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MEETING POSTING

TOWN OF NANTUCKET

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	**AFFORDABLE HOUSING TRUST**
Day, Date, and Time	**THURSDAY, December 29, 2022 @ 10:00AM**
Location / Address	**REMOTE PARTICIPATION *VIA* ZOOM (*See Below*)** **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	**Hayley Cooke** **Housing/Real Estate Office Manager**
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!**

SPECIAL DECEMBER MEETING

AGENDA FOR 12-29-2022

(Subject to change)

www.nantucket-ma.gov

Please click on following link to join Zoom Meeting:
https://us06web.zoom.us/j/87673634620?pwd=K2cycWhZeUJwdTBBa3orSXZXd3pXUT09

Meeting ID: 876 7363 4620
Passcode: 335366

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 hcooke@nantucket-ma.gov. Please email to request a paper copy and you will be provided a time to retrieve from the Housing Office at 3 East Chestnut Street between the hours of 8:30 AM and 4:30 PM on weekdays.

Trust Members: Brian Sullivan (Chairman), Reema Sherry (Vice Chair), Meg Browers, Shantaw

Bloise-Murphy, Penny Dey, Dave Iverson, Brooke S. Mohr

Staff: Tucker Holland (Housing Director), Ken Beaugrand (Real Estate Specialist), Hayley Cooke (Housing & Real Estate Office Manager)

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. Additional Funding and Associated Documentation Regarding 31 Fairgrounds– REVIEW & ACTION

IV. Other Business

Upcoming Meetings:

- Regular AHT meeting: January 17, 2023 at 12:30pm (Zoom Meeting)

V. Board Comments

VI. Adjourn

Amendment to the
Memorandum of Understanding
Between
Town of Nantucket Affordable Housing Trust Fund
And
NHA Properties, Inc.

This Amendment to the Memorandum of Understanding (“Amendment”) is entered into this ________ day of January 2023 between the Town of Nantucket Affordable Housing Trust Fund, acting by and through its Board of Trustees (the “Trust”) and NHA Properties, Inc. (“NHA”); the Trust and NHA are together referred to as the Parties (the “Parties”).

RECITALS

WHEREAS, the Parties executed a Memorandum of Understanding (“MOU”) dated February 12, 2021, in which the they agreed to certain terms and conditions concerning the purchase of 31 Fairgrounds Road, Nantucket by NHA and the construction of a twenty-two (22) unit affordable housing project thereon (the “Project”); and a grant in the amount of $3,600,000.00 from the Trust to NHA for the purchase of the Property, and the loan from the Trust to NHA in the amount of $6,750,000 (the “Original Loan Funds”) for the construction of the Project secured by a Mortgage on the Property;

WHEREAS, NHA completed the purchase of the Property and entered into a Land Development Agreement with Fairgrounds Common LLC (the “Builder), the builder of the Project;

WHEREAS, NHA and the Builder have obtained the necessary permits and approvals for the construction of the Project and have commenced construction of the Project;

WHEREAS, NHA has requested the Trust provide additional funding for the construction of the Project due to unforeseen increased costs of construction and changes in design of the Project and the Trust has agreed to provide to NHA additional funding in both loans and a grant in the total amount of $!,766,000.00 upon such terms and conditions described below;

NOW THEREFORE, in consideration of the foregoing and of other consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the following amendments to the MOU:

1. Grant Funds. In addition to the Grant Funds already awarded to NHA in the original MOU, the Trust shall provide to NHA a grant in the amount of $810,000.00 for the additional construction costs incurred due to the inflationary increases as well as enhanced construction techniques for the Project. As consideration for the Trust granting the Grant Funds, NHA

agrees to the terms and conditions set forth in Paragraph 2 of the original MOU which includes the delivery of an affordable housing restriction on the Property in perpetuity, and to continue to diligently perform as required pursuant to the MOU.

