

**Minutes of the Regular Meeting of the
Members of MassHousing
held on
May 14, 2024**

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing – May 14, 2024 in accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended. No Members were physically present and the meetings were conducted remotely through a publicly accessible Zoom meeting.

Participating remotely were the Members (by roll call):

Board Member	Present	Absent
Jeanne Pinado, Chair	X	
Carolina Avellaneda, Vice Chair	X	
Jennifer Maddox*	X	
Kaitlyn Connors**	X	
Herby Duverné	X	
Jerry Feldman	X	
Tom Flynn	X	
Patricia McArdle	X	
Carmen Panacopolous	X	

**Designee of Secretary Ed Augustus, ex officio*

***Designee of Secretary Matthew Gorzkowicz, ex officio*

The Chair convened the meeting to order at 2:00 p.m.

The Chair indicated that the first order of business was the approval of the minutes of the April 9, 2024 meeting.

Upon a motion duly made and seconded, by roll call vote, by all Members present (with Jennifer Maddox abstaining), it was:

VOTED: That the minutes of the Regular Meeting of the Members held on April 9, 2024 are hereby approved and placed on record.

Chief Executive Officer’s Report

Chrystal Kornegay began her report by giving an update on MassHousing’s debt limit.

MassHousing has a debt limit set by its statute. Periodically, the Agency has sought legislation to increase its debt limit in order to accommodate its lending needs. The debt limit is not related to the Commonwealth's debt limit and the Commonwealth does not guarantee or otherwise take on any liability for MassHousing's borrowing.

Ms. Kornegay continued by stating the Agency's extraordinary lending activity over the last five years coupled with the increasing cost of housing production and preservation will require an increase to the debt cap that can keep pace with the Agency's important role in the Massachusetts housing ecosystem.

Ms. Kornegay went on to say MassHousing is now approaching its debt cap and has drafted the necessary language for a technical amendment to the Agency's statute to increase the limit. MassHousing has financial modeling and projections that suggest that an increase in the cap to \$10.8 billion would likely satisfy the Agency's lending needs for at least the next 7 to 10 years.

Ms. Kornegay concluded by stating the Housing Bond Bill may provide a good fit for MassHousing's proposed statutory amendment. MassHousing is working with the House and Senate Ways and Means committees as well as other key legislators to advance this language in either the Housing Bond Bill or other legislation that may be moving this year.

Housing Navigator Update

Jennifer Gilbert, Founder and Executive Director, gave an update on Housing Navigator. Housing Navigator has developed technology that promotes housing equity and data that brings transparency to affordable housing. The inventory on Housing Navigator is now complete and hit a user milestone of over 200,000 users last year. The site makes it easy to search by desired location, lists upcoming new housing lottery opportunities, shows immediate vacancies with no one on the wait list and also shows properties with a 6-month response time or less. Housing Navigator now has almost 40,000 monthly users and averages one search per minute. The site also lists more than 80 active owners, 3,400 properties with 58% verified as well as 100% of the current lotteries averaging 100+ with immediate openings and 2,390 with open waitlists.

Loan Committee

New Port Antonio, Boston (Dorchester)

Mike Carthas presented Approval of a Level One Transfer of Ownership, Approval for the Extension of the First Note and Approval to Add Subordinate Third-Party Debt for New Port Antonio in Dorchester

Upon a motion duly made and seconded, by roll call vote, it was, by all the Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

900 Morrissey Boulevard, Boston (Dorchester)

Mike Carthas presented a Commitment of Tax-Exempt Conduit Loan and Approval of the Use of Low-Income Housing Tax Credits for 900 Morrissey Boulevard in Dorchester.

Upon a motion duly made and seconded, by roll call vote, it was, by all the Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

The Chair then asked if there was any other old or new business for the Members' consideration.

There was none.

There being no other business to consider, the meeting adjourned at 2:49 p.m.

A true record.

Attest.



Colin M. McNiece
Secretary

Materials:

- CEO's Report, May 14, 2024
- Board Package, May 14, 2024

CEO's Report

May 14, 2024

MassHousing's Debt
Limit

Background on the Debt Limit

MassHousing has a **debt limit set by its statute**. Periodically, the Agency has **sought legislation to increase its debt limit** in order to accommodate its lending needs.

This debt limit is **not related to the Commonwealth's debt limit**. The Commonwealth does not guarantee or otherwise take on any liability for MassHousing's borrowing.



Impact of Lending Activity

The Agency's **extraordinary lending activity** over the last five years coupled with the **increasing costs of housing production and preservation** will require an increase to the debt cap that can **keep pace with the Agency's important role in the Massachusetts housing ecosystem.**



J.J. Carroll, Brighton



808 Memorial Drive, Cambridge



Empresa, Brockton

Proposal

MassHousing is now approaching its debt cap and has drafted the necessary language for a **technical amendment to the Agency's statute to increase the limit.**



MassHousing has financial modeling and projections that suggest that **an increase in the cap to \$10.8 billion** would likely satisfy the Agency's lending needs for at least the next seven to ten years.

Next Steps

The **Housing Bond Bill** may provide a good fit for MassHousing's proposed statutory amendment.

We are working with the House and Senate Ways and Means committees as well as other key legislators to **advance this language** in either the Housing Bond Bill or other legislation that may be moving this year.

Questions?
Comments?

Thank You!





Massachusetts Housing Finance Agency
One Beacon Street Boston, MA 02108

Tel: 617-854-1000 | Relay 711
Fax: 617-854-1091 | www.masshousing.com

Posted: May 9, 2024 @ 11:45 a.m.
Secretary of the Commonwealth, Regulations Division
Executive Office for Administration & Finance
masshousing.com

NOTICE

of a Meeting of the Members

The regular meeting of MassHousing will be held:

Date: **Tuesday, May 14, 2024**

Time: **2:00 p.m.**

Location: **See below**

In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, this Meeting will not be conducted in a publicly accessible physical location. This meeting will instead be conducted through remote audio and video participation by the Members of MassHousing.

The public will be able to observe the Meeting online through the Zoom video/audio conference program.

**The Zoom meeting link for this Meeting is: <https://us06web.zoom.us/j/82394363751>
The Zoom meeting ID is: 823 9436 3751
The Zoom Passcode is: 841974**

Additional instructions for observing the meeting through Zoom are attached to this Notice.

Attention will be given to the following matters:

1. **EXECUTIVE ACTIONS**
 - A. Call to Order
 - B. Votes Approving the Minutes
 - Regular Meeting of April 9, 2024
 - C. Chief Executive Officer's Report
 - D. Housing Navigator Update

Maura Healey, Governor
Kim Driscoll, Lt. Governor

Jeanne Pinado, Chair
Carolina Avellaneda, Vice Chair

Chrystal Kornegay,
Chief Executive Officer

2. LOAN COMMITTEE

- A. New Port Antonio, Boston (Dorchester)
- Approval of a Level One Transfer of Ownership
 - Approval for the Extension of the First Note
 - Approval to Add Subordinate Third-Party Debt
- B. 900 Morrissey Boulevard, Boston (Dorchester)
- Commitment of a Tax-Exempt Conduit Loan
 - Approval of the Use of Low-Income Housing Tax Credits

Meeting Notices

In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, this Meeting will not be conducted in a publicly accessible physical location. This meeting will instead be conducted through remote audio and video participation by the Members of MassHousing, and public observation will be available only through the Zoom audio/video conferencing program using the link and Meeting ID provided above. Instructions for joining the meeting through Zoom are attached.

Accessibility

If you need an accommodation to participate in a MassHousing meeting, event, or program, please call 617-854-1000 or email webinfo@masshousing.com. Please request accommodations as soon as possible but no later than 48 hours before a scheduled event so that we can have adequate time to accommodate your needs. [Click here to view our Accessibility statement.](#)

Steps to Join a Zoom Meeting

1. A Zoom meeting link will look like the following:

Join Zoom Meeting
<https://zoom.us/j/6881564212>

Meeting ID: 688 156 4212

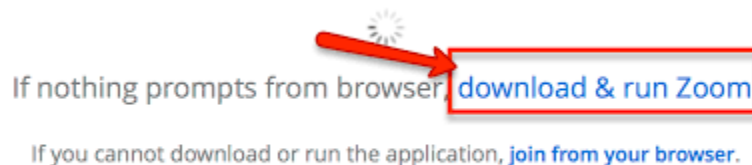
One tap mobile
+13126266799,,6881564212# US (Chicago)
+16465588656,,6881564212# US (New York)

Dial by your location
+1 312 626 6799 US (Chicago)
+1 646 558 8656 US (New York)
+1 253 215 8782 US
+1 301 715 8592 US
+1 346 248 7799 US (Houston)
+1 669 900 9128 US (San Jose)

Meeting ID: 688 156 4212
Find your local number: <https://zoom.us/u/acgfl1ziEv>

2. Click the link below 'Join Zoom Meeting'.

NOTE: Simply calling a phone number without "joining the Zoom meeting" will not allow you to see the presentation. Clicking on the link will automatically download the Zoom program (Image below)



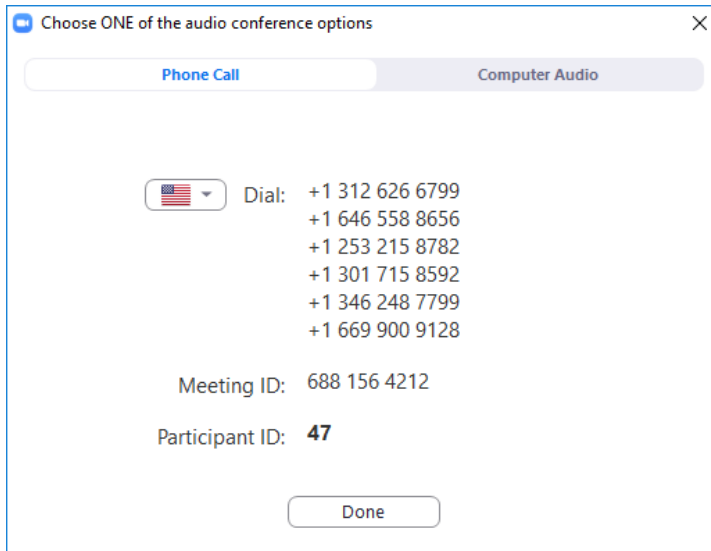
3. If Zoom does NOT automatically download and install. Click Download & run Zoom

NOTE: to see a video about this: <https://youtu.be/vFhAEoCF7jg>

Steps to Join a Zoom Meeting

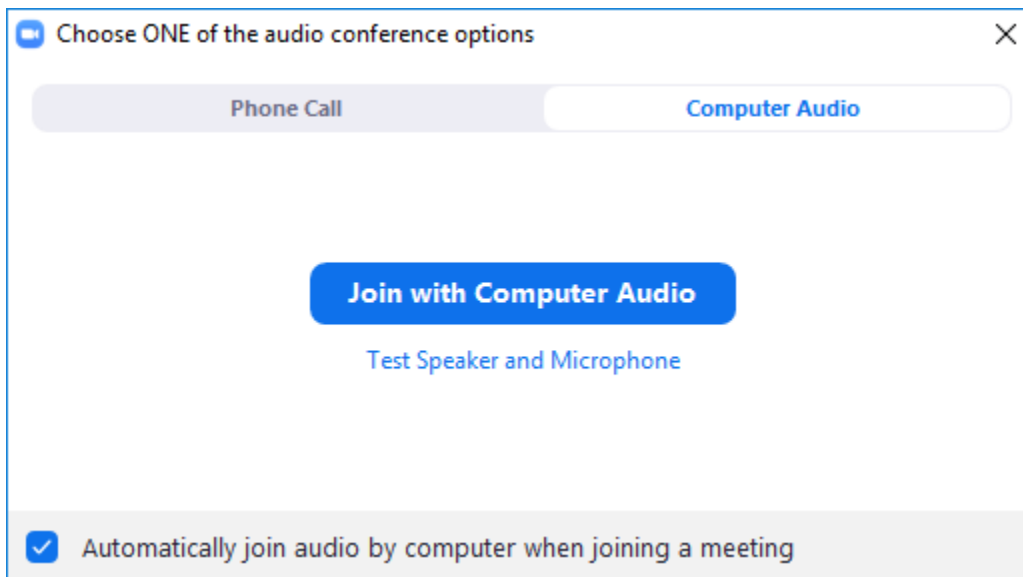
4. You will be provided with Audio Options.

NOTE: The numbers for your meeting may be different than the ones in this example.



5. Call one of the numbers provided and enter your Meeting ID and Participant ID when prompted.
6. If you have a headset or would like to use your computer audio, select the Computer Audio tab and Join with Computer Audio.

NOTE: Uncheck "Automatically join audio by computer" when joining a meeting.



7. All participants on the call will be muted. Please keep yourself on mute so that meeting can be as clear as possible.

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Participating remotely were the Members (by roll call):

Board Member	Present	Absent
Jeanne Pinado, Chair	X	
Carolina Avellaneda, Vice Chair	X	
Ed Augustus, <i>ex officio</i>	X	
Kaitlyn Connors*		X
Herby Duverné	X	
Jerry Feldman	X	
Tom Flynn	X	
Patricia McArdle	X	
Carmen Panacopolous	X	

**Designee of Matthew Gorzkowicz, ex officio*

The Chair convened the meeting to order at 2:00 p.m.

The Chair indicated that the first order of business was the approval of the minutes of the February 13, 2024 meeting (there was no March 2024 meeting of the members.)

Upon a motion duly made and seconded, by roll call vote, by all Members present (with Carolina Avellaneda abstaining), it was:

VOTED: That the minutes of the Regular Meeting of the Members held on February 13, 2024 are hereby approved and placed on record.

Chief Executive Officer’s Report

Chrystal Kornegay began her report by giving an update on the Massachusetts Community Climate Bank (MCCB). MCCB is the first climate bank in the nation to launch with a specific focus on decarbonizing affordable housing. MCCB’s mission is to facilitate investment in

projects that will reduce greenhouse gas emissions in key sectors of the Massachusetts economy. MCCB invests public and private resources in financing products and services that advance the Commonwealth's 2050 climate goals.

The MCCB's initial focus is to support decarbonization of the building sector because this is key to meeting the Commonwealth's climate goals. The Clean Energy and Climate Plan for 2050 requires an 85% reduction in GHG emissions from 1990 levels and a level of total emissions equal in quantity to the amount that is removed from the atmosphere and attributable to the Commonwealth. Attaining 2050 emission reduction goals will require a simple annual average of 90,000 retrofits for existing residential units, both single family and multi-family as well as 7,000 new construction high performance units. MassHousing has financed the first all-electric mill conversion in Massachusetts at Stone Mill, Lawrence, turning a vacant property into 86 units of affordable rental housing. In addition, MassHousing financed a deep energy retrofit of Castle Square in Boston, a 500-unit development, resulting in 50% reduction in energy use. MassHousing also financed 25 Sixth Street in Chelsea, a new 56-unit rental and homeownership development that will meeting Passive House standards.

