

Annual Report 2010



Equity Trust, Inc.

Promoting equity in the world by changing the way
people think about and hold property



Opportunities and Partnerships

Dear Friends,

On behalf of the Equity Trust staff and board, I am pleased to present our 2010 annual report. The past year has brought us important new projects and new opportunities to partner with some of the many great organizations that are working to promote greater equity in the world.



Perhaps our most striking news involves our latest farm preservation collaboration, with the Northampton Community Farm, or our lending partnerships in southeastern Connecticut and western Massachusetts. However, we are equally proud of the assistance we have provided to dozens of individuals and groups, by phone and through visits, to help advance a vision for a community farm, strategize on how to provide affordable housing in their community, or explore ways of investing in sustainable local economies.

As we enter Equity Trust's 20th year, I am excited by the projects that lie ahead and the opportunities to partner with people around the country who are changing the way land and money are used in their communities. Thank you for helping ensure that this work can continue.

With appreciation and hope,

Jim Oldham

Executive Director

Welcome, Madeline Cantwell, Equity Trust Board Member



Madeline Cantwell was invited onto Equity Trust's board of directors at the end of 2010. Madeline is Managing Director at Orion magazine. Before joining Orion, she worked as a fundraiser for WFCR, a public radio station in Amherst, Massachusetts, and for several small nonprofits in midcoast Maine. She has a background in sustainable development and food security and is an active volunteer at the Common Ground

Country Fair in Unity, Maine. Madeline and her partner Keith are avid gardeners and keep a small flock of chickens in western Massachusetts.

Farms for Farmers

Our Farms for Farmers program promotes alternative forms of ownership to benefit farmers in need of farmland and communities seeking a secure source of locally grown food and preservation of their environmental heritage.

Assisting farmers and their communities

In 2010, Equity Trust's Farms for Farmers program provided technical assistance to more than 50 groups and individuals. Thirty-seven of these were farmers, some seeking to preserve existing farms or transfer them to the next generation, others looking for an affordable farm for their family and business. We also assisted six farmland investors and Slow Money groups seeking to use their funds for the benefit of farmland preservation, three community groups concerned about preserving a local farm, six conservation land trusts that own, or seek to own, working farms, and three farmland trusts.



Equity Trust

Board of Directors:

David Abromowitz
Jody Bolluyt
Mary O'Hara, Vice President
Monica McGloin
Madeline Cantwell
Scott Reed, President
Kathy Ruhf, Clerk
Kirby White, Treasurer

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Steve Hasbrouck, Bookkeeper
Jim Oldham, Executive Director

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Mary O'Hara
Jim Oldham
Matt Schwartz

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A Community Comes Together: Northampton Community Farm



When Northampton, Massachusetts residents organized to protect a local farm from becoming athletic fields, Equity Trust supported them in many ways: from sharing farm preservation approaches and tools with City officials and the public, to providing fiscal agency for grants to the campaign, and later developing long-term farm leases.

As with previous projects, our goal was to help balance community needs with needs of the farmers who work the land.

Out of the organizing emerged “Grow Food Northampton,” a nonprofit promoting food security by advancing sustainable agriculture. Partnering with the City and Trust for Public Land to protect the farmland, a river corridor, and space for sports fields too, Grow Food launched a massive volunteer-led fundraising campaign, raising \$670,500 in just eight months! Grow Food purchased the farm in February 2011, protecting 121 acres of farmland.

A competitive application process, designed by Equity Trust and guided by a panel of local farmers, led to Grow Food’s selection of Nate Frigard and Jen Smith to farm the site under a 99-year lease. The City is leasing a separate 17 acres for community gardens. Equity Trust developed both long-term leases, and helped facilitate the negotiation process. Jen and Nate’s lease provides a secure, affordable home for their CSA farm and the right to transfer the lease to their children if they want to farm. An agricultural income requirement guarantees that the farmers will grow lots of organic produce each year, and stipulates that local people get first opportunity to purchase it. It also guarantees that experienced farmers will steward the soil and will offer—along with food—celebrations and a chance for people to connect with the source of their food.

Jen and Nate have launched their CSA, “Crimson & Clover Farm,” and are selling shares for the 2011 season, including discounted shares for low-income families (Grow Food is raising the difference). Grow Food Northampton will cover-crop the remaining acreage this season, with plans to eventually lease land to an additional farming operation. Looking back, we here at Equity Trust are amazed and inspired by all that was accomplished in 2010.

