



ANNUAL REPORT

August 2024



Four More Year-Round Rental Homes Coming Soon for Islesford!

CranberryIslesRealtyTrust.Org

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AGENDA
Project Kick-Off
Four New Year-Round Rental Homes on Islesford
And 2024 Annual Meeting
Sunday, August 25, 4 pm
Islesford Neighborhood House

- I. **Welcome & Overview Housing Expansion Initiative** – Ken Schmidt President
- II. **Greetings from Genesis Fund**, Steven McDermott, Senior Loan Officer
- III. **Thanks To Funders, Donors, Contractors & Volunteers** – Judith Timyan, VP
- IV. **Four Year-Round Islesford Rental Homes Coming Soon!** – Jeri Spurling,
Chair, Islesford Housing Development Committee
- V. **Why We Need Affordable Housing** – Lindsay Eyesnogle, Islesford Resident
- VI. **Tenant Selection Process** – Jim Gertmenian, Chair, CIRT Homes & Families
Committee, and Malcolm Fernald, Chair, Islesford Tenant Selection Committee
- VII. **Treasurer's Report** – Jim Kehoe
- VIII. **Welcome Home! Campaign Report** – Frank Reece, Campaign Co-Chair
- IX. **Questions & Comments** – All present
- X. **Approval of 2023 Annual Meeting Minutes** – Ken Schmidt
- XI. **Election Board Members & Officers** – Peter Buchsbaum, Governance Com
- XII. **Approval of Revised By-Laws** – Peter Buchsbaum, Governance Committee

Refreshments

PRESIDENT'S ANNUAL REPORT, August 2024

Ken Schmidt, Great Cranberry Island

On top of so much other great news in the last twelve months, including the opening of the GCI General Store and the Ashley Bryant Center, CIRT was thrilled to open **two new rental homes on GCI in late 2023 and purchase two properties on Islesford in June. Next year we will open four more affordable year-round rental homes on Islesford!** With these six new homes, in all CIRT will provide ten rental homes, as well as three privately-owned homes which CIRT has protected in perpetuity for year-round families.

We welcomed two new great families into GCI CIRT rental homes last December: **Dane and Jamie Thompson and son Ford**. They fit into the community with ease – and are involved in many community organizations, and Ford started at the Longfellow School.

Kevin and Jenna Mann moved into their new GCI home in December with then one year old son **Theo**. Theo was soon joined by **baby brother Shiloh** in July. Another great family to have as part of our community. In another CIRT home, **Heath and Aubrey Wedge welcomed baby Zoe Lavender** to their family of Madeline, Marigold, Otto, and Rosie.

To help CIRT keep learning and meeting community needs, we are welcoming **two outstanding community members to our board in August. Holly Stanley** is well-known, and much appreciated and respected as a community member, mother, and the extremely hard-working Manager of the General Store. She has lived on GCI for about ten years. Hollie says she is looking forward to giving back to the community as a member of the CIRT board, and, “My hope is to contribute a fresh perspective and an open mind.”

Hannah Folsom moved to Islesford 20 years ago and graduated from Ashley Bryan school. Hannah said: “I’ve done a bit of traveling since and have always come back home to Islesford....Over the last 20 years I have seen lots of families come and go from the island. I feel very strongly about providing year-round affordable housing on the islands for generations to come.” All the CIRT board are excited about Hollie’s and Hannah’s passion to help make affordable year-round housing available for the future.

Thank you to all CIRT’s Board members who have worked so long and hard to develop the six new rental homes. They are an *exceptional* team of talented, committed, hard-working and passionate islanders! It’s really a joy to be part of the CIRT board.

CIRT really is working! About a third of GCI’s year-round residents live in CIRT homes. On Islesford, when our four new homes have lights on with families next year, 25-30% of the Islesford winter population will be living in CIRT homes. Where would our islands be without all of CIRT’s soon thirteen homes and the good community people living in them?

CIRT BOARD of DIRECTORS – August 2024

Please contact us with any questions, concerns or ideas

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THANK YOU!

For Making Possible

CIRT's Four New Islesford Year-Round Rental Homes

Project Leader and CIRT's Vice President Judith Timyan. Judith wrote and prepared all the voluminous materials to Maine Housing and Genesis Fund required to get over \$1.7 million in loan funding which was critical for the project. She patiently responded to hundreds of emails and calls from the funders and contractors. Judith worked extremely long and hard hours for over a year to get this project off the ground. She has been the enormously competent and dedicated driver herding many cats behind the scenes for the success of the Islesford project. **A VERY SPECIAL AND HEART-FELT THANKS TO JUDITH!**

Donors: Thank you to everyone who has contributed to the Welcome Home! Campaign - donors large and small – you are all making a huge difference to the success of this project and helping to secure the future of our community.

