a copy to: KP Law, P.C.
101 Arch Street
12th Floor
Boston, MA 02110
Attn: Mark Reich, Esq.

To Developer: Rte. 85 Realty Corp.
P.O. Box 444
Mendon, MA 01756

With a copy to: Jonathan M. Silverstein
Blatman, Bobrowski, Haverty & Silverstein
9 Damonmill Square, Suite 4A4
Concord, MA 01742

SIGNATURES ON FOLLOWING PAGE

IN WITNESS, the parties hereunto set their hands and fixed their seals as of Dec 15, 2025.

RTE. 85 REALTY CORP.

Kevin P. Meehan, President and Treasurer

TOWN OF MEDWAY SELECT BOARD

Dennis Crowley, Vice Chair

Duly authorized by vote of the Select Board

1009288/MEDW/0129

Exhibit A