



December 10, 2018

Mr. Jeff Allen, President  
The Margaret Fuller Neighborhood House, Inc.  
71 Cherry Street  
Cambridge, MA 02139

Re: Letter of Intent/Expression of Objectives  
MFNH/CRA Cooperation

Dear Mr. Allen:

This Letter of Intent (“**Letter**”) is written to reflect the shared objectives and understandings of The Margaret Fuller Neighborhood House, Inc. (the “**MFNH**”) and the Cambridge Redevelopment Authority (the “**CRA**”, together with MFNH, the “**Parties**” or individually, a “**Party**”) concerning our joint efforts to cooperate regarding the future of MFNH’s property located at 71 Cherry Street, Cambridge (the “**Site**”) as shown on Exhibit A. The Letter is informed by the following mutual understandings:

- The Site is located within the Port neighborhood of the City of Cambridge (the “**City**”), proximate to Kendall Square, where the CRA has long been active;
- From the Site, MFNH has provided community programs and has been an active and important part of the City’s social service network for decades. Today, it is exploring its future;
- The CRA is initiating the final phase of the successful Kendall Square Urban Renewal Plan, started in 1965, pursuant to which the Kendall Square Urban Renewal Area has been redeveloped. Over the last several years, the CRA has explored ways to share the public benefits of the success of this redevelopment project in other areas of the City;
- The City Council of the City has declared that increasing access to affordable housing is a top priority, and the City’s City Manager has reaffirmed this objective on numerous occasions (the “**City’s Housing Goals**”); and
- The Parties are interesting in pursuing the possibility of leveraging the CRA’s resources in a manner that furthers the City’s Housing Goals while at the same time assisting MFNH in furthering its mission.

The Parties acknowledge that important aspects set forth in this Letter are conceptual, and that the further definition of the elements set forth below could affect the Parties’ respective positions regarding any element of this Letter, so it is premature to attempt to develop a complete or definitive statement of all the terms and conditions of any agreement between them regarding

the Project. The negotiation of terms and conditions satisfactory to the Parties will continue before a legally binding agreement is completed. This Letter is intended to be non-binding and to serve as a guideline for the negotiations necessary to finalize an agreement between the Parties with respect to the matters set forth below (the “**Agreement**”) which the Parties agree to use their respective commercially reasonable efforts to complete as soon as reasonably practicable or in alignment with a mutually agreeable milestone.

With those understandings in mind, the Parties execute this Letter and agree to the following.

1. The Parties agree to immediately begin working together on a regular basis to explore ways in which they can cooperate with each other to explore their joint objectives;

2. MFNH seeks from the CRA a loan in the principal amount of \$200,000, plus an agreed-upon interest rate (the “**Loan**”) in order to assist MFNH with the financing of its core programs;

3. MFNH agrees to immediately make available to the CRA such financial, program, personnel and other information as the CRA may reasonably request to consider whether it is advisable for the CRA to extend the Loan, and to make a determination with respect to such Loan on or before December 31, 2018 (such date, regardless of when it occurs, the “**Loan Decision Date**”). MFH acknowledges that some or all of such information may be considered a public record in accordance with the Commonwealth’s Public Records Law.

4. To the extent the CRA determines, in its sole and absolute discretion, that it will extend the Loan, the Loan will be secured by a valid, enforceable, record third mortgage on the Site, plus such other terms and conditions as the CRA may reasonably require, as initially described in Exhibit B. MFNH agrees to pay for a portion of closing costs of the loan, but may choose to be finance those closing costs within the mortgage agreement. In the event that the CRA determines, in its sole and absolute discretion, that it will not extend the Loan, this Parties will cease their joint efforts with no recourse by or to either Party;

5. The Parties also agree to immediately begin evaluating the potential for the CRA to become engaged in a “Housing Improvement Project” (a “**Project**”) consistent with its authority under Mass. Gen. L. c. 121B pursuant to which it would use some or all of the Site to advance the City’s Housing Goals while also continuing with the MFNH’s core mission. The Parties agree to make a determination as to whether it is in their mutual best interest to engage in a Project on or before December 31, 2019 (such date, regardless of when it occurs, the “**Project Decision Date**”). Any such decision to pursue or to not pursue the Project shall be made by each of the Parties in their sole and absolute discretion and shall confirmed by each Party in writing. The Parties will agree to a schedule of key milestones within 45 days of the Loan Decision Date.

6. As a part of its due diligence in connection with both the Loan and the Project, the MFNH agrees that the CRA plans to engage with City officials regarding the furtherance of the City’s Housing Goals in a manner consistent with this Letter. The Parties agree that the nature of the subject of this Letter is such that it will require public outreach and conversation with City

and other officials, the immediate and greater communities, and other stakeholder, and agree to cooperate with each other on public outreach in the pursuit and completion of their joint objectives.

7. The Parties agree that: (a) in the event they decide to pursue the Project, the Parties agree to use their respective reasonable efforts to conclude an Agreement on or before a date which is not more than sixty (60) days following the Project Decision Date. They further agree that in any such Agreement, the Loan will be converted to either a longer term loan or a form of equity contribution in a manner acceptable to the Parties; and (b) in the event they decide to not pursue the Project, the Loan will be converted into a longer term loan with a provision for a short term payment schedule should the MFNH pursue a real estate transaction with another entity.

\* \* \* \*

We enclose two copies of this Letter for your review. Should the terms meet with your approval, we ask that you execute all copies and return an original copy for the CRA's files.

Thank you. We look forward to working with you toward a mutually satisfactory transaction.

