



Midway Studios Disclosure Statement

Thank you for your interest in Midway Studios, a mixed-use property for the arts. Midway Studios is part of Channel Center. Channel Center was granted certain zoning relief by the City of Boston, part of which allowed the uses and occupancy planned for Midway Studios. Because of this zoning relief and particular financing that has made this project viable, there are certain occupancy requirements for Midway Studios. Please note that your submission of a complete application does not guarantee you a studio at Midway Studios, but is merely the first step of the application process. For the second step, HallKeen Management, Inc., an independent company, will perform a complete review of your application, including financial verification. **To help ensure that Midway Studios is the right live/work environment to fit your needs, please read the following information carefully.**

- Each resident artist of Midway Studios must have an Artist Certificate from the Boston Redevelopment Authority (BRA). If you are not currently certified, you must secure your BRA Artist Certificate and provide proof of such certificate to Midway Studios. Receipt of an Artist Certificate does not guarantee you a studio. For more information about how to get certified, please see “How to Apply” at www.fortpointdc.com.
- Floors two through six of Midway Studios will have 89 artist live/work studios. These studios must be used by each artist as his/her principal residence¹. Upon receipt by Midway Studios of an occupancy permit for the studios, Midway Studios intends to maintain the studios as “rental studios” for the first five years of occupancy. Each qualified and accepted applicant will sign a one-year lease for his/her live/work studio which may be renewable for up to four additional one-year periods. In the sixth year, Midway Studios may convert the studios into a limited equity cooperative² and issue shares of common stock. Whether Midway Studios will elect to or will be permitted to so convert the studios depends on numerous factors. In the event of such conversion, Midway Studios may provide each resident artist in good standing the opportunity to purchase a share of common stock attributable to the resident artist’s studio. If the resident artist declined to purchase a share of

stock of the cooperative, the rental lease would terminate and the cooperative would sell the cooperative share to another qualified artist. Because a conversion of the studios is subject to the numerous contingencies, Midway Studios cannot guarantee that resident artists will have any rights to purchase the studios or a share representing an interest in the studios.

- The first floor, and part of the lower level, will be devoted to commercial and arts-related uses, including a theater; rehearsal space; office/retail space for arts organizations and arts-related businesses; and a café. Residents of Midway Studios will be interacting with the users and visitors of these spaces as they enter and exit the building. The primary access to the building is also a public way that connects Channel Center Street to Medallion Way. The building designers have created access points for artist residents to try to minimize any inconvenience to the residents of floors two through six, but there may be times when some inconveniences arise. Also, some of the building support systems are shared by all building users, in particular the larger service elevator. This elevator will not be available for artist use during theater performances.

- Channel Center Project Disclosure:

Midway Studios is part of the Channel Center Project. The Channel Center Project is a multi-phase, mixed-use project being developed privately. As part of a private development there are monthly maintenance fees that Midway Studios, as a whole, will be paying. The Channel Center Project is in the area of South Boston bounded by "A" Street, Richards Street, Binford Street and certain property currently owned by the United States Postal Service (the "Channel Center Property"). Development of the Channel Center Project may occur in phases over a period of up to approximately ten (10) years. The Channel Center Project will involve a variety of uses, including without limitation, residential, live/work, office, research and development, cultural, educational, service retail, restaurant and off street parking uses. As a result of the Channel Center Project, the character of the Fort Point Channel area will change over time. The Channel Center Project is expected to bring pedestrian and vehicular traffic into the area, and involves the construction of roadway and traffic signalization improvements. Because the Channel Center Project will occur over an extended period of time in a phased manner, construction activities will occur on the Channel Center Project Property and on adjacent roadways periodically and occupants and users of the Channel Center Property may be periodically inconvenienced by such construction activities.

- Disclosure of Commercial Activities:

- (i) The area bordered on the west by the Fort Point Channel and Dorchester Avenue, on the north by Summer Street, on the east by the so-called "South Boston Bypass Road" and on the south by West Second Street (the "Industrial Area") is an industrial area in which industrial and commercial uses predominate;

- (ii) such industrial uses may require the passage throughout the Industrial Area of a significant number of commercial trucks and other commercial vehicles on the public and private streets in the area, including, without limitation, Baldwin Street, A Street, Richards Street, Boston Court, Bolton Place, Granite Street, Second Street, Summer Street, the "South Boston Bypass Road," Melcher Street, Necco Court, Necco Street, Necco Place, Mount Washington Avenue, Sobin Park, West First Street, West Second Street, West Third Street, Dorchester Avenue, Foundry Street and Gillette Park;
- (iii) the industrial and commercial uses in the Industrial Area may increase in number and intensity in the future, and may require the passage of even more significant numbers of commercial trucks and other commercial vehicles on the public streets in the area, including, without limitation, the existing streets as listed in clause (ii) above (whether or not presently ones on which truck traffic is routinely permitted) and new public ways which are likely to be created in the future, including, without limitation, the so-called "West Connector" from the South Boston Bypass Road to A Street;
- (iv) existing commercial vehicle usage associated with the existing Gillette facilities is approximately 600 commercial vehicles per week, which usage occurs 24 hours a day, 7 days a week, with much of that traffic occurring at night and during weekends and holidays; and
- (v) significant expansion of the Gillette facilities located within the Industrial Area may occur within the Industrial Area in the future, with the likely result that commercial vehicle usage will increase within the Industrial Area.

¹ Although no single factor will determine whether a studio at Midway Studios is a principal residence, factors that will be considered include: use of another address as place of residence on any tax return, motor vehicle registration, driver's license or other document filed with a public agency; use of another address as a voting address; occupancy of the studio for less than 183 days in a calendar year; and subletting the studio. Midway Studios recognizes that an artist may spend many months away from the studio as part of his/her occupation and yet have no other principal residence.

² In summary, a limited equity cooperative is a form of corporate ownership in which each resident, as a stockholder, holds both an equity interest in the corporation that owns the real estate and a proprietary lease that allows occupancy of a housing unit. In this form of collective ownership, the proceeds that a resident may realize on the sale of a share of stock of the cooperative may be restricted in order to preserve affordability.