

HOST COMMUNITY AGREEMENT

This Host Community Agreement (the "HCA") is entered into by and between the TOWN OF LITTLETON, a municipal corporation duly organized under the laws of the Commonwealth of Massachusetts, with a principal place of business at 37 Shattuck Street, Littleton, MA 01460 (the "TOWN"), acting through its Board of Selectmen and POTPOURRI GROUP, INC, by and through its parent holding company PHI ACQUISITIONS, INC., a Delaware corporation authorized to do business in Massachusetts with a principal office at 101 Billerica Avenue, Building 2, North Billerica, MA 01826 (collectively, the "COMPANY"), and MA LITTLETON LAND, LLC, a limited liability company authorized to do business in Massachusetts with an office at c/o Condyne, LLC, 1150 West Chestnut Street, Suite 3, Brockton, MA 02301 (the "PROPERTY OWNER").

This HCA represents the understanding between the TOWN, the COMPANY and the PROPERTY OWNER (the "PARTIES") with respect to the commitments arising from the planned development of 3 Distribution Center Circle (the "PROPERTY"). The development of the PROPERTY is the subject of a Tax Increment Financing Agreement (the "TIF AGREEMENT"), entered into contemporaneously with this HCA, intended to provide an exemption from a portion of the real and personal property taxes owed to the TOWN for the improvements made in the planned development of the PROPERTY.

WITNESSETH

WHEREAS, the PROPERTY OWNER owns approximately 51.820 acres of land known and numbered as 3 Distribution Center Circle, described by the Littleton Assessing Department as Parcel ID R21 9 1; and

WHEREAS, the COMPANY intends to lease the PROPERTY after the PROPERTY OWNER constructs an estimated 450,000 square foot facility for the COMPANY's use as a fulfillment and call center (the "PROJECT"); and

WHEREAS, the PROJECT is expected to result in an estimated capital investment of approximately \$49 million including an estimated \$35 million for soft and hard construction and development costs and an estimated \$14 million for personal property and other investment expenses as well as the creation of 130 new, permanent full-time jobs and the retention and relocation of 227 additional permanent full-time jobs; and

WHEREAS, the TOWN recognizes that this development will benefit the TOWN and its citizens through increased economic development, additional employment opportunities for residents and a strengthened local tax base; and

WHEREAS, the PARTIES agree and acknowledge that the TOWN has identified certain concerns with respect to the impact of the construction of the expanded and improved facilities on the PROPERTY, as well as their subsequent operation; and

WHEREAS, the PARTIES intend to enter this HCA as a means of memorializing their obligations with respect to the mitigation of these impacts, as well as their intention to collaborate to the fullest extent possible to insure that the proposed expansion and improvements occur efficiently;

NOW, THEREFORE, in consideration of the mutual promises of the PARTIES contained herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the PARTIES hereby agree as set forth herein.

1. On or before the later of: (1) the commencement date of the exemptions set forth in the Tax Increment Financing Agreement between the TOWN and the COMPANY; and (2) the taking of possession of the PROPERTY by the COMPANY pursuant to a valid lease, the COMPANY shall make a payment to the Town in the amount of \$100,000. Except as is described in this HCA, the payment described in this section stands alone as an obligation of the COMPANY, and shall not be counted as an offset against any other monies due to the Town from the COMPANY such as tax bills, permitting fees or any other associated charges related to the PROPERTY or any other real estate within the Town.
2. On or before the date of issuance of a permanent certificate of occupancy to the PROPERTY OWNER for the PROJECT, the PROPERTY OWNER shall make a payment to the Town in the amount of \$200,000. Except as is described in this HCA, the payment described in this section stands alone as an obligation of the PROPERTY OWNER, and shall not be counted as an offset against any other monies due to the Town from the PROPERTY OWNER such as tax bills, permitting fees or any other associated charges related to the PROPERTY or any other real estate within the Town.
3. The \$300,000 due to the Town pursuant to this HCA is received for mitigation purposes, as determined by the Board of Selectmen.
4. The PARTIES respectively represent and warrant that:
 - a. Each is duly organized and existing and in good standing, has the full power, authority and legal right to enter into and perform this HCA, and the execution, delivery and performance hereof and thereof (i) will not violate any judgment, order, law, bylaw or regulation, and (ii) do not conflict with, or constitute a default under, any agreement or instrument to which either is a party or by which either party may be bound or affected; and
 - b. This HCA has been duly authorized, executed and delivered; this HCA constitutes legal, valid and binding obligations of each party, enforceable in accordance with its terms; there is no action, suit or proceeding pending or, to the knowledge of either party, threatened against or affecting either wherein an unfavorable decision, ruling or finding would materially adversely affect the performance of any obligations hereunder, except as otherwise specifically noted in this HCA.
5. All notices or requests required or permitted hereunder shall be in writing and addressed, if to the TOWN as follows:

