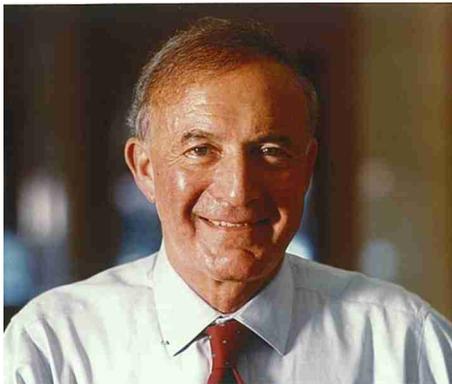


With Conservative Properties that have Paid Dividends for the Last 35 Years, New England Realty Associates Limited Partnership has Been a Model of Consistency

**Financial
Property Management
(NEN-NYSE: AMEX)**



**Harold Brown
Chairman and CEO**

**BIO:
BUSINESS AND PROFESSIONAL
BACKGROUND**

Chairman and CEO of The Hamilton Company, Inc., 39 Brighton Avenue, Allston, MA. Treasurer, Director, and major stockholder of New England Realty Associates Limited Partnership, a Massachusetts Publicly Traded limited partnership. Majority owner/operator of approximately 5,500 apartment units in New England and 3,500,000 square feet of commercial space. Owner of Hamilton Construction Management Corporation.

CURRENT AND PAST PROFESSIONAL AFFILIATIONS

Director of National Rehabilitation Association, Washington, DC; Landlord representative, Boston Rent Board; Vice Chairman, State College Building Authority; Lecturer for Apartment Management Institute on Finance and Building Operations; Chairman, Wedgestone Advisory Corporation, a public REIT; Chair-

man, University Bank & Trust Company, a \$200 million asset commercial bank; Chairman Northeastern Mortgage Company, a residential mortgage company; Boston Real Estate Board; Member Advisory Board, MIT Center Real Estate Development. Licensed Massachusetts Real Estate Broker.

Vice President and General Sales Manager of Walworth Valve Company, New York, NY. Factories in Massachusetts, Texas, California and Pennsylvania. Annual Sales over 870 million dollars.

Vice President and General Manager of Metallurgical Associates, consulting firm of MIT Professors. Solved marketing and engineering problems for large corporations. Lectured nationally on marketing and engineering problems. Published extensive articles regarding the same in trade journals.

**UNITED STATES NAVY
1943-1946 1950-1952**

World War II and Korean Conflict, Officer, Amphibious Forces Pacific.

EDUCATION

Massachusetts Institute of Technology, Cambridge, MA. Bachelor of Science in Engineering; Graduated 1947.

Company Profile:

New England Realty Associates Limited Partnership engages in the acquisition, development, holding for investment, operation, and sale of real estate in the United States. The company owns and operates various residential apartment buildings, condominium units, and commercial properties in Massachusetts and New Hampshire. As of March 31, 2011, it owned 2,269 residential apartment units in 20 residential and mixed-use

complexes; 19 condominium units in a residential condominium complex, which is leased to residential tenants; a commercial shopping center in Framingham, Massachusetts; commercial buildings in Newton and Brookline; and mixed-use properties in Boston, Brockton, and Newton, Massachusetts. The company also owns interests in 9 residential and mixed use complexes with a total of 799 units. NewReal, Inc. serves as the general partner of the company. New England Realty Associates Limited Partnership was founded in 1977 and is based in Allston, Massachusetts.

Interview by Lynn Fosse, Sr. Editor

CEOCFO: Mr. Brown, what is the relationship between the Hamilton Company and New England Realty Associates?

Mr. Brown: The relationship is that the Hamilton Management Company, which is a division of the Hamilton Company, manages all of our properties and also manages the asset of New England Realty.

CEOCFO: Would you give us a little history on New England Realty?

