Affordable Housing Trust Meeting

Packet

Tuesday

May 18, 2021

1pm

To join the Meeting, click on the Zoom Link below:

https://zoom.us/j/96219969038?pwd=ajAvYjI3K0E1QWtyUmtRdGVHQUc5Zz09

Meeting ID: 962 1996 9038 Passcode: 781315

UPDATED MEETING POSTING
#T 470 05/14/2021 10:13 am
TOWN OF NANTUCKET

RECEIVED
2021 MAY 14 AM 11:51
NANTUCKET TOWN CLERK
Posting Number:T 471

Pursuant to MGL Chapter 30A, § 18-25
All meeting notices and agenda must be filed and time stamped with the Town Clerk's Office and posted at least 48 hours prior to the meeting (excluding Saturdays, Sundays and Holidays)

Committee/Board/s	**AFFORDABLE HOUSING TRUST**
Day, Date, and Time	**TUESDAY, MAY 18, 2021, 1:00PM**
Location / Address	**REMOTE PARTICIPATION *VIA* ZOOM (*See Below*)** Pursuant to Governor Baker's March 12, 2020, Order Regarding Open Meeting Law (Attached). **THE MEETING WILL BE AIRED AT A LATER TIME ON THE TOWN'S GOVERNMENT TV YOUTUBE CHANNEL AT https://www.youtube.com/channel/UC-sgxA1fdoxteLNzRAUHIxA**
Signature of Chair or Authorized Person	**ELEANOR W. ANTONIETTI** **LAND USE SPECIALIST**
WARNING:	IF THERE IS NO QUORUM OF MEMBERS PRESENT, OR IF MEETING POSTING IS NOT IN COMPLIANCE WITH THE OML STATUTE, NO MEETING MAY BE HELD!

MEETING
AGENDA FOR 05-18-2021
(Subject to change)

www.nantucket-ma.gov

JOIN ZOOM MEETING:
Link: https://zoom.us/j/96219969038?pwd=ajAvYjI3K0E1QWtyUmtRdGVHQUc5Zz09
Meeting ID: 962 1996 9038 Passcode: 781315

Purpose: To discuss business as noted below. Electronic copies of the complete text, plans, application, or other material relative to each agenda item are available per request by email to eantonietti@nantucket.ma.gov. Please email to request a paper copy and you will be given a time to retrieve from a Drop Box outside the Planning Office at 2 Fairgrounds Road between the hours of 8:30 AM and 4:30 PM. Access to the Planning Office is not permitted until Governor Baker's order is lifted to allow the office to be open to the public.

Trust Members: Brian Sullivan (Chairman), Brooke S. Mohr (Vice Chair), Penny Dey, Kristie Ferrantella, Reema Sherry, Allyson Mitchell, Dave Iverson

PLEASE LIST BELOW THE TOPICS THE CHAIR
REASONABLY ANTICIPATES WILL BE DISCUSSED AT THE MEETING

I. **CONVENE in Open Session *via* Zoom**

II. **APPROVAL of Agenda**

III. **APPROVAL of the Minutes**
- May 11, 2021

IV. **CONTINUED Review of the DRAFT HPP – Judi Barrett**

V. **Covenant Formation Assistance Program Application (CFAP)**
- 40 Essex Road – Andrew VORCE

VI. **Purchase of 18 Vesper Lane from the University of Massachusetts**

VII. **Wildflower Commons – Richmond Phase 2A Acceleration Program Loan & Grant Documents – Review & Approval**

VIII. **Communications Sub-committee report**
   a. Annual Town Meeting preparation & outreach

IX. **Other Business**
- **Next Meeting**
  - June Special Meeting: Tuesday, June 1, 2021 at 1:00pm
  - June Regular Meeting: Tuesday, June 15, 2021 at 1:00pm

X. **PUBLIC COMMENT** (for items not otherwise on the agenda)

XI. **BOARD COMMENTS**

XII. **Executive Session, Pursuant to MGL C. 30A § 21(A)**
- Purpose 6: To consider the purchase, exchange, lease or value of real property where an open meeting may have a detrimental effect on the negotiating position of the public body.

XIII. **Adjourn**

Office of the Governor
Commonwealth of Massachusetts
State House • Boston, MA 02133
(617) 725-4000

CHARLES D. BAKER
GOVERNOR

KARYN E. POLITO
LIEUTENANT GOVERNOR

ORDER SUSPENDING CERTAIN PROVISIONS OF THE OPEN MEETING LAW, G. L. c. 30A, § 20

WHEREAS, on March 10, 2020, I, Charles D. Baker, Governor of the Commonwealth of Massachusetts, acting pursuant to the powers provided by Chapter 639 of the Acts of 1950 and Section 2A of Chapter 17 of the General Laws, declared that there now exists in the Commonwealth of Massachusetts a state of emergency due to the outbreak of the 2019 novel Coronavirus ("COVID-19"); and

WHEREAS, many important functions of State and Local Government are executed by "public bodies," as that term is defined in G. L. c. 30A, § 18, in meetings that are open to the public, consistent with the requirements of law and sound public policy and in order to ensure active public engagement with, contribution to, and oversight of the functions of government; and

WHEREAS, both the Federal Centers for Disease Control and Prevention ("CDC") and the Massachusetts Department of Public Health ("DPH") have advised residents to take extra measures to put distance between themselves and other people to further reduce the risk of being exposed to COVID-19. Additionally, the CDC and DPH have advised high-risk individuals, including people over the age of 60, anyone with underlying health conditions or a weakened immune system, and pregnant women, to avoid large gatherings.

WHEREAS, sections 7, 8, and 8A of Chapter 639 of the Acts of 1950 authorize the Governor, during the effective period of a declared emergency, to exercise authority over public assemblages as necessary to protect the health and safety of persons; and

WHEREAS, low-cost telephone, social media, and other internet-based technologies are currently available that will permit the convening of a public body through virtual means and allow real-time public access to the activities of the public body; and

WHEREAS section 20 of chapter 30A and implementing regulations issued by the Attorney General currently authorize remote participation by members of a public body, subject to certain limitations;

NOW THEREFORE, I hereby order the following:

(1) A public body, as defined in section 18 of chapter 30A of the General Laws, is hereby relieved from the requirement of section 20 of chapter 30A that it conduct its meetings in a public place that is open and physically accessible to the public, provided that the public body makes provision to ensure public access to the deliberations of the public body for interested members of the public through adequate, alternative means.

Adequate, alternative means of public access shall mean measures that provide transparency and permit timely and effective public access to the deliberations of the public body. Such means may include, without limitation, providing public access through telephone, internet, or satellite enabled audio or video conferencing or any other technology that enables the public to clearly follow the proceedings of the public body while those activities are occurring. Where allowance for active, real-time participation by members of the public is a specific requirement of a general or special law or regulation, or a local ordinance or by-law, pursuant to which the proceeding is conducted, any alternative means of public access must provide for such participation.

A municipal public body that for reasons of economic hardship and despite best efforts is unable to provide alternative means of public access that will enable the public to follow the proceedings of the municipal public body as those activities are occurring in real time may instead post on its municipal website a full and complete transcript, recording, or other comprehensive record of the proceedings as soon as practicable upon conclusion of the proceedings. This paragraph shall not apply to proceedings that are conducted pursuant to a general or special law or regulation, or a local ordinance or by-law, that requires allowance for active participation by members of the public.

A public body must offer its selected alternative means of access to its proceedings without subscription, toll, or similar charge to the public.

(2) Public bodies are hereby authorized to allow remote participation by all members in any meeting of the public body. The requirement that a quorum of the body and the chair be physically present at a specified meeting location, as provided in G. L. c. 30A, § 20(d) and in 940 CMR 29.10(4)(b), is hereby suspended.

(3) A public body that elects to conduct its proceedings under the relief provided in sections (1) or (2) above shall ensure that any party entitled or required to appear before it shall be able to do so through remote means, as if the party were a member of the public body and participating remotely as provided in section (2).

(4) All other provisions of sections 18 to 25 of chapter 30A and the Attorney General's implementing regulations shall otherwise remain unchanged and fully applicable to the activities of public bodies.

This Order is effective immediately and shall remain in effect until rescinded or until the State of Emergency is terminated, whichever happens first.

Given in Boston at 8:40 PM this 12th day of March, two thousand and twenty.

CHARLES D. BAKER
GOVERNOR
Commonwealth of Massachusetts

NAHT Meeting

5/18/2021

Agenda Item III.

Approval of DRAFT MINUTES for Meeting on:

- *May 11, 2021*

NANTUCKET AFFORDABLE HOUSING TRUST

~~ MINUTES ~~
Tuesday, May 11, 2021
Remote Meeting *via* Zoom – **1:00 pm**

Trust Members: Brian Sullivan (Chair), Brooke Mohr (Vice-Chair), Penny Dey, Kristie Ferrantella, Reema Sherry, Dave Iverson, Allyson Mitchell

ATTENDING MEMBERS: Brian Sullivan, Brooke Mohr, Penny Dey, Reema Sherry, Dave Iverson, Allyson Mitchell
LATE ARRIVALS: Penny Dey
ABSENT: Kristie Ferrantella
STAFF IN ATTENDANCE: Tucker Holland (Housing Specialist); Eleanor Antonietti (Land Use Specialist)
CONSULTANTS: Judi Barrett (Barrett Planning Group LLC); Jenn Goldson (J M Goldson LLC); Tyler Maren (Barrett Planning Group LLC); Barry Fradkin (J M Goldson LLC)
Public Present on Zoom: Mikahil Stepanov; Esmeralda Martinez

I. Call Meeting to Order

Brian SULLIVAN called the meeting to order at 1:03 pm
Brain Sullivan announced that this Open Meeting of the Nantucket Affordable Housing Trust is being conducted remotely via Zoom, consistent with Governor Baker's Executive Order of March 12, 2020, due to the current State of Emergency in the Commonwealth due to the outbreak of the "COVID-19 Virus."

II. Approval of Agenda

Brooke Mohr moved to approve the agenda as amended to correct numbering of items. Allyson Mitchell seconded the motion.
ROLL CALL of those participating:

1. Allyson Mitchell Aye
2. Dave Iverson Aye
3. Reema Sherry Aye
4. Brooke Mohr Aye
5. Brian Sullivan Aye

Agenda adopted by **UNANIMOUS** consent.

III. Approval of Minutes

- February 18, 2021

Brooke Mohr **moved to approve the Minutes for the meeting on February 18, 2021.** Reema Sherry seconded the motion.
ROLL CALL of those participating:

1. Brooke Mohr Aye
2. Reema Sherry Aye
3. Allyson Mitchell Aye
4. Dave Iverson Aye
5. Brian Sullivan Aye

Minutes adopted by unanimous consent.

DRAFT

- March 2, 2021

Reema Sherry **moved to approve the Minutes for the meeting on March 2, 2021, as amended.** Allyson Mitchell seconded the motion.

ROLL CALL of those participating:

1. Brooke Mohr Aye
2. Reema Sherry Aye
3. Allyson Mitchell Aye
4. Dave Iverson Aye
5. Brian Sullivan Aye

Minutes adopted by unanimous consent.

- March 9, 2021

Brooke Mohr **moved to approve the Minutes for the meeting on March 9, 2021.** Reema Sherry seconded the motion.

ROLL CALL of those participating:

1. Brooke Mohr Aye
2. Reema Sherry Aye
3. Allyson Mitchell Aye
4. Dave Iverson Aye
5. Brian Sullivan Aye

Minutes adopted by unanimous consent.

- March 16, 2021

Reema Sherry **moved to approve the Minutes for the meeting on March 16, 2021, as amended.** Allyson Mitchell seconded the motion.

ROLL CALL of those participating:

1. Brooke Mohr Aye
2. Reema Sherry Aye
3. Allyson Mitchell Aye
4. Dave Iverson Aye
5. Brian Sullivan Aye

Minutes adopted by unanimous consent.

- April 1, 2021

Brooke Mohr **moved to approve the Minutes for the meeting on April 1, 2021.** Reema Sherry seconded the motion.

ROLL CALL of those participating:

1. Brooke Mohr Aye
2. Reema Sherry Aye
3. Allyson Mitchell Aye
4. Dave Iverson Aye
5. Brian Sullivan Aye

Minutes adopted by unanimous consent.

- April 20, 2021

Reema Sherry **moved to approve the Minutes for the meeting on April 20, 2021, as amended.** Allyson Mitchell seconded the motion.

ROLL CALL of those participating:
1. Brooke Mohr Aye
2. Reema Sherry Aye
3. Allyson Mitchell Aye
4. Dave Iverson Aye

Minutes adopted by unanimous consent.

IV. Review of the DRAFT HPP – Judi Barrett and Jenn Goldson

Judi Barrett turns it over to Tyler to present PowerPoint.
Tyler Maren gives summary of each section. For Key Housing Needs Assessment Findings, he pulled out more notable demographic housing profile trend.
Tucker asks how we can put a fine point on contradictory statements such as "Smaller households, fewer families" and "Increasing year round population, fewer total households". Thinks we need to give this more accurate depiction.
Tyler Acknowledges that "Smaller households, fewer families" needs to be reframed. The average household size is growing. The trend of "fewer families" is accurate and linked to more people living together in fewer family households in year-round units.
Brian Sullivan rather than edit by committee, suggests we get everything to Tucker to work through.
Judi Barrett agrees with that idea
Tyler Maren moves on to final section on "Barriers to Development" which indicates something that constrains where housing can be built. Most land is either permanent conservation or has been built already. Infrastructure and zoning are also barriers. There are opportunities to create incentives under zoning. Affordable Housing Goals have been pared down with sub-goals. We have 4 macro-goals covering wide range of smaller goals that an HPP might address. Moving on to 16 Affordable Housing Strategies. Asks Barry to go over summary slides about last Webinar which will be attached as an Appendix to final document.
Barry Fradkin goes over last Webinar on March 30th and polling results. There is a more detailed breakdown of 6 private sites ("Friendly 40B Development") and 8 public sites. Asks for any edits needed.
Tyler Maren highlights changes and corrections from previous draft in response to Comments Resolution Matrix ("CRM"). We plan on converting various Census Tract Tables into maps so that they are less confusing. We will continue to incorporate feedback.
Brian asks about the use of this document other than with DHCD. Suggests that while they are editing different versions, we maintain a local nomenclature version that will allow the public to easily identify different areas on island.
Judi Barrett we can add the area names to the reference map. It would be easy for us to convert the data to map form. If you want, we can preserve the data under the maps so people can see it. Thinks this will be more effective way to communicate differences across the island.
Reema Sherry points out paragraph that basically says that there are less YR houses and more people is a very important point. We should concentrate on that finding.
Penny Dey asks when we can expect 2020 Census results.
Judi Barrett Apportionment data are out but they roll it out in series. You may get basic demographic data but may not see housing sets until later this year.
Penny Dey concerned about lining up Census data with the HPP.
Tucker Holland would like to get comments back to Consultants. We don't want to eliminate anything that is required by DHCD, and we want this to be user-friendly for the public here. Asks for guidance on timeline.
Judi Barrett There is a public meeting for the PB and the SB to approve the plan, which can be

done jointly. Following that, we need letter signed by Libby to submit formally to DHCD saying that the plan is approved. We will submit for you and it will move through review process. They have a number of days to review. Last time was fast. Things move a bit more slowly at DHCD because of the pandemic. Would not expect any issues with the current draft in terms of approval.
Tucker Holland the PB and SB meeting will have to take place after Town Meeting. Asks for internal comments to be submitted to him within a week so he can consolidate into red-line version. We can discuss more next week at our meeting. Ideally, we would have PB and SB discussions in June and have submitted to DHCD by July.
DISCUSSION about logistics of working with CRM.
Brian Sullivan asks if next Tuesday's meeting (5/18) is realistic deadline for Trustees to submit comments.
CONSENSUS is yes. Will be sent to consultants following that meeting.
Judi Barrett we need to be very clear that the household data is about year-round population, because that is the ultimate unit for the Census data.
Tucker Holland our school population is going up so family size is not shrinking.
Judi Barrett we cannot document the family if not reported with Census data, but we can document what school data says.
Brooke Mohr there can be multiple families in a household. Critical to clearly state that somewhere.
Judi Barrett there are Census tables that get at the concept of 'sub-family'. We can identify some number of households with specific make-up. There is a larger issue of what is and is not documented.
Brooke Mohr We can speculate from the data. Need to lead people to the logical conclusion.
Judi Barrett what are the affordability targets that Nantucket should be focusing on? Zoning cannot fix issues that are inherent in a capitalist economy. We need to be conscious of when a subsidy really makes the difference and for whom. She will join the meeting next week.

V. Grant Request from Habitat for Humanity – Phase 2 of Benjamin Drive project

Tucker Holland reminds the Board about its 3-unit project at Benjamin Drive. Collaborative effort amongst all local housing agencies. We are here to talk about funding today. We have $975,000 earmarked for this project. These are first SHI-eligible units created by Habitat. We had DHCD down to do a site visit for this project. Alanna Murphy has issued the PEL for this and it is moving right along. Today they want to secure the First Phase of the funding which is $450,000 of total projected cost. They will come back later for funding for the balance. While $975,000 has been the working number, construction and materials costs have increased so they may be seeking more in the end, depending on market environment. We want to be cognizant of ultimate needs for this project relative to our ask with the Fall application to CPC. Details are laid out in Memo in packet in terms of the uses of the funds. He requests support. They have put in $150,000 into it which they had on hand to do initial site work and bring in power. This is the next phase.
Brian Sullivan inflationary costs are hard to quantify.

Penny Dey **motioned** to approve $450,000 of funding requested by Habitat for Humanity for Phase 2 of the Benjamin Drive project as presented by Staff. Dave Iverson seconded the motion.

<u>ROLL CALL</u> of those participating:

1. Dave Iverson Aye
2. Reema Sherry Aye
3. Brooke Mohr Aye
4. Allyson Mitchell Aye

5. Penny Dey Aye
6. Brian Sullivan Aye

The motion carried unanimously.

VI. Closing Cost Assistance Program applications:

- **74 Somerset Road - Stepanov**

Mikhail Stepanov there is a family of 2 moving off island and he is buying this 3 BR house. He will help out his friends who need help with YR housing.
NO CONCERNS

Brooke Mohr **motioned to approve the applicant for up to $15,000 in funding for Closing Cost Assistance in connection with 74 Somerset Road**, subject to return of any unused balance. Dave Iverson seconded the motion.
ROLL CALL of those participating:

1. Allyson Mitchell Aye
2. Dave Iverson Aye
3. Reema Sherry Aye
4. Penny Dey Aye
5. Brooke Mohr Aye
6. Brian Sullivan Aye

The motion carried unanimously.

- **Larrabee Lane – Martinez & Tejada**

NO CONCERNS
Esmeralda Martinez thanks the Board. This is a big deal for them as first time home buyers.
Brooke Mohr asks if we should word this differently as it is vacant land.
DISCUSSION about how to handle this type of closing and CCAP approval like this going forward. Will need to be on future agenda.

Brooke Mohr **motioned to approve the applicant for up to $15,000 in funding for Closing Cost Assistance**, **in connection with Larrabee Lane (Lot 3)**, to be utilized for the land acquisition and the creation of the home, subject to return of any unused balance. Penny Dey seconded the motion.
ROLL CALL of those participating:

1. Allyson Mitchell Aye
2. Dave Iverson Aye
3. Reema Sherry Aye
4. Penny Dey Aye
5. Brooke Mohr Aye
6. Brian Sullivan Aye

The motion carried unanimously.

VII. Covenant Formation Assistance Program Application (CFAP)

- **40 Essex Road – Andrew VORCE**

Penny Dey **motioned to continue this matter to the May 18th Trust meeting**. Brook Mohr seconded the motion.
ROLL CALL of those participating:

1. Allyson Mitchell Aye
2. Dave Iverson Aye
3. Reema Sherry Aye
4. Penny Dey Aye
5. Brooke Mohr Aye
6. Brian Sullivan Aye

The motion to continue carried unanimously.

VIII. Other Business

Next Meetings

- May Regular Meeting: Tuesday, May 18, 2021 at 1:00pm
- June Special Meeting: Tuesday, June 1, 2021 at 1:00pm

Brooke Mohr planning a housing forum with Fair Winds and Safe Place at 6pm on May 25th via Zoom Webinar with NCTV.

PENNY DEY leaves meeting at 2pm

IX. PUBLIC COMMENT (for items not otherwise on the agenda)

Tucker Holland DHCD visited last week. Really appreciates them coming and thanks all involved in planning and presentation. They stopped at 8 or 9 sites. Discussed a lot of what is happening. Joe Grause and Gerry Keneally were co-hosts. Thanks NHC for making one of their facilities available. It was a success. A lot of people helped out.

X. BOARD COMMENTS

NONE

XI. Executive Session, Pursuant to MGL C. 30A § 21(A)

- Purpose 6: To consider the purchase, exchange, lease or value of real property where an open meeting may have a detrimental effect on the negotiating position of the public body.

Specific matter requires confidentiality.

The **MOTION** was made by Brooke Mohr and seconded by Reema Sherry to **go into executive session** to consider the purchase, exchange, lease, or value of real property where an open meeting may have a detrimental effect on the negotiating position of the public body, and not return to open session.

