

\$12,550,000
SOUTH SHORE TRI-TOWN DEVELOPMENT CORPORATION
INFRASTRUCTURE DEVELOPMENT REVENUE BONDS
SERIES 2010A

CUSIP NUMBER
840266AA8

DEVELOPER'S SEMI-ANNUAL
REPORT

Attn: Keenan Rice
MuniCap, Inc.
8965 Guilford Road, Suite 210
Columbia, MD 21046

In accordance with the Continuing Disclosure Agreement (the "Disclosure Agreement") by and between LNR South Shore, LLC (the "Property Owner") and MuniCap, Inc. (the "Dissemination Agent"), dated as of August 1, 2010, the Property Owner hereby provides the following information as of August 15, 2018. All terms having initial capitalization and not defined herein shall have the same meanings set forth in the Limited Offering Memorandum dated August 9, 2010. To the best of the knowledge of the undersigned:

The information provided herein is not intended to supplement the information provided in the Limited Offering Memorandum. This report responds to the specific requirements of the Disclosure Agreement. No representation is made as to the materiality or completeness of the information provided herein or as to whether other relevant information exists with respect to the period covered by this statement. Other matters or events may have occurred or become known during or since that period that may be material. All information is provided as of June 29, 2018, unless otherwise stated, and no representation is made that the information contained herein is indicative of information that may pertain since the end of the period covered by this statement or in the future.

1) Completion of the Public Improvements

A) Budget for Public Improvements

On-Site Public Improvements	Base Contract	Change Orders	Revised Contract Amount	Spent to Date	Percent Complete
Phase 1 - Actual Cost					
Construction Costs					
Memorial Grove Avenue and Parkview Street	\$16,950,000	\$2,130,430	\$19,080,430	\$19,080,430	100%
Thistle Lane, Stonehaven Drive, and Snowbird Avenue	\$1,687,449	\$1,563,792	\$3,251,241	\$3,251,241	100%
Snowbird Ave: From Memorial Grove Ave to Stonehaven Dr.	\$945,559	\$58,013	\$1,003,572	\$1,003,572	100%
Stonehaven Drive	\$54,207	\$0	\$54,207	\$54,207	100%
Skye Lane	\$1,587,285	\$41,059	\$1,628,344	\$1,628,344	100%
12" Sewer Force Main	\$122,199	\$0	\$0	\$122,190	100%
Design and Engineering	Not Included				
SSTTDC Fees	Not Included				
Construction Management	Not Included				
Subtotal Phase 1 - Actual Costs	\$21,346,6990	\$3,793,294	\$25,017,794	\$25,139,993	100%
Phase 1 - Anticipated Costs					
Parcel R1 Roadways	\$950,000	\$0	\$950,000	\$950,000	100%
Snowbird Avenue (South)	\$354,214	\$0	\$354,214	\$354,214	100%
Design and Engineering	Not Included				
SSTTDC Fees	Not Included				
Construction Management	Not Included				
Subtotal Phase 1 - Anticipated Costs	\$1,304,214	\$0	\$1,304,214	\$1,304,214	100%
Total Public Infrastructure Costs	\$22,650,913	\$3,793,294	\$26,322,008	\$26,444,227	100%

Total Bond Funded Costs	\$9,801,208
Total Non-Funded Costs *	\$16,520,800

*LNR South Shore, LLC does not waive the right to pursue additional reimbursement for Non-Funded costs

B) Status of Construction

(i) Status of site work:

There has been no change in the status of the site work since the bonds were issued other than as described below.

(ii) Status of road improvements; including Main Neighborhood Street, Narrow Neighborhood Street, Old Shea Blvd and Memorial Grove Avenue:

Final surface pavement on the 900 linear feet of Snow Bird Avenue between Stonehaven Drive and Memorial Grove Avenue are completed.

Construction of an additional 300 linear feet of Standard Neighborhood Street (Snow Bird Avenue South) with public and private utilities was completed in July 2014. All utilities, sidewalks, asphalt pavement, and other roadway infrastructure have been completed.

Old Shea is closed from Memorial Grove Avenue to Redfield Road due to development.

Construction of approximately 750 liner feet of Beam Street has been completed from Patriot Parkway to the proposed intersection of Snowbird Extension.