2010 Workshops, Conferences, and Publications

Our **Gaining Ground in Maine** workshop series wrapped up with two full-day trainings for farmers and land trusts and a presentation at the Maine Agricultural Trade Show.

Staff led workshops on protecting farm affordability and keeping farmland in the food system at four conferences: **Farm Rhode Island, 2.0**, hosted by the Rhode Island Land Trust Council; **Plowing Ahead: Farmland Preservation in 2010 and Beyond**, hosted by the Working Lands Alliance in Connecticut; **Saving Special Places**, in New Hampshire, hosted jointly by University of New Hampshire and the Natural Resources Conservation Service; and the **Local and Sustainable Food Conference** in Maine, hosted by Food for Maine's Future

We also gave a presentation on the community land trust model and movement for Citizens for the Revitalization and Urban Success of Holyoke (C.R.U.S.H.), in Holyoke, Massachusetts.

“Protecting Local Food and Farms Through Models of Shared Equity”—a chapter by Equity Trust’s Rebecca Fletcher—was published in **Solidarity Economy I: Building Alternatives for People and Planet**, a project of the Center for Popular Economics and the US Solidarity Economy Network, edited by Emily Kawano, Thomas Neal Masterson, and Jonathan Teller-Elsberg.

Essays by Equity Trust Founder Chuck Matthei, and by several past and present Equity Trust board members, plus two chapters from Equity Trust’s **Preserving Farms for Farmers**, edited by Kirby White, were included in **The CLT Reader** edited by John Emmeus Davis. Published by the Lincoln Institute of Land Policy, **The CLT Reader** is a collection of writings that have inspired and guided the Community Land Trust over the last fifty years.

Equity Trust’s report, **Financing Resources for Urban Agriculture in Providence, Rhode Island**, for Southside Community Land Trust and the Urban Agriculture Task Force, catalogued financing opportunities, and needs, for land acquisition and local food-related business start-ups in support of “Growing Food in Providence’s Historic Neighborhoods.”



Equity Trust Fund

The Equity Trust Fund enables socially conscious lenders and donors to support projects that are creating new ways of owning, using, and stewarding property.

Cumulative Activity, 1991 through 2010

131 loans from individuals and organizations totaling:	\$ 3,534,521
76 loans to Borrowers totaling:	\$ 3,814,726
2047 gifts from Donors totaling:	\$ 5,712,403
Funds disbursed to Equity Trust sponsored projects:	\$ 1,458,518
77 gifts to Grantees totaling:	\$ 3,755,427

Spotlight on a Supporter



A supporter and friend of Equity Trust since its inception, Helen Cohen is connected to the organization in myriad ways through her work as a documentary filmmaker and her long history of activism and community economic development work, both in New England and the San Francisco Bay Area where she has lived since the 1980s. Helen's first job in San Francisco was as the founding organizer of the Northern California Community Loan Fund, under the mentorship of Chuck

Matthei when he was still at the Institute for Community Economics and the pioneer force behind community loan funds around the country.

After Chuck established Equity Trust, he continued to be an important friend and source of inspiration, and Helen became a committed investor and supporter right off the bat. She even remembers long philosophical and political conversations with Chuck about the meaning of Equity Trust's name and its broad scope of work. An avid supporter of CSAs, she is thrilled that Equity Trust has established its niche in that realm of community economic development. In collaboration with ICE, Helen produced and directed *Homes and Hands: Community Land Trusts in Action*, and is now working with the National CLT Network to produce a film about CLTs in African American communities in the South.

During 2010, the Equity Trust Fund disbursed three new loans, and approved a fourth



Pie Ranch, a non-profit in San Mateo County, California, combines farming and education to “inspire and connect rural and urban people to know the source of their food, and work together to bring greater health to the food system from seed to table.” Equity Trust’s land acquisition loan, one

of our largest in recent years, supports the purchase and permanent protection of their farmland. Pie Ranch’s diverse production of fruits, vegetables, wheat, eggs, milk, and more, sold at farmers markets, through community shares, and to local bakeries, is matched by an equally diverse mix of educational programs ranging from workshops for urban youth to full-year internships for aspiring farmers and educators.