Ms. Kornegay went on to discuss the Greenhouse Gas Reduction fund (GGRF), a historic \$27 billion fund that was part of President Biden's Inflation Reduction Act to mobilize financing and private capital to address the climate crisis, promote energy independence and bring economic revitalization to low-income and disadvantaged communities. GGRF will be administered by the US Environmental Protection Agency (EPA) which released the Notice of Funding Availability (NOFO) in July. The GGRF is made up of three funds: National Clean Investment Fund (NCIF) - \$14 billion; Clean Communities Investment Accelerator (CCIA) - \$6 billion; and Solar for All (SFA) - \$7 billion.

The GGRF winners are expected to have products to share in the summer. The MCCB is working with the MassHousing Rental team to review term sheets and product offerings for GGRF to determine best fit with MCCB/MassHousing pipeline for new construction, preservation and adaptive re-use. We will then develop a short list of priority rental developments that can use GGRF funds in the next 9 to 12 months. We will work with DOER to align and support the administration of state grant funds from the LMI Decarbonization Grant Program and Climate Ready Housing alongside potential GGRF funds.

Ms. Kornegay continued by discussing the Energy Saver Home Loan Program (ESHLP). The ESHLP will assist homeowners to cut their energy use and reduce or eliminate their reliance on fossil fuels. The program will provide financing and technical support to households and/or measures not cover by other programs such as Mass Save®. Homeowners must be income-qualified (<135% AMI) owner-occupants of either a single-family home or of at least one unit in a residential property that can include up to 4 contiguous residential units. The loan program will be delivered through a statewide network of lenders that have established relationships with MassHousing, the sponsoring agency of the MCCB.

Ms. Kornegay stated the money will flow quickly over the summer and our priority is to determine what projects will be a good fit and what will this money pay for. She also mentioned that the money will be revolving and will not be grant money. Chair Pinado stated it will be great to have

this bridge and asked if this program will become part of the One-Stop. Ms. Kornegay replied that eventually it is expected to be but not yet, and stated we will be hiring staff. Ms. Kornegay also mentioned that Maggie Super Church and Mounzer Aylouche have been looking at certain communities in the suburbs and gathering information for the launch program. Ms. Kornegay noted that these funds will benefit low-income, disadvantaged communities in the Gateway cities. Carmen Panacopoulos asked if there are goals of the program for M/WBE participation or job creation and retention. Ms. Kornegay replied not at the moment with the single-family program, but diversity is a big part of this initiative.

Update Relating to Changes in the Downpayment Assistance (“DPA”) Program

Mounzer Aylouche presented an update to changes in the Downpayment Assistance (DPA) Program. Mr. Aylouche began his presentation by discussing the DPA statistics since the inception of the program program in March of 2018. A total of 7,059 DPA loans have been originated and purchased and these DPA loans constitute 53% of the 13,440 total loan production during that time period. Of these 7,059 – 40% were to BIPOC borrowers (2,794 loans); 89% of these loans (6,235) were to borrowers below 80% AMI; and 51% of these loans (3,584) were to borrowers in Gateway Cities . In addition out of the 1,140 MassDREAMS loans – 384 (34%) had DPA with an average grant of \$22,327. For Workforce Advantage (WFA) FY23-24 production, a total of 1,029 WFA loans were originated and purchased. There were 393 loans (38%) in Gateway Cities with an average DPA of \$31,762.91 and for Non-Gateway Cities there were 639 loans (62%) with an average DPA of \$25,255.77. The top ten cities for DPA loans are: Springfield (498); Worcester (406); New Bedford (265); Brockton (264); Lynn (199); Boston (198); Fitchburg (196); Chicopee (170); Fall River (170) and Lowell (170).

Mr. Aylouche continued by outlining changes recently made to the DPA program for WFA. Transaction type (purchase) and eligible borrower (first-time homebuyers that meet household income and acquisition cost limit for the property location) and terms (second mortgage of 0% deferred and due upon sale, refinance or payoff of the mortgage) – remain the same. Property type is changed from 1 to 2 units including condominiums to 1 to 4 units including condominiums. Previously the DPA loan amount was equal to 10% of the sales price or \$50K, whichever is less, in Gateway communities and Boston, Framingham and Randolph. The new WFA DPA amount is \$30K flat and is available in all cities/towns in the Commonwealth.

Mr. Aylouche next outlined the changes to the first-time homebuyer (FTHB) program with DPA. Transaction type (purchase); terms (2% interest rate, full amortized 15-year fixed rate and is due upon sale or refinance of the property), and property type (1 unit/condo/PUD, 2-4 units) remain the same. Previously, the statewide loan amount was equal to 5% of the sales price or \$15K, whichever was less. The new feature is a FTHB DPA loan of \$25K flat and is available in all cities and towns in the Commonwealth.

Mr. Aylouche continued by explaining why these changes were made. The uniform DPA amount provides equity to all communities across the Commonwealth and the flat DPA will increase affordability in lower cost markets. In addition, the flat structure provides flexibility for the Lender to allocate resources that most benefit the borrower and the flat DPA will improve purchasing power in higher cost markets.

Mr. Aylouche outlined the number of loans with DPA currently in the pipeline. From the period February 25, 2024 to March 15, 2024 – there were 132 loans in the pipeline for a total of \$21.1 million and from March 18, 2024 to April 8, 2024 – there were 354 loans in the pipeline for a total of \$61 million. Within that period the loans with DPA tripled just because of these recent changes.

Patricia McArdle asked if loan officers can reduce or buy down the interest rate. Mr. Aylouche replied that loan officers can reduce upfront costs of mortgage insurance and closing costs which gives flexibility to the loans. Ms. McArdle commented this is an amazing game changer, no one else has this type of program.

Mr. Aylouche went on to thank Rachel Madden and her team for the day-to-day work in getting these loans done.

Loan Committee

41 LaGrange Street 4%, Boston (Chinatown)

41 LaGrange Street 9%, Boston (Chinatown)

Mike Carthas presented a proposal for Commitment of a Permanent Tax-Exempt Loan, Commitment of a Tax-Exempt Bridge Loan, Commitment of a Middle-Income Housing Subordinate Loan and Approval for the Use of Low-Income Housing Tax Credits for 41 LaGrange Street 4% in Chinatown and Commitment of a Permanent Taxable Loan and Commitment of an Opportunity Fund Loan for 41 LaGrange Street 9%, as presented in the attached board package.

Jerry Feldman commented on the construction costs. Mr. Carthas explained this is a costly project due to the extremely tight space and the need for a crane to build the reinforced walls.

Upon a motion duly made and seconded, by roll call vote, it was, by all the Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Columbia Uphams Apartments, Boston (Dorchester)

Jeff Geller presented a proposal for Official Action Status, Commitment of a Tax-Exempt Construction to Permanent Loan, Commitment of a Tax-Exempt Construction Equity Bridge Loan, Commitment of a Taxable Subordinate Loan, Resubordination of an Existing PDF Loan, Approval of 4% Tax Credits and Level One Transfer of Ownership for Columbia Uphams Apartments in Dorchester, as presented in the attached board package.

Upon a motion duly made and seconded, by roll call vote, it was, by all the Members present:

VOTED: to approve the votes and findings as presented in the Board package that is

attached and incorporated into the minutes of the meeting.

Meshacket Commons, Edgartown

Jeff Geller presented a proposal for Commitment of a Tax-Exempt Permanent Loan, Commitment of Tax-Exempt Bridge Loan and Approval for the Use of Low-Income Housing Tax Credits for Meshacket Commons, Edgartown, as presented in the attached board package.

Herby Duverné commented on the need for affordable housing on the island and stated this is a fabulous program. Mr. Feldman and Chair Pinado agreed that there is a problem with affordable housing for the Cape and the Islands.

Upon a motion duly made and seconded, by roll call vote, it was, by all the Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Province Post, Provincetown

Robert Muollo presented a proposal for Official Action Status, Commitment of a Tax-Exempt Permanent Loan, Commitment of a Tax-Exempt Equity Bridge Loan, Commitment of a Workforce Housing Loan and Approval for the Use of Low Income Tax Credits for Province Post, Provincetown, as presented in the attached board package.

Upon a motion duly made and seconded, by roll call vote, it was, by all the Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

(Herby Duverné recused himself and left the meeting.)

Old Colony Phase Six, Boston (South Boston)

Kathleen Evans presented a proposal for Official Action Status, Commitment of a Tax-Exempt Construction and Permanent Loan, Commitment of a Tax-Exempt Construction Equity Bridge Loan, Commitment of a Taxable Construction Bridge Loan and Approval for the Use of Low-Income Housing Tax Credits for Old Colony Phase Six, South Boston, as presented in the attached board package.

Tom Flynn commented the transformation of this development has been remarkable and MassHousing should be very proud.

Upon a motion duly made and seconded, by roll call vote, it was, by all the Members present:

VOTED: to approve the votes and findings as presented in the Board package that is

attached and incorporated into the minutes of the meeting.

The Chair then asked if there was any other old or new business for the Members' consideration.

There was none.

There being no other business to consider, the meeting adjourned at 3:05 p.m.

A true record.

Attest.

Colin M. McNiece
Secretary

Materials:

- CEO's Report, April 9, 2024
- Board Package, April 9, 2024



Housing Navigator Massachusetts

We develop technology that **promotes housing equity** and data that brings **transparency to affordable housing.**

Jennifer Gilbert
jennifergilbert@housingnavigatoroma.org
MassHousing May, 2024

Which is the Front Door We Want?

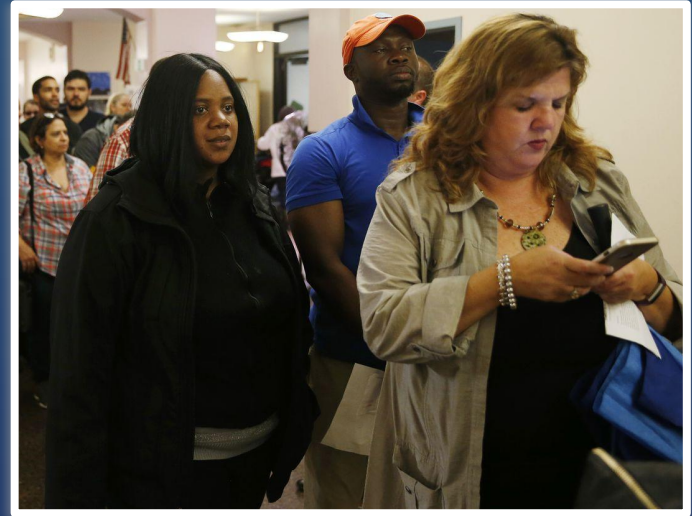
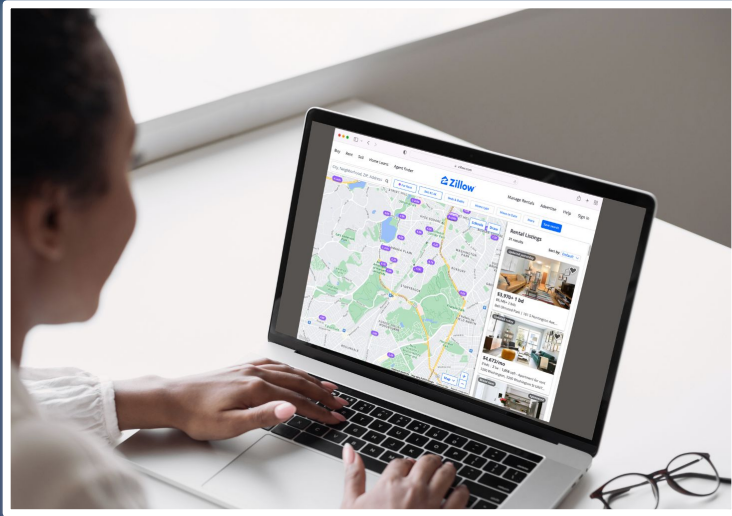
Looking for

Market rate housing

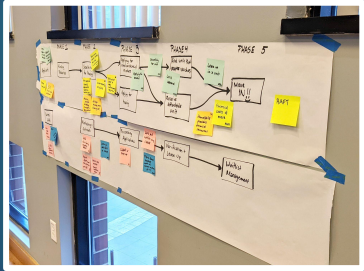
vs.

Looking for

Affordable housing



We strive to make everything we produce as functional, understandable, reliable, and beautiful as the equivalent product created by the for-profit market.

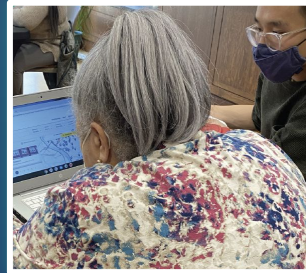


2018

First
Brainstorm

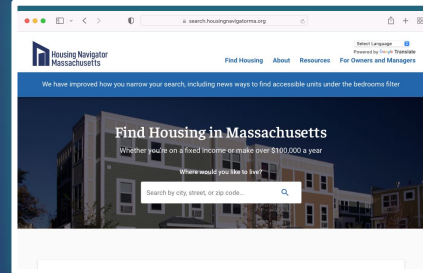
2019

HNMI created
120+ organizations
engaged



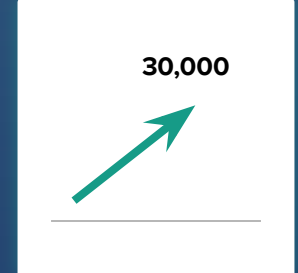
2020

Fundraising,
data collection,
& user testing



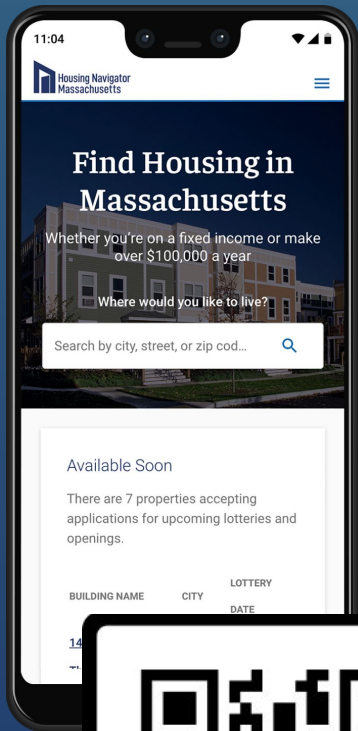
2021 - 2022

Search Tool Launch
160,000 rentals
in 270+ cities



2023

Inventory Complete
200,000+ users



Search by location
Easy to search by desired location.