ROLL CALL of those participating:

1. Brooke Mohr Aye
2. Reema Sherry Aye
3. Allyson Mitchell Aye
4. Dave Iverson Aye
5. Brian Sullivan Aye

The motion carried unanimously.

XII. Adjourn

Open Session Meeting ended at 2:04pm

Submitted by:
Eleanor W. Antonietti

AHT Meeting

5/11/2021

Agenda Item V.

Cfap – 40 Essex Rd.

Nantucket Affordable Housing Trust Fund

HOUSING NANTUCKET

Covenant Formation Assistance Program (CFAP) Application

For Office Use Only Date Received:	

Applicant Name: ANDREW VORCE

Applicant Name

Email Address: avorce@nantucket-ma.gov

Phone: 508-789-6814

Physical Address: 40 ESSEX ROAD, NANTUCKET, MA 02554

Mailing Address: (SAME AS ABOVE)

Address of Property comprising proposed Covenant Unit : REAR HOUSE 40 1/2 ESSEX ROAD.

Name of Property Owner: ANDREW VORCE

Mortgages and/or Encumbrances affecting the Property: CAPE COD FIVE (1ST MTG)

In signing this application I/we hereby certify that:

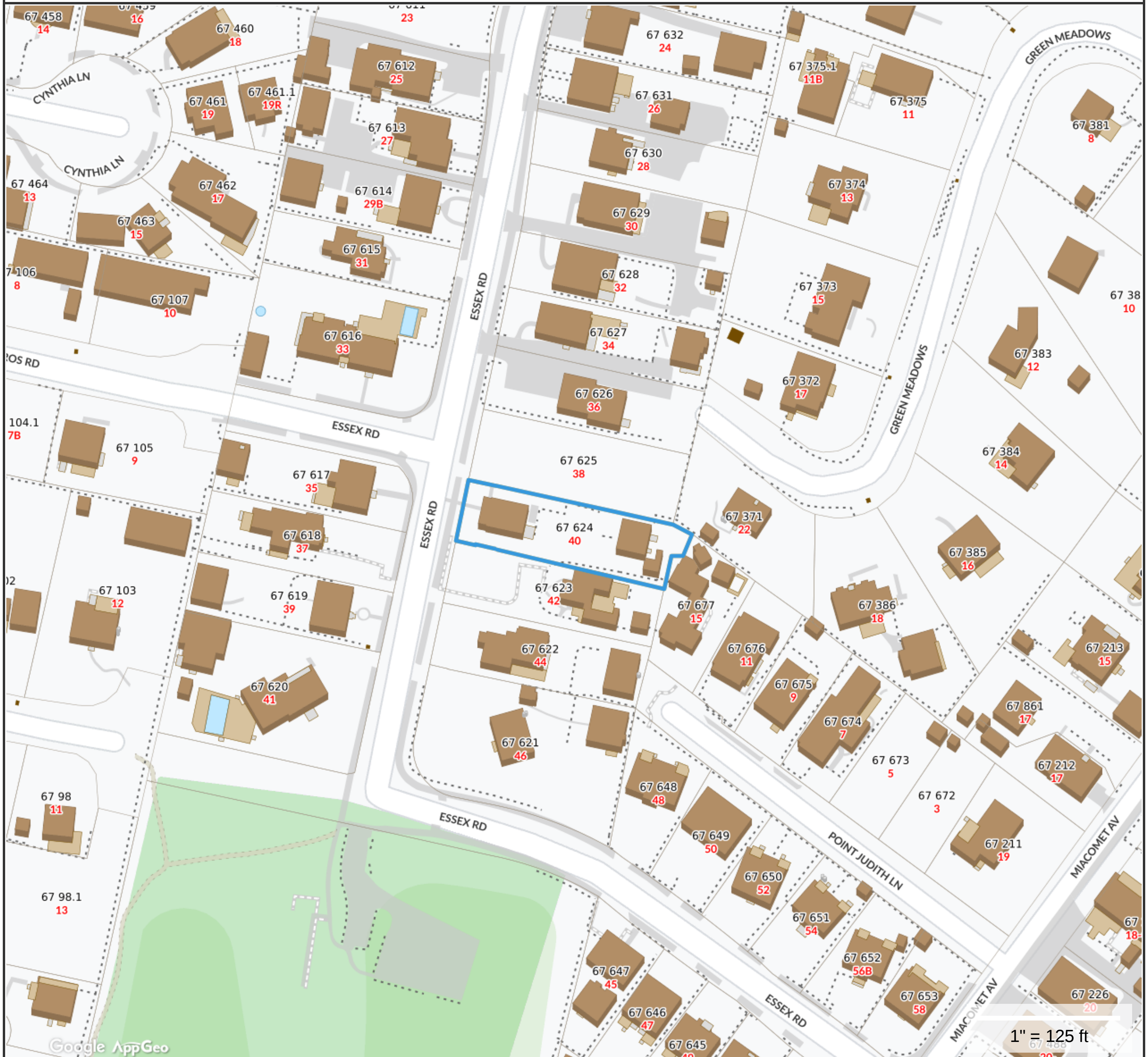
- The information contained in this application is true and accurate to the best of my/~~our~~ knowledge and belief under the full pains and penalties of perjury and understand that perjury will result in disqualification from further consideration
- I/~~We~~ have read and understand all the general information provided about the CFAP Program and the Nantucket Housing Needs Covenant Program. I/~~We~~ understand the covenant restriction is a Deed Rider that is recorded on the property at the time of the first transaction into the Covenant Program.
- I/~~we~~ understand that I will sign a promissory note at the time this application is approved. A mortgage securing repayment of the promissory note will be recorded on my property immediately. I/~~we~~ understand is my/~~our~~ obligation to fulfill the repayment terms of the CFAP promissory note.
- I/~~we~~ understand that the Covenant Transaction Fee, which is a flat fee applicable to every Covenant transaction, is not included in loaned funds and is due at closing.

[signature] 3/19/2021

Signature Date Signature Date

Submit to Housing Nantucket, 75 Old South Road, PO Box 3149 Nantucket, MA 02584

info@housingnantucket.org



Property Information

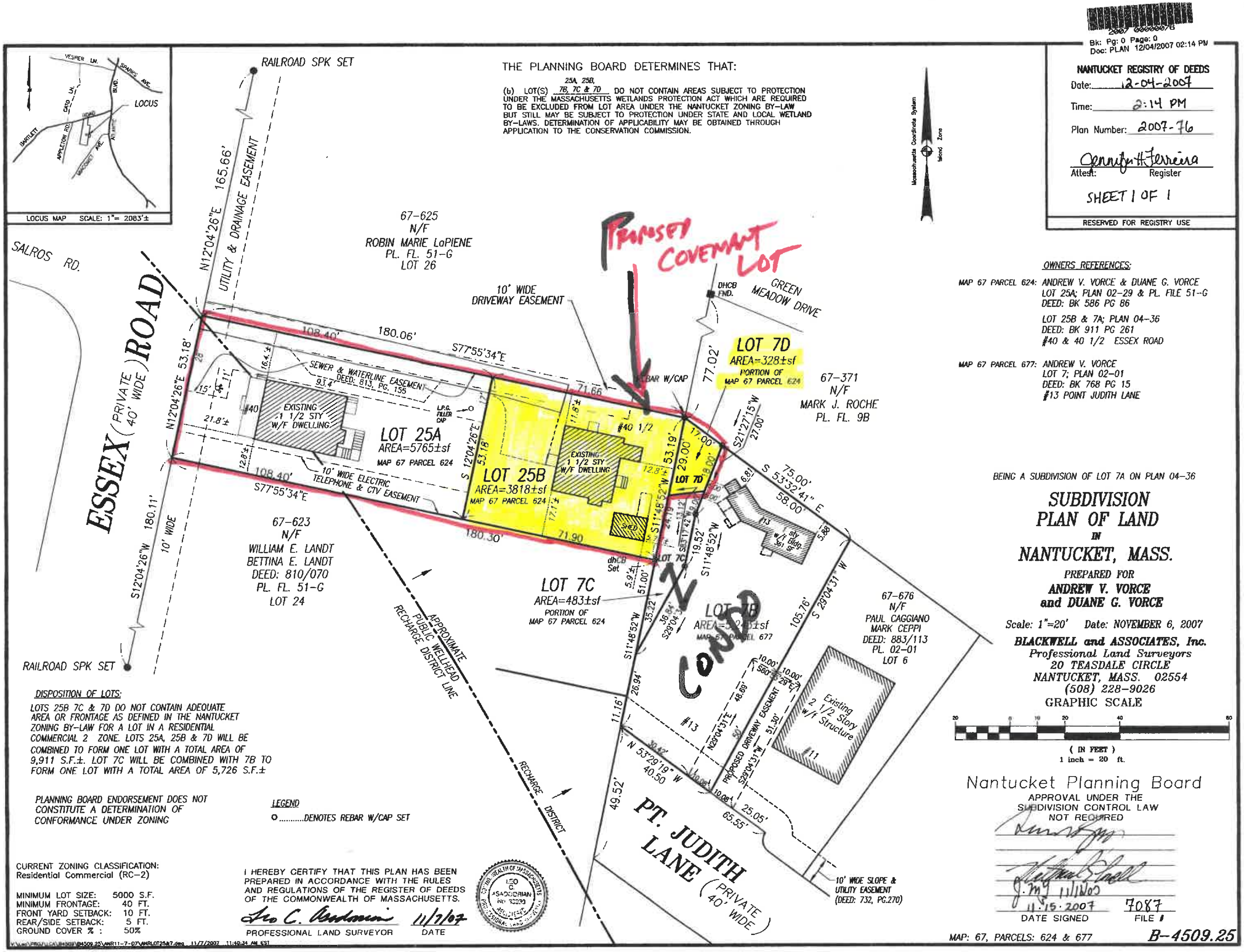
Property ID 67 624
Location 40 ESSEX RD
Owner VORCE ANDREW V

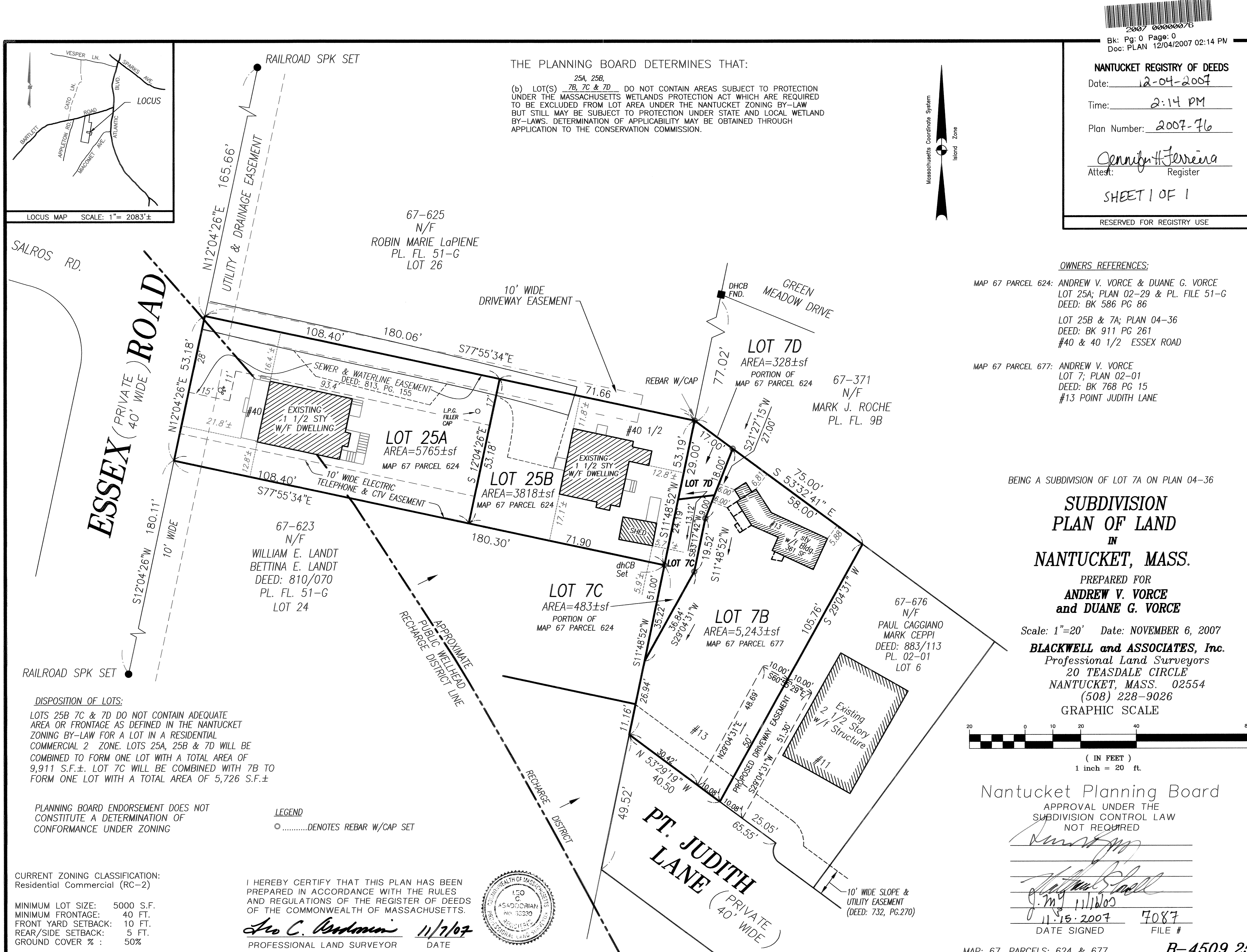
MAP FOR REFERENCE ONLY
NOT A LEGAL DOCUMENT

Town and County of Nantucket, MA makes no claims and no warranties, expressed or implied, concerning the validity or accuracy of the GIS data presented on this map.

Geometry updated Jan. 2021
Data updated Jan. 2021

Print map scale is approximate. Critical layout or measurement activities should not be done using this resource.


2007 00000076
Bk: Pg: 0 Page: 0
Doc: PLAN 12/04/2007 02:14 PM
NANTUCKET REGISTRY OF DEEDS
Date: 12-04-2007
Time: 2:14 PM
Plan Number: 2007-76
Attest: Jennifer H. Ferreira Register
SHEET 1 OF 1
RESERVED FOR REGISTRY USE
LOCUS MAP SCALE: 1"= 2083'±
LOCUS
THE PLANNING BOARD DETERMINES THAT:
(b) LOT(S) 25A, 25B, 7B, 7C & 7D DO NOT CONTAIN AREAS SUBJECT TO PROTECTION UNDER THE MASSACHUSETTS WETLANDS PROTECTION ACT WHICH ARE REQUIRED TO BE EXCLUDED FROM LOT AREA UNDER THE NANTUCKET ZONING BY-LAW BUT STILL MAY BE SUBJECT TO PROTECTION UNDER STATE AND LOCAL WETLAND BY-LAWS. DETERMINATION OF APPLICABILITY MAY BE OBTAINED THROUGH APPLICATION TO THE CONSERVATION COMMISSION.
PROPOSED COVENANT LOT
RAILROAD SPK SET
SALROS RD.
ESSEX (PRIVATE 40' WIDE) ROAD
UTILITY & DRAINAGE EASEMENT
67-625 N/F ROBIN MARIE LoPIENE PL. FL. 51-G LOT 26
10' WIDE DRIVEWAY EASEMENT
SEWER & WATERLINE EASEMENT DEED: 813, PG. 155
EXISTING 1 1/2 STY W/F DWELLING
LOT 25A AREA=5765±sf MAP 67 PARCEL 624
LOT 25B AREA=3818±sf MAP 67 PARCEL 624
LOT 7D AREA=328±sf PORTION OF MAP 67 PARCEL 624
LOT 7C AREA=483±sf PORTION OF MAP 67 PARCEL 624
LOT 7B
GREEN MEADOW DRIVE
67-371 N/F MARK J. ROCHE PL. FL. 9B
10' WIDE ELECTRIC TELEPHONE & CTV EASEMENT
67-623 N/F WILLIAM E. LANDT BETTINA E. LANDT DEED: 810/070 PL. FL. 51-G LOT 24
APPROXIMATE PUBLIC WELLHEAD RECHARGE DISTRICT LINE
67-676 N/F PAUL CAGGIANO MARK CEPPI DEED: 883/113 PL. 02-01 LOT 6
Existing 2 1/2 Story W/F Structure
PROPOSED DRIVEWAY EASEMENT
PT. JUDITH LANE (PRIVATE 40' WIDE)
10' WIDE SLOPE & UTILITY EASEMENT (DEED: 732, PG.270)
CONDO
OWNERS REFERENCES:
MAP 67 PARCEL 624: ANDREW V. VORCE & DUANE G. VORCE LOT 25A; PLAN 02-29 & PL. FILE 51-G DEED: BK 586 PG 86
LOT 25B & 7A; PLAN 04-36 DEED: BK 911 PG 261 #40 & 40 1/2 ESSEX ROAD
MAP 67 PARCEL 677: ANDREW V. VORCE LOT 7; PLAN 02-01 DEED: BK 768 PG 15 #13 POINT JUDITH LANE
BEING A SUBDIVISION OF LOT 7A ON PLAN 04-36
SUBDIVISION PLAN OF LAND IN NANTUCKET, MASS.
PREPARED FOR ANDREW V. VORCE and DUANE G. VORCE
Scale: 1"=20' Date: NOVEMBER 6, 2007
BLACKWELL and ASSOCIATES, Inc. Professional Land Surveyors 20 TEASDALE CIRCLE NANTUCKET, MASS. 02554 (508) 228-9026
GRAPHIC SCALE
(IN FEET) 1 inch = 20 ft.
DISPOSITION OF LOTS:
LOTS 25B 7C & 7D DO NOT CONTAIN ADEQUATE AREA OR FRONTAGE AS DEFINED IN THE NANTUCKET ZONING BY-LAW FOR A LOT IN A RESIDENTIAL COMMERCIAL 2 ZONE. LOTS 25A, 25B & 7D WILL BE COMBINED TO FORM ONE LOT WITH A TOTAL AREA OF 9,911 S.F.±. LOT 7C WILL BE COMBINED WITH 7B TO FORM ONE LOT WITH A TOTAL AREA OF 5,726 S.F.±
PLANNING BOARD ENDORSEMENT DOES NOT CONSTITUTE A DETERMINATION OF CONFORMANCE UNDER ZONING
LEGEND
o ....DENOTES REBAR W/CAP SET
CURRENT ZONING CLASSIFICATION: Residential Commercial (RC-2)
MINIMUM LOT SIZE: 5000 S.F.
MINIMUM FRONTAGE: 40 FT.
FRONT YARD SETBACK: 10 FT.
REAR/SIDE SETBACK: 5 FT.
GROUND COVER % : 50%
I HEREBY CERTIFY THAT THIS PLAN HAS BEEN PREPARED IN ACCORDANCE WITH THE RULES AND REGULATIONS OF THE REGISTER OF DEEDS OF THE COMMONWEALTH OF MASSACHUSETTS.
PROFESSIONAL LAND SURVEYOR 11/7/07 DATE
Nantucket Planning Board
APPROVAL UNDER THE SUBDIVISION CONTROL LAW NOT REQUIRED
11.15.2007 DATE SIGNED 7087 FILE #
MAP: 67, PARCELS: 624 & 677
B-4509.25