Three Springs Community in Northfork, California, received an Equity Trust construction loan to improve two community houses. At Three Springs, community members live together, sharing resources and stewarding the land including a two-acre garden, where they grow flowers and native plants that are sold at farmers markets and to local restaurants. Over the years, Three Springs has hosted many visitors, including Willing Workers on Organic Farms volunteers, who experience community living and learn about gardening.

Whippoorwill Farm, the only Community Supported Agriculture (CSA) Farm on Martha’s Vineyard, in Massachusetts, grows organic produce and flowers for its members, for local restaurants, and for sale at farmers markets. Equity Trust provided a cash flow loan to help the farm manage as it adjusts marketing strategies to changes in the island economy and responds to other unexpected challenges that are common for farm businesses. This short-term loan also complements and supports a broader farm preservation effort that Equity Trust has initiated with the Whippoorwill CSA and other partners on Martha’s Vineyard.



Homeless Hospitality Center

(HHC), in New London,

Connecticut, began as a coalition of citizens, faith communities, and service organizations seeking to provide a place of hospitality for homeless neighbors. Incorporated in 2006, HHC now runs an overnight shelter in one local church for some 50 people/

night and a daytime hospitality center serving about 80 visitors/day in another church. They run a rapid re-housing program; advocate around homelessness issues; and help with access to training, job readiness support, health care, and substance abuse treatment. Their \$10,000 Equity Trust loan helped toward purchase and renovation of a four-family house into eight-units of transitional housing for homeless veterans.



Two borrowers have finished repaying loans:

Common Ground Farm, in Dutchess County, NY, is dedicated to preserving the art of traditional, organic farming and is committed to fostering community involvement in the process of growing and harvesting food. Equity Trust has made Common Ground Farm several loans over the years, enabling the farm to purchase better equipment and increase their growing capacity. The farm now provides just-picked vegetables, fruits, herbs, and flowers for 160 local families.



Just Food is a New York City nonprofit that helps inner-city community gardeners to market their organic produce and herbs by coordinating 18 urban farmers' markets throughout the city. They also bring farmers and urban families together in Community Supported Agriculture (CSA) projects especially in low-income neighborhoods. The CSAs connect growers directly to consumers. Without

advertising or middlemen, CSA farms can often provide organic fruits and vegetables to families for less than a supermarket, while still giving the farmer a living wage. Just Food also subsidizes share costs for very low-income families. Equity Trust's loan supported a move to a bigger, better space for this vital growing organization.

Lending with a Local Focus

Francis Fund for Southeastern Connecticut

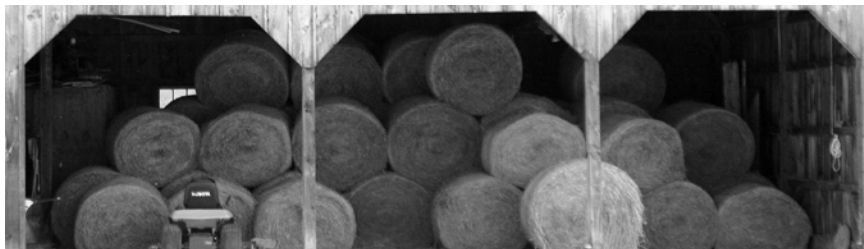
In 2010, Equity Trust established the Francis Fund for Southeastern Connecticut (FFSECT), a sub-fund within the Equity Trust Fund dedicated to building sustainable economic and social resources and opportunities in New London County, CT. The Fund is a pilot program to promote local community investing, established in partnership with the nonprofit Saint Francis House, an intentional community providing "a place of prayer, a house of hospitality, and a center for peace and justice ministry" in New London, CT. The Fund is founded on the belief that when individuals have the opportunity to invest where they live, they can effect real social change while gaining understanding of their community's wealth as a shared resource that is built collectively.

The FFSECT is managed as a separate account within the Equity Trust Fund. Equity Trust accepts loans and gifts for the Fund from local residents and other supporters, and invests those funds in the New London area through targeted lending in support of an equitable, food secure, and ecologically sustainable regional economy.

Saint Francis House provides local staffing and convenes an advisory board of community representatives that provides outreach to potential local donors and lenders, works to identify and develop investment opportunities, and helps to assess local borrowers. Decisions as to whether or not to make a loan are made by the Equity Trust Loan Fund Committee, appointed by the Equity Trust Board, and fund management and loan underwriting are managed by Equity Trust staff using the same procedures developed for the larger Equity Trust Fund.