Funders

- **Maine Housing Authority - Islands Initiative** - \$840,000 in a 45-year, forgivable loan for the four Islesford year-round rental homes (on top of \$420,000 it provided last year for two new GCI homes).
- **Genesis Fund**, for interim project financing, and invaluable technical support.

Contractors

- **Pickering, Inc**, who is remodeling the white house on Cross Rd, building a new one-bedroom ADU behind the white house, and putting in new septic systems at both properties.
- **Shippen Savidge**, who is expanding the little house at Maple Ave and doing the needed upgrades on the larger house at Maple Ave.
- **Roger St. Amand at Watershed Resources** for the design of the wastewater disposal systems for the two properties and the many extra hours helping us understand state codes and solve unexpected issues.
- **Thomas Benson**, Land Surveyors
- **J W Goodwin** for barging services
- **Justin Bennett, Attorney, Rudman and Winchell**, Ellsworth for legal work
- **George Dickson**, Project Manager for our Islesford housing project

Town of Cranberry Isles

- **The Select Board Members** for their positive encouragement and continual support.
- **Dennis Dever**, Code Enforcement, for his assistance with all things permitting,
- **Jim Fortune**, assistant to Select Board for his help and support.
- **Denise McCormick**, Town Clerk, for her on-going assistance.

Volunteers

- **Islesford Housing Development Committee** for its tireless work planning the homes and bringing them to life: **Chair Jeri Spurling, Judith Timyan, Andrei Pogany, Alice Dunn, Malcolm Fernald, Lindsay Eysnogle**. With huge thanks for the significant professional architectural services donated by Jeri, Andrei and Alice!
- **Islesford Tenant Selection Committee: Board members - Chair Malcolm Fernald, Judith Timyan, and Rev Jim Gertmenian; and community members Emma Fernald and Amy Philbrook.**
- **Welcome Home! Campaign Chair Frank Reece and Co-Chair Jim Kehoe, and all the Campaign Committee members**, for your considerable efforts to raise the significant funds needed to complete the GCI and Islesford housing projects: **Lindsay Eyesnogle, Andrei Pogany, Sam Reece, Judith Timyan, Malcolm Fernald, Kelly Sheets Dixon, Jim Gertmenian, Josh Liebow, Peter Buchsbaum, Ken Schmidt.**
- **Jim Kehoe** as Treasurer of CIRT for his work on loan applications and budgeting.
- **Thanks to everyone else helping out in any way!** We apologize if we neglected to list your name. But you are all helping to make this project a huge success!

REPORT OF ISLESFORD HOUSING DEVELOPMENT COMMITTEE

Jeri Spurling, Chair

Members: Andrei Pogany, Lindsay Eyesnogle, Malcolm Fernald, Judith Timyan, Alice Dunn

After many years of searching for ways to expand our inventory of year-round rental homes on Islesford, CIRT had the good luck of two opportunities coinciding a year ago: an offer of funding from the Maine State Housing Authority's 2022 Affordable Housing Initiative for Maine Islands and an offer to purchase two properties from a summer home owner who wanted the homes to revert to year-round residences. A CIRT board member team (three of whom are architects) put together the plans and a project budget in an application for the state funds to purchase the properties and create four rental units. Thank you to Peyton and Elaine Eggleston for their willingness to work with us in waiting for the wheels of state bureaucracy to turn so they could sell their properties. Funding was received in June 2024, CIRT purchased the properties, and building and renovation work began in early July. (Details on the properties and new units are further down in this report.)

The total cost of the Islesford project is \$1,600,000, the largest and boldest initiative CIRT has ever undertaken. (Including the two modular homes completed on GCI last Fall, the overall project cost is about \$2.7 million.) We received \$840,000 in the form of a forgivable loan from Maine Housing Authority and CIRT contributing \$200,000 of our own funds from previous fundraising efforts as well as from the sale of a home donated by Bruce Komusin on Great Cranberry. The Genesis Fund, a community loan fund out of Brunswick, Maine, selected by the state to assist the island projects with their application packages and funding plans, provided a bridge loan for the construction period and CIRT has undertaken a capital campaign to raise funds from the community to complete the funding package. (See the Welcome Home! campaign report below.). Thank you to the staff at MaineHousing and at The Genesis Fund for their tireless and friendly efforts to help us with planning the project, applying for funds, pushing through the bureaucracy, getting to closing on the loans and now staying alongside us as we do the renovation and building. This is truly once in a generation happening.



