



GARAMIL
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Garamil Development Group

Synopsis of Proposed Transaction with Town of Winsted Project: Wallens Hill

Overview:

- Garamil Development Group proposes to purchase and develop the Wallens Hill property in Winsted to construct a minimum of 130 residential units, subject to Planning & Zoning approval. The purchase price is contingent on Planning & Zoning approval for 130+ units.

Phased Development and Construction:

- Development to occur in five phases.
- Each phase will be constructed, marketed, and sold sequentially.

Tax Abatement During Construction (Phased Structure)

- During active construction, the portion of the property's assessed value attributable to improvements under construction will receive a 100% property tax abatement.
- Upon completion of each phase and the sale of at least 50% of the homes within that phase, an additional 20% of the property's total assessed value will become subject to property taxation.
- This incremental 20% increase in taxable assessed value will occur after each phase satisfies both conditions (completion and 50% of homes sold).
- The process will repeat for all five phases, such that:
 - After Phase 1: 20% of the assessed value is taxable.
 - After Phase 2: 40% of the assessed value is taxable.
 - After Phase 3: 60% of the assessed value is taxable.
 - After Phase 4: 80% of the assessed value is taxable.
 - After Phase 5: 100% of the assessed value is taxable, and the tax abatement terminates.

Post-Construction / Ownership Tax Abatement:

- Purchasers of new homes shall benefit from a 7-year tax abatement on eligible units (terms to be specified in final agreement).



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Conditions and Next Steps:

- All terms are subject to final negotiation and documentation, and contingent on Planning & Zoning approval for at least 130 units.
- Detailed definitions (e.g., timing of “completion,” calculation methodology for assessed value and taxable value, applicability to common areas/infrastructure, and phasing map) and administrative procedures will be included in the final development agreement with the Town of Winsted.

Garamil Development Group LLC
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