Lotteries
Upcoming new housing lottery opportunities.



First Come, First Served
Immediate vacancies with no one on the waitlist.



Short Waitlists
Properties with a 6-month response time or less.



39,000+ monthly users



Averages **1 search per minute**



80+ owners active, 3,400+
properties, **58%** Verified



100% lotteries, **averaging 100+**
immediate openings, **2390** Open
Waitlists

9:59



Reposts

3 reposts



☆◆Cour... C3P • 1st

Director of Marketing ...

1h • 🌐

What a great service for managers and for renters!
[Housing Navigator Massachusetts, Inc](#) helps renters find affordable housing throughout the state-offering information about open waitlists, lotteries and vacancies.

[#wingatecompanies](#)
[#affordablehousing](#)
[#apartments](#)

**We'll help you
find your way
HOME**



**Search over 200,000
homes you can afford.**

Scan the code to get started.

1. Maintain high quality via tenacious focus on high-quality data and partnerships (e.g. 40Bs)
2. Seek the sweet spot where both renters and owners benefit, virtuous cycle of trust and fairness
3. Innovate around applying and educational resources:
“Understandable”

Full circle: Data to support more housing

Questions Policymakers Ask:

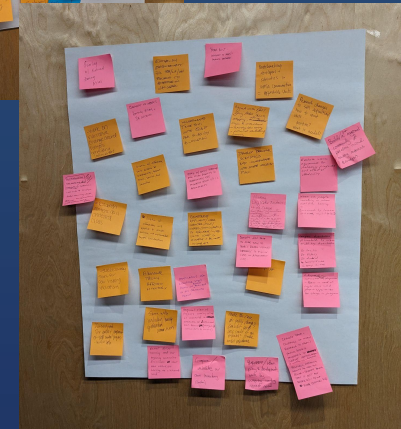
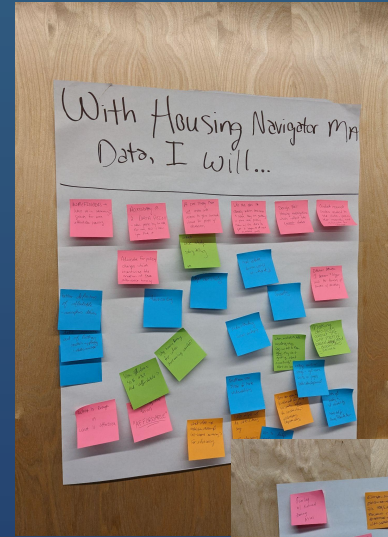
- ❑ How many units of affordable rental housing are there in Massachusetts? In Boston? What kinds?
- ❑ Does what we have match what we need?
- ❑ What programs are most effective for production?
- ❑ Is the affordable housing equitably distributed?

Question Renters Ask:

Could you show more in Western MA?

What Data Lets Us Do

- ❑ A deeper understanding: What we have & what we need
- ❑ Support for advocacy, data to inform the conversation
- ❑ Storytelling: Data bolsters lived experience
- ❑ Pattern recognition in fair housing, resource allocation, opportunity



Search for a geography
Massachusetts

Last data update: December 31, 2023

2023 State of Affordable Housing: [Massachusetts](#)

Supply of Affordable Rental Housing

210,591

affordable units

3,777

affordable properties

Affordable Units by Rent Type and Age Restriction



According to our data, in Massachusetts, there are **1,147** age-restricted properties and **2,537** non-age-restricted properties.

Non-Age Restricted Units, by Rent Type and Unit Size



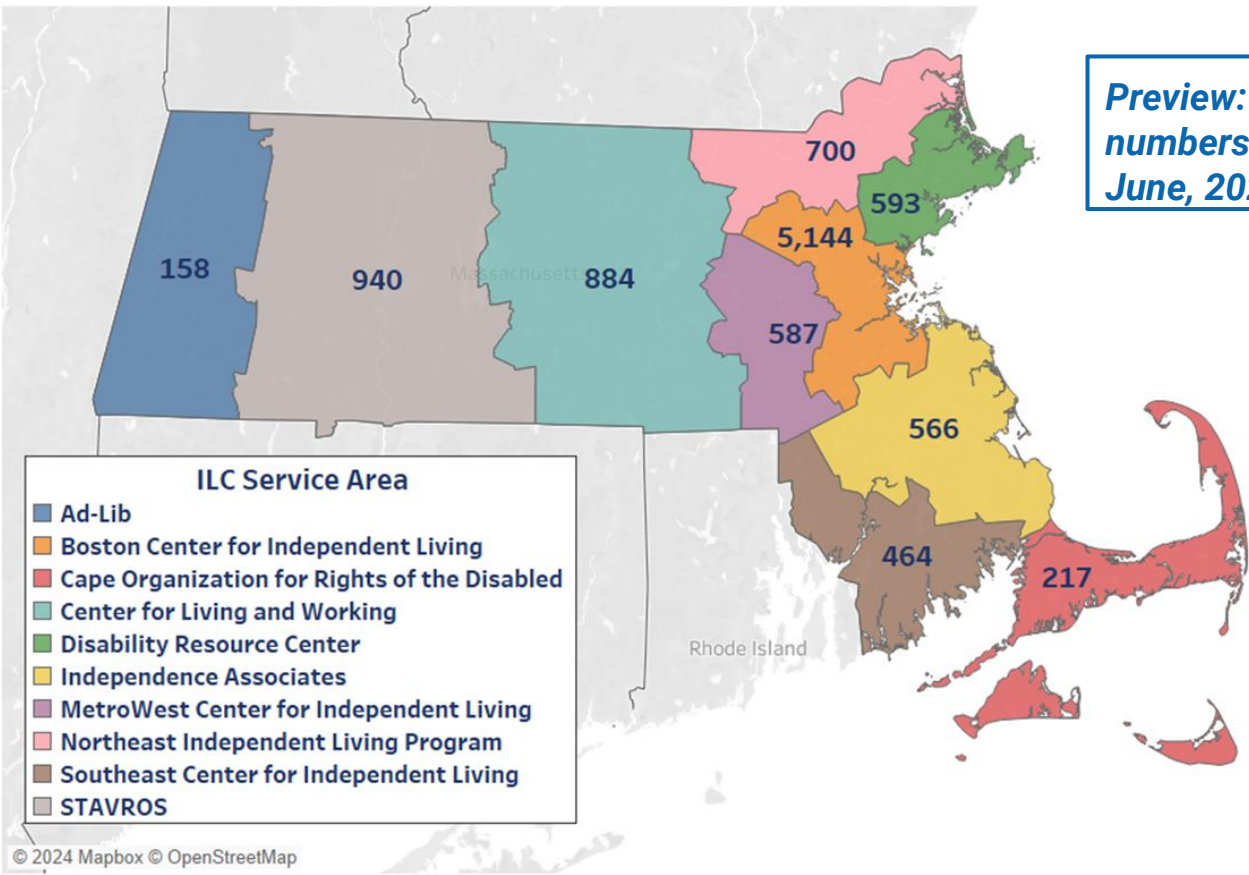
Fixed Below Market Rent units have rents set at a fixed, below-market level. For Rent Based on Income units, the rent is set as a percentage (typically 30%) of the household's income. Due to gaps in details for 0.4% of our inventory, there may be minor discrepancies between totals and detailed breakdowns.

Transparency:
statewide and
municipal
inventory in
detail

Addressing a huge pain point: Where are the accessible + affordable rentals?

Preview: Final numbers in June, 2024

- ILC Service Area**
- Ad-Lib
 - Boston Center for Independent Living
 - Cape Organization for Rights of the Disabled
 - Center for Living and Working
 - Disability Resource Center
 - Independence Associates
 - MetroWest Center for Independent Living
 - Northeast Independent Living Program
 - Southeast Center for Independent Living
 - STAVROS



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Based on 10,253 affordable accessible units at 1,618 properties, representing 42% of all properties with 52% of all units tracked by Housing Navigator MA.

Data current as of March 15, 2024. Source: HNMI

Questions/Comments/Suggestions

- ❑ What resonates?
- ❑ Where do you see the impact now and going forward?
- ❑ How can we spread the message of the importance of making it easier and simpler for people to find affordable housing?

Proposal for Transfer of Ownership and Extension of Note | May 14, 2024

New Port Antonio

1. General Project Information	
Project Name	New Port Antonio
Project ID	94-024
Address(es)	8, 14, 20, 26 Irwin Avenue 31, 35 Brunswick Street 8 Montana Street Boston (Roxbury), MA 02119 181, 185, 186, 190 Ruthven Street 20, 24 Deckard Street 28 Wyoming Street 4, 5, 6, 7, 8 Wellington Court 58, 60, 62, 63, 67, 71 Cheney Street 515 Warren Avenue 52, 54, 56, 58, 60 Brunswick Street 55 Elm Hill Avenue Boston (Dorchester), MA 02121
Current Sponsor	PNC Bank
Outstanding MH Loans	Senior Loan (94-024-01) - Current Principal Balance: \$39,417,516 - Maturity Date: August 1, 2025
Current MH Risk Rating	Financial: A Physical Condition: A Compliance: A
Total Rental Units	227 Units
Affordability Mix	227 Affordable

2. Recommended Actions

- Approval for a Level 1 Transfer of Ownership
- Approval for the Extension and Modification of the First Note
- Approval to Add Subordinate Third-Party Debt

PNC ARHPF New Port Antonio Apts LLC (the “Current Owner”), a single-asset, sole-purpose entity controlled by PNC Bank, is seeking MassHousing’s approval of the sale of New Port Antonio (the “Development”) to NHPF NPA Owner, LLC a single-asset, sole-purpose entity owned and controlled by The NHP Foundation (the “Purchaser”). As part of the sale, the Purchaser will assume the MassHousing mortgage loan and all related loan documents. The Purchaser is also seeking an extension on the existing loan on the property to December 31, 2027, and modification of the interest rate and payment terms. The loan is currently set to mature on August 1, 2025. Lastly, the Purchaser is requesting approval to add subordinate third-party debt to support the acquisition of the Development.

The affordability mix in Section A above will remain in place following the transfer of the Development.

3. Development Plan

Description of Site. New Port Antonio Apartments is a 17-building scattered site development located in the Roxbury and Dorchester neighborhoods of Boston. The Development benefits from close proximity to essential services such as transportation (bus stops with access to five routes are within 0.2 miles), as well as grocery, pharmacy, retail, and banking. Public schools, a library, healthcare, and a police station are located within 0.3 to 1.2 miles.

Description of Existing or Proposed Building. The Development consists of 91 one-bedroom, 88 two-bedroom, 32 three-bedroom, and 16 four-bedroom apartments in 17 three-story walk-up buildings which are all located within approximately 0.5 miles of each other.

Description of Affordability Mix. All 227 units are restricted to households earning no more than 60% of AMI and all units are covered by a project-based Section 8 HAP contract.

4. Proposed Owner

Proposed Mortgagor Entity: NHPF NPA Owner, LLC

The Purchaser is a single-asset, sole purpose limited liability company whose sole manager and member are the Proposed Sponsor.

Proposed Sponsor: The NHP Foundation

Headquartered in New York City with offices in Washington, DC, and Chicago, IL, The NHP Foundation was founded in 1989, as a nonprofit real estate corporation.

Since that time, the NHP Foundation has invested nearly \$3 billion in the preservation of affordable housing. The investing of these funds has resulted in economic stability for thousands of seniors, families, and children.

Through partnerships with major financial institutions, the public sector, faith-based initiatives, and other not-for-profit organizations, the NHP Foundation currently has 59 properties, including nearly 10,000 units, in 16 states and the District of Columbia.

Management Company: UHM Properties LLC

UHM Properties LLC (“UHM”) is a full-service, certified minority-owned business (“MBE”) that owns and manages affordable housing developments in Boston and its surrounding communities. UHM was formerly known as United Housing Management LLC and was formed in 2002. UHM now manages over 1,400 housing units, including ten developments in MassHousing’s portfolio.

5. Summary of MassHousing Relationship with Sponsor of Proposed Owner	
Number of Projects with MassHousing Debt	1
Total Units with MassHousing Debt	217
Outstanding MassHousing Principal Debt	\$64,294,636
Adverse Actions Against the Borrower Team	No
Current on Obligations with MassHousing	Yes
Property Management Affiliate	No
MassHousing Staff:	
Originator	Mike Carthas
Portfolio Manager	Lee Fiorenza
Asset Manager	Josh Combs

6. Background and Additional Notes

The Current Owner acquired the property in November 2015 with a \$25,000,000 MassHousing acquisition loan. In April 2020, the Board approved a \$40,000,000 permanent loan to repay existing Agency debt, complete immediate repairs, recapitalize the replacement reserve account and provide the owner with an equity take-out.

There are four existing reserves associated with the Development; the treatment of those reserves will be as follows:

- **Critical Repairs Escrow:** As part of the 2020 board approval, the Current Owner was required to capitalize a Capital Repairs Escrow and to complete immediate and accessibility repairs as identified in the MassHousing capital needs assessment. While the immediate repairs have been completed, there is approximately \$30,000 of in-unit accessibility repairs, including adjustment of kitchen hardware, countertop heights, and shelving heights, that remain outstanding. The cost estimate is based on staff analysis in conjunction with input from MassHousing Design and Construction staff. The Critical Repairs Escrow, established at closing in the amount of \$475,000, has a remaining balance of \$205,000, which is sufficient to address projected needs while also incorporating a cost contingency. The Critical Repairs Escrow, along with the remaining outstanding work, will be assumed by the Purchaser.
- **Replacement Reserves:** Will be released to the Current Owner at the time of the acquisition; the Purchaser will recapitalize the Replacement Reserve in the same amount.
- **Other Reserves:** Include Tax Escrow and Residual Receipts; these reserves will be conveyed with the Development.

In addition, the Purchaser is also funding an elective Immediate Repairs Reserve. The reserve has been sized to complete near-term repairs that the Purchaser has identified in their diligence review, including on-site inspections and commissioning of a third-party CNA. The Purchaser will hold this reserve.

1. **Transfer of Ownership:** The request for approval of the proposed transfer of the Development is made pursuant to the MassHousing Transfer of Ownership Policy (the “Transfer Policy”). The proposed transfer is a “Level One” Transfer, because it would result in a change in ownership of the Development. The Proposed Sponsor is the sole member and manager in the ownership entity.

