

***Make It Happen Fund***  
***Opportunity for Impact***

The non-profit Island Housing Trust (IHT) has established a community investment fund called the *Make It Happen Fund* to provide ready capital to quickly purchase properties from the open market and to provide construction financing. IHT secures public grants, private donations, and project financing to pay back the *Make It Happen Fund's* revolving lines of credit.

Over the past fifteen years the IHT has developed **140 affordable ownership and rental homes for over 350 year-round working Island residents and their children**. In 2021, we launched our bold Vision 2025 plan to triple our annual production by creating 150 housing units by the end of 2025.

In partnership with private foundations and family offices, the *Make It Happen Fund* creates a path for private investment that allows the IHT greater opportunity to create critically needed permanently affordable housing. We believe this type of project finance is a scalable and replicable model of community-sourced investment. In the fund's first five years, 11 family foundations and individuals have invested \$4.7 million in revolving lines of credit that have provided over \$6.5 million in recycled investment to enable IHT's purchase of the Hanover House, Greenwood Avenue, and Perlman House in Vineyard Haven, along with a solar and advanced septic installation at Scott's Grove in West Tisbury, and acquisition and construction financing at Kuehn's Way in Tisbury.

The IHT is soliciting preapproved revolving lines of credit from private foundations and is soliciting other investors to help in the purchase of properties on the open market suitable for development of permanently affordable housing. The terms for our existing line of credit include:

- Five-year line of credit with one-year extensions as approved by the foundation.
- Advances approved by foundation within 7 business days.
- Any draw on the line will start a five-year term for repayment with one-year extensions as approved by the lender.
- 1% simple interest rate paid at maturity for any and all grants of credit.
- Loans will subordinate to construction and permanent financing of IHT.
- Loan principal and interest payable at maturity or earlier through public grants and private donations received by IHT.

**Opportunity for Impact**

An investment in the *Make It Happen Fund* represents a significant opportunity to advance our goal of providing affordable housing for those that need it most. Preapproved revolving lines of credit are critical to quickly securing properties from the open market and financing construction, and will have a tremendous impact in realizing our goal of creating 150 new homes and rentals by the end of 2025 for the hundreds of working Island families and individuals on our waiting list. Thank you again for your interest in the Island Housing Trust's transformative work. We sincerely appreciate your consideration in helping ensure that the neighbors and friends we rely on every day to sustain this very special Island have a safe and permanent place to call home.

Please contact IHT **Chief Advancement Office Joanna McCarthy** at 508-693-1117 x7 or [jmccarthy@ihtmv.org](mailto:jmccarthy@ihtmv.org) for more information about funding and financing opportunities.

## REVOLVING LINE OF CREDIT AGREEMENT

This Revolving Line of Credit Agreement is hereby made and entered into as of this \_\_\_ day of \_\_\_\_\_, 2022 by and between the ISLAND HOUSING TRUST CORPORATION, a Massachusetts non-profit corporation with a mailing address of P.O. Box 779 West Tisbury, MA 02575 (hereafter "IHT" or "BORROWER") and \_\_\_\_\_ with a mailing address of \_\_\_\_\_ ("LENDER"), upon the following terms and conditions:

1. Purpose. To assist IHT's Make It Happen Fund for the purchase of parcels of real property ("Property" or "Properties") located on Martha's Vineyard suitable for development of permanently affordable housing for low and moderate income residents ("Purpose").
2. Term.
  - a. The Term of this Line of Credit will be five (5) years from the Effective Date unless extended by the mutual written agreement of IHT and LENDER.
  - b. Each of the Term and the Line of Credit is terminable by LENDER in the event IHT is in breach of: (i) this Agreement and/or promissory note(s) executed by IHT in connection herewith; and/or (ii) any loan, security, assignment of rents, guarantee or any other document from any lender including LENDER executed by IHT.
3. Line of Credit Principal. Not to exceed TWO MILLION AND NO/100 (\$2,000,000.00) DOLLARS as described in Section 5 below ("Principal").
4. Interest. Advances will bear simple interest ("Interest") at a rate of (a) one percent (1%) per annum, or (b) the Applicable Federal Rate as published by the Internal Revenue Service as of the time of any advance, at the written election of IHT upon request for an advance. Principal and accrued Interest may be paid by IHT at any time until due, provided that any payments made by IHT to LENDER will be applied first to any accrued and unpaid Interest and then to Principal.
5. Advances.
  - a. Any and all funds advanced pursuant to this Agreement shall be used only for the Purpose.
  - b. Each advance shall be (i) an amount mutually acceptable to IHT and LENDER but not more than \$2,000,000.00 or less than \$25,000.00, and (ii) made pursuant to a promissory note in the form attached hereto as Exhibit A and executed by IHT in favor of LENDER.
  - c. At least 10 days prior to each advance, IHT shall provide to LENDER (i) a project description including pro-forma financials, anticipated sources of funding and timeline ("Project Description"); and (ii) evidence of a duly ratified resolution of the IHT Board of Directors authorizing the advance pursuant to this Agreement and any promissory note(s) executed in connection therewith.
  - d. Provided that the Project Description meets LENDER's criteria for Advance (such criteria to be discussed with IHT from time to time), LENDER shall make advances under this Agreement within seven (7) business days after receipt by LENDER from IHT of the information described in Section 5 c. above.
6. Use of Proceeds for the Purpose. IHT shall use each advance for acquisition of one or more Properties approved in advance in writing by LENDER, which approval shall not be unreasonably withheld.