Peyton and Elaine sold two properties to CIRT at a reasonable price and really, without their foresight, CIRT would have nothing to work with to meet the huge demand for year round housing. One property faces Maple Avenue just across from the Islesford Fire Department. Now with funds in place, CIRT is replacing an aged septic system, drilling a new well in a location that does not interfere with surrounding systems, and turning a Studio cottage into a One Bedroom Rental Unit by adding a 16 foot by 16 foot bedroom addition and inserting a full kitchen into the existing cottage. The two bedroom home on the property will receive insulation, flooring, and ceiling upgrades. The One Bedroom Unit will receive a new Deck large enough to enjoy out door seating and grilling.

A second property sold to CIRT is located at 9 Cross Road, just behind the Town Offices. Currently a two story Colonial home sits there that is being renovated to remediate lead paint and shore up the foundation. We will also update the kitchen and downstairs bath/laundry and add an enclosed side entry. New septic and a new drilled well will be installed.

CIRT hopes to have the Maple Avenue One Bedroom and the 9 Cross St. Three Bedroom Colonial ready for rent by January 2025. We are now accepting applications for these two homes. To date, we have 3 applicants vying for each available home—-an indication of the great need for rental year round homes.

Once these two homes are ready for occupancy, more work will proceed on the existing Two Bedroom Home on Maple Avenue and a New One Bedroom ADU on the 9 Cross Road property.

We are thrilled for this opportunity to begin addressing the need for year round housing on Islesford with 4 new homes!



APPLICATION MATERIALS

TWO NEWLY-RENOVATED YEAR-ROUND RENTAL HOMES

Islesford, Little Cranberry Island

Expected Move-In Date: Jan 1, 2025

Two More One -Bedroom Homes Coming Later in 2025

Cross Road 3-bedroom home



Maple Ave. 1-bedroom home



Location: A one-bedroom home is located on Maple Avenue, a short drive or walk to the town dock and across from the Islesford Fire House. A three-bedroom is on Cross Road, in the heart of the island, near the Post Office, Town Office, school and Neighborhood House.

Descriptions: Maple Ave one-bedroom: This home has an open concept floor plan that includes a kitchen and living area. Appliances include washer and dryer, refrigerator, stove, and microwave. Rent: \$1200/month.

Cross Road three-bedroom: A large historic island home. Kitchen, living room, dining room, office and bathroom on the first floor. Three bedrooms and a bathroom on the second floor. Appliances include washer, dryer, refrigerator, stove, dishwasher and microwave. Rent: \$1400/month

Security deposit: One month's rent.

The homes are well-insulated with heat pumps, heat pump water heaters, and back-up generators. Houses are not furnished. Pets may be allowed at the discretion of CIRT.

Tenant Responsibilities: Electricity, internet, snow removal, yard and lawn care, propane for generator, trash removal.

To Apply: Now accepting applications. **Deadline to apply is Sept 15, 2024.**

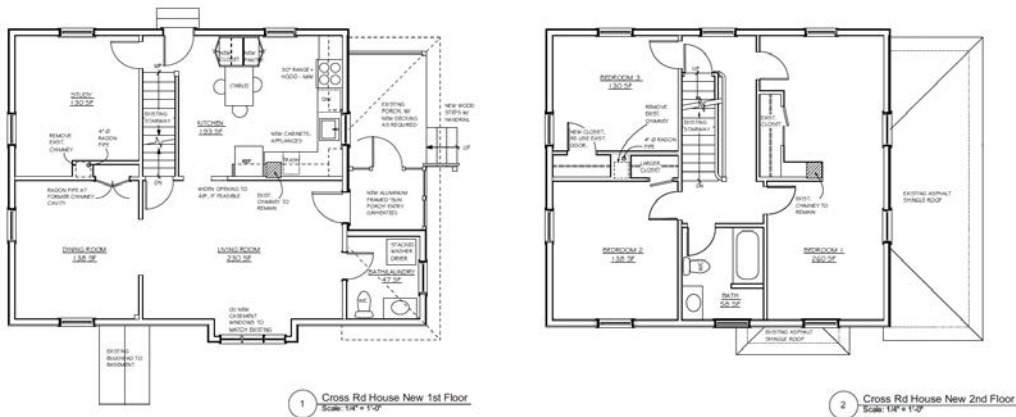
Go to the CIRT website, <https://www.cranberryislesrealtytrust.org>. Click on the “Instructions On How To Apply” button and then click on “Application” and follow the instructions.

Tenant Selection Process: See the [CIRT website](#) for information on our selection process.

Questions: Please contact Malcolm Fernald at malcolmfernauld@gmail.com or by text at 207-266-7496. Malcolm is Chair of CIRT’s Tenant Selection Committee.