2007 00000076
Bk: Pg: 0 Page: 0
Doc: PLAN 12/04/2007 02:14 PM
NANTUCKET REGISTRY OF DEEDS
Date: 12-04-2007
Time: 2:14 PM
Plan Number: 2007-76
Jennifer H. Ferreira
Attest: Register
SHEET 1 OF 1
RESERVED FOR REGISTRY USE
THE PLANNING BOARD DETERMINES THAT:
(b) LOT(S) 25A, 25B, 7B, 7C & 7D DO NOT CONTAIN AREAS SUBJECT TO PROTECTION UNDER THE MASSACHUSETTS WETLANDS PROTECTION ACT WHICH ARE REQUIRED TO BE EXCLUDED FROM LOT AREA UNDER THE NANTUCKET ZONING BY-LAW BUT STILL MAY BE SUBJECT TO PROTECTION UNDER STATE AND LOCAL WETLAND BY-LAWS. DETERMINATION OF APPLICABILITY MAY BE OBTAINED THROUGH APPLICATION TO THE CONSERVATION COMMISSION.
Massachusetts Coordinate System Island Zone
VESPER LN.
SPARKS AVE.
BLVD.
CATO LN.
LOCUS
ROAD
BARTLETT
APPLETON RD.
MIACOMET AVE.
ATLANTIC
LOCUS MAP SCALE: 1"= 2083'±
RAILROAD SPK SET
N12°04'26"E 165.66'
UTILITY & DRAINAGE EASEMENT
SALROS RD.
ESSEX ROAD (PRIVATE 40' WIDE)
67-625
N/F
ROBIN MARIE LaPIENE
PL. FL. 51-G
LOT 26
10' WIDE DRIVEWAY EASEMENT
DHCB FND.
GREEN MEADOW DRIVE
108.40'
180.06'
S77°55'34"E
SEWER & WATERLINE EASEMENT DEED: 813, PG. 155
71.66
REBAR W/CAP
77.02'
LOT 7D
AREA=328±sf
PORTION OF MAP 67 PARCEL 624
67-371
N/F
MARK J. ROCHE
PL. FL. 9B
N12°04'26"E 53.18'
#40
EXISTING 1 1/2 STY W/F DWELLING
L.P.G. FILLER CAP
LOT 25A
AREA=5765±sf
MAP 67 PARCEL 624
S 12°04'26"E 53.18'
#40 1/2
EXISTING 1 1/2 STY W/F DWELLING
LOT 25B
AREA=3818±sf
MAP 67 PARCEL 624
10' WIDE ELECTRIC TELEPHONE & CTV EASEMENT
108.40'
S77°55'34"E
180.30'
71.90
SHED
53.19'
29.00'
17.00'
18.00'
S21°27'15"W 27.00'
S 53°32'41" E 75.00' 58.00'
LOT 7D
LOT 7C
S11°48'52"W
S83°17'42"W 9.00'
13.12'
24.19'
19.52'
#13
1 sty w/f Bldg. 361 SF
dhCB Set
LOT 7C
AREA=483±sf
PORTION OF MAP 67 PARCEL 624
51.00'
35.22'
36.84' S29°04'31"W
LOT 7B
AREA=5,243±sf
MAP 67 PARCEL 677
105.76' S 29°04'31" W
67-676
N/F
PAUL CAGGIANO
MARK CEPPI
DEED: 883/113
PL. 02-01
LOT 6
67-623
N/F
WILLIAM E. LANDT
BETTINA E. LANDT
DEED: 810/070
PL. FL. 51-G
LOT 24
S12°04'26"W 180.11'
10' WIDE
RAILROAD SPK SET
APPROXIMATE PUBLIC WELLHEAD RECHARGE DISTRICT LINE
RECHARGE DISTRICT
10.00' S60°55'29"E 10.00'
N29°04'31"E 48.69'
PROPOSED DRIVEWAY EASEMENT
S29°04'31"W 51.30'
Existing 2 1/2 Story w/f Structure
#11
26.94'
11.16'
N 53°29'19" W 30.42' 40.50
10.08'
25.05'
65.55'
49.52'
PT. JUDITH LANE (PRIVATE 40' WIDE)
10' WIDE SLOPE & UTILITY EASEMENT (DEED: 732, PG.270)
OWNERS REFERENCES:
MAP 67 PARCEL 624: ANDREW V. VORCE & DUANE G. VORCE
LOT 25A; PLAN 02-29 & PL. FILE 51-G
DEED: BK 586 PG 86
LOT 25B & 7A; PLAN 04-36
DEED: BK 911 PG 261
#40 & 40 1/2 ESSEX ROAD
MAP 67 PARCEL 677: ANDREW V. VORCE
LOT 7; PLAN 02-01
DEED: BK 768 PG 15
#13 POINT JUDITH LANE
BEING A SUBDIVISION OF LOT 7A ON PLAN 04-36
SUBDIVISION PLAN OF LAND IN NANTUCKET, MASS.
PREPARED FOR
ANDREW V. VORCE and DUANE G. VORCE
Scale: 1"=20' Date: NOVEMBER 6, 2007
BLACKWELL and ASSOCIATES, Inc.
Professional Land Surveyors
20 TEASDALE CIRCLE
NANTUCKET, MASS. 02554
(508) 228-9026
GRAPHIC SCALE
20 0 10 20 40 80
(IN FEET)
1 inch = 20 ft.
Nantucket Planning Board
APPROVAL UNDER THE SUBDIVISION CONTROL LAW NOT REQUIRED
11.15.2007 7087
DATE SIGNED FILE #
DISPOSITION OF LOTS:
LOTS 25B 7C & 7D DO NOT CONTAIN ADEQUATE AREA OR FRONTAGE AS DEFINED IN THE NANTUCKET ZONING BY-LAW FOR A LOT IN A RESIDENTIAL COMMERCIAL 2 ZONE. LOTS 25A, 25B & 7D WILL BE COMBINED TO FORM ONE LOT WITH A TOTAL AREA OF 9,911 S.F.±. LOT 7C WILL BE COMBINED WITH 7B TO FORM ONE LOT WITH A TOTAL AREA OF 5,726 S.F.±
PLANNING BOARD ENDORSEMENT DOES NOT CONSTITUTE A DETERMINATION OF CONFORMANCE UNDER ZONING
LEGEND
○ ....DENOTES REBAR W/CAP SET
CURRENT ZONING CLASSIFICATION:
Residential Commercial (RC-2)
MINIMUM LOT SIZE: 5000 S.F.
MINIMUM FRONTAGE: 40 FT.
FRONT YARD SETBACK: 10 FT.
REAR/SIDE SETBACK: 5 FT.
GROUND COVER % : 50%
I HEREBY CERTIFY THAT THIS PLAN HAS BEEN PREPARED IN ACCORDANCE WITH THE RULES AND REGULATIONS OF THE REGISTER OF DEEDS OF THE COMMONWEALTH OF MASSACHUSETTS.
Leo C. Asadoorian 11/7/07
PROFESSIONAL LAND SURVEYOR DATE
COMMONWEALTH OF MASSACHUSETTS LEO C. ASADOORIAN NO. 33230 REGISTERED PROFESSIONAL LAND SURVEYOR
MAP: 67, PARCELS: 624 & 677
B-4509.25
V:\Leo\PROJ\LCA\B4509\B4509.25\ANR11-7-07\ANRLOT25&7.dwg 11/7/2007 11:40:34 AM EST

2014 00002198
Bk: 1445 Pg: 278 Page: 1 of 2
Doc: DD 08/14/2014 01:17 PM

Quitclaim Deed

I, **DUANE G. VORCE**, of 155-157 Westminster Avenue, Arlington, MA 02174 for consideration received, grant to **ANDREW V. VORCE** of 40 Essex Road, Nantucket, Massachusetts 02554, with QUITCLAIM COVENANTS, all of my right, title, and interest in those certain parcels of land with buildings thereon, located in Nantucket County, Massachusetts, as follows:

Parcel 1: Lot 25A on plan dated November 6, 2007, by Blackwell and Associates, Inc. recorded at the Nantucket Registry of Deeds as Plan 2007-76, now known and numbered as **40 Essex Road,** bounded and described as follows:

Westerly	by the line of Essex Road, 53.18 feet,
Northerly	by land now or formerly of Robin Marie LaPiene, 108.40 feet,
Easterly	by Lot 25B on said plan, 53.18 feet, and
Southerly	by land now or formerly of William E. Landt and Bettina E. Landt, 108.40 feet.

Parcel 2: Lot 25B on said plan, now known and numbered **as a portion of 40½ Essex Road,** bounded and described as follows:

Westerly	by land of Lot 25A on said plan, 53.18 feet,
Northerly	by land now or formerly of Robin Marie LaPiene, 71.66 feet,
Easterly	by land of Lot 7D and Lot 7C on said plan a total of 53.19 feet, and
Southerly	by land now or formerly of William E. Landt and Bettina E. Landt, 71.90 feet.

Parcel 3: Lot 7D on said plan, now known and numbered as **a portion of 40½ Essex Road,** bounded and described as follows:

Westerly	by Lot 25B on said plan, 29.00 feet,
Northerly	by land now or formerly of Mark J. Roche, 17.00 feet,
Easterly	by Lot 7B on said plan, 18.00 feet, and
Southerly	by Lot 7C on said plan, 13.12 feet.

For title see deeds recorded in Book 586, Page 86 and Book 911, Page 261 at said Registry.

This conveyance is for nonmonetary consideration and is an interfamily gift.

I affirm that I am unmarried and have no ex-spouse or civil union partner who occupies or intends to occupy the land as a principal residence or is entitled to claim the benefit of an existing estate of homestead in the property by court order or otherwise.

Executed as a sealed instrument this 22nd day of July, 2014.

Duane G. Vorce

COMMONWEALTH OF MASSACHUSETTS
Nantucket County, ss

On this 22nd day of July, 2014, before me, the undersigned Notary Public, personally appeared Duane G. Vorce, who proved to me through satisfactory evidence of identification, which was Driver's License to be the person whose name is signed on the preceding or attached document, and acknowledged to me that she signed it voluntarily for its stated purpose as her free act and deed.

Lynell D. Vollans
Notary Public
My Commission Expires:

LYNELL D. VOLLANS
Notary Public
Commonwealth of Massachusetts
My Commission Expires
December 28, 2018

NANTUCKET LAND BANK CERTIFICATE
☐ Paid $
☑ Exempt C
☐ Non-applicable
35431 8/13/14
No. Date
Authorization

NANTUCKET COUNTY Received & Entered
Attest: Jennifer H. Ferreira, Register of Deeds

AHT Meeting

5/11/2021

Agenda Item VI.

Purchase of 18 Vesper Lane from the University of Massachusetts

STATUTORY QUITCLAIM DEED

UNIVERSITY OF MASSACHUSETTS, an institution of higher education of the Commonwealth of Massachusetts having an address of One Beacon Street, 31st Floor, Boston, Massachusetts 02108, for consideration paid in the amount of Two Million Six Hundred Thousand and no/100ths ($2,600,000.00) Dollars, grant to TOWN OF NANTUCKET AFFORDABLE HOUSING TRUST FUND, a Massachusetts municipal affordable housing trust created pursuant to G.L. c, 44, §55C, under Declaration of Trust dated February 8, 2010 and recorded in Book 1221, Page 20 at the Nantucket Registry of Deeds, as amended by First Amendment to Declaration of Trust dated September 25, 2014 and recorded in Book 1452, Page 272 at the Nantucket Registry of Deeds acting by and through its Board of Trustees, having an address of 2 Fairgrounds Road, Nantucket, Massachusetts 02554 with QUITCLAIM COVENANTS,

> That certain tract or parcel of land, together with all buildings and improvements located thereon, situate in the Town and County of Nantucket, Commonwealth of Massachusetts, more commonly known as 18 Vesper Lane, being more particularly bounded and described as follows:
>
> Beginning at the most northerly point of the parcel described herein and shown as Lot 2 on a plan of land entitled “Plan of Land in Nantucket, Mass.,” dated July 20, 1981, prepared by John J. Shugrue, Inc., recorded with the Nantucket Registry of Deeds in Plan Book 21, Page 61;
>
> Thence running South 68^0 30’10” East for a distance of 515.29 feet;
>
> Thence running South 17^0 19’13” West for a distance of 120.00 feet;
>
> Thence running North 74^0 36’57” West for a distance of 500.05 feet; and
>
> Thence running North 12^0 40’43” East for a distance of 175.00 feet to the point of beginning.
>
> Said parcel containing approximately 1.71 acres, more or less, according to said plan (the “Premises”).

Said land is conveyed together with the following matters:

a) Permanent right of way for ingress and egress over established roads situated on the adjacent Government property.

b) Permanent easements for utility companies to operate, maintain, repair, and replace certain of the existing electric and water lines located on land now or formerly owned by the Government so that continuous and uninterrupted utility service may be furnished to said Premises .

c) Easement in common with the owner of Lot 1 shown on said Plan, for the operation, use, maintenance, repair, and replacement of those sewage lines and facilities extending from Lot 1 and Lot 2 on the aforesaid plan to a certain manhole on land now or formerly owned by the Government as shown on a plan entitled "Utility Plan, Family Housing Naval Facility, Nantucket, Massachusetts (SIC)" bearing drawing number U-1, 69-616.

Said land is conveyed subject to the following matters:

a) Permanent right of way for ingress by the owner of Lot 1 over the established roads on Lot 2.

b) Permanent easements for utility companies to operate, maintain, repair and replace certain of the existing electric and water lines located on Lot 2 so that continuous and uninterrupted service may be provided to Lot 1.

c) Easement for the ownership, operation use, maintenance, repair and replacement (at sole cost and expense of the owner of Lot 1) of those sewage lines and facilities extending across Lot 2 to ensure the right of continued and uninterrupted transmission for sewage through sewage lines and facilities for the owner of Lot 1.

For title reference, see deed recorded with the Nantucket Registry of Deeds at Book 186, Page 317.

This conveyance is NOT a transfer of all or substantially all of the Grantor's property in the Commonwealth of Massachusetts.

No documentary deed stamps are due on this conveyance pursuant to G.L. c. 64D, § 1.

(SIGNATURE PAGE FOLLOWS)

Executed and sealed on this _______ day of _______________________, 2021.

UNIVERSITY OF MASSACHUSETTS

By:______________________________________
, President

By:______________________________________
, Treasurer

COMMONWEALTH OF MASSACHUSETTS

Nantucket, ss.

On this _________ day of ________________, 2021, before me, the undersigned notary public, personally appeared ____________________ and _____________________, the duly authorized President and Treasurer of the University of Massachusetts, and proved to me through satisfactory evidence of identification, which was __________________, to be the persons whose names are signed on the preceding or attached document, and acknowledged to me that they signed voluntarily, as their free act and deed, in said capacities as President and Treasurer of the University of Massachusetts, for its stated purpose and who each swore or affirmed to me that the contents of the document are truthful and accurate to the best of their knowledge and belief.

____
Notary Public
My Commission Expires:

<u>ACCEPTANCE OF DEED</u>

On this _____ day of May, 2021, we, the duly authorized **Trustees of the Town of Nantucket Affordable Housing Trust Fund**, acting pursuant to provisions of G.L. c. 44, §55C, under a Declaration of Trust dated February 8, 2010 and recorded with the Nantucket County Registry of Deeds in Book 1221 Page 20, as amended by First Amendment to Declaration of Trust dated September 25, 2014, recorded with said Deeds in Book 1452, Page 272, hereby accept the foregoing deed from the University of Massachusetts to property located at 18 Vesper Lane, Nantucket, Massachusetts.

Town of Nantucket Affordable Housing Trust Fund
By its Board of Trustees

By: _________________________________
, Trustee and
Chair/Vice Chair

COMMONWEALTH OF MASSACHUSETTS

Nantucket ss.

On this _______ day of May, 2021 before me, the undersigned notary public, personally appeared ____, Trustee and Chair/Vice Chair of the Town of Nantucket Affordable Housing Trust Fund, proved to me through satisfactory evidence of identification, which were _______________________, to be the person whose name is signed on the preceding document, and acknowledged to me that he/she/ signed it voluntarily for its stated purpose as Trustee and Chair/Vice Chair of the Town of Nantucket Affordable Housing Trust Fund.

____
Notary Public
My Commission Expires:

763547NANT19710/0007

AHT Meeting

5/11/2021

Agenda Item VII.

Wildflower Commons –

Richmond Phase 2A Acceleration Program Loan & Grant Documents –

Review & Approval

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (this "MOU"), or this "Agreement") is dated this _____ day of May, 2021, between the Town of Nantucket Affordable Housing Trust Fund, a Massachusetts municipal housing trust created pursuant to G.L. c.44, §55C, under a Declaration of Trust dated February 8, 2010, recorded with Nantucket County Registry of Deeds in Book 1221, Page 20, as amended by First Amendment to Declaration of Trust dated September 25, 2014, recorded with said Deeds in Book 1452, Page 271, acting by and through its Board of Trustees, having an address of 2 Fairgrounds Road, Nantucket, Massachusetts 02554 (the "Trust"), the Town of Nantucket (the "Town"), a municipal corporation organized under the laws of the Commonwealth of Massachusetts, with a usual place of business at the Town and County Building 16 Broad Street, Nantucket, Massachusetts 02554, acting by and through its duly elected Select Board (the "Select Board"), Richmond Great Point Development, LLC (the "Developer"), a Delaware limited liability company, and Richmond Meadows Two P2A, LLC ("Richmond"), a Massachusetts limited liability company, each having its address C/O The Richmond Company, Inc., 23 Concord Street, Wilmington, Massachusetts 01887, (collectively, the "Parties"). The Town joins in this MOU to evidence its agreement to execute the LIP / LAU Application, the amended Regulatory Agreement, and all other documents incidental and related thereto as may be necessary to obtain certification of the Units on the SHI. Except as otherwise herein defined, capitalized terms used throughout shall have the same meaning given to them in the Grant and Loan Agreement of even date herewith.

RECITALS

WHEREAS, Developer is the developer of a certain project in the Town and County of Nantucket known as the "Meadows II" Workforce Rental Housing Development Project (the "Project") consisting of no more than a total of two hundred twenty-five (225) units, as permitted by Special Permit approved February 23, 2017 and registered with the Nantucket Registry District of the Land Court as Document No. 155492; and

WHEREAS, pursuant to that certain Local Initiative Program Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement") dated May 3, 2019 and registered with the Nantucket Registry District of the Land Court as Document No. 161871 and filed with Certificate of Title No. 24,872, the Developer is required to, among other things, construct and make available a total of fifty-seven (57) Units (as that term is defined in the Regulatory Agreement) for rental to households whose annual income does not exceed eighty (80%) percent of the Area Median Income ("AMI") (adjusted for family size) as determined by the U.S. Department of Housing and Urban Development ("HUD"); and

WHEREAS, as of the date of this MOU the Developer has constructed and obtained occupancy certificates for ninety-eight (98) housing units at the Project known as Phase I of the "Meadows II"; and

WHEREAS, the Developer has proposed to construct a subsequent phase of the Project containing an additional twenty-four (24) units on land located at 2 Wildflower Drive and 1-3 Pimpernel Place, Nantucket, Massachusetts (collectively, the "Property"), shown as Lot 959 on Land Court Plan No. 16514-118 filed with Nantucket Registry District of the Land Court and more particularly described on Certificate of Title No. 24,872, to be known as Phase 2A of the "Meadows II"; and

WHEREAS, subject to Section 9 of the Regulatory Agreement, the Developer proposed to transfer, inter alia, the Property and rights to construct Phase 2A of the Project to Richmond, and Richmond shall thereafter serve as the successor developer to Developer for purposes of owning, constructing, and operating Phase 2A of the Project; and

WHEREAS, Richmond by and through the Developer has proposed to modify certain aspects of the Project and the Regulatory Agreement to reduce the affordability levels for six (6) units of rental housing available to households earning from less than eighty percent (80%) AMI to households earning less than fifty percent (50%)AMI and to convert six (6) units of market rate housing to units for rental to households earning less than one hundred (100%) percent AMI; and

WHEREAS, independent of the transaction contemplated by this MOU, Richmond intends to proceed with the construction of sixteen (16) units in the Project to be known as Phase 2B of the "Meadows II"; and

WHEREAS, to facilitate the acceleration of construction of Phase 2A and the buy-down of the affordability levels of some of the units in the Project, Richmond has requested a grant (the "Grant") from the Trust in the amount of Nine Hundred Twenty-Five Thousand and 00/100 Dollars ($925,000.00) and a loan (the "Loan") in the amount of One Million Six Hundred Seventy-Five Thousand and 00/100 Dollars ($1,675,000.00) for the construction of the Project; and

WHEREAS, the units constructed in Phase 2A will be subject to a perpetual affordable housing restriction held by the Town of Nantucket and the Department of Housing and Community Development ("DHCD") and will be eligible for certification to the Town of Nantucket's subsidized housing inventory (SHI) on an expedited basis as a result of the Grant and the Loan; and

WHEREAS, the votes of Article 28 and Article 37 of the 2019 Annual Town Meeting authorized the appropriation of funds for the Trust to develop affordable housing units in the Town, including the costs of construction of affordable housing units, subject to certain restrictions; and

WHEREAS, the Trust voted to award the Loan in the total amount of Two Million Six Hundred Thousand Dollars ($2,600,000.00) to Richmond for the accelerated construction of Phase 2A and the buy-down of affordability levels of some of the units in Phase 2A of the Project, subject to Richmond's grant of an affordable housing restriction on the Property (or a modification thereto, as necessary) to be held by the Town of Nantucket and DHCD, and subject to the Trust and Richmond entering into a mutually agreeable Grant and Loan Agreement, Promissory Note, and Mortgage and Security Agreement perfecting the Trust's lien on the Property securing repayment of the Loan (among other documents, collectively the "Loan Documents").

NOW THEREFORE, in consideration of the foregoing and in consideration of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Acquisition of the Property. Within a reasonable time of the execution of this MOU and prior to the Trust's obligation to fund either the Grant or the Loan as set forth in the Grant and Loan Agreement, the Developer shall grant and convey the Property to Richmond by quitclaim deed, conveying good and clear record and marketable title thereto, and Richmond shall undertake a title examination of the Property free of encumbrances on the Property which will interfere with Richmond's proposed use of the Property. Prior to the payment of the Loan Funds Richmond shall undertake a title examination of the Property and deliver a Title Insurance Commitment to the Trust for its review and approval, containing no other monetary liens or encumbrances on the Property except for the First Mortgage on the Property to Natick South, LLC in the original principal amount of Thirty Million and 00/100 ($30,000,000.00) Dollars filed with the Nantucket Registry District of the Land Court as Document No. 157520. In the event that there are any other monetary encumbrances or liens filed against the Property, then Richmond shall discharge them prior to the Trust's payment of the Loan Funds to Richmond. Upon approval of the Title Insurance Commitment, the Trust shall pay the Loan Funds according to the Grant and Loan Agreement to Richmond who shall record the Mortgage and Security Agreement with the Nantucket Registry District of the Land Court and shall deliver a Lender's Title Insurance Policy to the Trust in the insured amount of $ 2,600,000.00.