2. Loan Funds. The Trust agrees to make a loan to NHA in the amount of $856,000.00 for certain redesigns of the Project which have been approved by the Nantucket Planning Board and the Historic District Commission and a loan in the amount of $100,000 for the infrastructure construction costs associated with solar installation. The loans totaling $956,000.00 (the "Additional Loan Funds") will not amortize during the fifty (50)-year term of the Original Loan Funds and will then amortize the interest at the rate of one-half percent(0.5%) per annum over an additional seven (7) year term. NHA shall execute a Modification of the original Promissory Note dated February 12, 2021 for the Additional Loan Funds. NHA agrees that as security for the Additional Loan Funds NHA shall grant to the Trust a Modification of the Mortgage, Security Agreement and Assignment of Leases and Rents on the Property dated February 12, 2021. The Trust may forgive the Additional Loan Funds provided the Trust, in its sole discretion, is satisfied that NHA complies with certain performance criteria including but not limited to the following: completion of construction of Project and obtaining certificates of occupancy for Project in a timely manner, NHA's compliance with the Department of Housing and Community Development requirements for affordable housing project and management of Project as an affordable housing project, maintenance of Project in good condition and repairs made in a timely manner, and not in default of any terms of the Promissory Note, Mortgage and Security Agreement and Grant and Loan Agreement.

3. MOU in Effect- Any and all terms and conditions which are inconsistent with the terms and conditions in the MOU are expressly intended to supersede said terms. All other terms and conditions of the MOU shall remain in full force and effect as originally stated.

4. Defined Terms- Capitalized terms used in this Amendment to Memorandum of Understanding which are not defined herein shall have the meaning assigned to them in the MOU.

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

TOWN OF NANTUCKET AFFORDABLE HOUSING TRUST FUND By its Board of Trustees	NHA PROPERTIES, INC.
_________________________ Brian Sullivan, Chair	______________________________ Peter T. Kaizer, President
_________________________ Reema Sherry, Vice Chair	______________________________ Paul Wolf, Jr., Treasurer

844238NANT19710/0009

MODIFICATION OF MORTGAGE

This Modification of Mortgage (the "Modification") made the _____ day of ____January 2023 between NHA Properties, Inc., a Massachusetts nonprofit corporation, whose address is 75 Old South Road, Nantucket, Massachusetts 02554 ("Borrower") and 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 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 271, acting by and through its Board of Trustees, having an address of 2 Fairgrounds Road, Nantucket, Massachusetts 02554, its successors and permitted assigns ("Lender"):

WITNESSETH

WHEREAS, the Borrower executed a certain Promissory Note dated February 12, 2021(the "Note") in the principal amount of Six Million Seven Hundred Fifty Thousand and /00 Dollars ($6,750,000.00) to the Lender on the Maturity Date as defined in the Note; and

WHEREAS, to secure the Note and the Borrower's obligations thereunder, the Borrower executed and delivered to Lender a Mortgage, Security Agreement and Assignment of Leases and Rents in the original principal amount of Six Million Seven Hundred Fifty Thousand and 00/100 Dollars ($6,750,000.00) dated February 12, 2021 and recorded with Nantucket County Registry of Deeds in Book 1803, Page 1 on certain property located at 31 Fairgrounds Road, Nantucket, Massachusetts 02554 more particularly described in Deed to Borrower recorded with said Deeds in Book 1802, Page 341 (the "Mortgage");

WHEREAS, the Lender and the Borrower wish to increase the principal amount of the Note;

NOW, THEREFORE, in consideration of One Dollar ($1.00) and other good and valuable consideration paid, the undersigned here agree to modify the terms of the Mortgage as follows:

The principal amount of the indebtedness of the Borrower to the Lender secured by said Mortgage is changed from Six Million Seven Hundred Fifty Thousand and 00/100 Dollars ($6,750,000.00) to Seven Million Seven Hundred Six Thousand and 00/100 Dollars ($7,706,000.00).

All other terms, provisions, conditions and agreements contained in and referred to in the Mortgage, except as modified by the terms of this Modification shall be and remain in full force and effect and are hereby ratified and confirmed in all respects. This Modification shall bind all respective successors, and assigns of each of the parties hereto.