(iii) Status of sanitary sewer improvements:

All sanitary sewer infrastructure proposed with the road improvements has been completed.

(iv) Status of water improvements:

All water infrastructure proposed with the road improvements has been completed

2) Status of Government Permits and Approvals:

Permit/Approval	Approval Status	Projected/Actual Date of Approval	Permitting Agency
Zoning	Approved	May 5, 2005	Tri-Town
Subdivision approval	Approved for 46 acres	As of September 2009	Tri-Town
Massachusetts Highway Department/Federal Highway Administration permits – Access permit related Shea Memorial Drive and Phase 1A	Approved	October 18, 2007	Massachusetts Highway Department
National Environmental Policy Act Review	Approved	January 12, 2009 June 2, 2010	Federal Transit Federal Highway
Massachusetts Endangered Species Act	Approved	December 7, 2006 November 2008 October 29, 2010	Commonwealth of Massachusetts Division of Fisheries and Wildlife
Wetlands protection act permits and local wetlands by-laws:			
<ul style="list-style-type: none"> Amended Order of Conditions – Phase 1A DSP – (DEP File #SE 081-1005) 	Approved	January 24, 2011	Tri-Town
<ul style="list-style-type: none"> Extension Permit for Orders of Conditions – Phase 1A DSP – (DEP File SE 081-1005) 	Approved	January 21, 2011	Tri-Town
<ul style="list-style-type: none"> Determination of Applicability – Taxiway C Restoration 	Approved	January 24, 2011	Tri-Town
<ul style="list-style-type: none"> Order of Conditions – SouthField Commons Corcoran – (DEP File # SE 081-1082) 	Approved	January 24, 2011	Tri-Town
<ul style="list-style-type: none"> Amended Order of Conditions – Phase 1A DSP – (DEP File #SE 081-1005) 	Approved	July 11, 2011	Tri-Town
<ul style="list-style-type: none"> Amended Order of Conditions – Phase 1A DSP – (DEP File #SE 081-1005) 	Approved	October 15, 2012	Tri-Town
Massachusetts Environmental Policy Act	Approved	July 18, 2007	Commonwealth of Massachusetts Executive Office of Environmental Affairs

Sewer Extension Permit	Approved for Phase 1A	August 24, 2007	Commonwealth of Massachusetts DEP
Sewer Extension Permit	Approved for Phase 1A and 1B	September 27, 2012	Commonwealth of Massachusetts DEP
Consecutive Public Water System Agreement	Executed	October 22, 2010	Town of Weymouth/Tri-Town
NPDES permits	Individual Builders to Secure if Required		EPA
Massachusetts Highway Department – Access permit for Trotter Road	Approved	November 25, 2013	MassDOT
Town of Weymouth Zoning	Approved	October 2015	Town Council
Town of Rockland Zoning	Approved	May 2016	Town Meeting
Town of Abington Zoning	Approved	June 2016	Town Meeting

3) Status of Development Activity

A) Product Mix – The table below shows the anticipated product mix at build out:

Development Type	Expected Number of Units/Rooms	Approximate Square Footage
Phase I		
Residential		
Multi-family (Rental)	301	n/a
Multi-family (For sale)	65	n/a
Townhomes	197	n/a
Single-family	147	n/a
Senior Housing	221	n/a
Subtotal – Residential	931	
Commercial		
Office	N/A	TBD
Retail	N/A	TBD
Subtotal - Commercial		657,000
Total – Phase I development	931	657,000
Future Phases		
Residential	2,924	N/A
Commercial	N/A	7,343,000
Total	3,855	8,000,000

B) Status of Vertical Construction:

(i) Office and Retail Development

Development Type	Anticipated Square Footage at Build Out	Number of Units Under Construction	Status of Completion	Projected Date of Completion
Office Development TBD	TBD		TBD	TBD
Retail Development John M. Corcoran	8,700	Retail space	Shell Complete	TBD – In Lease-up
John M. Corcoran	6,642	Retail space	Shell Complete	TBD – In Lease-up
John M. Corcoran	14,000	Retail space	Shell Complete	TBD – In Lease-up
Total	29,342			