The Agency’s most recent experience with the Proposed Sponsor was as lender in their acquisition of Blue Mountain Apartments (“Blue Mountain”), a 217-unit development located near the Development. The Proposed Sponsor acquired Blue Mountain in 2019 with a \$52,250,000 construction to permanent loan provided by the Agency. Rehabilitation of Blue Mountain is complete with the Agency’s loan converting to permanent financing in 2023. The existing Management Agent at the Development will remain in place and has previous experience with the Proposed Sponsor as they manage Blue Mountain.

2. **Acquisition:**

Sources	Total	Uses	Total
Assumption of MH Loan	\$39,417,516	Acquisition	\$77,500,000
BlueHub Loan	\$28,000,000	Replacement Reserves	\$625,773
NHP Equity	\$15,174,529	Debt Service Reserve	\$1,678,411
Total Sources	\$82,592,045	Immediate Repairs Reserve	\$1,137,790
		Transaction Costs	\$1,650,071
		Total Uses	\$82,592,045

The Purchaser has a purchase and sale agreement with the Current Owner to acquire the property for \$77,500,000. To assist in acquiring this Development, the Purchaser is seeking an extension and modification to the existing MassHousing loan and approval of third-party subordinate acquisition financing. The Proposed Sponsor is providing \$15,174,529 in equity to cover the remaining costs associated with the acquisition.

- **Extension of the First Note:**

First Loan – Existing Terms	
Amount	\$39,417,516
Rate	2.70%
Initial Term	60 months; I/O months 1 through 36
*Remaining Term	15 months; maturity date of August 1, 2025
Amortization	30 years
First Loan – Extension Terms	
Amount	\$39,417,516
Rate	To be a blend calculated in the following manner:

	<p>1) Existing rate of 2.70% for the remaining term of the First Loan.</p> <p>2) A rate of SOFR plus 190 basis points (“bps”) for the term of the extension through December 31, 2027.</p> <p>The rate will be calculated at execution of the maturity extension. Based on current rates and the remaining initial term, the blended rate would be approximately 5.64%.</p>
Term	Through December 31, 2027
Amortization	30 years; Payments during the extension period shall be interest-only

The Purchaser is seeking an extension and modification of the First Loan. The extension, which is set to mature on August 1, 2025, will be on an interest-only basis to December 31, 2027. Under the modification, MassHousing will blend the interest rate on the extended First Loan. The blended rate consists of the existing rate (2.70%) for the remaining term of the First Loan and a rate of SOFR plus 190 basis points for the term of the extension through December 31, 2027. The final blended rate will be calculated and implemented at execution of the maturity extension.

- Approval of Subordinate Third-Party Debt:** The Purchaser also seeks approval to obtain third-party subordinate financing to assist in acquiring the Development. The Purchaser has an executed term sheet with BlueHub Loan Fund, Inc. (“BlueHub”) for \$28,000,000 in financing. While this loan is provided by BlueHub, a participating interest in the loan will be sold to Low Income Investment Fund (“LIIF”). BlueHub is providing \$15,000,000, while LIIF is providing \$13,000,000. BlueHub and LIIF have previous experience participating together in loan transactions.

MassHousing’s loan will remain in first position. As noted with its “A” Financial rating, the Development is in good financial position on its MassHousing loan obligations. The Development has achieved Debt Service Coverage (“DSC”) of 2.79x DSC in 2021, 2.40x DSC in 2022, and 2.46x DSC in 2023. MassHousing has reviewed trended historical operating expenses and the Development’s current rent roll and projects that the Development will continue its strong performance on the MassHousing loan.

The subordinate loan from BlueHub will also be interest-only, current-pay debt. BlueHub is requiring a \$1,670,000 debt service reserve as part of its loan structure to meet its 1.15x DSC requirement. The reserve is sized to achieve 1.15x DSC on all debt through a five-year hold period and will be held by BlueHub.

Similar to the review of MassHousing’s loan performance, staff also analyzed how the Development will perform with BlueHub’s subordinate current-pay debt. Staff projects that the Development will perform above breakeven in Year 1 and trend positively through Year 5.

BlueHub's debt service reserve will be necessary to achieve 1.15x DSC in those years in order to meet its loan requirement. In the event that the reserve is exhausted, the Proposed Sponsor has committed to contribute its own equity to meet 1.15x DSC. BlueHub is commissioning its own appraisal, with MassHousing listed as intended user. Staff will review the appraisal upon receipt.

**New Port Antonio
VOTES AND SPECIAL CONDITIONS**

VOTES

Staff has reviewed the application for a transfer of ownership submitted by PNC ARHPF New Port Antonio Apts LLC and determined that it will not adversely affect MassHousing's loan security or the residents of New Port Antonio. Staff recommends the below votes for approval.

VOTED: That MassHousing approve the Level One Transfer of Ownership (the "Transfer") of New Port Antonio in Boston, Massachusetts (the "Development") from PNC ARHPF New Port Antonio Apts LLC (the "Current Owner") to NHPF NPA Owner, LLC, a single-purpose, sole-asset entity controlled by The NHP Foundation (the "Purchaser"), subject to the requirements of the Transfer of Ownership Policy approved by the Board on August 14, 2007, and further subject to (1) any additional conditions required by the Director of Rental Management or General Counsel, and that the Chief Executive Officer, Vice President of Multi-Family Programs and General Counsel each be authorized, acting singly, to execute such documents, agreements, and instruments on behalf of the Agency in connection therewith, and (2) the following special condition:

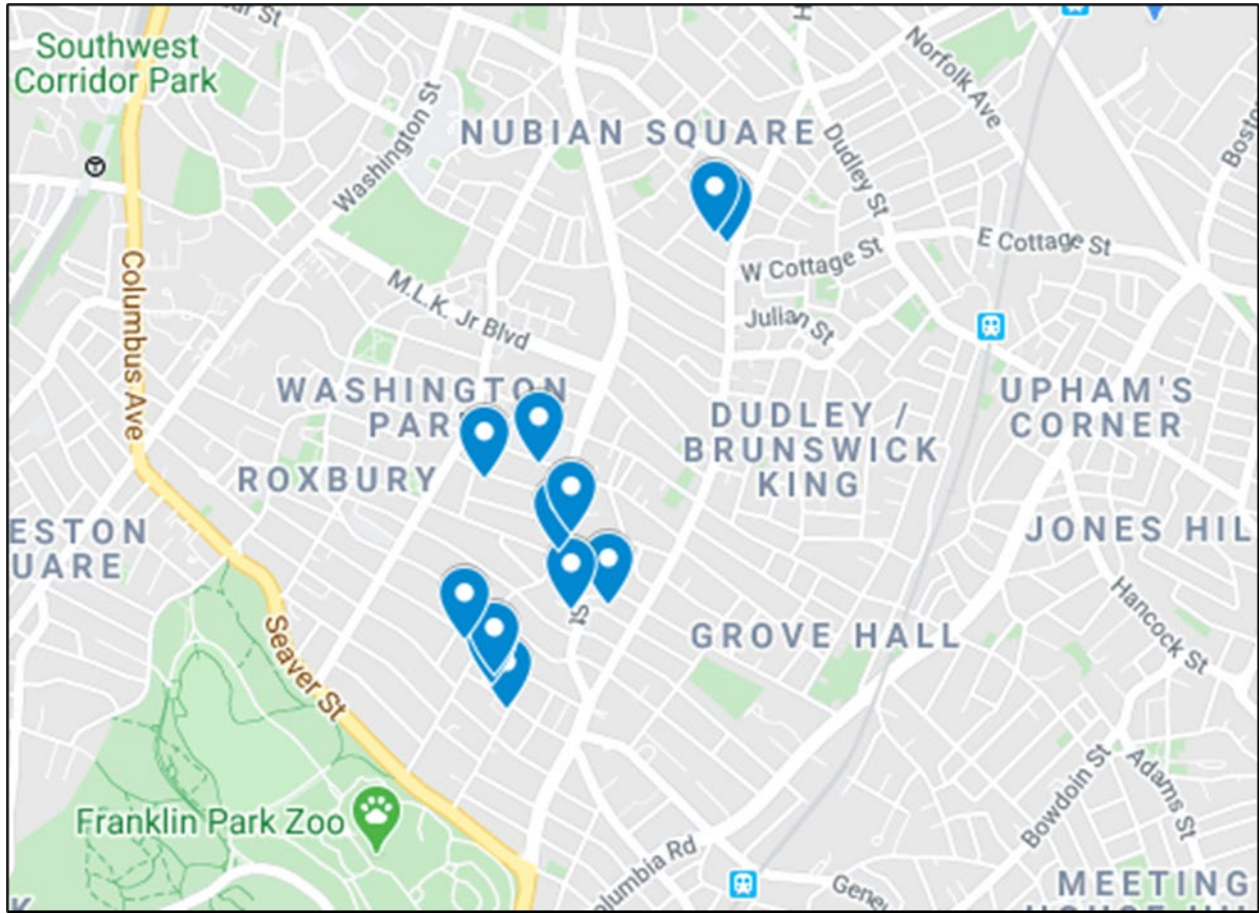
SPECIAL CONDITION:

The Purchaser shall agree to assume the balance of the Critical Repairs Escrow and complete the outstanding Critical Repairs Work, consisting of repairs to accessible units, as required under the Regulatory Agreement dated as of July 28, 2020, between the Current Owner and MassHousing, within 120 days from the date of closing.

VOTED: That MassHousing authorizes the Chief Executive Officer or the Vice President of Multifamily Programs, and their respective designees, each acting singly, to approve an extension of the Mortgage Note dated as of July 28, 2020 from PNC ARHPF New Port Antonio Apts LLC to MassHousing for twenty eight (28) months to December 31, 2027, on such terms and conditions as required by the Chief Executive Officer or the Vice President of Multifamily Programs.

VOTED: To authorize the Chief Executive Officer and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing's first mortgage loan, and other MassHousing debt as determined by the Chief Executive Officer or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing's requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel or his designee.

MAP AND PICTURES



190 Ruthven Street



35 Brunswick Street

Loan Commitment Proposal | May 14, 2024

New Port Antonio Apartments

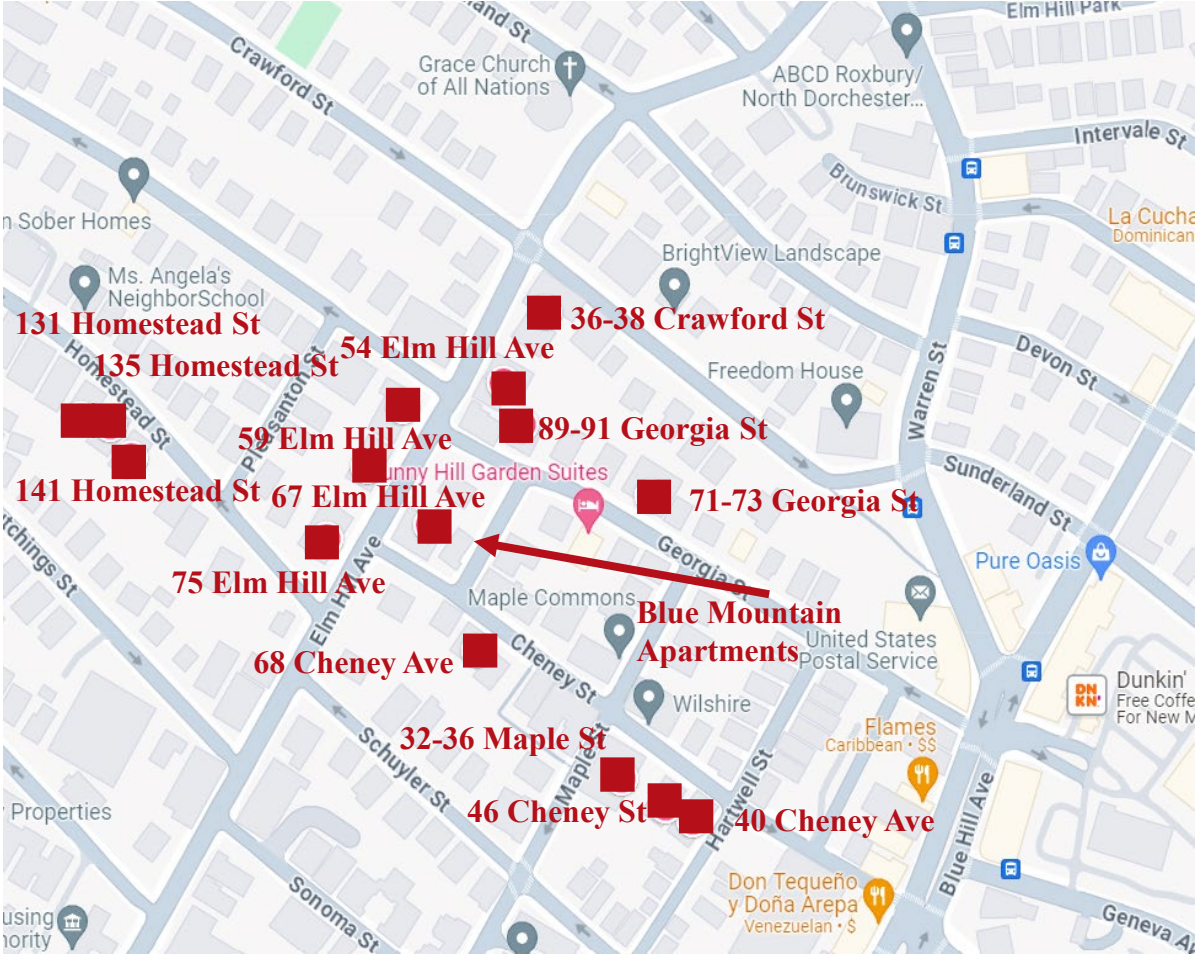
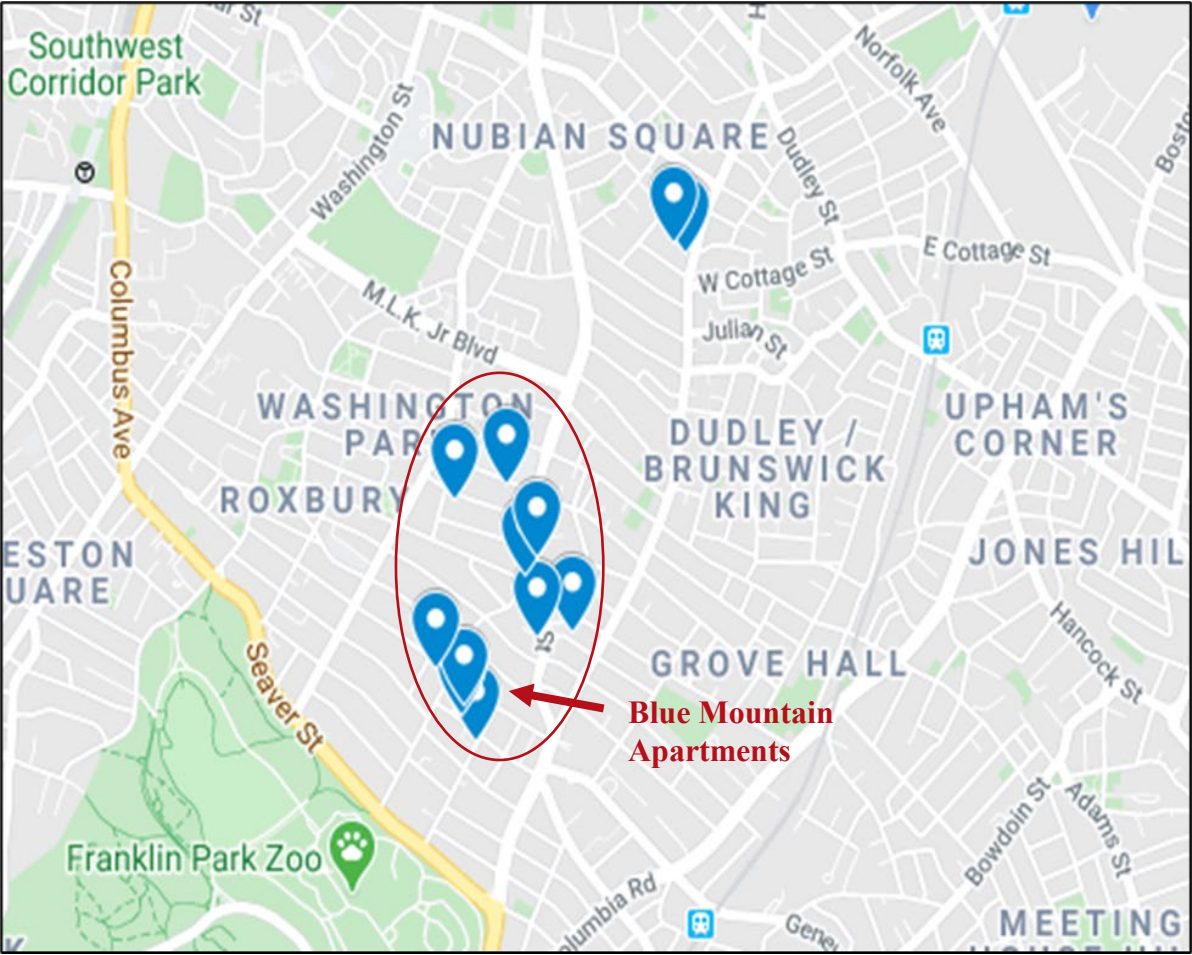