In Witness Whereof the said parties have hereunto set their hands and seals the day and year first above written.

BORROWER: NHA PROPERTIES, INC.

____
Peter T. Kaizer, President

____
Paul Wolf, Jr., Treasurer

LENDER: TOWN OF NANTUCKET
AFFORDABLE HOUSING TRUST
FUND

____
By:

COMMONWEALTH OF MASSACHUSETTS

Nantucket, ss

On this _____________ day of January, 2023, before me, the undersigned Notary Public, personally appeared Peter T. Kaizer and Paul Wolf, Jr., President and Treasurer respectively of NHA Properties, Inc., who 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 it voluntarily for its stated purpose on behalf of NHA Properties, Inc..

____
(Official Signature and Seal of Notary)

COMMONWEALTH OF MASSACHUSETTS

Nantucket, ss

On this _____________ day of January, 2023, before me, the undersigned Notary Public, personally appeared ___________________________, who 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/she signed it voluntarily for its stated purpose on behalf of the Town of Nantucket Affordable Housing Trust Fund

____
(Official Signature and Seal of Notary Public

AMENDMENT TO PROMISSORY NOTE

This Amendment to Promissory Note made this ____ day of January, 2023 between NHA Properties, Inc., having an address at 75 Old South Road, Nantucket, Massachusetts 02584 (the "Borrower") and the Town of Nantucket Affordable Housing Trust Fund, acting by and through its Board of Trustees, having an address at 2 Fairgrounds Road, Nantucket, Massachusetts 02554, and its successors and assigns (the "Lender"), witnesseth:

Whereas, the Borrower executed and delivered to the Lender a certain promissory note dated the 12th day of February, 2021 (the "Note"), whereby, in return for a loan of $ 6,750,000.00(the "Original Loan") the Borrower promised to pay to the order of the Lender the sum of $6,750,000.00 on the Maturity Date as defined in the Note; and

Whereas, the Lender is now the holder of the Note; and

Whereas, the Borrower requested to increase the amount of the Loan and the Lender agrees to an increase in the amount of the Loan.

Now, therefore, the Lender and the Borrower, for themselves, their heirs, executors, administrators, successors and assigns, hereby mutually agree that the Note shall be amended as follows:

1. The amount of the Original Loan and the principal sum to be paid under the Note shall be increased by a loan amount of $956,000.00 (the "Additional Loan") and that the principal sum to be paid under the Note is $7,706,000.00;
2. The Maturity Date of the Original Loan remains as described in the Note and the Maturity Date for the Additional Loan shall be seven (7) years from the Maturity Date of the Original Loan, being February 11, 2078.
3. The Borrower hereby covenants that it will pay the principal sum of the Original Loan at the times specified in the Note; however the Additional Loan shall not amortize during the fifty (50)-year term of the Original Loan, and will amortize the interest at the rate of one-half percent (0.5%) per annum over an additional seven (7) year term from the Maturity Date of the Original Loan. The Borrower shall pay quarterly to the Lender a payment of principal and interest amortized to repay the Additional Loan plus accrued and unpaid interest by the Maturity Date of the Additional Loan, on which date the unpaid principal sum together with the accrued interest thereon shall be due and payable.
4. The Borrower hereby covenants that it will pay the principal sum of the Original Loan at the times specified in the Note, and that it will perform and observe all the covenants, agreements, stipulations and conditions on the part of the Borrower in the Note contained in all respects as if the said principal sum had originally been $7,706,000.00.

Except as amended herein, all terms of the Note shall remain in full force and effect.

In Witness Whereof the said parties have hereunto set their hands and seals the day and year first above written.

BORROWER: NHA PROPERTIES, INC.

____

Peter T. Kaizer, President

____

Paul Wolf, Jr., Treasurer

LENDER:
TOWN OF NANTUCKET AFFORDABLE
HOUSING TRUST FUND

____

844323NANT19710/0009

Amendment to the
Grant and Loan Agreement
for
NHA Properties, Inc.