7. Other Loans.
  - a. IHT may enter into loan agreements with one or more other lenders for construction and permanent financing of low and moderate income housing (“Improvements”) on Properties for the Purpose (“Other Loans”).
  - b. This Agreement and the advances will be general obligations of IHT and will not be secured.
8. Payments. The Principal and Interest of advances will be due as follows:
  - a. All Principal and any accrued and unpaid Interest from any and all advances will be subject to acceleration and payment at the option of LENDER in the event IHT is in breach of any payment obligation and/or negative covenant under this Agreement and/or promissory note(s) executed by IHT in connection herewith.
  - b. All Principal and accrued and unpaid Interest from advances relating to any Property will become due at the earlier of (i) the end of the Term or (ii) 15 business days after IHT notifies LENDER in writing that it has received funds from public grants and/or private charitable contributions which are (A) clearly and specifically restricted for use toward development of permanently affordable housing for low and moderate income residents on such Property, and (B) sufficient to make such payment in full, provided that any or all such payments under this Section 8(b)(ii) may be deferred by written agreement of IHT and LENDER.
9. Revolving line. Any amounts repaid per Section 8(b)(ii) shall be available for additional advance(s) until the expiration of the Term.
10. Entire Agreement. This Agreement, including any Exhibits and any Addenda attached hereto, and the documents referred to herein, if any, constitute the entire agreement between IHT and LENDER with respect to the Revolving Line of Credit, and supersede all prior or contemporaneous agreements, understandings, proposals and other representations by or between IHT and LENDER, whether written or oral, all of which are merged herein.
11. Miscellaneous. This Agreement may not be amended or modified except in writing signed by IHT and LENDER. The determination that any provisions hereof may be void, invalid, illegal or unenforceable shall not impair any other provisions hereof and all such other provisions of this Agreement shall remain in full force and effect. The unenforceability, invalidity or illegality of any provision of this Agreement under particular circumstances shall not render unenforceable, invalid or illegal other provisions of this Agreement, or the same provisions under other circumstances. This Agreement shall be construed and interpreted in accordance with the laws (excluding conflict of laws principles) of the Commonwealth of Massachusetts. The provisions of this Agreement shall be construed in accordance with the fair meaning of the language used and shall not be strictly construed against either party, even if such party drafted the provision in question. When required by the context of this Agreement, the singular includes the plural. Wherever the term “including” is used in this Agreement, it shall be interpreted as meaning “including, but not limited to” the matter or matters thereafter enumerated. The captions contained in this Agreement are for purposes of convenience only and are not to be used to interpret or construe this Agreement.
12. Legal Authority Of Entities. Each of the persons executing this Agreement on behalf of an entity warrants and represents (A) that he or she is signing on behalf of a duly organized and validly existing entity; (B) that he or she has full right and authority to enter into this Agreement; and (C) that he or she is authorized by his or her respective entity to sign this Agreement and has been granted the power to bind his or her respective entity to this Agreement. Simultaneously with the execution hereof, IHT shall provide LENDER with a resolution certified by the secretary or other authorized person(s), or with other with evidence reasonably satisfactory to LENDER, confirming the foregoing representations.

Executed under seal as of the date first written above.

BORROWER  
Island Housing Trust Corporation

By: \_\_\_\_\_  
Philippe Jordi, Executive Director

\_\_\_\_\_  
Witness

LENDER

By: \_\_\_\_\_

\_\_\_\_\_  
Witness