Location	Boston (Roxbury) Boston (Dorchester)
Current Sponsor	PNC Bank
Proposed Sponsor	The NHP Foundation
MH Risk Rating	Financial: A Physical Condition: A Compliance: A
Total Rental Units	227 Units
Affordability Mix	227 Affordable

Deal Team Members

Origination	Mike Carthas
Portfolio Manager	Lee Fiorenza
Asset Management	Josh Combs

New Port Antonio Apartments | Boston (Roxbury & Dorchester)



Borrower Team

Current Mortgagor Entity	PNC ARHPF New Port Antonio Apts LLC
Current Sponsor	PNC Bank
Management Company	UHM Properties LLC

Proposed Mortgagor Entity	NHPF NPA Owner, LLC
Proposed Sponsor	The NHP Foundation
Management Company	UHM Properties LLC

Sources and Uses

Sources of Funds		Uses of Funds	
Assumption of MH Loan	\$39,417,516	Acquisition	\$77,500,000
BlueHub Loan	\$28,000,000	Replacement Reserves	\$625,773
NHP Equity	\$15,174,529	Debt Service Reserves	\$1,678,411
		Immediate Repairs Reserve	\$1,137,790
		Transition Costs	\$1,650,071
Total Sources	\$82,592,045	Total Uses	\$82,592,045

Background and Additional Notes

1. Transfer of Ownership
2. Acquisition
3. Additional Third-Party Subordinate Debt

Recommended Votes

- Approval for a Level 1 Transfer of Ownership
- Approval for the Extension and Modification of the First Note
- Approval to Add Subordinate Third-Party Debt

Loan Commitment Proposal | May 14, 2024

900 Morrissey Boulevard

1. General Project Information	
Project Name	900 Morrissey Boulevard
Project ID	23-137
Associated Projects	N/A
Address(es)	944 Morrissey Boulevard, Boston, MA 02122
Sponsor	The Community Builders, Inc.
Transaction Type	Production (4%)
Funding Type	Current – Conduit Private Placement
Execution Type	Conduit – Tax-Exempt
Credit Enhancement	None
Approval Type	Board
Total Rental Units	99
Affordability Mix	99 Affordable

2. Recommended Actions

- Commitment of a Tax-Exempt Conduit Loan
- Approval of the use of Low-Income Housing Tax Credits

The Community Builders, Inc. (the “Sponsor” or “TCB”) has requested that MassHousing act as the nominal lender of tax-exempt bond proceeds under the Conduit Loan Program to allow the Sponsor to access 4% LIHTC equity for the proposed financing of 900 Morrissey Boulevard (the “Development”). The Sponsor proposes to convert an existing hotel building into 99 supportive housing units for formerly homeless individuals, all of which will be affordable at 30% Area Median Income (“AMI”). Comprehensive supportive services will be provided to the development’s resident population through a contract with Pine Street Inn (“PSI”).

3. MassHousing Financing

First Loan	
Type	Tax-Exempt Short-Term Conduit Loan
Loan Amount	Up to \$25,100,000
Loan Term / Amortization	30 months / Interest-Only

4. Development Plan

Description of Site. The Development is located on a 1.31-acre parcel (the “Site”) located along Morrissey Boulevard in the Dorchester neighborhood of Boston. The Site is within walking distance to bus stops connecting residents to Red Line MBTA stations and in close proximity to a grocery store.

Description of Existing or Proposed Building. The Sponsor proposes the adaptive reuse of the existing hotel building to create a mixed-use multifamily residential development for formerly homeless individuals.

The ground floor will be adapted to create office and community spaces, while existing hotel rooms on floors two through five will be converted into studio apartments through the addition of kitchenettes and will receive new appliances, finishes, flooring, and lighting. The scope of work also includes mechanical upgrades and the creation of indoor and outdoor community and amenity spaces.

There are currently 96 surface parking spaces, which will be reduced to 33 spaces as part of a conversion into green spaces for use by residents for outdoor programs and leisure.

TCB intends to increase the existing building’s efficiency through the upgrade of key building systems while keeping most existing materials and fixtures in place, promote water conservation, and include measures to minimize the project’s environmental footprint. The Development will achieve Enterprise Green Communities 2020 certification. New upgrades include in-unit aerators projected to save 500,000 gallons of water each year, an air-cooled variable refrigerant flow (“VRF”) heat recovery system to condition and heat the first-floor office and amenity spaces, an energy recovery ventilation (“ERV”) system will provide dedicated outside air and exhaust from first-floor spaces, increased vegetated green space, and new heat pumps will replace existing domestic water heaters.

Description of Affordability Mix. All 99 units will be subject to income restrictions with set-asides at 30% of AMI, and all 99 units will benefit from a project-based Section 8 contract.

Site Control. The Sponsor acquired the property in fee simple in January 2024 for \$22,785,925.

5. Borrower Team

Mortgagor Entity: Morrissey Boulevard 121A Limited Partnership

A sole-asset, single-purpose entity formed for the purpose of owning and operating the Development.

Developer / Sponsor: The Community Builders, Inc.

The Community Builders, formed in 1964, is a leading nonprofit real estate developer that currently owns or manages more than 14,000 apartments in 15 states and the District of Columbia, with regional offices in Boston, Chicago, Columbus, New York and Washington, D.C. TCB has constructed or preserved affordable and mixed-income housing, utilizing financing from public and private sources.

General Partner / Managing Member: TCB Morrissey Boulevard 121A GP LLC

A single-purpose entity formed for the purpose of being the managing member of the ownership entity.

Construction Lender: Eastern Bank, N.A.

Eastern Bank is a Massachusetts-based financial institution offering consumer, commercial, and business banking services. Eastern Bank has approximately \$24 billion in total assets and employs approximately 2,100 people.

Syndicator / Investor: Raymond James Affordable Housing Investments

A subsidiary of Raymond James Financial, Raymond James Affordable Housing Investments (“Raymond James”) has been a sponsor of Low-Income Housing Tax Credit Funds nationwide since the inception of the housing credit program in 1986. The firm is in its 51st year of service in the industry having invested over \$14 billion in equity for more than 2,400 properties across the country.

Management Company: The Community Builders, Inc.

TCB is a MassHousing-approved management agent with over 2,100 units under management in MassHousing’s debt portfolio and more than 14,000 apartments owned or managed across fourteen states and Washington D.C.

Architect: BWA Architecture, Inc.

BWA Architecture, Inc. (“BWA”) was formed in 1993 as Baker / Wohl Architects, and since 2019 has been known as BWA Architecture. BWA is a team of twenty architects, designers, construction representatives and support staff providing full architectural services.

General Contractor: Commodore Builders LLC

Founded in 2002, Commodore Builders LLC (“Commodore”) is a certified, veteran-owned, Boston-based construction management firm with expertise in life sciences, commercial, and mixed-use residential development projects. Commodore has a significant amount of construction experience, their work is predominantly commercial but also includes mixed-income multifamily, hotel renovations, and partnerships with public agencies.

6. Summary of MassHousing-Sponsor Relationship	
Number of Projects with MassHousing Debt	21
Total Units with MassHousing Debt	2,194
Outstanding MassHousing Principal Debt	\$235,063,034
Adverse Actions Against the Borrower Team	No.
Current on Obligations with MassHousing	Yes.
Property Management Affiliate	Yes, TCB manages properties in TCB’s portfolio and offers management services to properties outside of its portfolio.
MassHousing Staff	
Origination	Mike Carthas, Originator Matt Deych, Analyst
Underwriting	Dan Staring, Underwriter Amelia Cruz-McDonough- Associate Underwriter
Asset Management	Daniel Discenza, Portfolio Manager Greta Appleton, Asset Manager

7. Unit Mix

Unit Size	Total Units	LIHTC-Eligible		Market Comparison
		PVB contract Rents		
		<i>Count</i>	<i>Rent</i>	
Studio	99	99	\$2,433	*-
Total	99			

*Following MassHousing’s programmatic approach for conduit transactions, MassHousing will not conduct an appraisal or an internal market comparison. The rents have been established by the Boston Housing Authority and are subject to a rent reasonableness study. MassHousing is awaiting the results of this study.

Project-Based Rental Subsidy	
Type	Section 8
Term	20 y
Administrator	Boston Housing Authority
Lesser of market or contract rents. N/A	

8. Operating Overview

Underwritten Operating Expenses	\$2,185,400 (approximately \$22,100 per unit)
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Basis of Operating Costs. MassHousing reviewed the Borrower-submitted operating budget and compared them to 140 Clarendon and 41 LaGrange Street, two MassHousing developments that provide a comparable level of comprehensive supportive services. The Development’s operating costs are inline with the comparable developments.

9. Project Costs

Core Residential Costs	
Base	\$49,499,972
Extraordinary	\$2,567,000
Total	\$52,066,972
Total Development Cost	
Total	\$52,066,972

Project Construction Costs	
Total Construction Cost	\$13,734,399
Construction per Square Foot	\$327

Background on Extraordinary Costs. The high development costs are driven by the acquisition cost, which accounts for 44% of Total Development Cost (“TDC”). This cost is the result of the Sponsor purchasing the property at market rate and converting it into an affordable housing development.

10. Sources and Uses

Sources of Funds	Total
Federal LIHTC Equity	\$15,935,905
State LIHTC Equity	\$15,600,000
City of Boston Subsidy*	\$10,000,000
EOHLC ARPA Supportive Housing	\$3,750,000
EOHLC-ARPA-1 Rental	\$1,520,198
EOHLC AHTF	\$2,750,000
EOHLC HSF	\$2,500,000
Developer Cash Equity	\$100
Developer Fee Deferred	\$10,769
Total Sources	\$52,066,972

LIHTC Pricing	
Federal LIHTC	\$0.97
State LIHTC	\$0.80

*Housing Boston 2030 Program and the ARPA Supportive Housing Program

Core Residential Uses of Funds	Total	
		<i>Per Unit</i>
Acquisition	\$22,785,925	\$230,161
Construction	\$13,734,399	\$138,731
Construction Contingency	\$1,373,440	\$13,873
General Development	\$7,638,768	\$77,159
Capitalized Reserves	\$3,107,129	\$31,385
Overhead	\$1,713,656	\$17,310
Fee	\$1,713,656	\$17,310
Total Residential Uses	\$52,066,972	\$525,929

Base Costs		Extraordinary Costs	
	<i>Per Unit</i>		<i>Per Unit</i>
\$20,218,925	\$204,232	\$2,567,000	\$25,929
\$13,734,399	\$138,731		
\$1,373,440	\$13,873		
\$7,638,768	\$77,159		
\$3,107,129	\$31,385		
\$1,713,656	\$17,310		
\$1,713,656	\$17,310		
\$49,499,972	\$500,000	\$2,567,000	\$25,929

Total Uses	\$52,066,972
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11. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		\$2,890,642
Vacancy – Project-Based Rental Subsidy	5.0%	(\$144,532)
Effective Gross Income		\$2,746,110

Expenses		
Residential Operating Expenses		\$2,185,421
Net Operating Income		\$560,688
Debt Service		-
Cash Flow		\$560,688

Debt Service Coverage -

Residential Operating Expense Detail			<i>Per Unit</i>
Management Fee	6.0%	\$164,767	\$1,664
Administrative Costs		\$295,399	\$2,984
Maintenance Costs		\$322,778	\$3,260
Resident Services		\$481,000	\$4,859
Security		\$218,400	\$2,206
Utilities (water and sewer, electricity)		\$269,973	\$2,727
Insurance		\$183,605	\$1,855
Taxes		\$200,000	\$2,020
Replacement Reserves		\$49,500	\$500
Total		\$2,185,421	\$22,075

Operating Expenses as a Percent of EGI 79.6%

12. Underwriting Notes

1. **Financing Structure.** The Sponsor has proposed, and this proposal reflects a structure in which Eastern Bank will serve as the construction lender, in participation with Cambridge Savings Bank, providing a construction loan to the Development of up to \$25,100,00. MassHousing will issue up to \$25,100,000 in conduit tax-exempt drawdown bonds, sized to be 52% of the net TDC. The tax-exempt bonds will be drawn down during the construction period. The tax-exempt construction loan and drawdown bonds will be repaid from tax credit equity upon meeting eligible occupancy thresholds.