This Amendment to the Grant and Loan Agreement ("Amendment") is entered into this ________ day of January 2023 between the Town of Nantucket Affordable Housing Trust Fund, acting by and through its Board of Trustees (the "Trust") and NHA Properties, Inc. ("NHA"); the Trust and NHA are together referred to as the Parties (the "Parties").

WITNESSETH

WHEREAS, the Parties executed a Grant and Loan Agreement ("Grant and Loan Agreement") dated February 12, 2021, in which the they agreed to certain terms and conditions concerning the purchase of 31 Fairgrounds Road, Nantucket by NHA and the construction of a twenty-two (22) unit affordable housing project thereon (the "Project"); and a grant in the amount of $3,600,000.00 from the Trust to NHA for the purchase of the Property, and the loan from the Trust to NHA in the amount of $6,750,000 (the "Original Loan Funds") for the construction of the Project thereon, which is subject to a perpetual affordable housing restriction held by the Town of Nantucket, and which loan is secured by a mortgage on the Property;

WHEREAS, NHA completed the purchase of the Property and entered into a Land Development Agreement with Fairgrounds Common LLC (the "Builder), the builder of the Project;

WHEREAS, NHA and the Builder have obtained the necessary permits and approvals for the construction of the Project and have commenced construction of the Project;

WHEREAS, NHA has requested the Trust provide additional funding for the construction of the Project due to unforeseen increased costs of construction and changes in design of the Project and the Trust has agreed to provide to NHA additional funding in both loans and a grant in the total amount of $!,766,000.00 upon such terms and conditions described below;

NOW THEREFORE, in consideration of the foregoing and of other consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the following amendments to the Grant and Loan Agreement:

1. <u>Grant Funds.</u> In addition to the Grant Funds already awarded to NHA in the original Grant and Loan, the Trust shall provide to NHA a grant in the amount of $810,000.00 for the additional construction costs incurred due to the inflationary increases as well as enhanced construction techniques for the Project.

2. Loan Funds. The Trust agrees to make a loan to NHA in the amount of $856,000.00 for certain redesigns of the Project which have been approved by the Nantucket Planning Board and the Historic District Commission and a loan in the amount of $100,000 for the infrastructure construction costs associated with solar installation. The loans totaling $956,000.00 (the "Additional Loan Funds") will not amortize during the fifty (50)-year term of the Original Loan Funds and the interest will then amortize at the rate of one-half percent (0.5%) per annum over an additional seven (7) year term. NHA shall execute a Modification of the original Promissory Note dated February 12, 2021 for the Additional Loan Funds. NHA agrees that as security for the Additional Loan Funds NHA shall grant to the Trust a Modification of the Mortgage, Security Agreement and Assignment of Leases and Rents on the Property dated February 12, 2021. The Trust may forgive the Additional Loan Funds provided the Trust, in its sole discretion, is satisfied that NHA complies with certain performance criteria including but not limited to the following: completion of construction of Project and obtaining certificates of occupancy for Project in a timely manner, NHA's compliance with the Department of Housing and Community Development requirements for affordable housing project and management of Project as an affordable housing project, maintenance of Project in good condition and repairs made in a timely manner, and not in default of any terms of the Promissory Note, Mortgage and Security Agreement and Grant and Loan Agreement.

3. Grant and Loan Agreement in Effect. Any and all terms and conditions which are inconsistent with the terms and conditions in the Grant and Loan are expressly intended to supersede said terms. All other terms and conditions of the Grant and Loan Agreement shall remain in full force and effect as originally stated.

4. Defined Terms. Capitalized terms used in this Amendment to Grant and Loan Agreement which are not defined herein shall have the meaning assigned to them in the Grant and Loan Agreement.