(ii) Residential Development

Builder	Anticipated Number of Units at Build-out	Number of Units Constructed or Under Construction	Status of Units	Projected Date of Completion
Whitman Homes Inc. (Eastern Highlands)	26	26	26 units completed and sold	Complete
IBG Highlands, LLC (Eastern Highlands)	34	34	34 units completed and sold	Complete
John M. Corcoran	226	226	226 units completed; lease-up complete	Complete
John M. Corcoran	72	72	72 units complete; in lease-up	Complete
Whitman Homes Inc. (Western Parcel)	24	24	24 units completed and sold	Complete
IBG Cottages, LLC (Western Parcel)	31	31	27 units closed; 2 units under agreement; 1 unit reserved and 1 available for sale	Complete
Northland	26	26	26 units completed and sold	Complete
John M. Corcoran	265	265	265 units constructed (in lease-up) construction	Fall 2018
Rice Southfield, LLC	211	104	104 units constructed and sold	Fall 2019
Total	915	808		

C) Property Owned by Property Owner and its Affiliates:

Property Owner	Acres	Proposed Use	Status of Construction Activities	Projected Date of Completion
LNR South Shore, LLC	67.2	Sale to third parties for construction of residential units and/or commercial development	Pad-ready sites available for purchase	TBD
Total	67.2			

D) Status of Property Sold and Closed by Property Owner:

Buyer	Acreage	Proposed Use	Purchase and Sale Agreement Date	Closing Date	Sales Price
Whitman Homes, Inc.	0.52	Townhomes and Small Lot	07/06/10	09/01/10	\$649,750
IBG Highlands, LLC	0.61	Townhomes	07/06/10	09/10/10	\$809,800
Rice SouthField, LLC	9.39	Nursing Home (40,000 sq.	08/02/10	11/29/10	\$2,500,000
John M. Corcoran	6.07	226 rental apartments and	12/09/11	04/28/11	\$6,780,000
Whitman Homes, Inc.	0.47	Townhomes and Small Lot	08/31/10	07/15/11	\$625,500
IBG Highlands, LLC	0.50	Townhomes and Garden	10/17/11	10/11/11	\$762,200
Whitman Homes, Inc.	0.34	Townhomes	10/11/11	11/23/11	\$520,000
Whitman Homes, Inc.	0.32	Small Lot Single Family	01/26/12	02/28/12	\$410,444
Whitman Homes, Inc.	0.32	Small Lot Single Family	03/08/12	04/11/12	\$416,671
IBG Highlands, LLC	0.51	Town Homes and Garden	07/06/10	9/14/12	\$858,000
Whitman Homes, Inc.	0.77	Townhomes	09/04/12	10/18/12	\$1,525,000
IBG Cottages, LLC	0.84	Townhomes	10/19/12	11/18/12	\$780,230
IBG Cottages, LLC	0.81	Townhomes	10/19/12	12/11/12	\$786,016
IBG Highlands, LLC	0.28	Townhomes	1/17/13	2/19/13	\$640,000
John M. Corcoran	1.85	72 multi-family rental apartments and 6,642 sf	6/20/13	6/27/13	\$2,520,000
IBG Cottages, LLC	0.86	Townhomes		8/28/13	\$879,380
IBG Highlands, LLC	0.32	Townhomes		10/8/13	\$302,200
Whitman Homes, Inc	0.67	Townhomes		11/20/13	\$725,000
Pulte Homes of New England, LLC	19.4	200 Condominium Units		1/14/15	\$4,500,000
Northland Residential Corporation	7.6	26 small lot single family units)	3/24/14	7/20/15	\$910,000
Pulte Home of New England, LLC	14.00	108 small lot single family units and townhome units)	3/10/14	7/2/15	\$2,121,984
	19.45			7/2/15	\$2,121,984

White Street Development	4.10	6 Single Family Homes		10/11/17	\$650,000
John M. Corcoran	5.37	265 rental apartments and 14,000 sf of retail space		7/27/16	\$12,600,000
Stonebridge	4.38	45 single family lots		10/20/17	\$4,180,000
	0.59			2/21/18	\$550,000
Total	100.34				\$50,124,159

¹ The development parcels area subject to the special assessment total approximately 110 acres. Through the date of this report, LNR South Shore, LLC has transferred 42.80 acres to vertical builders, leaving 67.20 available for sale.