Given the supportive housing nature of this development and resulting high operating costs, the Development cannot support permanent debt.

2. **General Contractor.** Commodore Builders, LLC is a new general contractor (“GC”) for MassHousing. For this project, they proposed to combine with Maven Construction (“Maven”), a women-owned construction company, that was founded in 2019 by a group of commercial real estate professionals. Maven specializes in projects related to education, multifamily, medical research, and municipal infrastructure. Maven has completed at least seven multifamily housing projects, including affordable housing developments.

Commodore and Maven have worked together successfully on several previous projects as a mentor/mentee partnership. Working together on this Development builds on this experience and allows Maven to participate in larger scale development, while leveraging Commodore’s experience and expertise.

Commodore will be the prime GC, providing all logistical and administrative supports, and 100% of bonding and insurance. Maven will provide project management staff in conjunction with a Commodore project executive.

3. **Operating Expenses.** Operating expenses per unit are above the Agency’s average portfolio range of \$11,000 to \$15,000 per unit. The underwritten expenses of \$22,075 per unit is driven primarily by two factors, costs related with supportive services and security.

A unique component of this transaction will be the partnership between TCB and PSI to provide comprehensive supportive services to the development’s resident population. The contract with PSI will provide personalized onsite counseling, employment training services, and transportation for residents in their transition from homelessness to permanent housing. The development will have an onsite Resident Supervisor, Case Management Supervisor, Crisis Support Clinician, six onsite Clinical Case Managers, and mobile on-call counselors available overnight to provide a satisfactory level of services for the development’s formerly homeless population.

On security expenses, the Sponsor is providing 24/7 onsite security personnel with a monitored security camera system.

Absent these costs, the operating budget would be in line with the Agency's typical range of expenses between \$11,000 and \$15,000 per unit.

4. **Management Documents.** The Borrower has requested that MassHousing waive the requirement to use MassHousing's AFHMP and TSP forms for the Development and instead rely on the approved Affirmative Fair Housing Marketing and Tenant Selection Plan from the Boston Fair Housing Commission ("BFHC") - Boston Housing Authority. This request is pending Rental Management staff review and recommendation.

Underwriting Criteria and Loan Terms	900 Morrissey Boulevard	Underwriting Standards
1. DSCR	N/A	Minimum of 1.10
2. Term/Amortization	30 months / Interest-Only	30-40 y, fully-amortizing
3. Loan to Value	N/A	Maximum of 90% based on third party "as-proposed" investment value
4. Underwriting Rents	PB-Voucher Rental Subsidy contract	Lesser of: <ul style="list-style-type: none"> • PB-Rental Subsidy contract or market supported rents • Programmatic rent cap or rents supported by MassHousing market review.
5. Vacancy Allowance	5.0%	Minimum of: <ul style="list-style-type: none"> • 2.5% for PB – Rental Subsidy • 3.0% for LIHTC • 5.0% for unrestricted or workforce housing
6. Affordability	40% at 60% of AMI	Minimum of: <ul style="list-style-type: none"> • 20% at 80% of AMI for MassHousing Statute • 40% at 60% or 20% at 50% of AMI for loans with FHA Insurance, HUD/FFB, Tax-Exempt Bond, and/or Federal LIHTC
7. Annual Deposits to Replacement Reserves	\$500 unit / year	Minimum of: <ul style="list-style-type: none"> • \$360 unit / year (new construction) • \$500 unit / year (rehab) Note: Additional initial deposit to reserves may be required by the third-party CNA to fund twenty-year capital needs.
8. Operating Expenses	Approximately \$22,100 unit / year	Typically, between \$11,000 and \$15,000 per unit.

13. Low-Income Housing Tax Credits

The Developer has included in its financing proposal a request for the use of 4% Low-Income Housing Tax Credits (the “4% Credits”). The 4% Credits may be utilized as a result of the funding of a portion of the financing with tax-exempt bonds or notes of MassHousing which are to be issued under Section 142 of the Internal Revenue Code of 1986, as amended (the “Code”) and are subject to a volume capacity allocation under Section 146 of the Code.

Use of the 4% Credits must be approved by EOHLC as the “housing credit agency” under Section 42 of the Code who must make the determination required under Section 42(m)(1)(D) of the Code that the development and financing proposal meets the requirements of the Commonwealth’s Qualified Allocation Plan. In addition, MassHousing, as the issuer of tax-exempt obligations which generate the 4% Credits must determine under Section 42(m)(2)(D) of the Code that the amount of 4% Credits does not exceed the amount necessary for the financial feasibility and long-term viability of the development. Such determination shall be made applying the standards set forth in the proposed Board vote herein, as required by Section 42(m)(2)(B) of the Code.

900 Morrissey Boulevard
VOTES AND FINDINGS

PROPOSALS AND VOTES

Loan Commitment

Staff has reviewed the development proposal for conduit financing and recommends the following votes for approval by the Agency Members:

VOTED: To approve the findings and determinations set forth below and to authorize the issuance of multifamily tax-exempt obligations in an estimated principal amount of \$25,100,000, in one or more series pursuant to one or more indentures and/or financing agreements with such terms, interest rates, redemption provisions and maturity schedules as shall be approved by any of the Chief Executive Officer, General Counsel, Financial Director, Comptroller, or Director (or Senior Director) of Finance and Bond Compliance, acting singly, and any officer or employee of MassHousing acting in such capacity or otherwise authorized to perform specific acts or duties by resolution of MassHousing (each an “Authorized Officer”), each Authorized Officer, acting singly, being authorized to execute and deliver such agreements and any other documents, instruments, and agreements necessary to effectuate the purposes of a conduit financing, with the proceeds of such issuance to be lent to Morrissey Boulevard 121A Limited Partnership or another single-purpose entity controlled by The Community Builders, Inc. (the “Borrower”) as owner of the multifamily residential development known as “900 Morrissey Boulevard” (the “Development”) and located in Boston, Massachusetts, and in accordance with the applicable Conduit Loan Closing Standards approved by the Members of MassHousing on September 12, 2017 and delegations of authority previously approved by the Members of MassHousing, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None.

FURTHER VOTED: That the amount of 4% Credits, as set by the Chief Executive Officer, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the multifamily development located in Boston, Massachusetts and known as “900 Morrissey Boulevard” (the “Development”) will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified

low-income housing project throughout the credit period, having taken into consideration:

- (a) the sources and uses of funds and the total financing planned for the Development;
- (b) any proceeds or receipts expected to be generated by reason of tax benefits;
- (c) the percentage of the tax credit amount used for Development costs other than the cost of intermediaries; and
- (d) the reasonableness of the developmental and operational costs of the Development, provided, however, that such determination shall not be construed to be a representation or warranty as to the feasibility or viability of the Development.

FURTHER VOTED: To authorize the Chief Executive Officer, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Lending, the Director of Rental Operations, the General Counsel or the designee of any of the foregoing, each acting singly, to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding vote.

FURTHER VOTED: To authorize the Chief Executive Officer and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing's first mortgage loan, and other MassHousing debt as determined by the Chief Executive Officer or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing's requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel or his designee.

FURTHER VOTED: To authorize the Chief Executive Officer and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the owner and management agent of 900 Morrissey Boulevard to use as its tenant selection plan and affirmative fair housing marketing plan the forms prepared and approved by Boston Housing Authority, subject to review and approval by MassHousing's Senior Director of Rental Management.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:

99 units (100%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area

The market needs data reflects the information available to A&M staff as of the date of collection April 3, 2024. Further, the reader is cautioned and reminded that any observations, comparisons, and/or conclusions are based on the data as of the indicated collection date.

In-house data for larger market and mixed-income complexes (approximately 1,858 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 94.2%, and range between 92% and 100%. One of the comparables reviewed was offering a rental concession of ½ months free rent to prospective tenants.

CoStar data for the subject's Roxbury/Dorchester Submarket (8,353 units) has an overall vacancy rate at 12.9% YTD, which is an increase of 6.66% from one year ago. CoStar data for the Boston market (273,522 units) has an overall vacancy rate of 5.6% YTD, which is an increase of .44% from one year ago. The Roxbury/Dorchester Submarket vacancy rate is projected to decrease to 12.2% over the next five years, while the Boston market is projected to decrease to 5.3%.

CoStar, submarket data for the 4-5 Star building type (2,643 units) indicates 2nd Qtr. 2024 vacancy rate of 20.0% and an average asking rent of \$2,971, while submarket data for the subject's 3 Star building type (3,124 units) indicates a 2nd Qtr. 2024 vacancy rate of 6.6% at an average asking rent of \$2,657 and 1-2 Star buildings(2,574 units) indicates a 2nd Qtr. 2024 vacancy rate of 13.3% at an average asking rent of \$2,120. The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Executive Office of Housing and Livable Communities Chapter 40B Subsidized Housing Inventory (6/29/23), the City of Boston 299,238 year-round housing units, 57,443 (19.2%) of which are subsidized for low/moderate income households.

Boston Housing Authority (BHA) owns and operates 27 family and 36 elderly/disabled developments with a total of 12,501 units. The BHA also administers 14,574 units of Leased Housing, consisting of 12,216 Housing Choice Vouchers, 1,441 Project Based and 198 Moderate Rehab. In addition, the City of Boston's Annual Plan (FY2024) indicated that the BHA maintains

the following wait lists: There are 7,724 households on the Leased Housing waiting list. This is broken down by families with children, families with disabilities and elderly families. The BHA also had Single applicants on the waiting list. There were also instances of families that fit into more than one category. This waiting list has been closed since November 2008 and there are no plans to reopen at his time. The BHA also maintains a Public Housing Wait list with 28,703 applicants.

U.S. Census data from the 2017-2021 American Community Survey (ACS) indicates that of the 271,250 households in the City of Boston approximately 78.6% earned less than the HUD published 2023 AMI (\$149,300), approximately 46.8% earned less than 50% of 2023 AMI, approximately 53.1% earned less than 60% of the 2023AMI, and approximately 65.6 %earned less than 80% of the 2023AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed does not lead to the undue concentration of low-income households.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

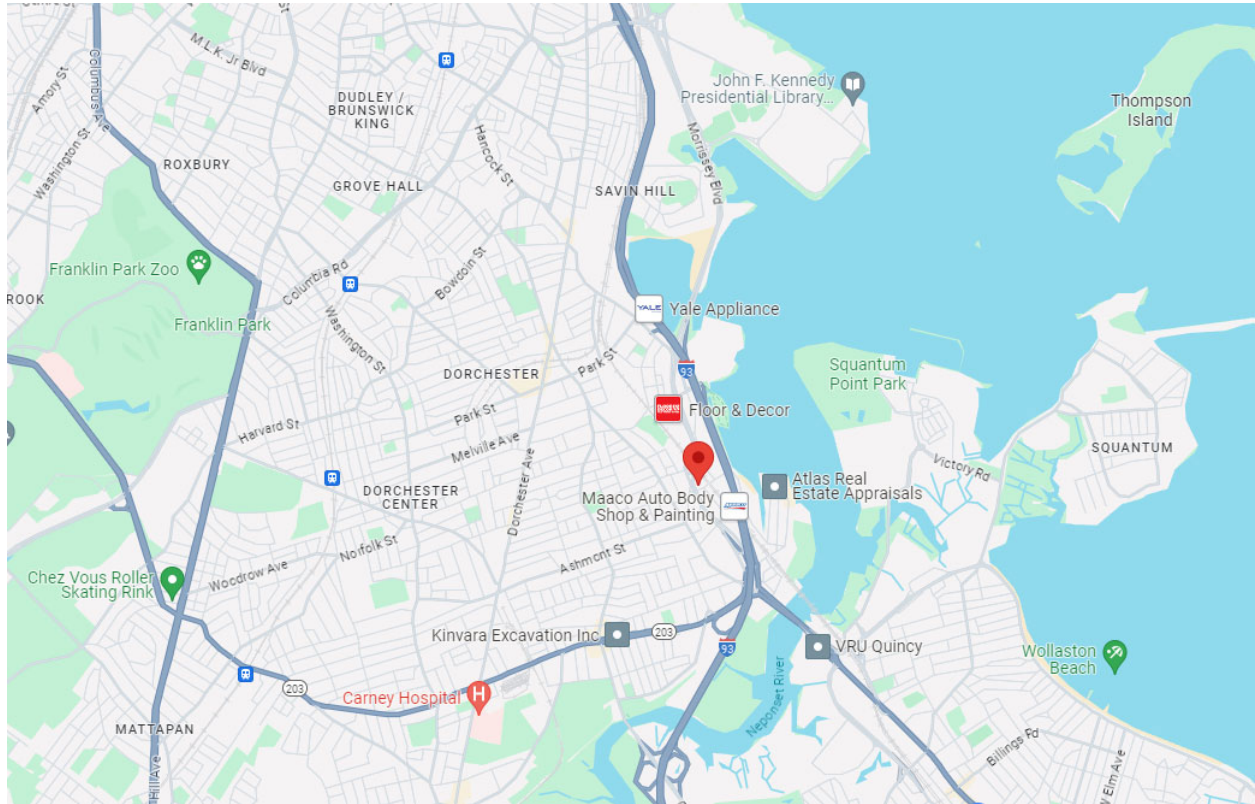
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	0
Number of Units	99
Net SF/Unit	350
Elev./Non-Elevator	E
Market Rate Rent (10% Rate 20 Year Term)	\$2,433
MHFA Below Market Rent (Cost-Based Rent)	\$2,433
MHFA Adjusted Rent	30% of 60% of AMI
Underwriting Rents PBV 30% AMI	\$2,433