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

TOWN OF NANTUCKET AFFORDABLE HOUSING TRUST FUND By its Board of Trustees	NHA PROPERTIES, INC.
________________________ Brian Sullivan, Chair	________________________ Peter T. Kaizer, President
________________________ Reema Sherry, Vice Chair	________________________ Paul Wolf, Jr., Treasurer

844357NANT19710/0009

Second Amendment to the
Memorandum of Understanding
Between
Town of Nantucket Affordable Housing Trust Fund
And
NHA Properties, Inc.

This Second Amendment to the Memorandum of Understanding ("Second Amendment") is entered into this ________ day of January 2023 between the Town of Nantucket Affordable Housing Trust Fund, acting by and through its Board of Trustees (the "Trust") and NHA Properties, Inc. ("NHA"); the Trust and NHA are together referred to as the Parties (the "Parties").

RECITALS

WHEREAS, the Parties executed a Memorandum of Understanding ("MOU") dated February 12, 2021, in which the they agreed to certain terms and conditions concerning the purchase of 31 Fairgrounds Road, Nantucket by NHA and the construction of a twenty-two (22) unit affordable housing project thereon (the "Project"); and a grant in the amount of $3,600,000.00 from the Trust to NHA for the purchase of the Property, and the loan from the Trust to NHA in the amount of $6,750,000 (the "Original Loan Funds") for the construction of the Project secured by a Mortgage on the Property;

WHEREAS, the Parties executed an Amendment to the Memorandum of Understanding (the "Amendment") dated January ___, 2023 in which the Trust agreed to provide additional funding to NHA in both loans and a grant in the total amount of $1,766,000.00;

WHEREAS, NHA has requested the Trust provide additional funding for the construction of the Project due to unforeseen increased costs of construction and the Trust has agreed to provide to NHA additional funding in both a loan and a grant in the total amount of $!,763,000.00 upon such terms and conditions described below;

NOW THEREFORE, in consideration of the foregoing and of other consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the following amendments to the MOU:

1. Grant Funds. In addition to the Grant Funds already awarded to NHA in the Amendment, the Trust shall provide to NHA a grant in the amount of $1,000,000.00 for the additional construction costs incurred due to the inflationary increases for the Project. As consideration for the Trust granting the Grant Funds, NHA agrees to the terms and conditions set forth in the Amendment which includes the delivery of an affordable housing restriction on the Property in perpetuity.

2. Loan Funds. The Trust agrees to make a loan to NHA in the amount of $763,000.00 (the “Second Additional Loan”) for increased costs of goods and services for the construction of the Project.This Second Additional Loan will not amortize during the fifty (50)-year term of the Original Loan Funds and will then amortize the interest at the rate of one-half percent(0.5%) per annum over an additional seven (7) year term as set forth in the Amendment. NHA shall execute a Second Amendment of Promissory Note for the Second Additional Loan. NHA agrees that as security for the Second Additional Loan NHA shall grant to the Trust a Second Modification of the Mortgage, Security Agreement and Assignment of Leases and Rents on the Property dated February 12, 2021. The Trust may forgive the Second Additional Loan provided the Trust, in its sole discretion, is satisfied that NHA complies with certain performance criteria including but not limited to the following: completion of construction of Project and obtaining certificates of occupancy for Project in a timely manner, NHA’s compliance with the Department of Housing and Community Development requirements for affordable housing project and management of Project as an affordable housing project, maintenance of Project in good condition and repairs made in a timely manner, and not in default of any terms of the Promissory Note, Mortgage and Security Agreement and Grant and Loan Agreement.

3. Amended MOU in Effect- Any and all terms and conditions which are inconsistent with the terms and conditions in the Amended MOU are expressly intended to supersede said terms. All other terms and conditions of the Amended MOU shall remain in full force and effect as originally stated.