2. Grant and Loan Funds. The Trust shall deliver the Loan Funds to Richmond pursuant to the Grant and Loan Agreement. In mutual consideration of the Trust's grant of the Loan Funds, and Richmond's agreement to buy-down the affordability levels of additional units of housing in Phase 2A as contemplated in this MOU, Richmond and the Town hereby agree to cooperate to obtain a mutually agreeable modification to the Regulatory Agreement with DHCD on terms acceptable to the DHCD and the counterparties hereto, and to register such modification with the Nantucket Registry District of the Land Court. Six (6) of the units in Phase 2A shall be rented to households whose annual income does not exceed fifty percent (50%) AMI as determined by HUD and six (6) of the units shall be rented to households whose annual income does not exceed one hundred percent (100%) AMI. There shall be no income restrictions on the remaining twelve (12) units which may be made available for rental at prevailing market rates. All

of the units in the Project shall be included on the Town's Subsidized Housing Inventory (SHI).

3. Loan Funds. Richmond shall execute a Promissory Note to be held by the Trust in the amount of $2,600,000.00. A portion of the Loan Funds in the amount of $925,000.00 shall convert to a grant and shall be credited against the balance of the Loan Funds upon the conditions in Section 5 below having been satisfied. Richmond agrees to make payments of principal and interest at such times and at the rate provided for in the Promissory Note. Richmond agrees that as security for the loan and the performance of its obligations, it shall grant to the Trust a Mortgage and Security Agreement on the Property, subject to the limitations and requirements that the Trust subordinate the aforementioned encumbrance to a First Mortgage as provided in the Grant and Loan Agreement in the event that such First Mortgage has not been previously filed with the Nantucket Registry District of the Land Court.

4. Construction of Units. Richmond agrees to use diligent efforts with the construction of Phase 2A of the Project and shall submit any applications or requests for modifications and seek approval of its plans and specifications from the Nantucket Historic District Commission or the Planning Board as may be needed without undue delay. Richmond shall cause the Project to be constructed in a good and workmanlike manner with good engineering and construction practices in accordance with the approved plans and specifications and in accordance with all applicable laws, by-laws, codes and regulations. Richmond shall use diligent and best efforts to construct the units and to obtain permanent occupancy certificates therefor within eighteen (18) months of the date of the disbursement of the Grant and Loan Funds.

5. LAU Application. In order for the units to eligible for certification for the Town's "Safe Harbor" for compliance with its approved Housing Production Plan pursuant to 760 CMR 56.03(4)(f), Richmond, the Developer, and the Town will use their best efforts to jointly prepare the Local Action Unit application to be filed with DHCD this month and mutually agree to meet any additional requirements of DHCD for the twenty-four (24) units to be eligible to be counted pursuant to the provisions for counting units under 760 CMR 56.03(2) such that the municipality (i.e., the Town) may request that DHCD certify its compliance with its approved Housing Production Plan in an amount equal to its 0.50% production goal for the calendar year 2021, and so that the Units are so eligible prior to the date and time a Developer (as that term is defined in 760 CMR 56.02) shall actually deliver a completed Application for Comprehensive Permit made pursuant to MGL c. 40B, §§ 20-23, and 760 CMR 56.00 to the Town Clerk and the Zoning Board of Appeals. In order for the twenty-four (24) units to be eligible for certification, Richmond agrees to deliver copies of signed building permits for these units to the Town and DHCD for the Town's request for certification promptly as they are available. Richmond also agrees to promptly prepare the necessary fair housing marketing plan and oversee the lottery for the tenant selection as required by DHCD.

6. Management of the Property. Upon completion of the construction of the

Project and the commencement of the rental of the Units, Richmond agrees to manage the Project including (but without implied limitation) all maintenance and repairs to the Project. Additionally, Richmond agrees to oversee any reporting requirements for DHCD through staff of its employ or pursuant to a third-party contract with a housing consultant, at its choice. Richmond agrees to comply with any reasonable DHCD requests as to the management of the Property and provide any documentation requested by DHCD as to a management contract on the Property, which is customarily requested of like parties.

7. Notices. All notices required or permitted to be given hereunder shall be in writing and delivered by facsimile, by hand or mailed, postage prepaid, by registered or certified mail, or by overnight express delivery with receipt required, in the case of the Trust to:

In the case of the Trust or the Town:

The Town of Nantucket Affordable Housing Trust Fund
2 Fairgrounds Road
Nantucket, MA 0255

Town of Nantucket Select Board
Attn: Dawn E. Hill Holdgate, Chair
Town & County Building
16 Broad Street
Nantucket, MA 02554

With a copy to: Tucker Holland
Municipal Housing Director
Town & County Building
16 Broad Street
Nantucket, MA 02554

And another copy to:

Vicki S. Marsh, Esq.
KP Law, P.C.
101 Arch Street
Boston, MA 02110

In the case of Richmond or Developer:

Richmond Meadows Two P2A, LLC
75 Old South Road
P.O. Box 3149
Nantucket, MA 02584
Attn: Philip Pastan, Manager

Richmond Great Point Development, LLC
23 Concord Street
Wilmington, MA 01887
Attn: Philip Pastan, its Manager

With a copy to:

Andrew D. Burek, Esq.
The Richmond Company, Inc.
23 Concord Street
Wilmington, MA 01887

Or in the case of either party to such other address as shall be designated by written notice given to the other party. Any such notice shall be deemed given when so delivered by hand or, if so mailed, when received by the party to whom it is addressed, or if sent by facsimile, on the same business day as sent.

8. Compliance with Special Permits for Richmond Projects

Richmond obtained the following permits and approvals (collectively the "Workforce Housing Permits and Approvals") from the Planning Board of the Town of Nantucket for the Richmond Development project:

(A) Special Permit Decision with Major Site Plan Review concerning the "Meadows II" Workforce Rental Housing Development Project, dated February 23, 2017, filed with the Nantucket Registry District of the Land Court as Document No. 155492;

(B) Approval of a Definitive Subdivision Plan (see Planning Board File # 8013) dated January 26, 2017;

(C) Special Permit Decision with Major Site Plan Review concerning the "Sandpiper Place I (South) Workforce Homeownership Development Project dated February 16, 2017 filed with said Registry District of the Land Court as Document No. 155431;

(D) Approval of a Definitive Subdivision Plan (see Planning Board File # 8024) dated January 26, 2017;

(E) Special Permit Decision with Major Site Plan Review concerning the "Sandpiper Place II" (North) Workforce Homeownership Development Project dated February 17, 2017 filed with said Registry District of the Land Court as Document No. 155432; and

(F) Approval of a Definitive Subdivision Plan (see Planning Board File # 8025) dated January 26, 2017.

In further consideration for the Trust's payment of the Grant and Loan Funds to Richmond, Richmond agrees to continue to comply with the Special Permits and Approvals of Subdivision Plans as they relate to the completion of the landscaping, installation of any bike racks, common areas, park or playground, or other improvements to the aesthetic appearance of the Project and to complete, construct and plant the landscaping and other improvements as the applicable portions of the Project are completed and as weather permits. Richmond agrees to complete the landscaping for the Richmond Development Project as were approved in connection with the Workforce Housing Permits and Approvals.

Furthermore, Richmond agrees to promptly complete the landscaping for Phase 2A in accordance with the Special Permit and landscaping plans for Phase 2A of the Meadows II in conjunction with its completion of the construction of Phase 2A.

9. <u>Miscellaneous</u>.

(A) This Agreement contains the entire agreement between the parties and there are no other agreements or understandings between the parties regarding the subject matter of this Agreement, except as herein contemplated. If any portion of this Agreement is declared to be illegal, unenforceable or void, then all parties to this Agreement shall be relieved of all obligations under that portion; provided, however, that the remainder of this Agreement shall be enforced to the fullest extent permitted by law. The captions in this Agreement are inserted for convenience of reference only and in no way define, describe, or limit the scope or intent of this Agreement or any of the provisions thereof. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts. The recitals to this Agreement are incorporated herein.

(B) Richmond may not assign or transfer all or any portion of the benefits or obligations of this Agreement without the prior written consent of the Trust.

[Signature page(s) to follow]

IN WITNESS WHEREOF, the parties have hereto set their hands and seals as of the day referenced above.

TOWN OF NANTUCKET
AFFORDABLE HOUSING TRUST
FUND
By its Board of Trustees

____

____
Brooke S. Mohr, Trustee and Vice-Chair

RICHMOND MEADOWS TWO P2A, LLC

By: __________________________
Name: Philip Pastan, Manager

TOWN OF NANTUCKET
By its Select Board

____
Dawn E. Hill Holdgate, Chair

RICHMOND GREAT POINT
DEVELOPMENT, LLC

By: ________________________________
Name: Philip Pastan, Manager

TOWN OF NANTUCKET AFFORDABLE HOUSING TRUST FUND

GRANT AND LOAN AGREEMENT FOR

Richmond Meadows Two P2A, LLC

This GRANT AND LOAN AGREEMENT (the "Agreement") is made on this ___ day of May, 2021 (the "Effective Date"), by and between the Town of Nantucket Affordable Housing Trust Fund, a municipal affordable housing trust created pursuant to G.L. c. 44, §55C, under a Declaration of Trust dated February 8, 2010, recorded with Nantucket County Registry of Deeds in Book 1221, Page 20, as amended by First Amendment to Declaration of Trust dated September 25, 2014, recorded with said Deeds in Book 1452, Page 271, acting by and through its Board of Trustees, having an address of 2 Fairgrounds Road, Nantucket, Massachusetts 02554 (the "Trust"), and Richmond Meadows Two P2A, LLC (the "Grantee"), a Massachusetts limited liability company, having an address of 23 Concord Street, Wilmington, Massachusetts 01887.

WITNESSETH:

WHEREAS, Richmond Great Point Development, LLC (the "Developer"), a Delaware limited liability company, having an address of 23 Concord Street, Wilmington, Massachusetts 01887 presented a proposal to the Trust for the funding for the buy-down of the affordability levels of six (6) affordable units and the conversion of six (6) market rate units for rental to restricted income level households located at 2 Wildflower Drive and 1-3 Pimpernel Place, Nantucket, Massachusetts and shown as Lot 959 on Land Court Plan No. 16514-118 (the "Property") to be constructed in a twenty-four (24)-unit mixed income housing project by the Grantee on the Property, to be known as Phase 2A of the "Meadows II" Workforce Rental Housing Development Project (the "Project") and the accceleration of the construction of the units in Phase 2A; and

WHEREAS, the Project is subject to that certain Local Initiative Program Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement") dated May 3, 2019 and registered with the Nantucket Registry District of the Land Court as Document No. 161871 and filed with Certificate of Title No. 24,872, and the Developer, in exchange for the Trust's funding, has proposed to modify certain aspects of the Project, and the Regulatory Agreement, to reduce the affordability levels for six (6) units of rental housing available to households earning from eighty (80%) percent of the anuual median income ("AMI") to households earning less than fifty (50%) AMI, and to convert six (6) units of market rate rental housing to units for rent to households earning less than one hundred (100%) percent AMI; and

WHEREAS, subject to Section 9 of the Regulatory Agreement, the Developer proposed to transfer, inter alia, the Property and rights to construct (as modified) Phase 2A of the Project to Grantee, and Grantee shall thereafter serve as the successor developer to Developer for purposes of owning, constructing, and operating Phase 2A of the Project; and

WHEREAS, to accelerate construction of Phase 2A, Developer requested a grant (the "Grant") from the Trust in the amount of Nine Hundred Twenty-Five Thousand and 00/100 Dollars

($925,000.00) and a loan (the "Loan") in the amount of One Million Six Hundred Seventy-Five Thousand and 00/100 Dollars ($1,6750,000.00) for the sole purpose of construction of the Project; and

WHEREAS, all of the units constructed in Phase 2A will be subject to a perpetual affordable housing restriction held by the Town of Nantucket and will be eligible for certification to the Town of Nantucket's Subsidized Housing Inventory (SHI) on an expedited basis as a result of the Grant and the Loan; and

WHEREAS, the votes of Article 28 and Article 37 of the 2019 Annual Town Meeting authorized the appropriation of funds for the Trust to develop affordable housing units in the Town of Nantucket, including the costs of construction of affordable housing units, provided the units are available to households with incomes of not less than 30% of the area median income of the Town of Nantucket (the "AMI") or more than 200% AMI, as most recently determined by the United States Department of Housing and Urban Development ("HUD"): and

WHEREAS, the Trust voted to award the total amount of the Grant and Loan funds as a Loan in the amount of $2,600,000.00, subject to conditions contained herein Developer for the construction of Phase 2A of the Project, subject to Grantee's grant of an affordable housing restriction on the Property (or a modification thereto, as necessary) to be held by the Town of Nantucket, and subject to the Trust and Grantee entering into a mutually agreeable Grant and Loan Agreement, Promissory Note, and Mortgage and Security Agreement perfecting the Trust's lien on the Property and securing repayment of the Loan (among other documents, collectively the "Loan Documents").

WHEREAS, the Trust now wishes to enter into this Agreement with the Grantee to set forth the terms of the Grant and the Loan;

NOW THEREFORE, the Trust and Grantee agree as follows:

1. <u>Funding and Closing</u>.

   (A) As appropriated by Articles 28 and 37 of the 2019 Annual Town Meeting and approved by the Select Board, the Trust at a meeting held on ________ , 2021 voted to loan to Grantee a total of $2,600,000.00 (the "Loan Funds") on the condition that the Grantee shall use the Loan Funds only for the construction of the Project, and for the purposes of the Project incidental and related thereto, as set forth more particularly in the Developer's proposal, and this Agreement, and furthermore that $925,000 of the Loan Funds shall convert to a grant to be credited toward the balance of the Loan Funds at such time as the Units are eligible to be counted pursuant to the provisions for counting units under 760 CMR 56.03(2) such that the municipality (i.e., the Town) may request that the Department of Housing and Community Development ("DHCD") certify its compliance with its approved Housing Production Plan in an amount equal to its 0.50% production goal for the calendar year 2021 in accordance with 760 CMR 56.03 (4) (f), and so long as the Units are so eligible prior to the date and time a Developer (as that term is defined in 760 CMR 56.02) shall actually deliver a completed Application for Comprehensive Permit made pursuant to MGL c. 40B, §§ 20-23, and 760 CMR 56.00 to the Town Clerk and the Zoning Board of Appeals. The Select Board then ratified its vote at their meeting on May ___, 2021.

(B) Subject to the terms and conditions of this Agreement and the Promissory Note, the Trust hereby agrees to advance the Loan Funds, and Grantee hereby agrees to borrow the Loan Funds in accordance with the terms and conditions of the Loan Documents, in the principal sum of Two Million Six Hundred Thousand and 00/100 ($2,600,000.00) Dollars, not later than the fifth (5^{th}) day following the Effective Date of this Agreement.

2. Conditions.

a) The Grantee shall construct the Project in accordance with the approved plans and specifications showing in detail the location, layout and size of the units, the landscaping and all other improvements to be constructed on the Property commencing the work on the Project within two (2) months from the date of the Effective Date (the "Commencement Date") and completing the Project within eighteen (18) months from the Commencement Date (the "Completion Date"), unless extended by the Trust for good cause. The Grantee is responsible for obtaining all requisite municipal approvals of the plans and specification.

b) Excess or unused Grant Funds or Loan Funds will be returned to the Trust if the Project has not begun or the Project has not been completed as provided for in the foregoing Section 2(a).

c) The Grantee, the Town of Nantucket, and DHCD shall enter into a Regulatory Agreement and Declaration of Restrictions (or modification thereof) on terms satisfactory to the Grantee and the Town, which shall require the Property to be used for affordable housing purposes in perpetuity, which shall survive foreclosure of any mortgages and/or other liens encumbering the Property, and grant the Town the independent permanent right to enforce the terms thereof without regard to whether DHCD remains as a party thereto (the "Regulatory Agreement"). Six (6) of the units shall be rented to households whose annual income does not exceed fifty percent (50%) AMI as determined by HUD and six (6) of the units shall be rented to households whose annual income does not exceed one hundred (100%) AMI. For the avoidance of any doubt, the remaining twelve (12) units in the Project may be rented to households at prevailing market rates without restriction. All the units in the Project must be eligible for inclusion in the Town's Subsidized Housing Inventory ("SHI"). All mortgages and other liens on the Property shall be subordinate to the Regulatory Agreement, or a modification thereof. Grantee shall construct the Project on the Property for affordable housing purposes, consistent with the Special Permit and the Regulatory Agreement.

d) The Grantee agrees that as security for the Loan of the Loan Funds to the Grantee, and as security for the performance of the Grantee's obligations hereunder and as arise under the Regulatory Agreement, Grantee shall grant to the Trust a fifty (50) year mortgage on the Property (the "Mortgage"), and shall issue to the order of the Trust a Promissory Note (the "Note" or the "Promissory Note"), both in form acceptable to Town Counsel, which Note shall have an interest rate of one and forty-six hundredths percent (1.46%) per annum, to be discharged at the end of said fifty (50)year term, notwithstanding any repayment of the Loan Funds, to ensure compliance with the affordability requirements in the Regulatory Agreement, provided that the Trust's Mortgage shall at all times be subject to Section 18 of this Agreement and fully subordinate to the First Mortgage on the Property. The loan secured by said Mortgage shall be come fully due and payable, with interest at the rate of one and forty-six hundredths percent (1.46%) per annum upon the occurrence of the following conditions, among others: (i) the Project is not constructed or is not rented in compliance with the Regulatory Agreement, or (ii) the Project is not completed by the Completion Date. The foregoing shall be and constitute events of default, which are subject to the notice and cure requirements of the Loan Documents.

e) Unless and until (x) the Units to be constructed on the Property are eligible to be counted pursuant to the provisions for counting units under 760 CMR 56.03(2) such that the municipality (i.e., the Town) may request that DHCD certify its compliance with its approved Housing Production Plan in an amount equal to its 0.50% production goal for the calendar year 2021 in accordance with 760 CMR 56.03 (4) (f); and (y) the Zoning Board of Appeals for the Town of Nantucket may deny a Developer's (as that term is defined in 760 CMR 56.02) Application for Comprehensive Permit made pursuant to MGL c. 40B, §§ 20-23, and CMR 56.00, on the grounds that DHCD has certified the Town's compliance with the goals of its approved Housing Production Plan, in accordance with 760 CMR 56.03(4) and 760 CMR 56.03(4)(f) as a result of the countability of the Units, each prior to the date and time such Developer shall actually deliver its completed Application to the Town Clerk and the Zoning Board of Appeals, the Grant Funds shall be deemed and construed to be additional "Loan Funds" and shall be repayable to the Trust pursuant to the Note. For the avoidance of doubt, (1) if at any time the Units become ineligible for certification on the SHI following their initial eligibility then the Grant Funds shall convert to Loan Funds and be repayable to the Trust as a portion of the Loan, provided, however, such event shall not otherwise limit or prohibit the Trust's recourse hereunder or under the Loan Documents; and (2) if the Town or the Board are unable to deny a Developer's Application for Comprehensive Permit made pursuant to MGL c. 40B, §§ 20-23, and CMR 56.00 for reasons or upon grounds which are independent of, or contributory to, the failure or refusal of the Grantee to satisfy the conditions set forth in this subparagraph (e), then despite the efforts or any action, inaction, or other omission of the Grantee, the Grant Funds shall not be Loan Funds and shall not be required to be repaid to the Trust pursuant to the Note.

3. <u>Project / Grantee Contact.</u> Grantee, from time to time during the term of this Agreement, shall identify in writing a contact person responsible for administration of the Project. Grantee's contact person shall be interchangeable throughout the term of this Agreement and shall be designated by Grantee together with written notice of each change. Initially the individual responsible for administration of the Project shall be Philip Pastan, as he is the Manager of the Grantee.

4. <u>Budget/Other Sources of Funding</u>. Prior to the commencement of the Project, Grantee must submit a complete project budget to the Trust for its review and approval that accounts for (a) the expenditure of all funds awarded under this Agreement; and (b) the identity and amounts

of all other sources of funding, if any, to complete the Project. If the Trust determines that the Loan Funds have been spent on goods and/or services not included in the Project budget, the Trust may withhold additional payments until detailed invoices are presented for review and approval by the Trust.

5. Payments. The Trust shall not disburse any Loan Funds for the construction of the Project until the Grantee has title to the Property and the Deed and Mortgage to the Trust are filed with the Nantucket Registry District of the Land Court. Notwithstanding anything herein to the contrary, if the actual total cost of the Project is more than the Loan Funds (the difference between the two amounts referred to hereinafter as the "Excess", the Trust shall have no obligation to pay the Excess. The Grantee is obligated to perform the work in a good and workmanlike manner and in compliance with the approved plans and specifications for the Project. The Loan Funds shall be disbursed to Grantee as follows:

    a) One Million and 00/100 ($1,000,000.00) Dollars shall be disbursed upon approval of the Title Insurance Commitment and at such time as Grantee shall record, or cause to be recorded, the Mortgage and Security Agreement with the Nantucket Registry District of the Land Court and shall deliver a Lender's Title Insurance Policy to the Trust in the insured amount of up to $2,600,000.00;

    b) Five Hundred Thousand and 00/100 ($500,000.00) Dollars shall be disbursed on June 1, 2021;

    c) Five Hundred Thousand and 00/100 ($500,000.00) Dollars shall be disbursed on July 1, 2021; and

    d) Six Hundred Thousand and 00/100 ($600,000.00) Dollars shall be disbursed on August 1, 2021.