Keith Bergman, Town Administrator
Town of Littleton
37 Shattuck Street
Littleton, MA 01460

with a copy to:

Thomas J. Harrington
Miyares and Harrington LLP
40 Grove Street • Suite 190
Wellesley, MA 02482

If to the COMPANY:

SVP Finance/CFO

Potpourri Group, Inc.
101 Billerica Avenue, Building 2
North Billerica, MA 01862

If to the PROPERTY OWNER:

Jeffrey O'Neill
President/Principal
Condyne, LLC
1150 West Chestnut Street, Suite 3
Brockton, MA 02301

Each of the PARTIES shall have the right by notice to the other to designate additional persons to whom copies of notices must be sent, and to designate changes in address.

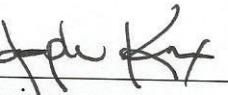
6. Failure by the COMPANY or the PROPERTY OWNER to perform its material obligations under any provision of this HCA beyond applicable notice and cure periods shall constitute a breach of the associated TIF AGREEMENT and, in addition to any and all remedies that may be available to enforce this HCA directly, the TOWN shall be entitled to pursue all remedies available to it pursuant to the TIF AGREEMENT.
7. If and to the extent that either party is prevented from performing its obligations hereunder by an event of *force majeure*, such party shall be excused from performing hereunder and shall not be liable in damages or

otherwise, and the parties instead shall negotiate in good faith with respect to appropriate modifications to the terms hereof. For purposes of this HCA, the term *force majeure* shall mean the supervening causes described here, each of which is beyond the reasonable control of the affected party: acts of God, fire, earthquake, floods, explosion, actions of the elements, war, terrorism, riots, mob violence, a general shortage of labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, actions of labor unions, condemnation, laws or orders of governmental or military authorities or any other cause similar to the foregoing, not within the control of such party obligated to perform such obligation.

8. Failure by the COMPANY or the PROPERTY OWNER to perform any term or provision of this HCA shall not constitute a default under this HCA unless COMPANY or the PROPERTY OWNER fails to commence to cure, correct or remedy such failure within thirty (30) days of the receipt of written notice of such failure from the TOWN and thereafter fails to complete such cure, correction or remedy within ninety (90) days of the receipt of such written notice, or, with respect to defaults which cannot be remedied within such ninety (90) day period, within such additional period of time as is required to reasonably remedy such default, if COMPANY or PROPERTY OWNER is exercising due diligence in the remedying of such default.
9. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.
10. Except for the TIF AGREEMENT, this HCA sets forth the entire agreement of the PARTIES with respect to the subject matter thereto. The failure of any party to strictly enforce the provisions hereof shall not be construed as a waiver of any obligation hereunder. This HCA may be modified only in a written instrument signed by the SELECTMEN, the COMPANY and the PROPERTY OWNER. This HCA shall be binding upon the PARTIES and their successors and assigns.

Executed under seal.

TOWN OF LITTLETON BOARD OF SELECTMEN

By: 
Its Chairman
Hereunto duly authorized

POTPOURRI GROUP, INC

By:

Name: Taras Kowalewski
Title: VP Operations
Date: 11/21/14

MA LITTLETON LAND LLC

By:

Name: John Will
Title: CEO
Date: 11/21/14