Layouts: Please note that CIRT may make modifications to the following layouts:

Cross Road 3-Bedroom Home:



Maple Ave. 1-Bedroom Home:





TENANT SELECTION PROCESS

For New Islesford Rental Units

2024 – 2025

Eligibility Criteria

1. Household Income:
 - There is a required **household income limit** to rent homes developed with funding assistance from the Maine State Housing Authority, which the new Islesford rental units are. It is a specific percentage of the median family income (MFI) for Hancock County, as assessed by the Department of Housing and Urban Development. The MFI is adjusted for family size and is updated each year. The maximum household income* for the CIRT rental units becoming available on Islesford in 2024-25 is 120% of MFI. For a single individual, income eligibility is capped at \$74,280. For a household of two it is \$84,840. For three, \$95,400. For four, \$105,960. For five, \$114,480. For six, \$123,000 (*= taxable income, that is, adjusted gross income).
 - Household income levels are verified prior to signing an initial lease; thereafter, they are not monitored.
2. Financial viability
 - Household has income that is at least three times the monthly rent amount.
 - Household does not have a debt load that would affect the ability to pay rent.
3. Appropriate house size: Household size is a good match for the size of the house
4. Year-round occupancy – applicant is committed by lease to live in the CIRT house year-round (at least 11 months of the calendar year).

Selection Criteria to Consider: The following do not determine basic eligibility to rent a CIRT house. They are intended to improve the likelihood that selected applicants will advance the CIRT mission of helping to nurture and sustain a vibrant island community. These are *criteria* which will guide the selection process. They are *not requirements*. Some successful applicants may not meet all criteria. They will also assist applicants in examining their desire to live year-round in a small island community.

1. Applicant currently lives or works year-round on the Cranberry Islands.
2. Applicant has school-aged children.

3. Applicant has abilities and skills that are important for the year-round sustainability of the island community.
4. Applicant has desire to participate in and contribute to the life of the island.
5. Applicant is resourceful and flexible and can thrive living in a small, isolated community, with a two-room elementary school house, connected to the mainland by a ferry that is weather-dependent – it may not run, or may only run three times a day in the winter.

Selection Process

1. CIRT announces a rental house opening on its website and through public information channels (flier, poster, Cranberry Isles Information Page on Facebook). Folks are directed to the CIRT website for full information and application form, with a deadline for application.
2. Application form can be downloaded or filled out directly on the website.
3. A Tenant Selection Team made up of members of the CIRT Homes & Families Committee and a number of community members, will be appointed by the President of the CIRT Board of Directors
4. Selection Team screens applications for basic eligibility; applicants who do not meet the eligibility requirements are informed.
5. Selection Team considers additional selection criteria for applicants meeting eligibility requirements. Applicants are interviewed by the Selection Team for clarifying information and to ensure they have a full picture of year-round life on the Cranberry Islands.
6. If the Selection Team is unable to decide between two or more eligible applicants, the decision is made by lottery (picking a name out of a hat) in a manner that is deemed transparent and fair by the applicants.
7. The Selection Team recommends the successful applicant to the Homes and Families Committee. The H&F Committee endorses the recommendation to the full Board for a final vote or vetoes the selection and the Selection Team is tasked with redoing the selection process. The Board has the final vote.
8. Successful and unsuccessful applicants are notified.
9. Unsuccessful, but otherwise eligible, applicants are notified by CIRT when another vacancy is available, and they can apply again if still interested
10. CIRT reserves the right to decline any or all applications based on incompleteness, lack of sufficiently meeting eligibility and selection factors, change in availability of home, income upon verification is higher than requirements for the house, or other factors CIRT deems relevant. In case of denial, CIRT will notify applicant via email and letter that they were not selected.



INSTRUCTIONS ON APPLYING FOR AVAILABLE CIRT RENTAL HOMES ON ISLESFORD

Please note that CIRT only accepts applications for rental units which are *currently available*. However, interested parties may ask to be placed on a list of people who will be alerted when new vacancies open-up.

Thank you for your interest in housing on Great Cranberry Island and Little Cranberry Island (Islesford). This application will help us to know you and to support a fair process in selecting tenants for CIRT houses. Please answer all questions as fully as you are able.

Return of Application: You are **encouraged** to complete the application **on-line** on the CIRT website, including attaching required documents like your tax returns and pay stubs. When completed, press the SEND button, and the application and attachments will be submitted.

You may also return your completed application and required attachments by mail to Malcolm Fernald, Islesford Selection Committee, PO Box 16, Islesford, ME 04646. You can also email your application materials to: malcolmfernald@gmail.com.

If you have questions about the application process, please contact Malcolm Fernald **by TEXT**: 207-266-7496. Please do not call.

For more information about CIRT and applying for any available rental units, find us on the Web at: www.cranberryislesrealtytrust.org.