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

MAP AND PICTURES



Loan Commitment Proposal | May 14, 2024

900 Morrissey Boulevard

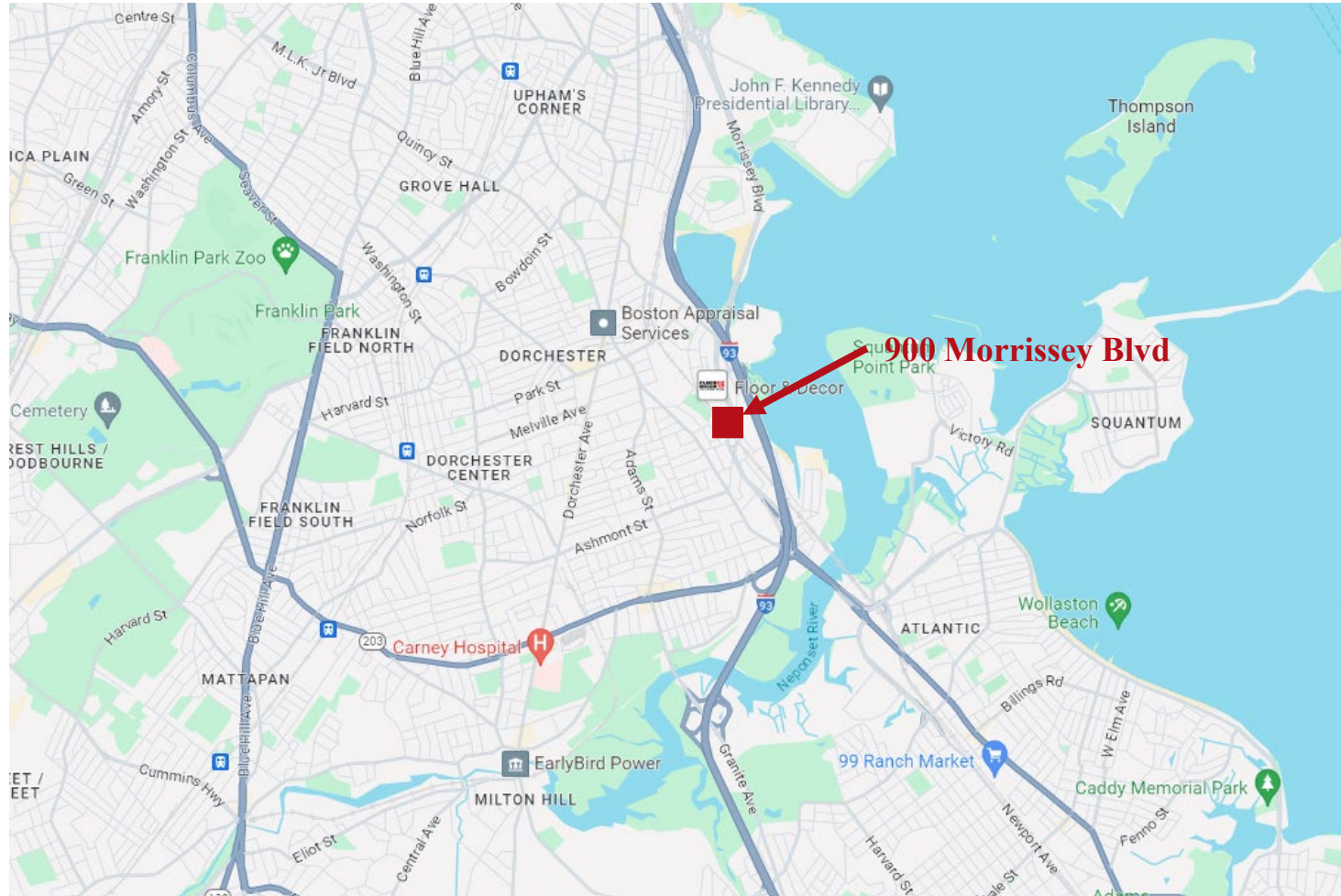


Location	Boston (Dorchester)
Sponsor	The Community Builders, Inc.
Transaction Type	Production (4%)
Funding Type	Current – Conduit Private Placement
Execution Type	Conduit – Tax-Exempt
Credit Enhancement	None
Total Rental Units	99
Affordability Mix	99 Affordable

Deal Team Members

Origination	Mike Carthas
Underwriting	Dan Staring
Asset Management	Greta Appleton

900 Morrissey Boulevard | Boston



Borrower Team

Mortgagor Entity	Morrissey Boulevard 121A Limited Partnership
Developer / Sponsor	The Community Builders, Inc.
General Partner / Managing Member	TCB Morrissey Boulevard 121A GP LLC
Construction Lender	Eastern Bank, N.A.
Syndicator / Investor	Raymond James Affordable Housing Investments
Management Company	The Community Builders, Inc.
Architect	BWA Architecture, Inc.
General Contractor	Commodore Builders LLC

Unit Mix

Unit Size	Total Units	LIHTC-Eligible		Market Comparison
		PVB Contract Rents		
		<i>Count</i>	<i>Rent</i>	
0 BR	99	99	\$2,433	*_
Total	99			

* Following MassHousing’s programmatic approach for conduit transactions, MassHousing will not conduct an appraisal or an internal market comparison. The rents have been established by the Boston Housing Authority and are subject to a rent reasonableness study. MassHousing is awaiting the results of this study.

Project Costs

Core Residential Costs	
Base	\$49,499,972
Extraordinary	\$2,567,000
Total	\$52,066,972
Total Development Cost	
Total	\$52,066,972

Project Construction Costs	
Total Construction Cost	\$13,734,399
Construction per Square Foot	\$327

Sources and Uses

Sources of Funds		Uses of Funds	
Federal LIHTC Equity	\$15,935,905	Acquisition	\$22,785,925
State LIHTC Equity	\$15,600,000	Construction	\$13,734,399
City of Boston Subsidy	\$10,000,000	Construction Contingency	\$1,373,440
EOHLC ARPA Supportive Housing	\$3,750,000	General Development	\$7,638,768
EOHLC-ARPA-1 Rental	\$1,520,198	Capitalized Reserves	\$3,107,129
EOHLC AHTF	\$2,750,000	Overhead	\$1,713,656
EOHLC HSF	\$2,500,000	Fee	\$1,713,656
Developer Cash Equity	\$100		
Developer Fee Deferred	\$10,769		
Total Sources	\$52,066,972	Total Uses	\$52,066,972

Underwriting Notes

1. Financing Structure
2. General Contractor
3. Operating Expenses
4. Management Documents

Recommended Votes

- Commitment of a Tax-Exempt Conduit Loan
- Approval for the Use of 4% Tax Credits
- Permit the Borrower to Enter into Third-Party Loans
- Permit the Use of City of Boston TSP and AFHMP

Quarterly Update on Rental Activity

Board Loan Committee
May 7, 2024

- A. Commitments
- B. Funding Events
- C. Volume Cap
Commitments

Background

MassHousing measures activity in a fiscal year using two metrics:

- 1. **Commitments**
- 2. **Funding Events:** Occurs at the **First Closing** for Construction-to-Permanents and MAP/FFB transactions and at the **Second Closing** for Permanent Forwards



MassHousing also allocates scarce resources on the calendar year:

- 3. **Volume Cap Commitments**

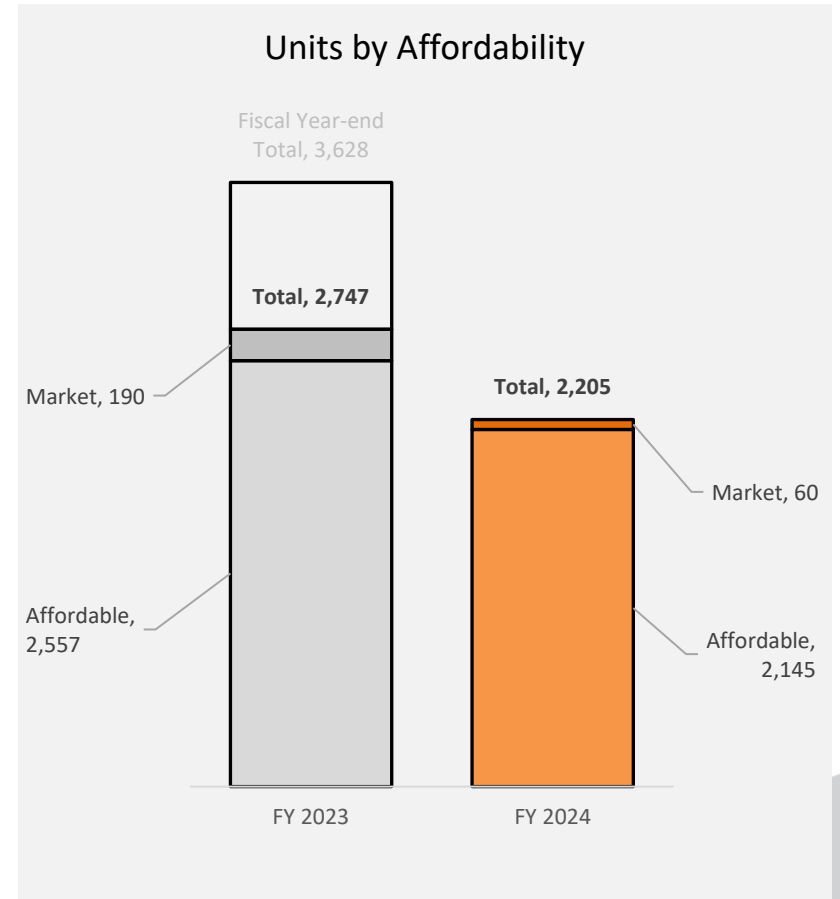
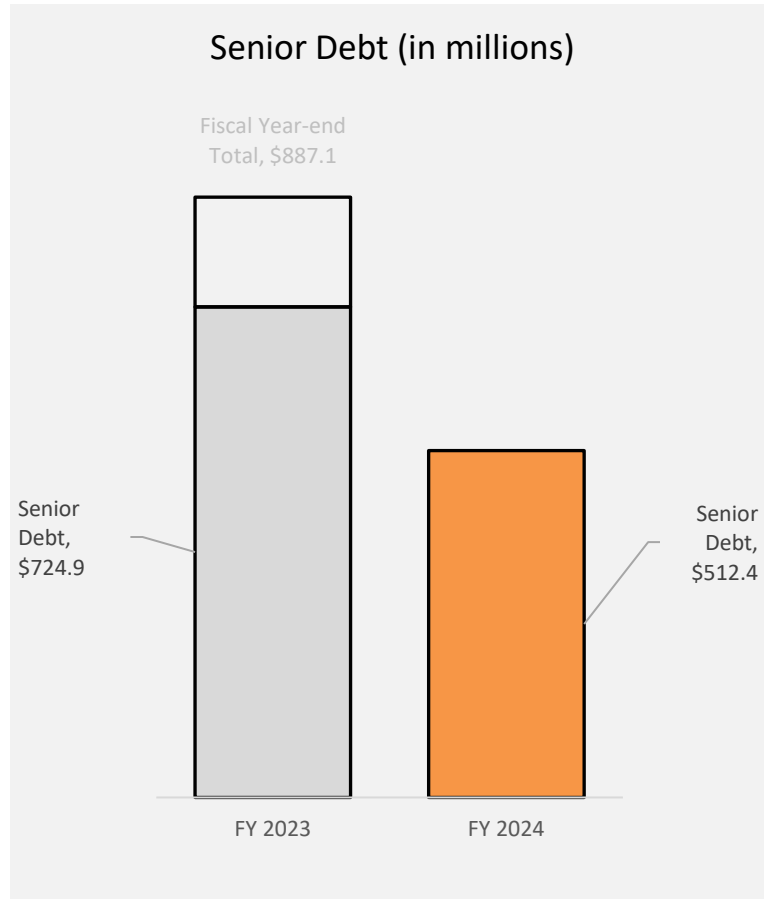
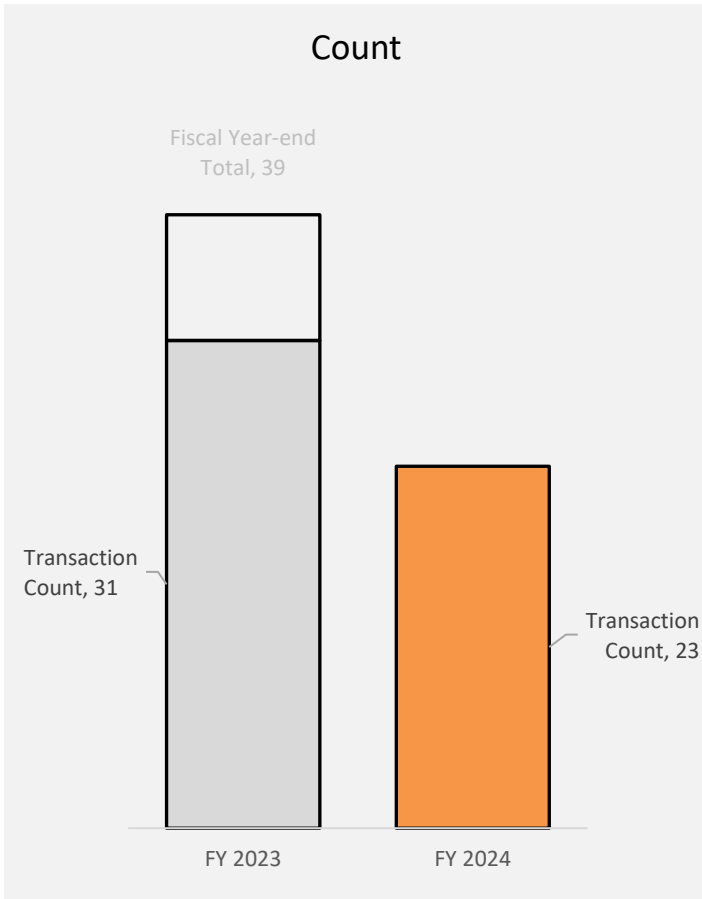