6. Liability of the Trust. The Trust's liability hereunder shall be to make the payments specified in Section 1 of this Agreement, provided that the conditions set forth in Sections 2 and 5 have been satisfied by Grantee, and the Trust shall be under no further obligation or liability. Nothing in this Agreement shall be construed to render the Trust or any elected or appointed official or employee of the Trust, or their successors in office, personally liable for any obligation under this Agreement.

7. Indemnification. Grantee shall indemnify, defend, and hold the Trust and its officers, employees, servants and agents harmless from and against any and all claims, demands, liabilities, actions, causes of actions, costs and expenses, including attorneys' fees, arising out of or relating to Grantee's performance of the Project, the condition of the Property, or the negligence or misconduct of Grantee or Grantee's agents or employees.

8. Reports; Inspection. Grantee shall provide the Trust with progress reports during the construction period at three (3)-month intervals beginning sixty (60) days from the Effective Date, for so long as the Loan Funds remain unexpended, and with final notification within thirty (30) days after the completion of the Project. The Trust shall have the right, upon

reasonable request, to inspect the work of Grantee upon reasonable advance notice and in the presence of an agent of Grantee, including the right to enter the Property.

9. Public Records; Loan Documents. All documents relating to the Project, including, but not limited to, photographs, videos, etc., submitted to the Trust shall become the property of the Town and shall be available for use by the Trust and available by the public under the Massachusetts Public Records Law. The Loan Documents consist of this Agreement, the Proposal, the Note, the Mortgage, and all documents attached thereto, the Regulatory Agreement, and all plans and specifications approved for the Project. The Loan Documents and the Memorandum of Understanding constitute the entire agreement between the parties concerning the Project.

10. Record Keeping. Grantee agrees to keep, for a period of six (6) years after construction of the Project is completed, such records with respect to the utilization and the proceeds of this Agreement as are kept in the normal course of business and such additional records as may be required by the Trust. Grantee further agrees to make these records available to the Trust upon written request.

11. Assignment or Transfer of Property. (a) This Agreement, the Loan Documents, and each and every document evidencing the Trust's security interest in the Property may not be sold, assigned, conveyed, and otherwise transferred by Grantee, without the Trust's prior written consent subject, however, to the limitations or restrictions contained in the Regulatory Agreement. In no event shall the Grantee sell, transfer, convey or otherwise dispose of the Property and/or the Units to anyone other than to a successor developer or Project Sponsor approved by DHCD and the Town, or to an eligible household for rent. The Grantee shall not encumber the Property or any part thereof other than by a grant of a First Mortgage, a Notice of Contract with a general contractor constructing the Project, one or more residential leases, or customary and reasonable utility easements, except with the prior written consent of the Trust, which consent shall not be unreasonably withheld, conditioned, or delayed. With the exception of a sale of the majority (or controlling interest) of the beneficial interest of the Grantee, the sale, transfer, assignment, or other grant or conveyance of an equity ownership interest in the Grantee shall not be considered a sale, transfer, or assignment requiring consent of the Trust.

    (b) Transfer or Assignments to Control Entity. Notwithstanding the foregoing subparagraph (a) or anything contained herein or in the Loan Documents to the contrary, provided no Event of Default has occurred and is continuing, this Agreement, the Note, the Loan Documents, and each and every document evidencing the Trust's security interest in the Property shall be fully transferable upon Grantee's sale of the Project, in whole or in part, without the prior written consent of the Trust if the purchaser or assignee is an entity that the Grantee controls, that is under common control with Grantee or that controls the Grantee (in the alternative, a "Control Entity"), provided that: (i) the Grantee sends written notice to the Trust at least thirty (30) days prior to any such transfer, notifying the Trust of the transferee's name and evidence of the control relationship; and (ii) any such Control Entity transferee shall enter into an Assumption Agreement, reasonably acceptable to the Trust, expressly agreeing to perform all of the Grantee's obligations under these Loan Documents. However, in the event of a sale, transfer, or assignment of the controlling interest of the beneficial interest of the Grantee, then such a sale, transfer, or assignment shall require the prior written consent of the Trust.

(c) Transfer or Assignments to Eligible Transferee. Provided no Event of Default has occurred and is continuing, the Grantee shall have the right to transfer or assign its right, title, and interest in the Property, this Agreement, and the Loan Documents to a party other than a Control Entity upon Grantee's sale of the Project (in whole or in part), with the consent of the Trust which shall not be unreasonably withheld provided they qualify as an "Eligible Transferee" as defined below.. The Grantee shall send written notice to the Trust at least sixty (60) days prior to any such transfer or assignment, notifying the Trust of the buyer's names and evidence that such transferee is an "Eligible Transferee " and provides copies of their financial statements certified by an certified accountant or auditor. For purposes of this Agreement, an "Eligible Transferee" shall be defined as an individual(s) or entity which meets the following qualifications: (i) the purchaser is approved by DHCD pursuant to the Regulatory Agreement; (ii) the purchaser (or its principals or affiliates serving as Project Sponsor) has demonstrable experience in the operation and management of affordable rental housing of not less than 100 cumulative units in the Commonwealth of Massachusetts or other state or jurisdiction having programs reasonably similar to those administered under MGL c. 40B; (iii) the purchaser (or its principals or affiliates serving as Project Sponsor) has an evidenced net worth of not less than twenty million ($20,000,000) dollars; (iv) the purchaser produces a binding loan commitment from an institutional lender doing business in the Commonwealth of Massachusetts for the purchase money proceeds necessary to acquire the Property / Project; (v) the purchaser is itself or has engaged a professional property management firm that has experience managing large, mixed income, and affordable properties; and (vi) the purchaser executes an assignment and assumption agreement reasonably acceptable to counsel to the Trust binding the purchaser to the terms of the Loan Documents. In the event that the buyer or assignee is deemed to be an Eligible Transferee, then they shall also deposit an amount equal to one (1) years' debt service on the Note into a separate account to be held by the Town for purposes of payment to the Trust of unpaid debt service by the Eligible Transferee if there is a default in the payment of the Note, which shall be replenished annually in the event that the Eligible Transferee has withdrawn funds from the reserve account for payment of its debt service to the Trust. The financing and refinancing of the Property by the Grantee shall not be considered a sale, transfer, assignment, or other conveyance requiring consent from the Trust.

12. Termination. In the event Grantee fails to fulfill all obligations under the terms of this Agreement, as determined by the Trust, and such failure is not cured within forty-five (45) days after the Trust has given written notice to Grantee specifying such failure, the Trust shall have the right, in its sole discretion, to terminate this Agreement upon written notice to Grantee. Upon receipt of said termination notice, Grantee shall cease to incur additional expenses in connection with this Agreement. Upon termination, and subject to the Loan Documents, the Trust shall be free to pursue any available rights or remedies, including without limitation, recapture of Loan Funds as set forth in Section 13 below. Upon the expiration or earlier termination of this Agreement, all rights and obligations of the parties hereunder shall expire and be of no further force and effect, except that the provisions of Sections 2, 6, 7, 10, 12, 13, and 18 shall survive said expiration or earlier termination.

13. Return of Funds. In the event Grantee fails to fulfill all obligations under the terms of this Agreement and this Agreement is terminated pursuant to Section 12, any Grant Funds or Loan Funds granted to Grantee under this Agreement and not yet expended shall be returned forthwith to the Trust without further expenditure thereof. If Grantee fails to fulfill its obligations under the terms of this Agreement as a result of negligent or intentional acts or omissions of Grantee or its agents, employees, contractors or invitees, Grantee shall be liable to repay to the Trust the entire amount of the Grant Funds and Loan Funds provided under this Agreement, and the Trust may take such steps as are necessary, including legal action, to recover such funds. Any Grant Funds or Loan Funds so returned or recovered shall be placed in the Trust's account. In the event that the Trust takes legal action under this Agreement, Grantee shall pay any and all costs, including reasonable attorneys' fees, expended for the enforcement of this Agreement.

14. Compliance with Laws. Grantee shall comply with all Federal, State and local laws, rules, regulations and orders applicable to the Project, such provisions being incorporated herein by reference, and shall be responsible for obtaining all necessary licenses, permits, and approvals required in connection with the Project. No local permit or license is waived by the award of this grant.

15. Notice. Any and all notices, or other communications required or permitted under this Agreement, shall be in writing and delivered by hand or mailed postage prepaid, return receipt requested, by registered or certified mail or by other reputable delivery service, to the parties at the addresses set forth on Page 1 or furnished from time to time in writing hereafter by one party to the other party. Any such notice or correspondence shall be deemed given when so delivered by hand, if mailed, when deposited with the U.S. Postal Service or, if sent by private overnight or other delivery service, when deposited with such delivery service.

16. Severability. If any term or condition of this Agreement or any application thereof shall to any extent be held invalid, illegal or unenforceable by the court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this Grant Agreement shall not be deemed affected thereby unless one or both parties would be substantially or materially prejudiced.

17. Governing Law. This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts and Grantee submits to the jurisdiction of any of its appropriate courts for the adjudication of disputes arising out of this Grant Agreement.

18. First Mortgage Requirements. Grantee and every successor and assignee of Grantee permitted hereunder, shall have the right, without Trust's consent, from time to time, to mortgage and refinance its interest in this Property and the Project, or any part or parts thereof, without limitation as to amount of the mortgage and what the mortgage secures, under the first mortgage on the Property, or a refinanced First Mortgage (each a "First Mortgage"), and the right to assign unconditionally, collaterally or otherwise, the Property, the Project, all leases, and any other collateral security owned by Grantee or in which Grantee may have an interest

for such First Mortgage, provided that Grantee may not use the proceeds of the refinanced First Mortgage to pay off or make a partial repayment of any loans subordinate to the Trust's Mortgage or to make a distribution to any beneficial owner of Grantee without the Trust's consent if the Grantee shall not be current in its repayments under the Note. All proceeds of any First Mortgage shall belong to Grantee.

For the purposes of this Agreement, and all related Loan Documents, the term "First Mortgage" shall include (without implied limitation) mortgages, deeds of trust, assignments of leases and rents, and all similar instruments, as well as security interests, including (without implied limitation) security interests in personal property, and pledges and assignments of the Grantee's interest in the Property and the Project, and modifications, replacements, and consolidations of any of the foregoing, and the term "Property and Project" shall include, but not be limited to, the Property and all improvements, fixtures, and equipment thereon for these purposes.

Until the Maturity Date, as that term is defined in the Promissory Note, and any extension thereof, the following shall apply in connection with First Mortgages:

(a) The Trust or any successor Holder of the Loan shall, upon serving Grantee with any notice of default, simultaneously serve a copy of such notice upon a First Mortgagee of record, to the name and address of such First Mortgagee provided by Grantee. The First Mortgagee shall thereupon have the right to remedy or cause to be remedied the defaults complained of pursuant to the terms and conditions, and within the timeframes provided in this Agreement or such other discrete instrument of the Loan Documents under which the default shall arise (time being of the essence), including reimbursement to Trust for any costs or expenses incurred if payable by Grantee under such circumstances, and Trust shall accept such performance by or at the instigation of the First Mortgagee as if the same had been done by Grantee, provided, however, that the First Mortgagee shall never be obligated to do so.

(b) Trust shall take no action to effect a termination of this Agreement or the Mortgage, to accelerate any payment due under the Promissory Note, or to commence any action in the nature of foreclosure by reason of any default, without first giving to the First Mortgagee a reasonable time within which either (i) to cure such default, in the case of a default which can be cured by the First Mortgagee without the commencement of foreclosure proceedings or obtaining possession of the Property; or (ii) in the case of a default which cannot be cured unless and until the First Mortgagee has obtained possession of the Property, to obtain possession of the Property (including possession by a receiver), and thereafter to cure such default; or (iii) to institute foreclosure proceedings, as expeditiously as is reasonable and prudent under the circumstances, subject to such delays as are beyond the First Mortgagee's reasonable control, and thereafter to cure such default; provided, however, that (x) in the case of a default in the payment of money, a reasonable time to cure the same shall be thirty (30) days following receipt of notice of the expiration of the grace period for Grantee, without cure; (y) the First Mortgagee shall not be required to continue such possession or such foreclosure proceedings which may theretofore have been instituted following a curing of any such default by the Grantee; and (z) nothing herein shall preclude the Trust from exercising any rights or remedies under this Agreement or the other Loan Documents, other than the rights specifically set forth and governed by this Section 18, with respect to any other default by the Grantee during any period of such forbearance. So long as any such default is cured within the time hereinbefore provided the Trust shall not effect a termination of this Agreement or the Mortgage, accelerate any payment due under the Promissory Note, or commence any action in the nature of foreclosure by reason of such default so cured.

(d) In the event of the termination of this Agreement for any reason whatsoever, including, without limitation, default of Grantee, the Trust shall, except as hereinafter provided, enter into a new agreement with the First Mortgagee or its successors, assigns, grantees, or any nominee for the remainder of the term of the Promissory Note effective as of the date of such termination, upon equivalent terms, covenants, agreements, provisions, and limitations as contained in the Loan Documents, provided, however:

(i) such First Mortgagee makes written request for such new agreement within thirty (30) days from the date of such termination; and

(ii) such First Mortgagee pays or causes to be paid to Trust at the time of the execution and delivery of such new agreement any and all sums which would at the time of the execution and delivery thereof be due under this Agreement or under the Promissory Note but for such termination, and pays or causes to be paid any and all reasonable expenses, including reasonable counsel fees, court costs and costs, and disbursements incurred by the Trust in connection with any such termination; and

(iii) such First Mortgagee cures any and all other defaults under this Agreement or any of the Loan Documents reasonably susceptible of being cured (only defaults which can be cured by the expenditure of money being deemed reasonably susceptible of being so cured).

The First Mortgagee, and its successors, assigns, grantees, and any nominee thereof shall have the same rights, title, and interest in and to the Property and the Project as Grantee. If the First Mortgagee succeeds to Grantee's interest in any of the Loan Documents, its liability extends only so long as it is the holder of the Grantee's interest thereunder, and it shall be released of all further liability from and after the date of any assignment of such interest.

(e) The Trust agrees that the name of the First Mortgagee may be added to the "Loss Payable Endorsement" of any and all insurance policies required to be carried by Grantee under the Loan Documents. The proceeds from any insurance policies are to be held by any First Mortgagee and distributed pursuant to the provisions of its First Mortgage.

(f) The Trust agrees, within fourteen (14) days of its receipt, to execute, acknowledge and deliver any agreements modifying this Agreement requested by any First Mortgagee, provided that such modification does not decrease Grantee's obligations pursuant to the Loan Documents or its repayment obligations arising under the Promissory Note.

(g) The Trust agrees that the First Mortgage lien upon the Property and the Project shall at all times have priority in interest as an encumbrance thereon over the Trust's interest, and the Trust's Mortgage shall at all times be subordinate to the interest and lien of the First Mortgagee as if the First Mortgage were granted prior to the creation of the Trust's mortgage interest in the Property. Accordingly, the Trust (any successor Holder to the Trust) shall, upon request, execute, acknowledge and deliver to Grantee and to the First Mortgagee, such reasonable documents requested by Grantee or any First Mortgagee from time to time, including without limitation, an estoppel certificate concerning the status of Grantee's performance of obligations arising under the Loan Documents, including specifically (but without implied limitation) a statement that Grantee is not in default of any payment obligation, and one or more subordination agreements evidencing the priority of the First Mortgagee's right, title, and interest in the Property as superior or senior to the Trust's interests, all in such forms as are mutually satisfactory to such First Mortgagee, Grantee and the Trust.

(h) The failure by any such First Mortgagee to exercise the right under any provision of this Agreement shall not be deemed a waiver of its right under any other provision hereof.

The Trust shall, upon request of Grantee or any First Mortgagee, execute, acknowledge, seal, and deliver any and all of the instruments to be executed by it, necessary or required to effectuate the provisions of this Section 18 in a form reasonably acceptable to the Trust. If the Trust of any successor Holder of the Loan Documents cannot be identified with reasonable diligence or is unknown to the Grantee or any First Mortgagee, then such request of Grantee or any First Mortgagee shall be considered constructively granted in the affirmative after thirty (30) days' time and the Trust's interest in the Property shall be, and hereby is, automatically subordinated to the First Mortgage without the requirement of any further act or writing.

19. Recourse Restrictions. Prior to the Maturity Date of the Note, the Loan Documents and the Mortgage and Security Agreement shall be non-recourse to the Grantee, the Property, and the interest of the First Mortgagee, for the Grantee's non-payment of the Note and any other amounts due to the Trust pursuant to the Note and Loan Documents, except for any default caused by the Grantee's gross negligence or intentional misconduct. Notwithstanding the foregoing, the Trust may at any time during the term of the Note and the Mortgage bring or participate in any suit, claims, or actions against the Grantee to enforce the provision of the Regulatory Agreement concerning eligibility for certification of the Units on the SHI and the enforcement of the priority

and continued existence of the Affordable Housing Restriction. In the event of non-payment of the Note, the Trust's remedy, prior to the Maturity Date, except as caused by the Grantee's gross negligence or intentional misconduct, shall be a payment by the Grantee from the available income, if any, generated by the Grantee's operation of the Property, as demonstrated by the Grantee's audited or certified financial statements, after Borrower's payment of (i) operating expenses necessary to operate the Property in accordance with Grantee's operating budget including, but not limited to, real estate taxes, insurance premiums, property management fees, development fees, accounting, bookkeeping, and tax preparation costs, utilities, repairs, maintenance, advertising expenses, monitoring agent fees, lottery expenses, and reserves for working capital and payment of contingent liabilities; and (2) all amounts due and payable to the First Mortgagee. If available cash after payment of aforementioned exclusions is insufficient to pay annual debt service due and payable to the Trust pursuant to the Note, then interest on the Loan shall continue to accrue at the rate set forth therein, provided, however, that Grantee's payment obligations shall forebear until available cash is sufficient to repay the unpaid debt service (plus all accrued interest as of the date of repayment) together with any other payment currently due and payable to the Trust. In addition to the Loan Documents, Grantee has entered into a certain Debt Subordination Agreement with the Trust, of even date herewith, wherein the Grantee covenants not to make distributions, payments, repayments, or other remunerations (excepting specifically annual estimated federal, state, and local income tax distributions for items of partnership taxation) to individuals or other legal entities holding any equity or other beneficial ownership interest in the Grantee for the duration of time that any non-payment default is outstanding and uncured under the Note or the Loan Documents.

[Signature Page(s) to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Grant and Loan Agreement on the day and year first written above.

GRANTOR / TRUST:	GRANTEE:
TOWN OF NANTUCKET AFFORDABLE HOUSING TRUST FUND	RICHMOND MEADOWS TWO P2A, LLC
By its Board of Trustees	By: ________________________________ Name: Philip Pastan, its Manager

____

Brooke S. Mohr, Trustee and Vice-Chair

PROMISSORY NOTE

$2,600,000.00 May ____, 2021

FOR VALUE RECEIVED, the undersigned, **Richmond Meadows Two P2A, LLC** ("Borrower"), a Massachusetts limited liability company, having a mailing address C/O The Richmond Company, Inc., 23 Concord Street, Wilmington, Massachusetts 01887, promises to pay to the order of the **Town of Nantucket Affordable Housing Trust Fund**, a municipal affordable housing trust duly established under Chapter 44, Section 55C of the General Laws under a Declaration of Trust dated February 8, 2010, recorded with Nantucket County Registry of Deeds in Book 1221, Page 20, as amended by First Amendment to Declaration of Trust dated September 15, 2014, recorded with said Deeds in Book 1452, Page 272 (the "Trust"), having its usual place of business at 2 Fairgrounds Road, Nantucket, Massachusetts 02554, or at such other place as Borrower and the Trust may from time to time designate in writing, the principal sum of Two Million Six Hundred Thousand and 00/100 Dollars ($2,600,000.00) (the "Loan"), with interest thereon as set forth herein. Payments of interest only shall be due and payable in accordance with the terms of this Note until and including the fifth (5th) anniversary of the Commencement Date (such 5th anniversary being hereinafter referred to as the "Conversion Date"), as that term is hereinafter defined, whereupon amortizing payments of principal and interest shall become due and payable as hereinafter set forth. Interest payable on the Loan shall be calculated on the basis of a 360-day year and the actual number of days elapsed, shall be accrued, and be non-compounding.

The indebtedness evidenced by this Note is secured by a Mortgage and Security Agreement of even date herewith, duly recorded or to be recorded with the Nantucket County Registry District of the Land Court (the "Mortgage"), on the property located at 2 Wildflower Drive and 1-3 Pimpernel Place, Nantucket, Massachusetts, as more particularly described in the Mortgage. As used herein, the "Property" shall mean the land with the buildings and other improvements situated or to be situated thereon.