REPORT OF THE TREASURER, JIM KEHOE

2023 Financial Highlights & Activity

- 1) CIRT started the 2023 CY with strong cash reserves as a result of the sale of the bequeathed Preble Cove property and the sale of the Rice House (previously a two-bed rental home), both on GCI, as well as a robust response to our annual appeal at the end of 2022 to support operations.
 - \$200,000 in reserve for a future GCI development project
 - \$200,000 in reserve for a future Islesford development project
 - \$150,000 in reserve to initiate a buyer down payment assistance program
 - \$100,000 for emergency funds / operating reserves
- 2) For the 2023 CY, property operations (i.e. rental income and annual appeal donations, less operating expenses) were about breakeven, i.e. approximately \$1,450 for the year.
- 3) The 2023 CY saw CIRT initiate its first of two programed Development Projects. In the early months of 2023, CIRT commitment to deliver two new modular built three-bedroom rental properties to GCI by the late fall of 2023. The second development was programed to initiate on Islesford in mid-2024 with a commitment to deliver four additional rental properties.
- 4) In mid to late 2023 CIRT kicked off the quiet phase of a 3-year capital campaign ("Welcome Home") to support the two development projects with an initial fund-raising target of \$650,000. By YE, the campaign had received pledges in excess of \$225,000.
- 5) CIRT ended 2023 with the two new homes on GCI delivered, and both homes occupied with two new young families to GCI.

2024 – Operations, trending as of the 1st 7 months

- Through the first 7-months of 2024 operations are tracking ahead of the 2024 Annual Budget.
 - Revenue is generally tracking with annual forecasts
 - 85% of forecast
 - Expenses are tracking below annual forecasts
 - Operating expenses are tracking at 14% below annual forecasts
 - Variable Owner costs are tracking at 21% below annual forecasts

2024 – Activities / Initiatives

- In June, CIRT purchased two homes on Islesford that will become four new rental units.
- In July, the Welcome Home capital campaign outreach started in earnest on Islesford.

Last ... please see the cover page of 12/31/23 CY-2023 financial report.

CIRT

Summary of Year-to-Date Actual Operating Results Rental Income & Expenses / Extraordinary Expenses / Donations & Reserves 12/31/23

Updated

	December-23			Year-to-Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Operating Revenue						
Rental Income	5,150	5,250	(100)	37,700	39,000	(1,300)
Vacancy / Credit Loss	0	0	0	0	0	0
<i>sub-total</i>	5,150	5,250	(100)	37,700	39,000	(1,300)
Total Donations	5,865	7,833	(1,968)	13,530	19,000	(5,470)
Gross Operating Revenue	11,015	13,083	(2,068)	51,230	58,000	(6,770)
Operating Expenses	4,196	4,709	(513)	39,963	56,509	(16,546)
Net Operating Income	6,819	8,374	(1,555)	11,267	1,491	9,776
Additional Owner Costs	389	1,464	(1,075)	8,742	17,568	(8,826)
Cash Flow From Operations	6,430	6,910	(480)	2,525	(16,077)	18,602
Variable Owner Costs	573	1,083	(510)	1,073	13,000	(11,927)
Net Monthly Cash Flow	5,857	5,827	30	1,452	(29,077)	30,529

NOTES / General FYI

- 1) Income: One tenant has fallen behind in rent in Q4-2023, but is working to catch up.
- 2) Income: Forecast annual donations were under budget by +/- \$5.5k, likely due to Welcome Home campaign pledges of +/- \$237k.
- 3) Expenses: R&M, major repairs, and general expense contingency were significantly under forecast spends.

Account Balances

* Checking Account and Money Market	BHBT - Account Balance	12/31/23	422,701
	BHFS - Infinex (money market account)	12/31/23	66,115
	Total Operating Cash		488,816
Reserve Accounts:			
* Replacement Reserves: Kane on GCI & Maple St on Islesford			13,040
* Replacement Reserves: Pondview & Woodlands			10,703
* Replacement Reserves: Two New GCI Modulares under construction (w/MSHA)			5,799
* Security Deposits			4,952
			34,495

TOTAL CASH

523,310

NOTE: the "Disbursement Account", aka the construction funding account, holds +/- \$497 (it costs \$3/mo to hold open)
We are leaving this account in place in preparation for the Islesford projects to initiate.
The account is used to receive from Maine Housing and then disburse those funds to suppliers / vendors / contractors / etc.