- 4) **Material changes in the information relating to the Property Owner and/or the Property Contained in the Limited Offering Memorandum under the caption “THE DEVELOPMENT” AND “THE DEVELOPER.”:** There have been no material changes in the information relating to the Property Owner and/or the Property contained in the Limited offering Memorandum under the caption “THE DEVELOPMENT” AND “THE DEVELOPER”.
- 5) **Change in the Legal Structure and Financial Condition of the Property Owner: LStar Management, LLC purchased SouthField LLC.** There have been no changes in the legal structure of the Property Owner and/or the financial condition of the Property Owner that would materially interfere with its ability to complete the development plan for the Property (the “Development Plan”) or to pay its portion of the Pledged Revenues levied on its property.
- 6) **Material Amendments to the Land Entitlements:** There have been no previously undisclosed material amendments to the land use entitlement for the property.
- 7) **Payment of Pledged Revenues Levied on the Property Owned by the Property Owner and its Affiliates:** The Property Owner and all of its affiliates paid, prior to becoming delinquent, all pledged revenues levied on the property owned by the Property Owner and its affiliates.
- 8) **Other Comments**
None.
- 9) **Reporting of Significant Events:** The Developer has not obtained actual knowledge of the occurrence of any significant events as described by Exhibit A attached hereto.

LStar SouthField, LLC

By: LStar SouthField, LLC By:

Signature on file _____

Title: Authorized Agent

Date: August 17, 2018

Exhibit A

Significant Events

- (i) bankruptcy, insolvency, receivership or similar event of the obligated person to include, bankruptcy and insolvency proceedings commenced by or against the Property Owner or LNR Property Corporation that would materially adversely affect and the Property Owner's ability to complete the Development Plan or to pay and Pledged Revenues levied against the Property;
- (ii) failure to pay any taxes or assessments (including the Pledged Revenues) due with respect to the Property;
- (iii) filing of a lawsuit against the Property Owner or LNR Property Corporation seeking damages, or a judgment in a lawsuit against the Property Owner or LNR Property Corporation, which, if successful, would materially adversely affect the Property Owner's ability to pay the Pledged Revenues or to sell or develop the Property;
- (iv) any conveyance by the Property Owner of any of the Property to an entity that is not an Affiliate of such Property Owner, the result of which conveyance is to cause the transferee to become a Major Owner;
- (v) merger, consolidation, or acquisition of the obligated person, if material, (material is defined as the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the normal course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms.);
- (vi) any previously undisclosed significant amendments to land use entitlements for the Property;
- (vii) any previously undisclosed governmentally-imposed preconditions to commencement or continuation of development on the Property; and
- (viii) any previously undisclosed legislative, administrative or judicial challenges to the development of the Property.

Exhibit B

Significant Events

- (i) bankruptcy, insolvency, receivership or similar event of the obligated person to include, bankruptcy and insolvency proceedings commenced by or against the Property Owner or LNR Property Corporation that would materially adversely affect and the Property Owner's ability to complete the Development Plan or to pay and Pledged Revenues levied against the Property; - *Not Applicable*
- (ii) failure to pay any taxes or assessments (including the Pledged Revenues) due with respect to the Property;- *Not Applicable*
- (iii) filing of a lawsuit against the Property Owner or LNR Property Corporation seeking damages, or a judgment in a lawsuit against the Property Owner or LNR Property Corporation, which, if successful, would materially adversely affect the Property Owner's ability to pay the Pledged Revenues or to sell or develop the Property; - *Not Applicable*
- (iv) any conveyance by the Property Owner of any of the Property to an entity that is not an Affiliate of such Property Owner, the result of which conveyance is to cause the transferee to become a Major Owner; - *Not Applicable*
- (v) merger, consolidation, or acquisition of the obligated person, if material, (material is defined as the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the normal course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms.); *As noted in Section 6*
- (vi) any previously undisclosed significant amendments to land use entitlements for the Property; *Not Applicable*
- (vii) any previously undisclosed governmentally-imposed preconditions to commencement or continuation of development on the Property; - *Change to Zoning as noted in Table 2* - and
- (viii) any previously undisclosed legislative, administrative or judicial challenges to the development of the Property.