1. Said Mortgage and Note are to secure Borrower's performance of and compliance with the terms and conditions of (a) a certain Grant and Loan Agreement by and between Borrower and the Trust (the "Grant and Loan Agreement"), incorporated herein by reference, whereby the Trust is loaning the Borrower $2,600,000.00 (the "Loan Funds") of which $925,000.00 (the "Grant Funds") will be converted into a grant and credited to the balance of the loan amount at such time as the municipality (i.e., the Town) may request that the Department of Housing and Community Development ("DHCD") certify its compliance with its approved Housing Production Plan in an amount equal to its 0.50% production goal for the calendar year 2021 in accordance with 760 CMR 56.03 (4) (f), and so long as the Units are so eligible prior to the date and time a Developer (as that term is defined in 760 CMR 56.02) shall actually deliver a completed Application for Comprehensive Permit made pursuant to MGL c. 40B, §§ 20-23, and 760 CMR 56.00 to the Town Clerk and the Zoning Board of Appeals. The Borrower shall repay the Loan Funds at the rate of interest of one and forty-six hundredths percent (1.46%) per annum. The Loan Funds shall be used for purposes of constructing twenty-four (24) units of mixed income (including low and moderate income) housing on the Property, of which Borrower has

agreed to rent six (6) units of income eligible households earning less than fifty percent (50%) of the Area Median Income (the "AMI" as determined by the United States Department of Housing and Urban Development ("HUD")), and six (6) units to eligible households earning less than one hundred percent (100%) AMI, each subject to an affordable housing restriction in perpetuity to be held by the Town of Nantucket and DHCD (the "Restriction"). All of the units on the Property shall be eligible for the Town of Nantucket's SHI.

2. This Note shall accrue interest at the per annum rate set forth above beginning on the date of the issuance of the final certificate of occupancy on the Property (the "Commencement Date") until fifty (50) years from the date when Borrower's first payment is due hereunder, which date shall be the maturity date of this Note (the "Maturity Date"). Beginning on the first anniversary of the Commencement Date and until the Conversion Date (the "Interest Only Period") Borrower shall make annual payments to the Trust of interest only, in arrears, not later than the fifth (5th) day following each anniversary of the Commencement Date during the Interest Only Period. Beginning on the first anniversary of the Conversion Date and annually thereafter until the Maturity Date (each a "Payment Date"), Borrower shall make annual payments to the Trust of principal and interest amortized to repay the Loan Funds plus accrued and unpaid interest, within forty-five (45) years from the Conversion Date. The Loan plus all accrued and unpaid interest shall be due and payable and repaid in full on or before the Maturity Date. This Note may be prepaid in whole or in part, without any discount, penalty, or other charge, at any time (or times), provided that no such prepayment shall affect the obligations of the Borrower to construct all twenty-four (24) units on the Property.

For the avoidance of doubt, if at any time the Units become ineligible for certification on the SHI following their initial eligibility then the Grant Funds shall convert to Loan Funds or be repayable to the Trust as a portion of the Loan, provided, however, such event shall not otherwise limit or prohibit the Trust's recourse hereunder or under the Loan Documents.

3. The then-outstanding principal balance hereunder, and any interest accrued thereon, together with all other amounts payable to the Trust hereunder, and under the Mortgage (or the full amount of the Loan, as set forth herein) shall, at the option of the Trust, become and be due and payable immediately upon the occurrence of an Event of Default, as set forth more particularly herein, the Grant and Loan Agreement, and the Mortgage.

4. It shall be an "Event of Default" if:

(a) Except as permitted by the Grant and Loan Agreement, Borrower sells or transfers the Property and or the Units to anyone other than an eligible household for rent, or encumbers the Property or any part thereof other than a First Mortgage, as defined in the Grant and Loan Agreement, unless with the prior written approval of the Trust which may be withheld in its sole and absolute discretion;

(b) Borrower materially defaults on any of its obligations under this Note, the Mortgage, or the Grant and Loan Agreement beyond any applicable period of notice and cure;

(c) Borrower fails to substantially comply with the terms and conditions of the affordable housing restriction; or

(d) the filing of any petition under any federal or state bankruptcy statute, or the application for the appointment of a receiver or an assignment for the benefit of creditors of the undersigned, and the same is not cured within thirty (30) days from written notice from the Trust thereof.

Notwithstanding anything contained herein to the contrary:

(x) The Trust's recourse or other remedial rights under this Section 4 or elsewhere in this Note are expressly made subject to the Recourse Restrictions in Section 19 of the Grant and Loan Agreement; and

(y) upon receipt of notice from the Trust of an Event of Default, including but not limited to any payment default, the Trust or such other Holder of this Note shall not exercise any remedy under this Note or take or initiate any remedial act available either at law or in equity until a period of fifteen (15) calendar days has elapsed and Borrower shall have failed to cure or remove the cause of the Event of Default. In addition, Borrower may, if it requests the same in writing within fifteen (15) days from the date of said notice of default, request the Trust to hold a hearing to review the reasons for Borrower's noncompliance, with Borrower having the opportunity to be heard. Notwithstanding any provision contained herein or in any of the Loan Documents to the contrary, if at any time (and from time to time) prior to the Maturity Date Borrower shall obtain a First Mortgage, the Holder shall provide any written notice of default simultaneously to Borrower's first mortgagee of record, and Borrower's first mortgagee shall have a period (but shall not be obligated to) of thirty (30) calendar days to effectuate a cure or to otherwise remove the cause of the Event of Default so described in Holder's written notice. Without limiting any other rights or remedies of the first mortgagee holding the First Mortgage, the Trust or such other, or successive Holder of this Note shall, and hereby agrees to, accept the performance of first mortgagee holding the First Mortgage in order to vacate or remove the cause of the Event of Default, including (but without implied limitation) in the event the first mortgagee holding the First Mortgage shall become a mortgagee-in-possession of the Property or in the event of any foreclosure or deed-in-lieu thereof.

5. In the event the Grant and Loan Agreement is terminated, any Loan Funds granted to Borrower that have not been expended by Borrower shall be returned to the Trust forthwith without further expenditure of such funds, unless the Grant and Loan Agreement is terminated as a result of negligence or intentional acts or omissions of Borrower, in which event Borrower shall repay the Trust the full amount of Loan Funds paid to Borrower.

6. Any notice to Borrower provide for in this Note shall be given by mailing such notice by certified mail, return receipt requested, addressed to Borrower at the property address stated above, or to such other address as Borrower may designate by notice to the Holder. Any notice to the Holder shall be given by mailing such notice by certified mail, return receipt requested to the Holder at the address stated in the first paragraph of this Note, or at such other address as may have been designated by notice to Borrower. If at any time (and from time to

time) the Property shall be subject to a First Mortgage, then Holder shall simultaneously provide a copy of its written notice by the same means as given to Borrower, whether permissive or required hereunder, to Borrower's first mortgage lender at the address provided by Borrower to the Trust for the first mortgagee in the First Mortgage of record.

7. Borrower shall pay on demand all costs and expenses, including costs of collection and attorneys' fees, incurred or expended by the Trust for the collection of this Note upon an Event of Default. All payments received by the Trust are to be applied first to costs and expenses accrued and unpaid, with the balance to principal. Borrower acknowledges that the Loan evidenced by this Note is transferable only in accordance with the Grant and Loan Agreement.

8. No exercise of any remedy hereunder or under the Mortgage shall preclude any other or future exercises thereof. No delay or omission on the part of the Holder in exercising any right hereunder shall operate as a waiver of such right or of any other right under this Note. Waiver on any one occasion shall not be construed as a bar to or waiver of any such right and/ or remedy on any future occasion. The Holder hereof shall have the right after default (and after any applicable notice or cure periods) to proceed directly against Borrower and/or against any portion of the security held therefor in such manner as the Holder may determine.

9. As it is herein used, the term "Holder" shall mean the payee or other endorsee of this Note, who is in possession of it, or the bearer hereof, if this Note is at the time payable to the bearer. The Holder shall at all times be subject to the terms and conditions of each and all of the Loan Documents including, but not limited, rights and remedies of the first mortgagee holding the First Mortgage. If at any time prior to the Maturity Date the Trust is not the Holder, then the Trust shall provide written notice to Borrower and its first mortgage lender of its grant, transfer, or assignment (whether voluntary, involuntary, or as a matter of law) of this Note to the successor Holder which writing shall include, but not be limited to, the name or identity of the person or legal entity becoming successor Holder to the Trust and such person or legal entity's physical address for notice and payments. The provisions of this Note are binding on the heirs, executors, assigns, and successors of each and every party hereof. Notwithstanding the foregoing and except as permitted by the Grant and Loan Agreement, this Note may not be assigned unless with the express written consent of the Holder. Except as otherwise herein defined, capitalized terms used throughout this Note shall have the same meaning given to them in the Grant and Loan Agreement.

10. This Note shall have the effect of an instrument under seal and shall be governed by the laws of The Commonwealth of Massachusetts. If any provision of this Note or the application thereof to any party or circumstance shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Note, nor the application of such provision to any other party or circumstance shall be affected thereby, but rather the same shall be enforced to the maximum extent permitted by law.

Executed under seal this ____ day of May, 2021.

BORROWER:

Richmond Meadows Two P2A, LLC

By: ______________________________
Philip Pastan, its Manager

MORTGAGE, SECURITY AGREEMENT AND ASSIGNMENT OF LEASES AND RENTS

This Mortgage, Security Agreement, and Assignment of Leases and Rents (this "Mortgage") is made by **Richmond Meadows Two P2A, LLC,** a Massachusetts limited liability company, having its principal place of business at 23 Concord Street, Wilmington, Massachusetts 01887 (the "Borrower") in favor of **The Town of Nantucket Affordable Housing Trust,** a Massachusetts municipal affordable housing trust under a Declaration of Trust dated February 8, 2010, recorded with Nantucket County Registry of Deeds in Book 1221, Page 20, as amended by First Amendment to Declaration of Trust dated September 15, 2014, recorded with said Deeds in Book 1452, Page 272, having its office at 2 Fairgrounds Road, Nantucket, Massachusetts 02554 (the "Lender") as of the ____ day of May, 2021.

I. Definitions. The following terms shall have the meanings assigned to them:

Land:	The land and the buildings thereon located at 2 Wildflower Drive and 1-3 Pimpernel Place, Nantucket, Massachusetts, as more completely described in Exhibit A attached hereto, and made a part hereof, together with all buildings and improvements, including fixtures, now or hereafter situated thereon.
Hazardous Materials:	Any "chemical substances", "hazardous or toxic substances", "hazardous or toxic materials", "hazardous or toxic wastes" and "oil," as such terms now or hereafter are respectively defined under the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C., Section 9601 et seq., the Massachusetts Oil and Hazardous Material Release Prevention and Response Act, Chapter 21E of the Massachusetts General Laws, the Federal Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq., the Federal Water Pollution Control Act, 33 U.S.C. Section 1321 et seq., the Federal Clean Water Act, 33 U.S.C. Section 1251, et seq., the Occupational Safety and Health Act of 1970, 29 U.S.C. Section 651 et seq.,, the Federal Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., or the Massachusetts Hazardous Waste Management Act, Chapter 21C of the Massachusetts General Laws or listed in the United States Department of Transportation Hazardous Materials Table (49 C.F.R. 172.101), and the regulations

promulgated under all of the foregoing, as all of the foregoing may from time to time be amended, or as similar such laws, rules, regulations, orders and decrees may now or hereafter be enacted; including, without limitation, asbestos, asbestos-containing materials, oil or other petroleum products, polychlorinated biphenyls ("PCB's"), urea formaldehyde foam insulation ("UFFI"), lead paint and other toxic waste and substances including radon gas.

Loan: The loan from Lender to Borrower described in the Grant and Loan Agreement and evidenced by the Note, as the same may be amended, modified, extended, renewed or restated.

Grant and Loan Agreement: That certain Grant and Loan Agreement of even date between Lender and Borrower relating to the indebtedness evidenced by the Note, as the same may be amended, modified, extended, renewed or restated.

Loan Amount: A fixed sum of Two Million Six Hundred Thousand and 00/100 Dollars ($2,600,000.00).

Loan Documents: Collectively, this Mortgage as well as each and every other document, instrument and agreement now or hereafter executed or delivered in connection with the indebtedness evidenced by the Note, as each may be amended, modified, extended, renewed or restated.

Mortgaged Property: The Borrower's fee title in the Land and the buildings now situated thereon or situated thereon in the future , together with all easements, rights of way, licenses, permits, privileges and covenants now existing or hereafter created for the benefit of Borrower or any subsequent owner or tenant of the Land, or any part thereof as well as all right, title, and interest of Borrower in and to the land lying within any street or roadway adjoining the Land, and all machinery, equipment, appliances, furniture and other property of every type and nature as are or can by agreement be made a part of the realty as well as all fixtures of every type and nature, whether now owned or which may subsequently be acquired by Borrower.

Note: That certain Promissory Note of even date by Borrower to Lender in the principal amount of the Loan Amount as the same may be amended, modified, extended, renewed, substituted or restated from time to time.

All capitalized words and phrases in this Mortgage which are not otherwise specifically defined above or elsewhere in this Mortgage shall have the same meaning as assigned in the other Loan Documents.

II. **Grant of Mortgage.** Borrower, for consideration paid, hereby mortgages, grants and conveys to the Lender **WITH MORTGAGE COVENANTS,** upon **STATUTORY CONDITION** and with the **STATUTORY POWER OF SALE** the Mortgaged Property to secure the payment, performance and discharge of each and every obligation, covenant and agreement of Borrower to Lender contained herein, in the Note, or in the other Loan Documents (collectively, referred to as the "Obligations"). This Mortgage shall at all times be subject to the provisions of the Loan Documents including, but without implied limitation, Lender's obligation to (i) subordinate the lien of this Mortgage and the entirety of Lender's right, title, and interest secured herby, to the First Mortgage of Borrower; and (ii) suspend all remedial action hereunder following any non-payment Event of Default in accordance with the Recourse Restrictions of the Grant and Loan Agreement.

III. **Grant of Security Interest in Personal Property.** This instrument shall also constitute a security agreement under Article 9 of the Uniform Commercial Code as in effect in the Commonwealth of Massachusetts and codified at G.L. Chapter 106 (the "Uniform Commercial Code") Section 9-402. To secure the Obligations, Borrower hereby grants to Lender a continuing security interest in all personal property and fixtures of every kind and description now or hereafter owned by Borrower or in which Borrower has an interest (but only to the extent of such interest), situated or to be situated upon or used, or intended for use, in connection with the Land, together with any renewals, replacements or additions thereto or substitutions therefor, as well as all proceeds thereof, whether now or hereafter existing (collectively, the "Personal Property"). The Personal Property shall include, without limitation, the following:

1. **Equipment, Plans, etc.:** All of Borrower's interest in and to all Equipment, Fixtures, Inventory, Goods, Accessions, materials, supplies, furnishings, Accounts, choses in action, contract rights, Documents, Instruments, Chattel Paper, plans and specifications, reports, studies, professional or technical work product, shop drawings, surveys, soil studies, permits, licenses, approvals, warranties and General Intangibles, located at, arising from, relating to, or used in connection with the Land;

2. **Proceeds:** All proceeds (including, without limitation, insurance and condemnation proceeds), as well as all interest earned thereon, paid for any damage done to the Land or for any portion thereof appropriated or otherwise taken by any governmental authority, agency, or entity;

3. **Rents and Contracts:** All of Borrower's right, title and interest in and to any and all leases or other agreements for the use or occupancy of all or any portion of the Land and all rents, security deposits, guarantees and other proceeds and benefits of such leases and other agreements, as well as any sales contracts (including any deposit funds paid thereunder), in each case relating to or arising from the Land; and

4. **Escrows and Reserves:** All of Borrower's right, title and interest in any escrows or reserves established for the Project.

Unless otherwise provided herein, all capitalized terms in the foregoing subparagraphs shall have the same meanings as defined in the Uniform Commercial Code.

Lender shall have all the rights and remedies, in addition to those specified herein, of a secured party under the Uniform Commercial Code. Except for the security interest granted hereby, Borrower is, and as to any Personal Property acquired hereafter will be, the sole owner of the Personal Property, free from any lien, security interest, encumbrances, or adverse claims thereon of any kind whatsoever, except as permitted by the Loan Documents. With the exception of First Mortgagees, Borrower shall notify Lender of, and will defend the Personal Property against, all claims and demands of all persons at any time claiming the same or any interest therein.

IV. Borrower's Covenants, Warranties, Representations and Agreements. Borrower covenants, warrants, represents and agrees with Lender, its successors and assigns, that:

1. **Performance of Obligations.** Borrower, subject to the Grant and Loan Agreement, shall pay the principal of the Note and interest thereon as the same shall become due and payable and shall pay and perform all of the other Obligations.

2. **Protection and Maintenance.** Borrower will protect and maintain or cause to be protected and maintained in good order, repair and condition at all times (damage by casualty expressly not excepted) the buildings and other structures now standing or hereafter erected on the Land, and any additions and improvements thereto and the utility services, parking areas and access roads and all building fixtures, equipment and articles of Personal Property now or hereafter acquired and used in connection with the operation of the Land, promptly replacing any of the aforesaid which may become lost, destroyed or unsuitable for use with other property of similar character and quality.

3. **No Waste; Compliance with Law.** Borrower shall not commit or suffer any strip or waste of the Mortgaged Property, or any portion thereof, or any violation of any law, rule, regulation, ordinance, license, or permit, or the requirements of any licensing authority affecting the Mortgaged Property or any business conducted thereon, and shall not commit or suffer any demolition, removal, or material alteration of any of the Mortgaged Property (except for the replacement of fixtures and Personal Property in the ordinary course of business, so long as items of comparable value and quality are installed free and clear of liens in favor of any other party, excepting First Mortgagees), and shall not violate or suffer the violation of the covenants and agreements, if any, of record against the Mortgaged Property, and in all respects, Borrower shall do all things necessary to comply with, and to keep in full force and effect, all licenses, permits and other governmental authorizations for the operation of the Mortgaged Property for its intended purposes.

4. **Insurance Coverage.** Borrower hereby covenant and agrees to maintain public liability insurance, flood hazard insurance, if applicable, all risk insurance, builder's risk insurance, and such other insurance against such casualties or contingencies as may be reasonably required by the Lender in sums and in companies reasonably satisfactory to the Lender; provided the property insurance on the Mortgaged Property shall be for no less than the greater of (i) 100% of full replacement value thereof; or (ii) the total amount of the Loan and the First Mortgage Loan. Prior to the commencement of construction of any improvements, to furnish Lender with a certificate of insurance evidencing a 100% builder's risk policy. The policy shall be converted to a standard mortgagee's policy upon completion of any construction. Such policy shall be made payable in case of loss to Lender, hereby appointing Lender attorney irrevocable, in case of breach hereof, if Lender shall so elect, to cancel or transfer such insurance and to retain any premiums or proceeds and to apply the same to the indebtedness secured thereby.

5. **Insurance Proceeds.** Subject to the rights of First Mortgagee, the proceeds of any hazard insurance and rent loss insurance shall, at the discretion of Lender, be applied to or toward the indebtedness or other Obligations secured hereby in such order as Lender may determine, provided, however that (a) if Lender shall require repair of that part of the Mortgaged Property so damaged by such insured hazard; or (b) if Borrower elects to repair that part of the Mortgaged Property so damaged by such insured hazard and so notifies Lender promptly after the occurrence of such loss, then, in either such event, Lender shall release to Borrower insurance proceeds paid to it upon such conditions as Lender may prescribe and Borrower shall apply all of such proceeds to the repair and restoration of the Mortgaged Property. Borrower shall promptly notify Lender upon the occurrence of any loss or claim, and, except with respect to amounts, less than $10,000.00, at Lender's option in each instance, Lender, to the exclusion of Borrower, shall have the right and authority to file any proofs of claim and negotiate any adjustment or settlement thereof. Each insurance company is hereby directed and authorized to remit all payments (including the return of unearned premiums) directly to Lender alone and not to Borrower or to Borrower and Lender jointly. Any and all such payments received solely by the Borrower shall be delivered to the Lender within five (5) business days of receipt. Notwithstanding anything in this Section 5 to the contrary, if the insurer denies liability to Borrower, Borrower shall not be relieved of any obligation under Section 2 of this Mortgage. If, however, Lender applies insurance proceeds to repayment of the Loan Amount and does not release the same to Borrower, the obligation of Borrower under Section 2 to repair, restore or rebuild shall be limited to taking all actions reasonably required to make the Mortgaged Property safe and in compliance with all legal requirements and to restore the undamaged portion to an economically functional unit to the extent that it is reasonably possible to do so.