Strategic Fund Allocations

Total Operating Cash		488,816	
1) Islesford: funds to facilitate new rental stock			
2018/2019 Funding Raising Campaign	37,407		
Additional funds from Operating cash	162,593		
sub-total - Funds set aside for new rental homes on LCI	200,000		
Less - site due-diligence work	(4,817)		
Less - initial project management	(573)		
Balance toward Islesford new rental stock (planned 4 additional units)	194,610	(194,610)	
2) Cranberry Homes Assistance Program, aka "CHAP"	150,000		
re-allocated to GCI Modular Home project (Oct '23 Board Meeting)	(100,000)		
Balance remaining	50,000	(50,000)	
3) GCI Land Improvements Set Aside Budget			
From GCI Land Improvement Budget	75,000		
Allocated to GCI Modular Home project	(50,000)		
Allocated to GCI Modular Home project (Oct '23 Board Meeting)	(20,000)		
Balance in GCI Land Improvement Budget	5,000	(5,000)	
4) Two Modular Homes on GCI			
From CHAP Budget (Oct 2023 Board Meeting)	100,000		
From GCI Land Improvement Budget (Oct 2023 Board Meeting)	20,000		
Initial allocation from GCI Land Improvement Budget	50,000		
Funds allocated from Operating cash (Rice Home proceeds)	150,000		
Total: Funds set aside GCI Development Project	320,000		
Less spends through Dec 31, 2013	(317,829)		
Balance toward GCI Modular Home Development	2,171	(2,171)	
5) General Operating Reserves		(100,000)	
6) Welcome Home! ... campaign funds recorded as of (est)	12/31/23	(135,090)	
Net Cash		1,945	(1)

(1) NOTE: we are reviewing Project level expenses and re-imbruements and allocations, so figures above remain preliminary)

Discussion Topics:

- 1) GCI's Development Project: budget outline below
- 2) Islesford Development Project: budget outline below
- 3) The Welcome Home Campaign
 - a) The Welcome Home campaign's initial target is \$650,000
 - b) In these early days +/- \$470,000 has been raised
 - c) Anticipated ultimate need +/- \$1,100,000
 - d) Our ultimate goal is to raise enough capital to again operate debt free
 - e) As outlined below, the forecast debt figure trending towards +/- \$310,000
- 4) The projects have required the utilization of funds initially allocated for other programs.

Overview: The Project(s)

GCI's Development Budget

Original Budget - Submitted to MH	1,020,380
Forecast Final Costs	1,142,829
Surplus / (Shortfall)	(122,449)
Percentage over budget	12.0%

Major Food Groups

Goodwin:	77,055	7.6%
ledge led to foundations, ledge required trenching for electric, barging costs, earth work and trees, etc.		
Other: Electric, local carpentry / labor, etc.	45,394	4.4%
	122,449	12.0%

Islesford's Development Budget

Original Budget - (Summer 2023)	1,438,475
Budget Submitted to Maine Housing	1,600,000
Surplus / (Shortfall)	(161,525)
Percentage over budget	11.2%

Major Food Groups

Contractors	12,500	0.9%
Developer Construction related costs	71,210	5.0%
Developer soft costs	19,000	1.3%
Financing Costs	18,500	1.3%
Overhead / Replacement Reserve	40,315	2.8%
	161,525	11.2%

Current Capitalization

Source of Funds	GCI	Islesford	Total
Maine Housing	420,000	840,000	1,260,000
Genesis Bridge Loans	400,000	560,000	960,000
CIRT	320,000	200,000	520,000
sub-Total	1,140,000	1,600,000	2,740,000
Use of Funds			
Project Budgets	1,138,550	1,600,000	2,738,550
Surplus / (Shortfall)	1,450	0	1,450

Minimum Proforma Capitalization

	GCI	Islesford	Total
Maine Housing	420,000	840,000	1,260,000
Genesis Bridge Loans	400,000	560,000	960,000
CIRT <i>(already Invested)</i>	320,000	200,000	520,000
	1,140,000	1,600,000	2,740,000
Required Genesis Loan Paydowns	150,000	120,000	270,000
Adjusted Minimum Proforma Cap	990,000	1,480,000	2,470,000
Adjusted Genesis Bridge Loans	250,000	440,000	690,000
FYI - Potential Annual DS	17,100	34,300	51,400
	@5.5%	@6.75%	

Funding Overview Discussion

	GCI	Islesford	Total
Development Budget	1,138,550	1,600,000	2,738,550
Source of Funds			
Maine Housing	420,000	840,000	1,260,000
CIRT - <i>Desired Investment Level</i>	200,000	200,000	400,000
sub-total	620,000	1,040,000	1,660,000
Funding Requirements	518,550	560,000	1,078,550
Other Funding Sources			
1) Welcome Home campaign (Initial Target)			650,000
2) CIRT - Additional Commitment <i>(these funds have already been Invested)</i>			120,000
3) Trending Shortfall - (i.e., the balance of Genesis debt to be re-paid)			308,550
FYI - Potential Annual DS	\$310k @ 6.75%, 30 yr. amortization		24,200

