

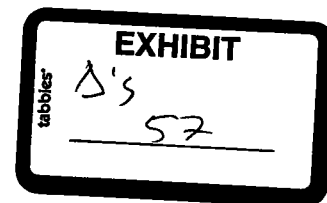
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January 14, 2005

Board of Selectmen  
Town of Ipswich  
Ipswich, MA 01938

Re: Memorandum of Casner & Edwards dated January 7, 2005 which  
outlines proposed changes to the Trust of William Payne

Ladies and Gentlemen:

On behalf of Little Neck Homeowners, Inc., I present the following initial questions and comments regarding Casner & Edwards' proposal on behalf of the School Committee.

1. It is proposed that the new Feoffees not be bound by existing arrangements and rules. How will the seasonal cottage community character of Little Neck be preserved? For example, the Feoffees have strictly enforced limits on footprints and roof lines, they have enforced the prohibition on the erection of fences and overgrowth of vegetation; have mediated parking and other disputes, etc. Who will now perform those and similar functions and pursuant to what set of rules?

2. It is proposed to make the trust a municipal trust (8a) in which the town owns the land. Why then is it proposed (9biv) that the town tax itself on the land? If the town taxes itself on its land, who has the power to seek an abatement? The homeowners believe that the taxes are already too high. The current Feoffees agreed that they are too high and reportedly filed an abatement application which they did not pursue because of the pending changes. In the future, if the town sets a tax for itself to pay on its own land to pass on to the homeowners, the town will have a conflict in considering the filing of abatements against itself. Shouldn't the homeowners simply pay the Town fair market rental for the land? Even if the Feoffees are treated as nominal title holders, now that they will be constituted from town boards, there is an irreconcilable conflict.

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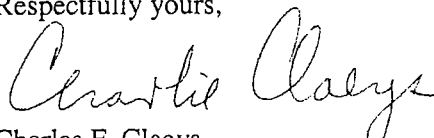
3. The Memorandum proposed (9a) that the income provided to the Ipswich public schools each year shall at a minimum represent a "reasonable return on the market value of the Trust's assets". It is not appropriate to apply the standard of an investment trust or index fund to a land trust. This is a land trust. The income should be based on fair market rentals.

4. When can we review the proposed new trust document?

5. Will a manager of the land be appointed immediately? How will that manager assume the responsibilities and functions of the current Feoffees? Shouldn't the current Feoffees continue in office through a suitable transition period?

I have also enclosed my letters dated July 7, 2003 and August 9, 2004 addressed to the Feoffees and expressing some of the concerns of the homeowners. Since you are the political stewards of the Town, the homeowners hope that you will recognize them as part of the Ipswich community and consider their questions, comments and concerns.

Respectfully yours,



Charles F. Claeys

CFC/tlm  
Enclosures

cc: Donald M. Greenough, Esq.  
Richard C. Allen, Esq.  
Board of Directors, Little Neck Homeowners, Inc.