6. **Eminent Domain.** In the event of any awards of damages on account of any condemnation for public use of or injury to the Mortgaged Property shall be paid to Lender; such awards shall, at the discretion of Lender, be applied to or toward the Obligations in such order as Lender may determine, provided however that (a) if Lender shall require repair of that part of the Mortgaged Property so damaged by such condemnation; or (b) if Borrower elects to repair that part of the Mortgaged Property so damaged by such condemnation and Lender consents to such election, Lender shall release to Borrower a portion of the awards of damages paid to it upon such conditions as Lender in its judgment may prescribe, and Borrower shall apply

all of such proceeds to the repair and restoration of that part of the Mortgaged Property which remains, but not more than such portion of such awards as may be required to repair such damage or injury and restore the Mortgaged Property to whole shall be so released; and any balance remaining shall be applied by Lender to or toward the indebtedness and other Obligations secured hereby in such order as Lender in its discretion shall determine. Notwithstanding the foregoing, Lender shall provide written notice upon receipt of such award to a First Mortgagee and shall pay such award to the First Mortgagee at First Mortgagee's election to be distributed consistent with the terms of the First Mortgage, with the balance if any, paid to the Lender Borrower shall promptly notify Lender upon the occurrence of any such award or condemnation proceeding or claim, and, at Lender's option in each instance, Lender, to the exclusion of Borrower, shall have the right and authority to file any proofs of claim and to negotiate any award or settlement thereof. Each governmental body is hereby directed and authorized to remit all payments to Lender alone and not to Borrower or to Borrower and Lender jointly. If Lender applies such awards to repayment of the Loan Amount and does not release the same to Borrower, the obligation of Borrower under Section 2 to repair, restore or rebuild shall be limited to the taking of all actions reasonably required to make the Mortgaged Property, or what remains thereof, safe and in compliance with all legal requirements and to restore the remaining portion to an economically functional unit to the extent that it is reasonably possible to do so.

7. **Lender's Rights to Deal with Borrower's Successors.** Lender may, without notice to any person, deal with any successor in interest of Borrower regarding this Mortgage and the Obligations in all respects as it might deal with Borrower, without in any way affecting the liability of Borrower or any successor in interest of Borrower including, but without implied limitation, a First Mortgagee; and no sale of all or any part of the Mortgaged Property, nor any forbearance on the part of Lender, nor any extension by Lender of the time for payment and performance of the Obligations, shall operate to release, discharge, modify, change, or affect the liability of any predecessor in interest to the equity owner at the time of such sale, forbearance, or extension.

8. **Payment of Taxes.** Borrower shall pay when due all taxes, assessments, and charges of every nature and to whomever assessed that may now or hereafter be levied or assessed upon the Mortgaged Property or any part thereof, or upon the rents, issues, income, or profits thereof or upon the lien or estate hereby created, whether any or all of said taxes, assessments, or charges be levied directly or indirectly or as excise taxes or as income taxes, including all payments of taxes or payments in lieu of taxes (collectively, the "Taxes"). The Borrower shall deliver to the Lender, upon request of the Lender, evidence of its payment by the Borrower of payment of Taxes.

9. **No Other Liens**. Borrower shall pay all sums which, if unpaid, may result in the acquisition of a lien of superior or inferior priority to the lien of this Mortgage, such payment to be made before such lien attaches (except that real estate taxes and the priority claims of a general contractors to retainage as are set forth in MGL c. 254, §32 need not be paid prior to the due date thereof). This Section 9 shall not apply to the payment of debt service or other amounts due and payable to a First Mortgagee by Borrower pursuant to the note, mortgage and other loan documents with the First Mortgagee.

10. **Hazardous Materials and Environmental Legal Requirements**. Borrower shall comply with the following environmental requirements:

A. Borrower shall not store (except in compliance with all applicable laws, ordinances and regulations), or dispose of any Hazardous Materials at, upon, under or within the Mortgaged Property or any contiguous or adjacent land or property.

B. Borrower shall not directly or indirectly transport or arrange for the transport of any Hazardous Materials (except in compliance with all applicable laws, ordinances and regulations).

C. Upon learning of the presence, release or threat of release of any Hazardous Materials at, upon, under or within the Mortgaged Property, Borrower shall take all such reasonable action as shall be prudent in light of the severity of such presence, release or threat of release, including, without limitation the conducting of engineering tests (at the sole expense of Borrower) by an independent and reputable engineering firm or environmental consultant, (x) to assess the presence, release, threat of release or absence of any Hazardous Materials at, upon, under or within the Mortgaged Property and the potential cost in connection with any abatement, clean-up or removal of any of the Hazardous Materials found at, upon, under or within the Mortgaged Property, and (y) to contain and remove any such Hazardous Materials at, upon, under or within the Mortgaged Property.

D. Borrower shall notify Lender immediately in writing (x) upon Borrower's obtaining knowledge of any potential or known release, threat of release, discharge or discovery of any Hazardous Materials at, upon, under or within the Mortgaged Property or any contiguous or adjacent land or property; (y) upon Borrower's receipt of any notice to such effect from any government agency (and Borrower shall forward to Lender copies of all orders, notices, applications or other communications and reports in connection with any such matter); and (z) upon Borrower's obtaining knowledge of the incurring of any expense or loss by such governmental agency in connection with the assessment, containment or removal of any Hazardous Materials for which expense or loss Borrower may be liable or for which expense a lien may be imposed on the Mortgaged Property.

E. Upon reasonable notice and at reasonable times, except if the Lender determines that an emergency has occurred , in which case, inspection may be made at any time and without notice, the Borrower shall permit Lender, at Borrower's expense, to conduct environmental inspections, surveys or audits of the Mortgaged Property to the extent reasonably deemed necessary or appropriate by Lender in connection with protecting Lender's rights and interests in and to the Loan and the Mortgaged Property (but not more than once in any twelve (12) month period, unless the Lender believes that a release of Hazardous Materials on, onto, or from the Mortgaged Property has occurred, in which case, such inspection may be made in Lender's discretion). Lender's entry onto the Mortgaged Property for the limited purpose of investigating the presence or absence of Hazardous Materials on or in the vicinity of the Mortgaged Property (including, by way of illustration and not limitation, verifying the character, quantity, location, migration, and sources thereof) or pursuing any Corrective Work (as hereinafter defined) shall not be deemed an entry for possession of the Mortgaged Property, and shall create no liabilities or obligations in Lender related to or arising from the ownership, possession, or operation of the Mortgaged Property.

F. Borrower covenants and agrees, at its sole cost and expense, to indemnify, protect and save harmless Lender, and its directors, officers, agents, attorneys and employees (collectively, any "Indemnitee" or the "Indemnitees") against and from any and all damages, losses, liabilities, costs and expenses of Corrective Work, obligations, penalties, fines, impositions, fees, levies, lien removal or bonding costs, claims, litigation, demands, defenses, judgments, suits, proceedings, costs, disbursements or expenses (including, without limitation, attorneys' and experts' reasonable fees and disbursements) of any kind or of any nature whatsoever, including interest thereon pursuant to the Loan Documents and applicable statutes (collectively, the "Indemnified Matters") which may at any time be imposed upon, incurred by or asserted or awarded against any Indemnitee and arising from or out of or attributable to or by reason of:

i. any discharge of any Hazardous Materials, the threat of a release or discharge of any Hazardous Materials, or the presence of any Hazardous Materials at, upon, under, within or otherwise affecting the Mortgaged Property or any other contiguous or adjacent land or other property by reason of occurrences at, upon, under or within the Mortgaged Property, such contiguous or adjacent land or other property or other site or vessel, whether or not the same originates or emanates from the Mortgaged Property or such contiguous or adjacent land or other property;

ii. any costs of removal or remedial action incurred by any governmental agency, any response costs incurred by any other person, and damages to, destruction of, or loss of natural resources, including, without limitation, costs of assessing such injury, destruction or loss incurred pursuant to all applicable laws, ordinances or regulations;

iii. additional costs reasonably required to take necessary precautions to protect against the release of Hazardous Materials from the Mortgaged Property into the air, any body of water, any other public domain or any surrounding areas;

iv. costs incurred to comply, in connection with all or any portion of the Mortgaged Property or any surrounding areas, with all applicable laws, ordinances and regulations and any other environmental matters at, upon, under or within or otherwise affecting the Mortgaged Property or any contiguous or adjacent land or other property by reason of occurrences at, upon, under, within the Mortgaged Property or any contiguous or adjacent land or other property, including costs related to nonperformance or delayed performance and completion of Corrective Work;

v. liability for personal injury or damage arising under any statutory or common law theory, including, without limitation, damages for the maintenance of a public or private nuisance or for the carrying on of an abnormally dangerous activity or operation on, at, under or within any of the Mortgaged Property or any land or other property contiguous or adjacent thereto;

vi. any Indemnified Matter resulting from the presence of lead paint at the Mortgaged Property or arising directly or indirectly under the Massachusetts Lead Paint Law, G.L. c. 111, §190, et seq.;

vii. any Indemnified Matter arising directly or indirectly from or out of the presence of UFFI at the Mortgaged Property;

viii. any defense of any of the foregoing and the assertion by Borrower of any defense to its obligations hereunder (except the successful defense of actual performance not subject to further appeal);

whether any of such matters arise before, during or after foreclosure of any mortgage or other taking of title to all or any portion of the Mortgaged Property or other enforcement of the remedies and rights under the Loan Documents, by Lender or any affiliate of Lender (all removal work referred to in clause (b) above, all work and other actions to take precautions against release referred to in clause (c) above, and all work and other actions performed in order to comply with applicable laws, ordinances and regulations referred to in clause (iv) above shall be herein collectively referred to as "Corrective Work").

Notwithstanding anything to the contrary contained herein, (a) the indemnifications provided for hereunder with respect to surrounding areas shall not extend to the costs of Corrective Work on, in, under or affecting any surrounding areas if the applicable Hazardous Materials did not originate from any portion of the Mortgaged Property unless the removal of any Hazardous Materials on, in, under or affecting any surrounding areas is required by law or by order or directive of any governmental agency in connection with the Corrective Work on, in, under or affecting any portion of the Mortgaged Property; (b) if Lender, or any affiliate, successor or assign of Lender takes title to the Mortgaged Property at a foreclosure sale, by deed in lieu of foreclosure, pursuant to other rights granted under any Loan Document or otherwise, or if a third-party takes title to the Mortgaged Property at a foreclosure sale, then the indemnifications provided for hereunder shall not apply to

Hazardous Materials which are initially placed on, in or under all or any portion of the Mortgaged Property after the date Lender or such other party so takes title.

The indemnifications set forth above in this Section 10 shall be full recourse obligations of Borrower and shall not be subject to any nonrecourse language contained in the Note and shall survive the repayment of the Loan and any exercise by any Indemnitee of any remedies under any Loan Document, including, without limitation, the power of sale, or any other remedy in the nature of foreclosure, and shall not merge with any deed given by Borrower to Lender in lieu of foreclosure or any deed under a power of sale. It is agreed and intended by Borrower and Lender that the indemnifications set forth above in this Section 10 may be assigned or otherwise transferred by Lender to its successors and assigns and to any subsequent purchaser of all or any portion of the Mortgaged Property by, through or under Lender, without notice to Borrower and without any further consent of Borrower. To the extent consent to any such assignment or transfer is required by law, advance consent to any such assignment or transfer is hereby given by Borrower.

In addition to Lender's rights to cure Borrower's defaults, Lender shall have the right to do all acts, which in Lender's reasonable judgment are or may be necessary or advisable to prevent or respond to the release or threatened release of Hazardous Materials onto or from the Mortgaged Property.

11. Assignment of Leases and Rents. Borrower hereby transfers, assigns, delivers and grants to Lender as further security for the Obligations the entire Borrower's right, title and interest in (a) all leases, subleases, tenancies, and other agreements relative to occupancy of all or any portion of the Mortgaged Property, written or oral, recorded and unrecorded, now in existence and which may exist hereafter during the term of this Mortgage**;** (b) all rents, income and profits arising from said leases and any renewals, extension or substitutions thereof; (c) all rents, income and profits otherwise payable for the use and occupation of the Mortgaged Property, (d) all guarantees of said leases, and (e) all proceeds of the foregoing (collectively, the "Leases"). In connection therewith, Borrower agrees to confirm the foregoing assignment from time to time by executing assignments in form satisfactory to Lender and which authorize Lender in the event of foreclosure or deed or other transfer in lieu thereof, to sell and assign said interests to the purchaser(s), but no such assignment shall be construed as a consent by Lender to any lease or agreement so assigned, or to impose upon Lender any obligations with respect thereto. Borrower hereby irrevocably appoints Lender, or any agent designated by Lender, its true and lawful attorney-in-fact, with full power of substitution, to execute, acknowledge, and deliver any such assignments on behalf of Borrower.

The assignment of the Leases shall be subject to the rights of a First Mortgagee, and is made on the following terms, covenants and conditions:

i. This assignment is an absolute assignment of the Leases from Borrower to Lender, provided, however, so long as there shall exist no Event of Default under the Loan Documents, Borrower shall have a license to manage and operate the Mortgaged Property and to collect, at the time provided in the Leases for the payment thereof, all rents, income and profits arising under the

Leases and from the Mortgaged Property, and to otherwise extend, renew, modify, and terminate the Leases in Borrower's discretion.

ii. Upon and at any time after an Event of Default under the Loan Documents persisting past any applicable period of notice and cure, Lender, without in any way waiving such default, may in its discretion without notice and without regard to the adequacy of the security for the Obligations secured hereby, terminate the aforesaid license and exercise any rights and remedies set forth in this Mortgage, including those set forth in Section 18.B. below, or in the other Loan Documents.

iii. Upon full payment of all the Obligations, the assignment of the Leases shall become and be void and of no effect, but the affidavit, certificate, letter or statement of any officer, agent or attorney of Lender showing any part of the Obligations to remain unpaid or unperformed shall be and constitute conclusive evidence to third parties of the validity, effectiveness and continuing force of this assignment and any person is hereby conclusively authorized and directed to rely thereon. Borrower hereby authorizes and directs the tenants named in the Leases and any other or future tenants or occupants of the Mortgaged Property, upon receipt from Lender of written notice to the effect that Lender is then the holder of the Note and that an Event of Default exists thereunder, to pay over to Lender all rents, income and profits arising or accruing under that lease or from the Mortgaged Property and to continue to do so until otherwise notified in writing by Lender and hereby irrevocably waives any claim Borrower might have against any such tenants or occupants for rent or other amounts paid to Lender, reserving all Borrower's rights therein solely to a claim against Lender.

iv. Upon the occurrence of an Event of Default under the Loan Documents, persisting beyond any applicable notice and cure periods, and until Lender either (i) terminates Borrower's license to operate and manage the Mortgaged Property; or (ii) chooses to reinstate such license if the Lender has waived such Event of Default in writing, any and all rents, income and profits received by Borrower from the Mortgaged Property shall be held in a segregated account in trust for Lender (the "Trust Fund Account") and shall not be combined with any other funds of Borrower. Such trust funds may be utilized by Borrower for reasonable maintenance and repair obligations and utility payments necessary or required under the Leases (but not for capital expenses, improvements or for payments of any management fees owed to any person or entity owned or controlled by or affiliated with Borrower), provided, however, that a detailed monthly accounting of all receipts and disbursements shall be delivered to Lender within ten (10) days after the end of each calendar month.

v. Upon the request of Lender at any one time or from time to time, Borrower shall deliver all amounts contained in the Trust Fund Account (i) to Lender and the same shall be applied to the outstanding Obligations as provided in the Loan Documents; (ii) to any other party designated by Lender which has a lien on or claim to the Mortgaged Property, including, without limitation, the applicable municipal taxing authority with respect to unpaid water, sewer or real estate taxes, or any or any other lienor. In no event shall the exercise of any of the foregoing rights and remedies impair or affect any other rights or remedies which Lender may have under the Loan Documents or applicable law, whether to take possession of or directly collect the rents, income and profits from the Mortgaged Property, or otherwise and the Obligations and any existing Event of Default shall remain unmodified thereby.

vi. In the event any tenant under any of the Leases is the subject of any proceeding under the federal Bankruptcy Code, as amended from time to time, or any other federal, state or local statute which provides for the possible termination or rejection of any Lease assigned hereby, Borrower covenants and agrees that if any of the Leases are so terminated or rejected, no settlement for damages shall be made without the prior written consent of Lender, in each instance, and any check and payment for termination or rejection of any such Lease will be made payable both to Borrower and Lender. Borrower hereby assigns any such payment to Lender and further covenants and agrees that upon the request of Lender after an Event of Default, Borrower will duly endorse to the order of Lender any such check, the proceeds of which will be applied to the Obligations.

vii. Without in any way limiting the rights of Lender to elect whether to affect a tenant's interest in the Mortgaged Property by joining any such tenant as a defendant in a judicial foreclosure action (if applicable), in the event this Mortgage is foreclosed, Lender shall have the right, in its discretion, to be exercised by written notice to the applicable tenant within thirty (30) days of the date title vests in the party who acquires title as a result of the foreclosure (the "<u>Continuation Notice</u>"), to elect (under the privity of contract established by the assignment of the Leases) to assume some or all of those Leases which are subordinate to this Mortgage and thereupon such Lease(s) shall remain in full force and effect and such tenant shall attorn to the owner of the Mortgaged Property notwithstanding the foreclosure of the superior lien of this Mortgage. In the event that Lender does not timely send the Continuation Notice as provided above and no recognition or non-disturbance agreement has previously been executed by Lender in favor of the applicable tenant(s), then Lender shall retain its rights under applicable law to treat such subordinate leases as terminated by virtue of the foreclosure. Lender's rights hereunder shall automatically be transferred to and may be exercised by any party acquiring title as a result of the foreclosure, as well as their successors and assigns.

12. Covenants Regarding Leases. Borrower covenants with Lender as follows:

A. to observe and perform all the obligations imposed upon the lessor under every such Lease and not to do or permit to be done anything to impair the security thereof;

B. not to collect any of the rents, income and profits arising or accruing under the Leases or from the Mortgaged Property in advance of the time when the same shall become due, except for security deposits and last month's rent taken in the usual course of business;

C. other than as collateral given, or assignments made, to a First Mortgagee, not to execute any other assignment of the lessor's interest in the Leases or assignment of rents arising or accruing from the Leases or from the Mortgaged Property, unless approved in writing by Lender;

D. not to reduce the rent or the term, or otherwise alter, modify or change the terms of the Leases so as to impair their value as security for the Obligations or, except in the case of a default by the tenant thereunder, cancel or terminate the same or accept a surrender thereof, or modify or terminate any guaranties of any Lease, without the prior written consent of Lender in each instance;

E. Except as requested by a First Mortgagee, not to subordinate any such Lease to any mortgage or other encumbrance or permit, consent or agree to such subordination without Lender's prior written consent in each instance;

F. Except as may be payable to a First Mortgagee, to pay to Lender forthwith all advance rent or amounts in lieu thereof received by Borrower to be held by Lender as additional collateral or applied after an Event of Default to the Loan Amount, interest thereon or any other amount due or to become due hereunder as Lender in its discretion shall determine; and

G. at Lender's request, to assign and transfer to Lender any and all subsequent Leases upon all or any part of the Mortgaged Property and to execute and deliver at Lender's request all such further assurances and assignments in the Mortgaged Property as Lender shall from time to time require, at all times however subject to the rights of a First Mortgagee.

13. Lender's Right to Perform Borrower's Obligations. If Borrower shall neglect or refuse to satisfy any term or condition of this Mortgage or of any other Loan Document, Lender, at its election in each instance, but without any obligation whatsoever to do so, upon thirty (30) days' prior written notice to Borrower (except in the case of an emergency, in which event no advance notice shall be required), may cause such repairs or replacements to be made, obtain such insurance, pay such taxes, assessments, charges, and sums, do such acts, incur and pay such amounts in protecting its rights hereunder and pay any balance due under any conditional agreement of sale of any property included as a part of the Mortgaged Property, all as Lender in its discretion determines to be necessary or appropriate to satisfy any term or condition of this Mortgage which Borrower shall have failed to satisfy or to remedy any breach of such term or condition, and any amounts or expenses so paid or incurred, together with interest thereon from the date of payment by Lender at the rate as provided in the Note for amounts due after maturity shall be immediately due and payable by Borrower to Lender and until paid shall be secured by this Mortgage equally and ratably with the other indebtedness secured hereby, and the same may be collected as part of the principal debt secured by this Mortgage in any suit hereon or upon the Note or any other Loan Document. No such payment or action by Lender shall relieve Borrower from any default hereunder or impair the right or remedy of Lender with respect thereto. Lender's remedial rights under this Section 13 shall be at all times subject to the First Mortgage requirements contained in the Loan Documents.

14. Legal Expenses. If any action or proceeding is commenced, including an action to foreclose this Mortgage or to collect the debt hereby secured, to which action or proceeding Lender is made a party by reason of the execution of this Mortgage or by reason of any Obligation, or by reason of entry or any other action under this Mortgage, or if it becomes necessary in connection with legal proceedings or otherwise to defend or uphold the mortgage hereby granted or the lien hereby created or any act taken under this Mortgage, all costs and expenses incurred by Lender, including all costs payable to third parties for the enforcement of Lender's rights under the Loan Documents whether incurred prior or subsequent to any judgment which may be obtained by Lender against any Obligor, shall be reimbursed or paid by Borrower, or may at the discretion of Lender be added to the Obligations and shall be secured hereby equally and ratably and shall bear interest until paid at the rate of interest provided in the Note for amounts due after maturity. Without limiting the generality of the foregoing, such costs and expenses shall include: (i) all reasonable attorneys' fees and costs (including the time of any in-house counsel for Lender charged at the same rate as comparable outside attorneys), (ii) appraisal fees, (iii) tax service fees, (iv) property inspection costs, and (v) environmental site assessment, consultant fees, remediation expenses, and related costs.