CIRT's ultimate capital raise goal

(achieving this target should allow CIRT to again operate debt free, with adequate operating reserves, as well as continue our Buyer assistance program, aka "CHAP")

Welcome Home - Initial Raise	650,000
1) replenish CIRT's reserves	120,000
2) repay 3rd party debt	308,550
	428,550
Total Forecast Capital Need	1,078,550

WELCOME HOME! CAMPAIGN REPORT

Frank Reece, Campaign Chair

BACKGROUND: In the Summer of 2023, CIRT's Board designated a committee for the purpose of raising funds to help finance a once-in-a-generation opportunity to develop affordable year-round workforce rental housing on the Cranberry Isles.

The committee is comprised of Peter Buchsbaum (GCI), Kelly Dixon (LCI), Lindsay Eysnogle (LCI), Malcolm Fernald (LCI), Jim Gertmenian (GCI), Jim Kehoe (GCI), Josh Leibow (GCI), Andrei Pogany (LCI), Frank & Sam Reece (LCI), Judith Timyan (LCI), and Ken Schmidt (GCI). Early in the process, this group became known as the **WELCOME HOME!** Committee.

Working with the full Board, particularly the Housing and Finance committees, a goal was set of \$650,000 over three years. These monies will augment considerable funding from Maine Housing and loans from the Genesis Fund. This bold target led the committee to create a comprehensive campaign case statement, solicit the Board for contributions (100% participation!), and build a giving pyramid of community members we hoped had the capacity and the desire to contribute to this important initiative.

OBJECTIVE: The objective of the **WELCOME HOME!** Capital Campaign is to help to finance the addition of two affordable rental family homes on Great Cranberry and four homes on Little Cranberry. With these additions to the CIRT housing stock, there will be a total of five year-round affordable rental homes for working families on each island.

UPDATE: Over the recent few months of the summer of 2024, the committee continued conducting a "quiet phase" of the campaign by reaching out to individuals and families who have shown support for CIRT in the past and who have expressed interest in the efforts being made now to secure multiple year-round workforce homes on both Great and Little Cranberry Islands.

The response to our requests for support have been truly heartening. As of this writing, we are pleased to report that we have received cash donations and three-year pledges to this crucial effort totaling \$470,000. This remarkable demonstration of support has come from year-round families as well as summer residents.

MOVING FORWARD: The **WELCOME HOME!** Campaign will continue with energy, enthusiasm and momentum through next year and into 2026. The Committee is optimistic that our goal will not only be met, but with fingers crossed, exceeded so we can get CIRT's loan debt down for these homes – as the community sees two new year-round homes occupied on Little Cranberry early in 2025 and all four serving as homes for year-rounders by the end of the year. Having five year-round rental homes on each island will be an accomplishment for which the entire community can be truly proud.

CRANBERRY HOMES ASSISTANCE PROGRAM(CHAP)

CHAP was started summer 2022 by Cranberry Isles Realty Trust (CIRT) to assist year-round, working families come up with a required down-payment necessary to purchase a year-round house on Great Cranberry Island or Islesford.

Why does CIRT want to help? Because we want to increase the number of affordable, year-round housing opportunities on the islands, so that working families can afford to live here.

How can the CHAP program help me? Eligible individuals or families who need help making their down-payment can potentially get a CHAP loan from CIRT. CHAP loans are interest-free, so there are never any interest payments to make, and the loan only has to be repaid if the house is sold in the future or if its ownership changes, such as inheritance or divorce.

The CHAP loan can be up to a maximum of \$50,000 or 80% of the total down payment, whichever is less. Please note: CHAP's available funds may be limited at the time you apply.

The maximum purchase price for a house to be eligible for CHAP assistance loan is \$339,200 in 2022. (Calculated as 2.5 x 160% of the annual family median income in Maine, as set by US Department Housing and Development (HUD). This state's median income is adjusted each year.)

In return for this no-interest loan, buyer agrees to have CIRT's permanent Covenants recorded on property. The Covenants require that the home will always be lived in year-round, and will always be reasonably affordable for future working families.

Some of the key provisions of the Covenants which the buyer agrees to:

- They will live in the house as their full-time, year-round residence (11 months minimum). They will not rent any of it out without CIRT's prior approval.
- CIRT will have a Right of First Refusal if the owner ever decides to sell the property.
- They will only sell it to another family or individual who will live in it year-round, and only at a price that CIRT determines is reasonably affordable at that time for a working family. CIRT has a formula for calculation of an affordable resale price (see Can I Resell My House section).
- At the time of sale, the owner is required to repay their CHAP loan from CIRT with no interest. The repayment helps CIRT to recycle its funds and assist future working families live on the islands.
- See the Covenants section of this website for full details on the Covenants.

