

PRESS RELEASE

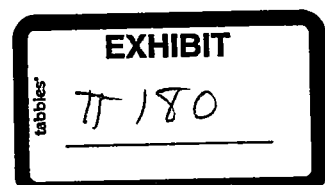
The Feoffees of the Grammar School in the Town of Ipswich announced that the proposed sale of Little Neck to the cottage owners for \$26,500,000 will not go forward because the cottage owners are not able to raise the purchase price. "We are sorry that the sale cannot be consummated, but understand the cottage owners' inability to raise the purchase price in these difficult economic times," said Feoffees Chairman James Foley.

The Feoffees intend to seek approval from the Essex Probate Court to file with the Ipswich Planning Board a plan of land dividing Little Neck into 168 lots, 167 lots improved with cottages and one lot to be used in common by all residents, so as to permit the Feoffees to sell lots to those cottage owners who wish to buy the lots on which their cottages are located. Such a plan is known as an "Approval Not Required" (ANR) plan, authorized by the state law that governs the division of a parcel of land which housed multiple buildings when the subdivision control law went into effect in Ipswich into as many lots as there were buildings. "Such sales will permit the Feoffees to raise money for the Endowment Fund desired by the School Committee. We will continue to offer to lease lots to those cottage owners who are unwilling or unable to purchase the lots on which their cottages are located." Foley said.

Probate Court approval is required because of the provision of William Paine's will which directs that the Little Neck land not be sold.

The Feoffees hope that the ANR plan and sale will lead to a successful resolution of the pending litigation with many of the cottage owners.

"We share the frustration of Ipswich residents with the inability over the last three years to continue making the sizable distributions the Feoffees have made to the schools over the preceding ten years. During those ten years, we distributed to the schools over \$2,000,000.



Contrary to information being casually spread around town, minutes of the annual meetings of the Feoffees show a vote to make a contribution to the schools every year from 1978 to 2006 when the residents' litigation began." Foley said.

"It is important to remember that the lawsuit was not brought by the Feoffees. It was brought by those residents of Little Neck who objected to paying what the Feoffees believed and continue to believe are fair rents reflecting the value of the land rented. At all times since the lawsuit started we have kept the School Committee informed of the Feoffees' positions and the School Committee has been in total agreement with us on all financial issues.

"It is also important to remember that, even though the residents have not agreed to pay the rents we charged, by agreement filed with the Court, they are paying the difference between what they have agreed to pay and what the Feoffees believe is fair into escrow and that escrow account exceeds one million dollars. If the case goes to trial and the Feoffees are successful, the escrow monies will go to the Feoffees and ultimately be available to the schools. Of course, we continue to hope that we can resolve our differences with the residents and we continue to talk with their representatives." Foley said.