Pioneer Valley Grows

Equity Trust also participates in the PVGrows Infrastructure Finance Working Group which has established a pilot lending program to strengthen economic opportunities in the agricultural sector and local food system in the Pioneer Valley of Massachusetts. The Working Group includes foundations, lenders including the Equity Trust Fund, and agricultural support organizations, that jointly solicit, review, and fund projects that expand the market for locally grown agricultural products. The effort is part of PVGrows, a collaborative dedicated to facilitating innovative partnerships to enhance the ecological and economic sustainability and vitality of the Pioneer Valley food system.



STATEMENT OF FINANCIAL POSITION December 31, 2010
(with comparative totals for 2009)

ASSETS	<u>2010</u>	<u>2009</u>
Current assets:		
Cash and cash equivalents	\$1,377,800	\$1,111,953
Securities and bonds	259	-
Interest receivable	1,568	9,537
Pledges receivable	8,615	7,885
Net loans receivable--current portion	<u>377,571</u>	<u>240,473</u>
Total current assets	<u>1,765,813</u>	<u>1,369,848</u>
Noncurrent assets:		
Net loans receivable--noncurrent portion	614,668	504,809
Donated and acquired real property	<u>135,685</u>	<u>127,288</u>
Total noncurrent assets	<u>750,353</u>	<u>632,097</u>
Total assets	<u>\$2,516,166</u>	<u>\$ 2,001,945</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 2,112	\$ 3,526
Accrued interest	6,437	3,344
Advance funds received	-	14,860
Loans payable--current portion	<u>719,931</u>	<u>188,129</u>
Total curent liabilities	<u>728,480</u>	<u>209,859</u>
Noncurrent liabilities:		
Loans payable--noncurrent portion	<u>968,234</u>	<u>934,787</u>
Total noncurrent liabilities	<u>968,234</u>	<u>934,787</u>
Total liabilities	<u>1,696,714</u>	<u>1,144,646</u>
Net assets:		
Unrestricted	26,675	72,677
Temporarily restricted	<u>792,777</u>	<u>784,622</u>
Total net assets	<u>819,452</u>	<u>857,299</u>
Total liabilities and net assets	<u>\$ 2,516,166</u>	<u>\$ 2,001,945</u>

STATEMENT OF ACTIVITY For the year ended December 31, 2010
(with comparative totals for 2009)

	<u>2010</u>			<u>2009</u>
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Total</u>
REVENUES AND OTHER SUPPORT				
Contributed support	\$ 34,263	\$ 25,917	\$ 60,178	\$ 246,700
Fundraising income		127	127	1,349
Conference and rental fees	240	22,925	23,165	20,400
Grants	19,860	24,450	44,310	10,148
Interest income	31	58,195	58,226	55,429
Services provided and miscellaneous	17,492	87	17,579	15,884
Donated services	48,965		48,965	46,400
Net assets released from restrictions (satisfaction of program restriction)	<u>123,546</u>	<u>(123,546)</u>	<u>-</u>	<u>-</u>
Total revenues and other support	<u>244,397</u>	<u>8,155</u>	<u>252,550</u>	<u>396,310</u>
EXPENSES				
Programs:				
Program services	217,108	-	217,108	167,512
Project grants	275	-	275	5,000
Interest	<u>20,310</u>	<u>-</u>	<u>20,310</u>	<u>14,769</u>
Total program	<u>237,693</u>	<u>-</u>	<u>237,693</u>	<u>187,281</u>
Management and general	38,069	-	38,069	49,892
Fundraising	<u>14,637</u>	<u>-</u>	<u>14,637</u>	<u>43,863</u>
Total expenses	<u>290,399</u>	<u>-</u>	<u>290,399</u>	<u>281,036</u>
Change in net assests before adjustment	<u>(46,002)</u>	<u>8,155</u>	<u>(37,849)</u>	<u>115,274</u>
Adustment-revaluation of real property	<u>-</u>			<u>(100,412)</u>
Change in net asset	<u>(46,002)</u>	<u>8,155</u>	<u>(37,847)</u>	<u>14,862</u>
Net assets- beginning of year	<u>72,677</u>	<u>784,622</u>	<u>857,299</u>	<u>842,437</u>
Net assets- end of year	<u>26,675</u>	<u>792,777</u>	<u>819,452</u>	<u>857,299</u>

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