Sincerely,

**CAMBRIDGE REDEVELOPMENT  
AUTHORITY**

By:   
Thomas Evans, Executive Director

AGREED AND ASSENTED TO: December 11, 2018

**THE MARGARET FULLER  
NEIGHBORHOOD HOUSE, INC.**

By: \_\_\_\_\_  
Duly authorized

Enclosures:

Exhibit A – The Site

Exhibit B - Loan Terms

EXHIBIT A

THE SITE

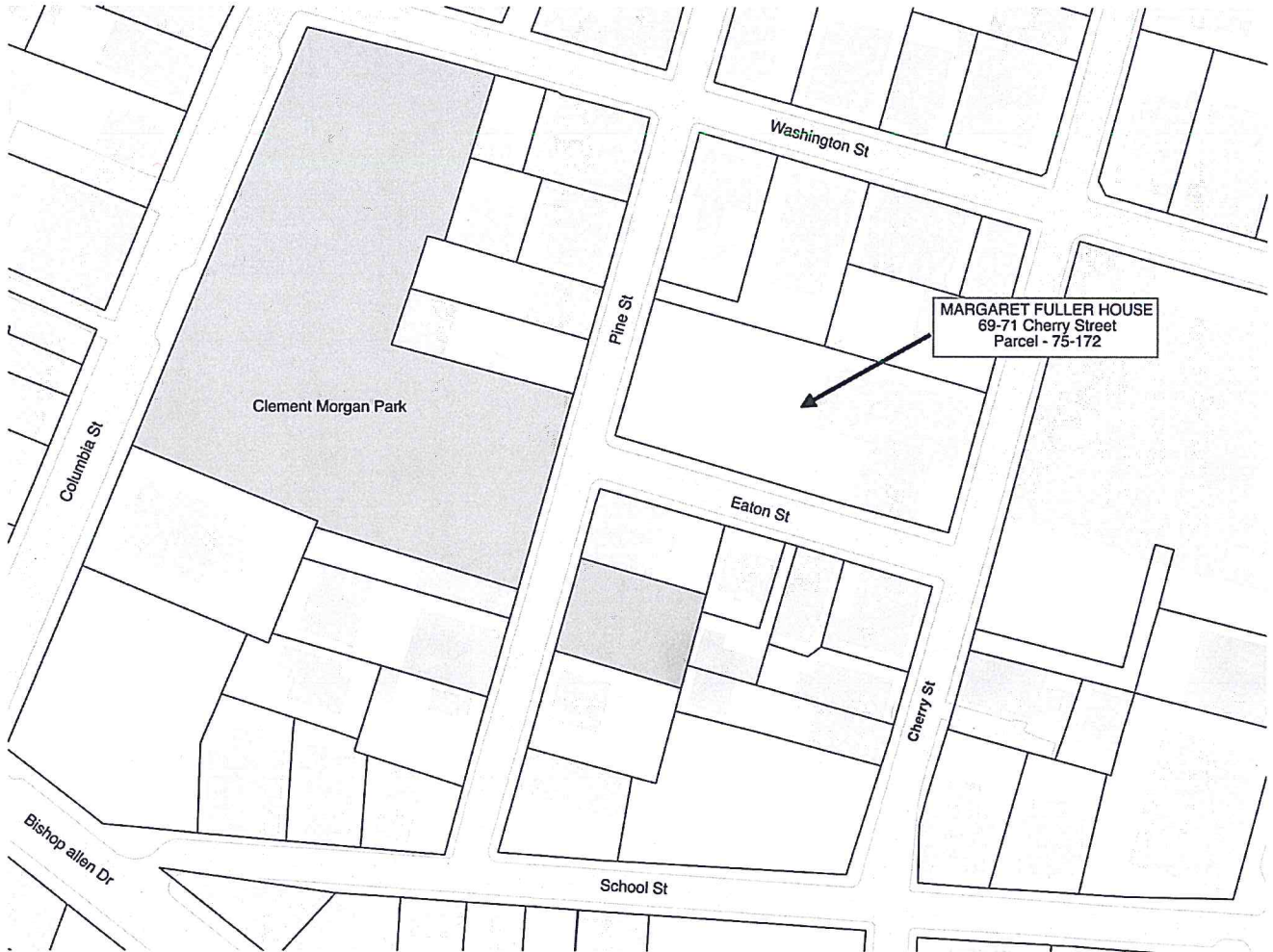


EXHIBIT B

LOAN TERMS

These loan conditions are cumulative to the other mutual understandings expressed in the Letter.

1. The principal amount of the Loan shall be \$200,000.
2. The interest rate on the Loan shall be equal to the Wall Street Journal Prime Rate published at the time of the extension of the Loan.
3. The Loan will be secured by a valid, enforceable, record mortgage on the Site (the "Mortgage").
4. The Loan and the Mortgage will be accomplished by execution of such documents as the CRA believes to be reasonably necessary to secure the Loan, including the following documents (the "Closing Documents"):
  - a. Promissory Note;
  - b. Mortgage;
  - c. Parties in Possession Affidavit;
  - d. Estoppel Certificate;
  - e. Closing Statement.
5. First drafts of the Closing Documents will be prepared by the CRA's counsel. The cost of preparation of the Closing Documents will be borne by the CRA and will not be included in the closing costs for which MFNH will be responsible.
6. MFNH will be responsible to pay closing costs associated with the Loan and the Mortgage, including but not limited to:
  - a. Title Examination;
  - b. Lender's Title Insurance;
  - c. Recording Costs;
  - d. Municipal Lien Certificate;
  - e. [Other costs].
7. The CRA will arrange to record the Mortgage, Municipal Lien Certificate, and such other documents as are necessary to secure the Loan.
8. The Parties anticipate that the closing on the loan will be completed on January 15, 2019.