4. Defined Terms- Capitalized terms used in this Second Amendment to Memorandum of Understanding which are not defined herein shall have the meaning assigned to them in the MOU

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

TOWN OF NANTUCKET AFFORDABLE HOUSING TRUST FUND By its Board of Trustees	NHA PROPERTIES, INC.
____________________________ Brian Sullivan, Chair	____________________________ Peter T. Kaizer, President
____________________________ Reema Sherry, Vice Chair	____________________________ Paul Wolf, Jr., Treasurer

8443898NANT19710/0009

AMENDMENT TO PROMISSORY NOTE

This Second Amendment to Promissory Note made this ____ day of January, 2023 between NHA Properties, Inc., having an address at 75 Old South Road, Nantucket, Massachusetts 02584 (the "Borrower") and the Town of Nantucket Affordable Housing Trust Fund, acting by and through its Board of Trustees, having an address at 2 Fairgrounds Road, Nantucket, Massachusetts 02554, and its successors and assigns (the "Lender"), witnesseth:

Whereas, the Borrower executed and delivered to the Lender a certain promissory note dated the 12th day of February, 2021 (the "Note"), whereby, in return for a loan of $ 6,750,000.00(the "Original Loan") the Borrower promised to pay to the order of the Lender the sum of $6,750,000.00 on the Maturity Date as defined in the Note; and

Whereas, purusnat to an Amendment to Promissory Note dated January ____, 2023, the Borrower and the Lender agreed to increase the principal amount of the Note to $7,706,000.00; and

Whereas, the Lender is now the holder of the Note; and

Whereas, the Borrower requested to further increase the amount of the Loan and the Lender agrees to a further increase in the amount of the Loan.

Now, therefore, the Lender and the Borrower, for themselves, their heirs, executors, administrators, successors and assigns, hereby mutually agree that the Note shall be amended as follows:

1. The amount of the Loan and the principal sum to be paid under the Note shall be increased by a loan amount of $763,000.00 (the "Second Additional Loan") and that the principal sum to be paid under the Note is $8,469,000.00
2. The Maturity Date of the Original Loan remains as described in the Note and the Maturity Date for the Additional Loan and the Second Additional Loan shall be seven (7) years from the Maturity Date of the Original Loan, being February 11, 2078.
3. The Borrower hereby covenants that it will pay the principal sum of the Original Loan at the times specified in the Note; however the Additional Loan and the Second Additional Loan shall not amortize during the fifty (50)-year term of the Original Loan, and will amortize the interest at the rate of one-half percent (0.5%) per annum over an additional seven (7) year term from the Maturity Date of the Original Loan. The Borrower shall pay quarterly to the Lender a payment of principal and interest amortized to repay the Additional Loan and the Second Additional Loan plus accrued and unpaid interest by the Maturity Date of the Additional Loan and Second Additional Loan, on which date the unpaid principal sum together with the accrued interest thereon shall be due and payable.
4. The Borrower hereby covenants that it will pay the principal sum of the Original Loan at the times specified in the Note, and that it will perform and observe all the covenants, agreements, stipulations and conditions on the part of the Borrower in the Note contained in all respects as if the said principal sum had originally been $8,469,000.00.

Except as amended herein, all terms of the Note shall remain in full force and effect.

In Witness Whereof the said parties have hereunto set their hands and seals the day and year first above written.

BORROWER: NHA PROPERTIES, INC.

____

Peter T. Kaizer, President

____

Paul Wolf, Jr., Treasurer

LENDER:
TOWN OF NANTUCKET AFFORDABLE
HOUSING TRUST FUND

____

SECOND MODIFICATION OF MORTGAGE

This Second Modification of Mortgage (the " Second Modification") made the _____ day of ____January 2023 between NHA Properties, Inc., a Massachusetts nonprofit corporation, whose address is 75 Old South Road, Nantucket, Massachusetts 02554 ("Borrower") and 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 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 271, acting by and through its Board of Trustees, having an address of 2 Fairgrounds Road, Nantucket, Massachusetts 02554, its successors and permitted assigns ("Lender"):

WITNESSETH

WHEREAS, the Borrower executed a certain Promissory Note dated February 12, 2021(the "Note") in the principal amount of Six Million Seven Hundred Fifty Thousand and /00 Dollars ($6,750,000.00) to the Lender on the Maturity Date as defined in the Note; and