MINUTES Annual Meeting: August 26, 2023

Great Cranberry Island

Welcome to the Annual Meeting from All the CIRT Board - Ken Schmidt, President

Present: About 75 community members participated in the Open House, Dedication and Annual Meeting, including board members: Jim Gertmenian, Jim Kehoe, Alice Dunn, Ken Schmidt, Jeri Spurling, Malcolm Fernald, Judith Timyan, Sam Reece, Kelly Dickson.

Blessing of the Homes – Given by the Rev. Dr. Jim Gertmenian.

Greetings: From the Town provided by Joe Connell, Maine Housing Authority, and Genesis Fund provided by Mark Primeau

Thanks to Our Funders, Contractors & Volunteers - Ken Schmidt, President. Ken thanked all those listed in the Annual Report under Thanks section.

Why Affordable Homes Are So Needed on Our Islands – Heath Wedge, CIRT resident talked about why the homes were so critical for him and his family to get back to the island where he grew up.

Our Two New GCI Families – Jim Gertmenian, Chair, Homes & Families Com. Jim presented an overview of the two new families – see the Annual Report.

Our Two New GCI Homes – Alice Dunn, Board Member & Project Architect: Alice went over details about the building of the two new houses.

Four More Year-Round Rental Units Coming to Islesford in 2024! Jeri Spurling, Chair, Islesford Housing Development Committee made a presentation on the plans to purchase two properties from Peyton Eggleston and convert them into four rental units for occupancy in 2024.

Project Costs & Funding – Jim Kehoe & Frank Reece, Co-Chairs, Campaign. The campaign chairs reviewed the overall cost of the project and our plans to raise \$650,000 in order to minimize mortgages.

Cranberry Homes Assistance Program (CHAP) – Judith Timyan, VP. Judith presented on the CHAP program.

Approval of 2022 Annual Meeting Minutes – Sam Reece, Secretary. The Minutes were approved with a motion by Sam Reece and seconded by Jeri Spurling. All board present voted in favor.

Election Of Board Members & Officers – Peter Buchsbaum, Governance Com presented the slate of officers for the August 2023-24 period, and moved they be approved; seconded by Jim Gertmenian. All board voted in favor.

- President: Ken Schmidt
- Vice-President Judith Timyan
- Treasurer: Jim Kehoe
- Secretary: Sam Reece

Peter Buchsbaum then moved with second by Judith Timyan that six board terms be approved as follows:

- Janet Hook, new full term to 2026 replacing Mike Comiskey
- Andrei Pogany, term to 2024 completing unexpired term of Sharon Morrell
- Re-election of Continuing Board members for a term ending in 2026: Jim Kehoe, Jeri Spurling, Kelly Dickson, Sam Reece

All board voted unanimously in favor.

The Board roster from AUGUST 2023 TO AUGUST 2024 is now:

Terms expiring in 2024: Lindsay Eysnogle, Andrei Pogany, Peter Buchsbaum, Ken Schmidt

Terms expiring in 2025: Alice Dunn, Jim Gertmenian, Malcolm Fernald, Judith Timyan

Terms expiring in 2026: Jim Kehoe, Jeri Spurling, Kelly Dickson, Sam Reece, Janet Hook
The

The Annual Meeting was adjourned with motion by Kelly Dickson and second by Peter Buchsbaum.

- **Sam Reece, Secretary**

GOVERNANCE/NOMINATION COMMITTEE REPORT

August 2024 Peter Buchsbaum, Chair

New Board Members: Holly Stanley, GCI for term ending 2025, and Hannah Folsom, LCI, for a term ending in 2027.

Re-election of Continuing Board members for a term ending in 2027:

Lindsay Eysnogle, Andrei Pogany, Peter Buchsbaum, Ken Schmidt

Officers, one year term:

President: Ken Schmidt

Vice-President Judith Timyan

Treasurer: Jim Kehoe

Secretary: Janet Hook

BOARD ROSTER FOR AUGUST 2024 TO AUGUST 2025, ASSUMING APPROVAL OF CANDIDATES

Terms expiring in 2025: Alice Dunn, Jim Gertmenian, Malcolm Fernald, Judith Timyan, Holly Stanley

Terms expiring in 2026: Jim Kehoe, Jeri Spurling, Kelly Dickson, Sam Reece, Janet Hook

Terms expiring in 2027: Lindsay Eysnogle, Andrei Pogany, Peter Buchsbaum, Ken Schmidt, Hannah Folsom