Mr. Brown: Some thirty-five years ago there was a bankruptcy called the Waldman Dick bankruptcy here in Boston. It went into bankruptcy court and developers went into court to take over the assets, such as they were at the time that the assets had a negative net worth of about \$1.5 million, and had a cash loss of a couple hundred thousand a year. There were twelve developers bidding and the judge at the time, Judge Garrity, awarded the management perpetuity to the Hamilton Company which was me, and that is how it started. We

took over the properties. The shares were then selling at about \$4.50 or \$5 and we negotiated with all the banks, we restructured them, sold some, bought some more and turned it into a profit-making entity. The current shares are selling for about \$70 and it has a profit of about \$8 or \$9 million a year. In addition, it has maintained dividends the last thirty-five years. I believe it is January 1st that we are doing a three for one stock split.

CEO CFO: What is the common thread of the properties?

Mr. Brown: The common thread and main theme is that they are very conservative. That is to say that their loan to market value is about 40% or 50%, but not greater than 50% after maturing. In addition, they all have a cash flow.

CEO CFO: Do you have a particular focus on geography, type of neighborhood, type of building?

Mr. Brown: No. You have actually described it. It is mainly New England, Boston and suburbs. We go as far as New Hampshire, but we stick to New England.

CEO CFO: How often do you turn over buildings or do you tend not to?

Mr. Brown: We seldom sell, which is also a theme of the parent, the Hamilton Company. I would say in the last thirty-five years we have probably sold maybe 4 properties. If we have a property where the cash flow is minimal, but because of its value, if sold it would release a lot of cash where we could do something else that might have a higher cash flow, we would do that. We have done it in three or four cases over the years, but we do not normally buy and sell; we buy and keep.

CEO CFO: How do you maintain buildings so long when neighborhoods tend to change quite often?

Mr. Brown: Whether it is fortuitous or brilliance I do not know, but the neighborhoods we have chosen have

only changed for the better. So we have not faced that problem yet.

CEO CFO: When people look for an apartment do they know it is a Hamilton apartment, do or should they care?

Mr. Brown: We think we do. Certainly, some tenants are unhappy and you will have them anywhere, but in general, much of our tenancy is by recommendation from other tenants. In fact, at the moment the ratio is .1%, so we have very few vacancies. We have a waiting list for most of the properties. Our rents tend to be under the market and we maintain them pretty good.

CEO CFO: How big a part of the company are commercial properties?

Mr. Brown: Percentage wise it is

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roughly 75% to 85% residential and the remainder is commercial. By commercial I mean retail or shopping center.

CEO CFO: Would you like to see that mix change?

Mr. Brown: No. That is about the right ratio that we are very comfortable with.

CEO CFO: How do you maintain the standards through the different apartment buildings that you want to maintain so that you are always proud of the buildings?

Mr. Brown: We do have what is termed a property manager who is really like a mini owner. The property managers are responsible for the operation of the buildings and each has an assistant. Then over them is a manager of the managers and there are periodic inspections. We have bi-monthly meetings of all the managers and go over each property; we have inspections. We are primarily opera-

tors, so we understand how other buildings operate. We just recently converted all of our buildings to natural gas over oil, which is a huge saving. There is a pay-back of maybe one and a half years.

CEO CFO: Is there anything you would like to do different or planning to change that you are not quite satisfied with at the moment as far as how you operate the buildings?

Mr. Brown: We just believe in preventative maintenance. We keep the windows tight, roofs leak-free, we are big on visual effects of the property that they look good.

CEO CFO: What is ahead for New England Realty Associates?

Mr. Brown: More of the same. If it works, do not change it.

CEO CFO: You said you were going to be doing a stock split, is that something unusual for you, what made you decide upcoming is the time to do it?

Mr. Brown: There isn't much stock float in New England Realty. There is

only about 1,700,000 shares out there, which is low, so the SEC and our SEC attorney actually recommended it, because there would be more mobility with the stock if it was a lower price. Therefore, we decided to do a three for one stock split. We have done it and it has been approved. It will go into effect momentarily.

CEO CFO: In closing, why should potential investors pay attention to New England Realty Associates Limited Partnership today?

Mr. Brown: To show that they have some brain power! The stock pays roughly \$2.80 a year, so it is 4% cash on cash return, based on the current price, and pretty much of it is sheltered. They are very conservative properties that have paid dividends for the last thirty-five years, so if you want something just steady with a good return, you cannot do much better.