WHEREAS, to secure the Note and the Borrower's obligations thereunder, the Borrower executed and delivered to Lender a Mortgage, Security Agreement and Assignment of Leases and Rents in the original principal amount of Six Million Seven Hundred Fifty Thousand and 00/100 Dollars ($6,750,000.00) dated February 12, 2021 and recorded with Nantucket County Registry of Deeds in Book 1803, Page 1 on certain property located at 31 Fairgrounds Road, Nantucket, Massachusetts 02554 more particularly described in Deed to Borrower recorded with said Deeds in Book 1802, Page 341 (the "Mortgage");

WHEREAS, the Lender and the Borrower increased the principal amount of the Note and the Borrower executed a certain Amendment to Promissory Note dated January ____, 2023, increasing the principal amount of the Note to Seven Million Seven Hundred Six Thousand and 00/100 Dollars ($7,706,000.00);

WHEREAS, to secure the Amendment to Promissory Note and the Borrower's obligations thereunder, the Borrower executed and delivered a Modification of Mortgage in the principal amount of Seven Million Seven Hundred Six Thousand and 00/100 Dollars ($7,706,000.00) dated January ____, 2023 recorded herewith in Nantucket County Registry of Deeds in Book _____, Page _____ on certain property located at 31 Fairgrounds Road, Nantucket, Massachusetts 02554 more particularly described in Deed to Borrower recorded with said Deeds in Book 1802, Page 341 (the "Modification of Mortgage");

WHEREAS, the Lender and the Borrower agreed to further increase the principal amount of the Note and the Borrower executed a certain Second Amendment to Promissory Note dated January ____, 2023 increasing the principal amount of the Note to Eight Million Four Hundred Sixty-Nine Thousand and 00/100 Dollars ($8,469,000.00);

NOW, THEREFORE, in consideration of One Dollar ($1.00) and other good and valuable consideration paid, the undersigned here agree to modify the terms of the Mortgage as follows:

The principal amount of the indebtedness of the Borrower to the Lender secured by said Mortgage is changed from Seven Million Seven Hundred Six Thousand and 00/100 Dollars ($7,706,000.00) to Eight Million Four Hundred Sixty-Nine Thousand and 00/100 Dollars ($8,469,000.00).

All other terms, provisions, conditions and agreements contained in and referred to in the Mortgage, except as modified by the terms of this Second Modification shall be and remain in full force and effect and are hereby ratified and confirmed in all respects. This Second Modification shall bind all respective successors, and assigns of each of the parties hereto.

SIGNATURE PAGE TO FOLLOW

In Witness Whereof the said parties have hereunto set their hands and seals the day and year first above written.

BORROWER: NHA PROPERTIES, INC.

____
Peter T. Kaizer, President

____
Paul Wolf, Jr., Treasurer

LENDER: TOWN OF NANTUCKET
AFFORDABLE HOUSING TRUST
FUND

____
By:

COMMONWEALTH OF MASSACHUSETTS

Nantucket, ss

On this _____________ day of January, 2023, before me, the undersigned Notary Public, personally appeared Peter T. Kaizer and Paul Wolf, Jr., President and Treasurer respectively of NHA Properties, Inc., who 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 it voluntarily for its stated purpose on behalf of NHA Properties, Inc..

____
(Official Signature and Seal of Notary)

COMMONWEALTH OF MASSACHUSETTS

Nantucket, ss

On this _____________ day of January, 2023, before me, the undersigned Notary Public, personally appeared ___________________________, who 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/she signed it voluntarily for its stated purpose on behalf of the Town of Nantucket Affordable Housing Trust Fund

____
(Official Signature and Seal of Notary Public

Second Amendment to the
Grant and Loan Agreement
for
NHA Properties, Inc.

This Second Amendment to the Grant and Loan Agreement ("Second Amendment") is entered into this ________ day of January 2023 between the Town of Nantucket Affordable Housing Trust Fund, acting by and through its Board of Trustees (the "Trust") and NHA Properties, Inc. ("NHA"); the Trust and NHA are together referred to as the Parties (the "Parties").