15. Subrogation. Lender shall, in addition to all other rights, be subrogated to the lien, whether released of record or taken by Lender by assignment, of any and all encumbrances on the Mortgaged Property or any part thereof to the extent satisfied or acquired with funds of Lender, whether paid out of the proceeds of the loan secured by this Mortgage or otherwise.

16. Events of Default. Upon the occurrence of any one or more (the "Events of Default"), all Obligations shall become immediately due and payable without further notice or demand, at the option of the Lender.

A. The failure by the Borrower to pay, when due, any amount then owing by the Borrower to the Lender after five (5) days of Borrower's receipt of notice of non-payment or its failure to otherwise cure such non-payment as provided in the Loan Documents.

B. The failure by the Borrower to promptly, punctually, and faithfully perform, discharge or comply with any of the Obligations within any applicable cure periods set forth in any of the Loan Documents executed in connection with this Loan.

C. If any representation or warranty made by Borrower hereunder is false or misleading in any material respect and not capable of correction.

D. The occurrence of any event of default under any agreement or obligation between the Lender and the Borrower, given the Lender by the Borrower, including the Note, executed herewith, whether now existing or hereafter arising.

E. If any lien or encumbrance other than a First Mortgage or this Mortgage is imposed upon the assets of the Borrower, which lien is not discharged, satisfied or dissolved by bonding or in some other manner reasonably satisfactory to the Lender, within thirty (30) days of its imposition and Lender's delivery of notice thereof to Borrower.

F. The sale, transfer, assignment, pledge, mortgage or other disposition of any legal or beneficial interest of the Borrower in the Mortgaged Premises or any Unit to anyone other than an eligible household or any part of the Property thereof other than as permitted by the Loan Documents or the Regulatory Agreement.

G. The filing of any petition under any federal or state bankruptcy statute, or the application for the appointment of a receiver or assignment for the benefit of creditors of the undersigned, and the same is not cured within thirty (30) days from written notice from the Lender thereof.

H. The termination of existence, dissolution, winding up or liquidation of the Borrower.

17. Rights and Remedies upon Default. Subject to the rights of any First Mortgagee set forth in the Loan Documents, upon the occurrence of any Event of Default, or at any time thereafter, the Lender shall have all the rights of a mortgagee and a secured party under Massachusetts General Laws, in addition to which the Lender shall have all of the following rights and remedies:

A. To take possession of all or a portion of the Mortgaged Premises;

B. With or without taking possession of the Mortgaged Premises, to sell, lease or otherwise dispose of any or all of the Mortgaged Premises in its then condition or following such preparation or processing as the Lender deems advisable;

C. To apply all or any portion of the Mortgaged Premises, or the proceeds thereof, towards (but not necessarily in complete satisfaction of) the Obligations;

D. Upon breach of the Statutory Condition, to exercise the Statutory Power of Sale;

E. To foreclose any and all rights of the Borrower in and to the Mortgaged Property, whether by sale, entry or in any other manner provided for hereunder or under Massachusetts General Laws.

18. Additional Rights of Lender upon Borrower's Default.

A. Access for Foreclosure Purposes. In the event Lender elects to exercise the Statutory Power of Sale hereunder, then during such time as Borrower remains in possession of the Mortgaged Property, Borrower agrees and covenants that Lender shall have access to the Mortgaged Property, or any portion thereof, during normal business hours for such purposes as Lender deems necessary or desirable for conducting or planning for the foreclosure sale, including, without limitation, inspections by surveyors, appraisers, and structural, environmental, and other types of engineers or building inspection professionals; pre-sale inspections of the Mortgaged Property by auctioneers and prospective bidders; and the conduct of the actual foreclosure auction itself on the Mortgaged Property. In connection with the exercise of any such access rights, Lender shall not be deemed to have "taken possession" of or otherwise be responsible for the operation or control of the Mortgaged Property, such access rights being limited in scope solely to effectuate the Statutory Power of Sale.

B. **Entry of Possession**. Borrower authorizes Lender, in addition to all other rights granted by law or by this Mortgage, upon an Event of Default, to enter and take possession of all or any part of the Mortgaged Property, either in its own name or in the name of Borrower, and to use, operate, construct, reconstruct, manage, and control the same and conduct the business thereof, and perform Borrower's obligations under any lease or contract of sale affecting all or any part of the Mortgaged Property, and/or collect the rents, profits, and all receipts of every nature therefrom, as Lender in its discretion shall deem best. To the extent received by Lender, Lender shall apply the rents, profits and receipts from the Mortgaged Property in such order of priority as Lender in its sole discretion may determine, to the Obligations or to the payment of any of the expenses described below.

(i) Upon such entry, Lender may, from time to time, at the expense of Borrower, make all such repairs, replacements, alterations, additions, and improvements to the Mortgaged Property as Lender may deem proper, but in no event shall Lender be obligated to do so; and Lender may, but shall not be obligated to, exercise all rights and powers of Borrower, either in the name of Borrower or otherwise, as Lender shall determine. Without limitation upon the generality of the foregoing, Lender shall have the right to do all things necessary or desirable in order to keep in full force and effect all licenses, permits, and authorizations, which benefit the Mortgaged Property.

(ii) Upon such entry, Lender may, at its option, but without any obligation to do so, do any one or more of the following: pay and incur all expenses necessary or deemed by it appropriate for the holding and operation the Mortgaged Property or the maintenance, repair, replacement, alteration, addition, and improvement of the Mortgaged Property, including, without limitation, payments of taxes, assessments, wages of employees connected with the Mortgaged Property or any business conducted thereon, charges and reasonable compensation for services of Lender, its attorneys and accountants, and all other persons employed or engaged in connection with the Mortgaged Property or any business conducted thereon; and, in addition, Lender, at its option, may, but shall not be obligated to, make payments or incur liability with respect to obligations arising prior to the date it takes possession.

(iii) Upon such entry, Lender may, at its option, but without any obligation to do so, do any of the following, either in its own name or in the name of Borrower pursuant to the power of attorney set forth below: enforce, modify, cancel or accept a surrender of any or all of the Leases; demand, collect, compromise and give receipts and releases for rents which may be or become due from any tenant under a Lease; receive, endorse and deposit for collection any checks given in payment of rent; institute, prosecute or settle any proceedings for the recovery of rents or possession; lease or rent the Mortgaged Property or any part thereof for such duration at such rentals and upon such other terms and conditions as Lender may deem advisable; and enforce or enjoin the violation of any of the terms, provisions and conditions of the Leases.

(iv) All obligations so paid or incurred by Lender shall be reimbursed or paid for by Borrower upon demand and prior to the repayment thereof shall be added to the debt secured hereby and shall bear interest at the rate of interest provided for in the Note with respect to amounts due after maturity, and shall be secured hereby equally and ratably. Lender may also reimburse itself therefor from the income or receipts of the Mortgaged Property or any business conducted thereon, or from the sale of all or any portion of the Mortgaged Property. Lender may also apply to any of the Obligations, any tax reserve account, deposit, or any sum credited or due to Borrower from Lender without first enforcing any other rights of Lender against Borrower or against any endorser or guarantor of any Obligations or against the Mortgaged Property. Borrower hereby irrevocably constitutes and appoints Lender, or any agent designated by Lender, for so long as this Mortgage remains undischarged of record, as its attorney-in-fact, coupled with an interest and with full power of substitution, delegation and revocation, to execute, acknowledge, seal, and deliver in Borrower's name all instruments, agreements, deeds, certificates, and other documents of every nature and description in order to carry out and implement the exercise of Lender's rights hereunder and under the other Loan Documents.

19. **Power of Sale**. This Mortgage is upon the **STATUTORY CONDITION** and upon the further condition that no Event of Default shall occur, for any breach of which Lender shall have the **STATUTORY POWER OF SALE**.

In exercising its power of sale under this Mortgage, Lender may sell the Personal Property, or any part thereof, either separately from or together with the Land or any part thereof, either as one unit or in separate units, all as Lender may in its discretion elect; and may also sell the Mortgaged Property as one unit or parcel or in such separate units or parcels as Lender may in its discretion elect; and may so sell the Mortgaged Property or any part thereof either separately from or together with the whole or any part of other collateral which may constitute security for any Obligation, also as Lender may in its discretion elect. Without limiting the generality of the foregoing, Lender's statutory power of sale shall not be exhausted until all of the Land shall have been struck down at a foreclosure auction and the successful bidders have all accepted and recorded the resulting foreclosure deeds, it being expressly agreed that Lender shall have the power to foreclose upon and sell portions of the

Land at different times or days if Lender so elects and Lender also may continue to auction the Land at any foreclosure sale even if the amounts previously struck down at prior foreclosure auction sales for other portions of the Land exceed the Obligations (provided Lender duly accounts for the excess proceeds in accordance with applicable law). In the event of any separate sale of the Personal Property, Lender will give to Borrower reasonable notice of the time and place of any public sale or of the time after which any private sale or other intended disposition thereof is to be made, and such requirement of reasonable notice shall be met if such notice is given at least ten (10) days before the time of the sale or other disposition.

20. **Notices**. Except for any notice required under applicable law to be given in another manner, any notice required or given under this Mortgage shall be sent by certified mail, return receipt requested, by hand delivery, and/or by recognized overnight courier addressed to the parties at the addresses set forth above, which address may be changed by written notice to the other party given in the manner herein provided.

21. **Lender Not Obligated; Cumulative Rights**. Nothing in this Mortgage shall be construed as obligating Lender to take any action or incur any liability with respect to the Mortgaged Property or any business conducted thereon, and all powers given to Lender are for its benefit and shall be exercised in Lender's discretion, as indicated herein. All of Lender's rights hereunder are cumulative and in addition to, and not in substitution for, the rights of Lender under all other Loan Documents.

22. **Maximum Amount Secured**. The maximum amount secured by this Mortgage shall include, but not be limited to, the total of all of the following items which may be outstanding at any time: the Loan Amount; accrued interest, charges, and fees under the Note; legal fees and costs; collection and foreclosure costs (including appraisals, environmental testing (and remediation, if necessary), brokerage commissions, receiver's fees, eviction costs, management and marketing fees and expenses, registry recording charges, deed transfer stamps and taxes, commercial advertising costs, and auctioneer fees); all taxes, utility payments, insurance premiums, maintenance costs, tenant improvements, rental incentives, or other amounts advanced by Lender for purpose of protecting or enhancing its security; all other Obligations of Borrower to Lender; and all other damages, costs, and expenses to which the holder of a mortgage is entitled under applicable law.

23. **Receiver**. Whether or not Borrower is then insolvent and whether or not any deficiency balance is anticipated, any rights of Lender hereunder may be exercised by a court appointed receiver. In connection therewith, such a receiver shall be appointed upon a petition, motion, or application filed by Lender with any court of competent jurisdiction and, effective after the occurrence of an Event of Default, Borrower hereby irrevocably consents to and approves, without prior notice or hearing, the immediate appointment of a receiver (in connection with a foreclosure action or otherwise) and waives any right to object thereto without regard to the value of the Mortgaged Property or the adequacy of any other Collateral.

24. **Specific Performance**. As the subject matter of this instrument involves Land which by its nature is unique, Borrower agrees and acknowledges that its failure to observe the provisions hereof may cause irreparable harm to Lender for which there is no adequate remedy at law and so the provisions hereof (including, without limitation, Sections 10 and 18) shall be specifically enforceable by Lender in a court of equity by injunctive relief.

25. Successors and Assigns. Except as otherwise permitted by the Grant and Loan Agreement, the Borrower's interest under the Note and this Mortgage may not be transferred, assigned or assumed without the written consent of the Lender. This Mortgage shall inure to the benefit of and be binding upon Borrower and Lender and their respective representatives, successors, and assigns. The terms "Borrower" and "Lender" as used herein shall include all subsequent holders of their respective rights, title, and interests under this Mortgage.

26. Miscellaneous.

A. Time shall be of the essence of each and every provision of the Loan Agreement, the Note, this Mortgage and each of the other Loan Documents.

B. The terms of this Mortgage shall be construed in accordance with the laws of the Commonwealth of Massachusetts. In case any of or more of the provisions of this Mortgage, the Note, the Loan Agreement, any of the other Loan Documents, or any other agreement now or hereafter executed in connection with any one or more of the foregoing are held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions hereof. Each of the provisions of every such agreement, document or instrument shall be enforceable by Lender to the fullest extent now or hereafter not prohibited by applicable law.

C. No consent or waiver, express or implied, by Lender to or of any default by Borrower shall be construed as a consent or waiver to or of any other default at the same time or upon any future occasion.

D. Upon the expiration of the term of the Note or upon proper payment of all sums secured by this Mortgage, the Lender shall discharge this Mortgage without cost to the Borrower. The Borrower is responsible for the recordation costs of the Discharge.

[Signatures on following page]

EXECUTED and delivered as a sealed Massachusetts instrument as of the day and year first above written.

BORROWER:

RICHMOND MEADOWS TWO P2A, LLC.

By: ________________________________
Philip Pastan, Manager

COMMONWEALTH OF MASSACHUSETTS

____________, ss.

On this __ day of May, 2021 before me, the undersigned notary public, personally appeared Philip Pastan, in his capacity as Manager of Richmond Meadows Two P2A, LLC, and proved to me through satisfactory evidence of identification, which was ________________, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose and acknowledged the foregoing to be the free act and deed of Richmond Meadows Two P2A, LLC.

____
Notary Public
My Commission Expires:

EXHIBIT A

A certain parcel of vacant land situated in Nantucket Town and County, Commonwealth of Massachusetts, known and numbered as 2 Wildflower Drive, and 1-3 Pimpernel Place, bounded and described as follows:

Lot 959 on Land Court Plan 16514-118.

For title, see Certificate of Title Number _________ filed with Nantucket Registry District of the Land Court.

Said Property is subject to a First Mortgage from Richmond Great Point Development, LLC to Natick South LLC dated January 29, 2018 filed with Nantucket Registry District of the Land Court as Document No. 157520, which mortgage is amended by a 1st Amendment of Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated June ___, 2020 filed with the Nantucket Registry District of the Land Court as Document No. 165567.

<u>DEBT SUBORDINATION AGREEMENT</u>

WHEREAS, **RICHMOND MEADOWS TWO P2A, LLC**, a Massachusetts limited liability company with a usual place of business at 23 Concord Street, Wilmington, Middlesex County, Massachusetts (hereinafter referred to as the "Borrower") is or may hereafter be indebted to any of its members, managers, officers, subsidiaries or affiliates, including, but not limited to, **Philip Pastan**, an individual having his notice address at 23 Concord Street, Wilmington, Middlesex County, Massachusetts 01887 (hereinafter collectively referred to as the "Creditor"); and

WHEREAS, the Borrower has requested **the Town of Nantucket Affordable Housing Trust Fund**, a municipal affordable housing trust created pursuant to G.L. c. 44, §55C, under a Declaration of Trust dated February 8, 2010, recorded with Nantucket County Registry of Deeds in Book 1221, Page 20, as amended by First Amendment to Declaration of Trust dated September 25, 2014, recorded with said Deeds in Book 1452, Page 271, acting by and through its Board of Trustees, having an address of 2 Fairgrounds Road, Nantucket, Massachusetts 02554 (hereinafter referred to as the "Trust"), to grant financial accommodations to the Borrower as set forth in the Grant and Loan Agreement between the Borrower and the Trust of even date herewith, and the Trust has requested as additional security for the repayment of the Promissory Note described below that the Borrower and the Creditor shall join in this Agreement and the Creditor shall subordinate, to the extent and in the manner hereinafter set forth, all indebtedness of the Borrower to the Creditor, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, (hereinafter referred to as the "Subordinated Debt") to all indebtedness of the Borrower to the Trust, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, including but not limited to the debt incurred by the Borrower as described in that certain Promissory Note of even date herewith in the original principal amount of **Two Million Six Hundred Thousand and 00/100 Dollars ($2,600,000.00)** (hereinafter referred to as the "Trust Debt").

NOW, THEREFORE, in consideration of the promises and as an inducement to the Trust to grant financial accommodations to the Borrower, whether by loan or advance or extension of time for the payment of the Trust Debt or otherwise, and in consideration of the granting thereof, the Borrower and the Creditor agree that the Subordinated Debt shall be subordinate in all respects to the Trust Debt and further warrant to and covenant with the Trust as follows:

1. Until the Trust Debt shall have been paid in full, if in the event Borrower has failed to satisfy any monetary obligation due and payable to the Trust on account of the Trust Debt, then the Borrower shall not, directly or indirectly, make any distribution, payment, repayment, or other remuneration (except as hereinafter set forth below) whether scheduled or unscheduled, on account of the Subordinated Debt to any Creditor for the duration of time that any non-payment default is outstanding and uncured under any instrument securing the Trust Debt including, but not limited to, the Note and the Mortgage. Creditor shall not demand or accept from the Borrower any such payment, nor shall Creditor otherwise take or permit any action prejudicial to or inconsistent with the Trust's priority position over the Creditor created by this Agreement.

2. This Agreement shall not prohibit Borrower's distributions, payments, repayments, or other remunerations to the Creditor: (A) of annual estimated federal, state, and local income tax distributions for items of partnership taxation, whether or not a default has occurred and whether or not such funds are paid in priority to the Trust Debt; and (B) so long as no Event of Default under the Trust Debt has occurred but shall be subordinate, in all respects save and except for tax distributions, to the Trust Debt.

3. To secure the performance of this Agreement, the Creditor hereby assigns to the Trust the Subordinated Debt, whether evidenced by negotiable or non-negotiable instruments, securities, or other writings, book entries, or otherwise, together with any collateral therefor and, upon request of the Trust, will promptly transfer the same to the Trust. The Borrower and Creditor shall make appropriate notations in their books to show the subordinate character of all Subordinated Debt which may now or hereafter be carried on open account.

4. Excepting tax distributions, if Borrower shall fail to cure or otherwise remove a non-payment default with respect to the Trust Debt, then Creditor shall forthwith deliver to the Trust for application to the Trust Debt, in the form received, any payment made by Borrower to Creditor during the term of the default which payment is on account of the Subordinated Debt. Creditor agrees to cooperate in the addition of any endorsement or assignment necessary to effect the transfer of all rights in any such payment to the Trust. The Trust is irrevocably authorized to supply any required endorsement or assignment which may have been omitted. Until so delivered, any such payment or collateral shall be held by the recipient Creditor in trust for the Trust and shall not be commingled with other funds or property of the recipient Creditor.

5. No part of the Subordinated Debt is evidenced by any instrument, security, or other writing which has not previously been or is not concurrently being disclosed to the Trust. The Creditor is the lawful owner of the Subordinated Debt and no part thereof has been assigned to or subordinated or subjected to any other security interest in favor of anyone other than the Trust. Until all Trust Debt has been paid in full the Creditor shall not assign or subordinate any part of the Subordinated Debt, except to or in favor of the Trust.

6. The Trust is hereby authorized to demand specific performance of this Agreement, whether or not the Borrower shall have complied with the provisions hereof applicable to it, at any time when the Creditor shall have failed to comply with any provision hereof applicable to it. The Creditor hereby irrevocably waives any defense based on the adequacy of a remedy at law which might be asserted as a bar to the remedy of specific performance hereof in any action brought therefor by the Trust. The Creditor further waives presentment, notice and protest in connection with the negotiable instruments evidencing the Trust Debt or the Subordinated Debt to which it may be a party, notice of the acceptance of this Agreement by the Trust, notice of any loan made, extension granted or other action taken in reliance hereon and all demands and notices of every kind in connection with this Agreement, the Trust Debt or the Subordinated Debt, assent to any renewal, extensions or postponement of the time of payment of the Trust Debt or any other indulgence with respect thereto, to any substitution, exchange or release of collateral therefor and to the addition or release of any person primarily or secondarily liable thereon, and agrees to the provisions of any instrument, security or other writing evidencing the Trust Debt.

7. Not in limitation of paragraph 4 above, the Borrower and Creditor shall execute and deliver to the Trust such further instruments and shall take such further action as the Trust may, at any time or times, reasonably request in order to carry out the provisions and intent of this Agreement.

8. The rights granted to the Trust hereunder are solely for its protection and nothing herein contained shall impose on the Trust any duties with respect to any property of the Borrower or the Creditor received hereunder beyond reasonable care in its custody and preservation while in the Trust's possession. The Trust shall have no duty to preserve rights against prior parties in any instrument or chattel paper received hereunder.

9. This Agreement is intended to take effect as a sealed instrument, shall be binding upon the Borrower, the Creditor, their respective executors, administrators, other legal representatives, successors and assigns, shall inure to the benefit of the Trust, its successors and assigns and shall be construed in accordance with the laws of the Commonwealth of Massachusetts. The obligations hereby undertaken by the Creditor shall be their joint and several obligations, if more than one.

[REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK.
SIGNATURE PAGE(S) FOLLOW]

IN WITNESS WHEREOF, the parties hereby have caused this Agreement to be duly executed as of May ___, 2021.

BORROWER:

RICHMOND MEADOWS TWO P2A, LLC

________________________ By:___________________________

witness Philip Pastan, Manager

CREDITOR:

________________________ ______________________________

witness Philip Pastan, individually

END
OF
PACKET

May 18, 2021