WITNESSETH

WHEREAS, the Parties executed a Grant and Loan Agreement ("Grant and Loan Agreement") dated February 12, 2021, in which the they agreed to certain terms and conditions concerning the purchase of 31 Fairgrounds Road, Nantucket by NHA and the construction of a twenty-two (22) unit affordable housing project thereon (the "Project"); and a grant in the amount of $3,600,000.00 from the Trust to NHA for the purchase of the Property, and the loan from the Trust to NHA in the amount of $6,750,000 (the "Original Loan Funds") for the construction of the Project thereon, which is subject to a perpetual affordable housing restriction held by the Town of Nantucket, and which loan is secured by a mortgage on the Property;

WHEREAS, NHA requested the Trust provide additional funding for the construction of the Project, and the Trust agreed to provide to NHA additional funding in a grant and loans in the total amount of $1,766,000.00;

WHERREAS, the Parties executed an Amendment to the Grant and Loan Agreement dated January _____, 2023 in which the Trust awarded to NHA a grant in the amount of $810,000.00 and loans in the amount of $956,000.00 subject to the terms and conditions set forth therein;

WHEREAS, NHA has made an additional request to the Trust for additional funding for the construction of the Project due to increased costs of goods and service for the construction of the Project and the Trust has agreed to provide to NHA additional funding in both a grant and a loan in the total amount of $!,763,000.00 upon such terms and conditions described below;

NOW THEREFORE, in consideration of the foregoing and of other consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the following amendments to this Second Amendment to the Grant and Loan Agreement:

1. <u>Grant Funds.</u> In addition to the Grant Funds already awarded to NHA in the original Grant and Loan Agreement and the Amendment to Grant and Loan Agreement, the Trust shall provide to NHA a grant in the amount of $1,000,000.00 for the additional construction costs incurred.

2. Loan Funds. The Trust agrees to make a loan to NHA in the amount of $763,000.00 for additional construction costs for goods and services for the Project. The loan totaling $763,000.00 (the "Second Additional Loan Funds") will not amortize during the fifty (50)-year term of the Original Loan Funds and the interest will then amortize at the rate of one- half percent (0.5%) per annum over an additional seven (7) year term. NHA shall execute a Second Modification of the Promissory Note for the Second Additional Loan Funds. NHA agrees that as security for the Second Additional Loan Funds NHA shall grant to the Trust a Second Modification of the Mortgage, Security Agreement and Assignment of Leases and Rents on the Property dated February 12, 2021. The Trust may forgive the Second Additional Loan Funds provided the Trust, in its sole discretion, is satisfied that NHA complies with certain performance criteria including but not limited to the following: completion of construction of Project and obtaining certificates of occupancy for Project in a timely manner, NHA's compliance with the Department of Housing and Community Development requirements for affordable housing project and management of Project as an affordable housing project, maintenance of Project in good condition and repairs made in a timely manner, and not in default of any terms of the Promissory Note, Mortgage and Security Agreement and Grant and Loan Agreement.

3. Amendment to Grant and Loan Agreement in Effect. Any and all terms and conditions which are inconsistent with the terms and conditions in the Amendment to the Grant and Loan Agreement are expressly intended to supersede said terms. All other terms and conditions of the Amendment to the Grant and Loan Agreement shall remain in full force and effect as originally stated.

4. Defined Terms. Capitalized terms used in this Amendment to Grant and Loan Agreement which are not defined herein shall have the meaning assigned to them in the Grant and Loan Agreement.

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

TOWN OF NANTUCKET AFFORDABLE HOUSING TRUST FUND By its Board of Trustees	NHA PROPERTIES, INC.
____________________________ Brian Sullivan, Chair	____________________________ Peter T. Kaizer, President
____________________________ Reema Sherry, Vice Chair	____________________________ Paul Wolf, Jr., Treasurer

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