1. Commitments through Q3

2. Funding Events

3. Commitments of 2024 Volume Cap

Summary



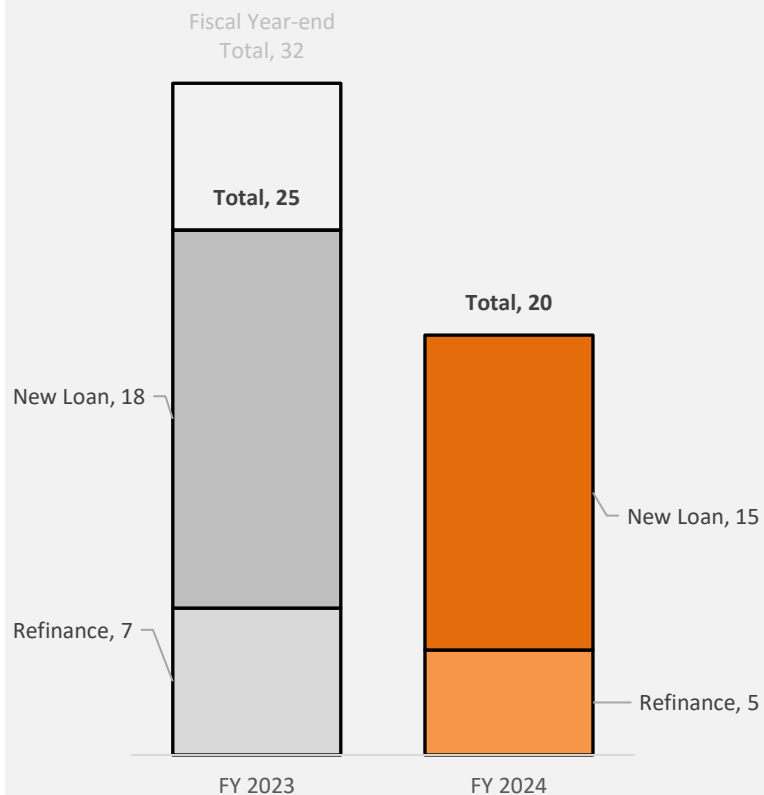
1. Commitments through Q3

2. Funding Events

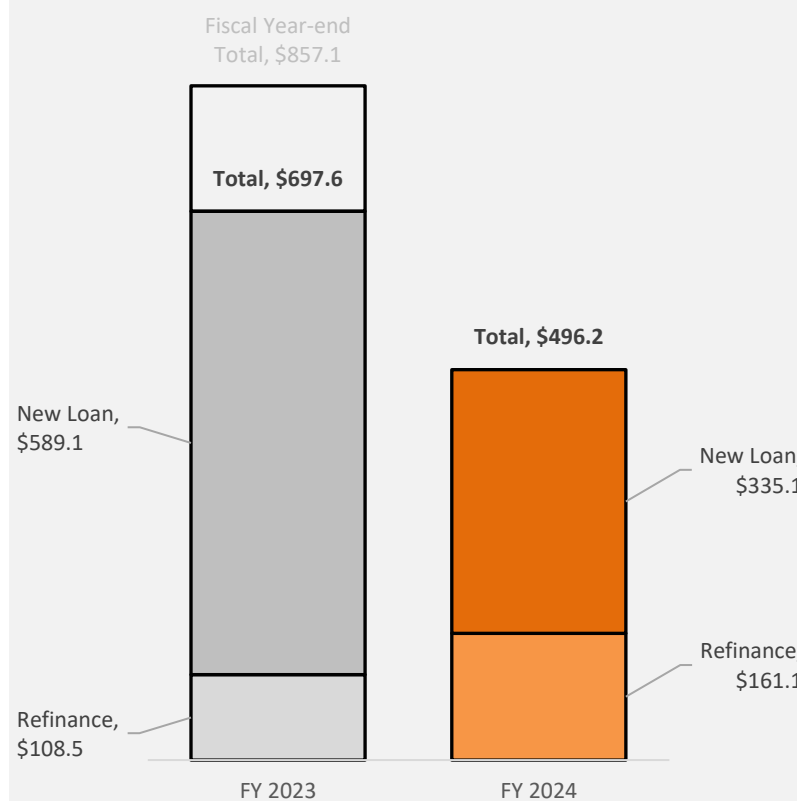
3. Commitments of 2024 Volume Cap

New Loan v. Refinance

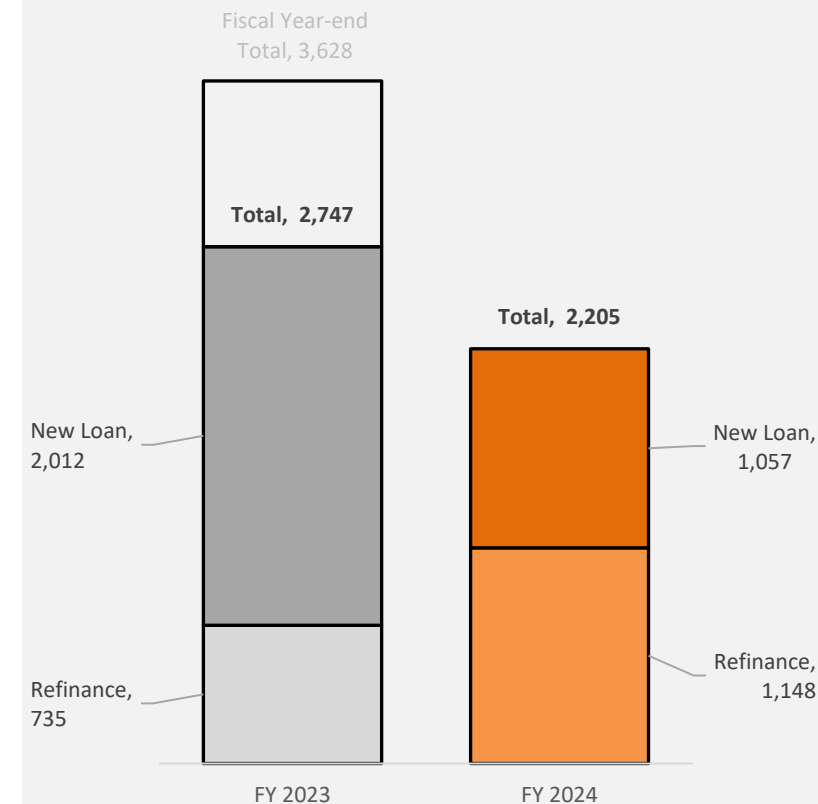
Count by Type



Senior Debt by Type (in millions)



Units by Affordability



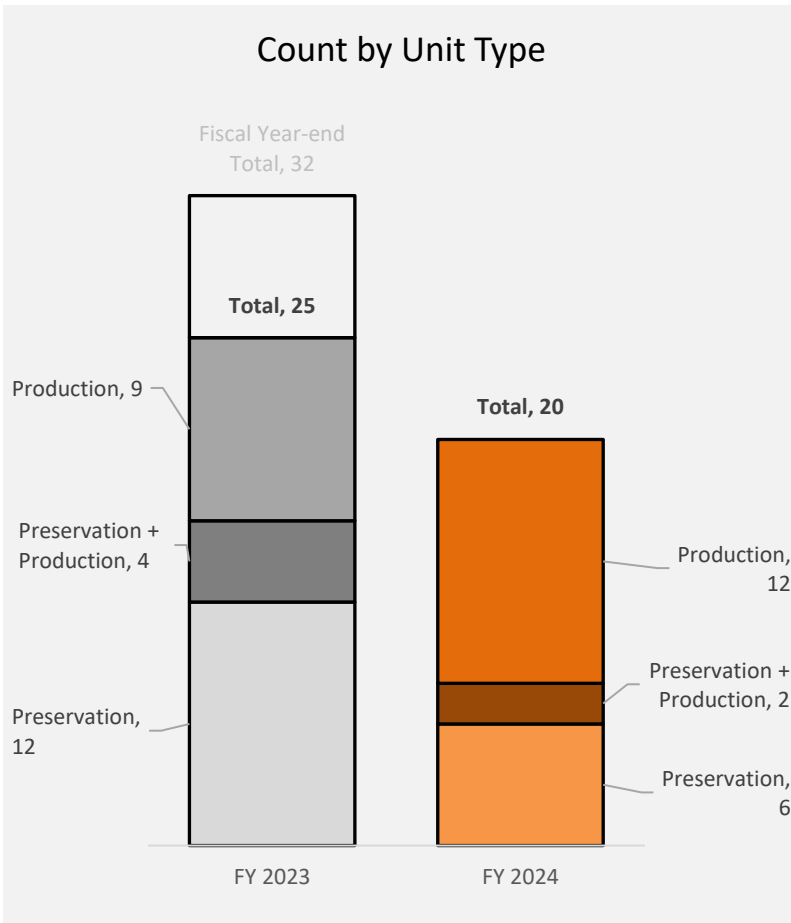
1. Commitments through Q3

2. Funding Events

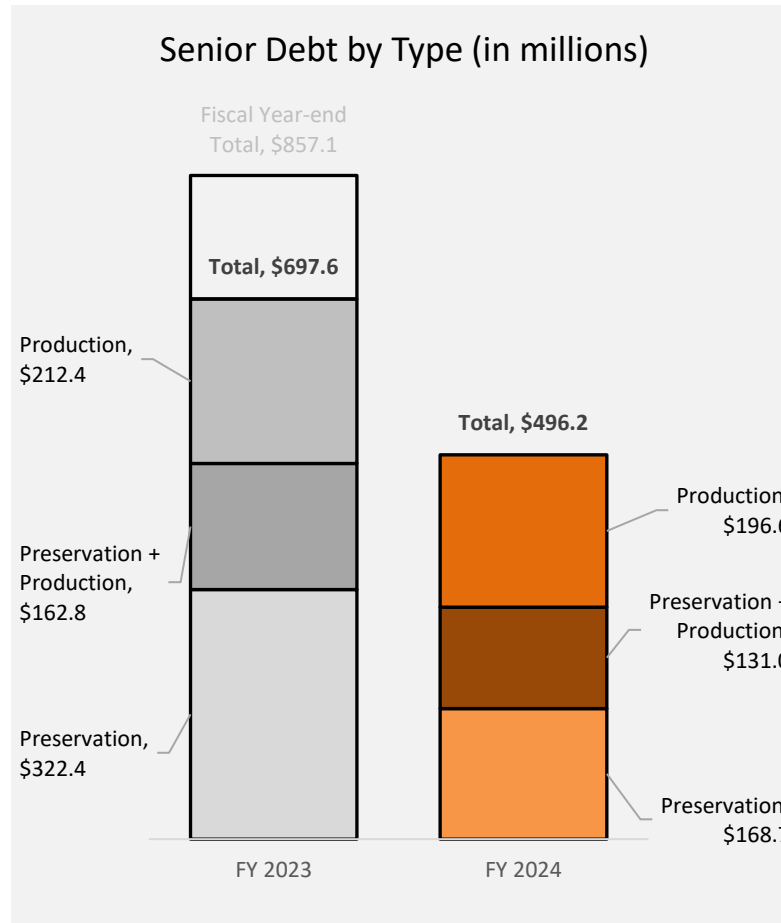
3. Commitments of 2024 Volume Cap

Production v. Preservation

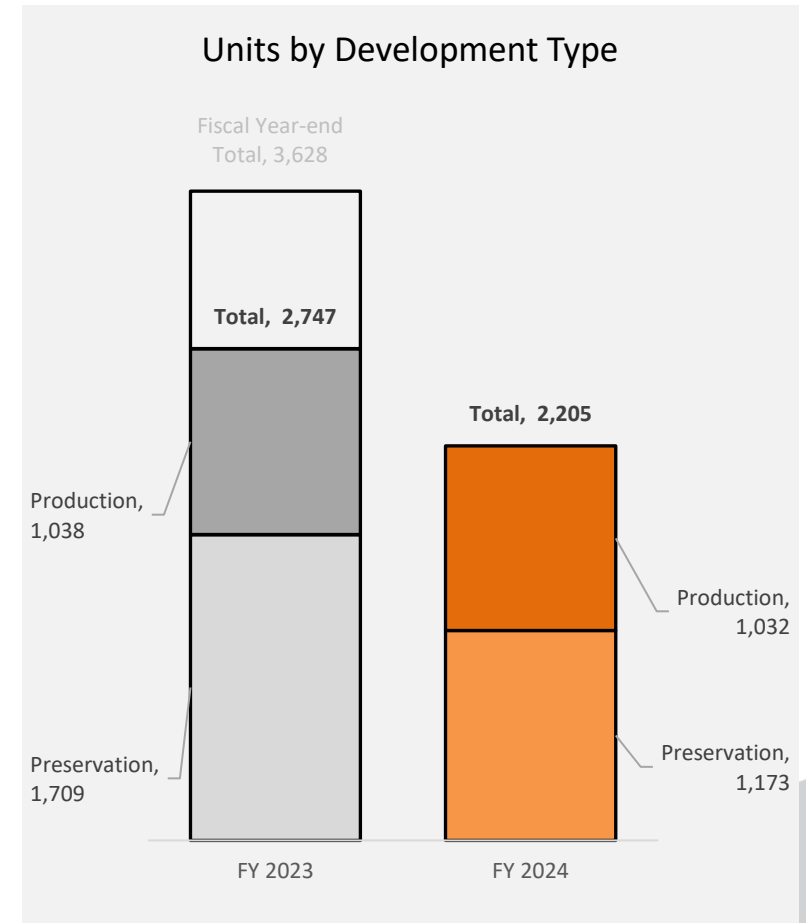
Count by Unit Type



Senior Debt by Type (in millions)



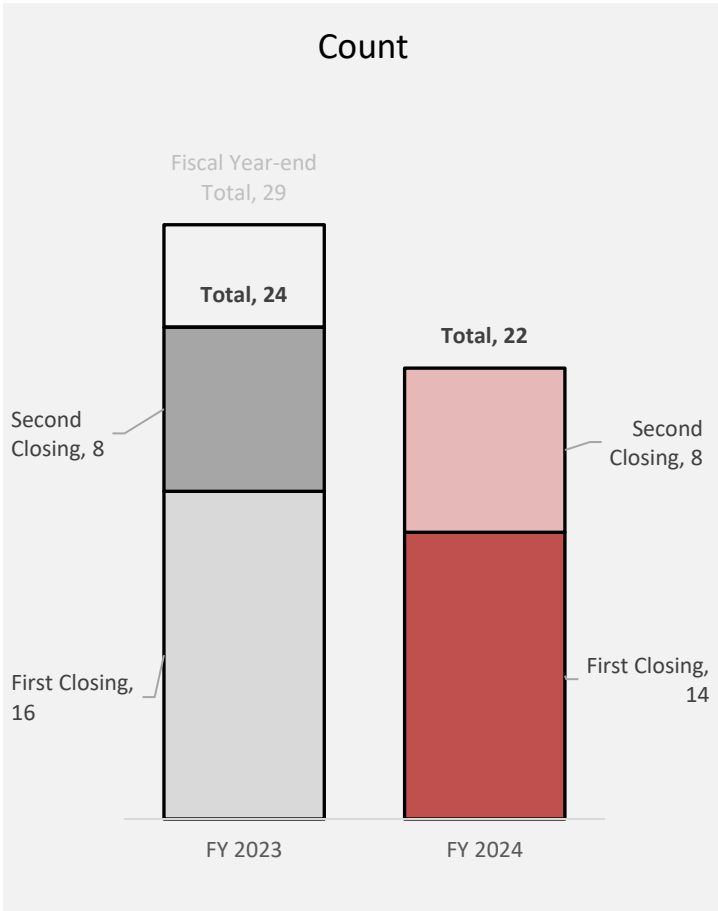
Units by Development Type



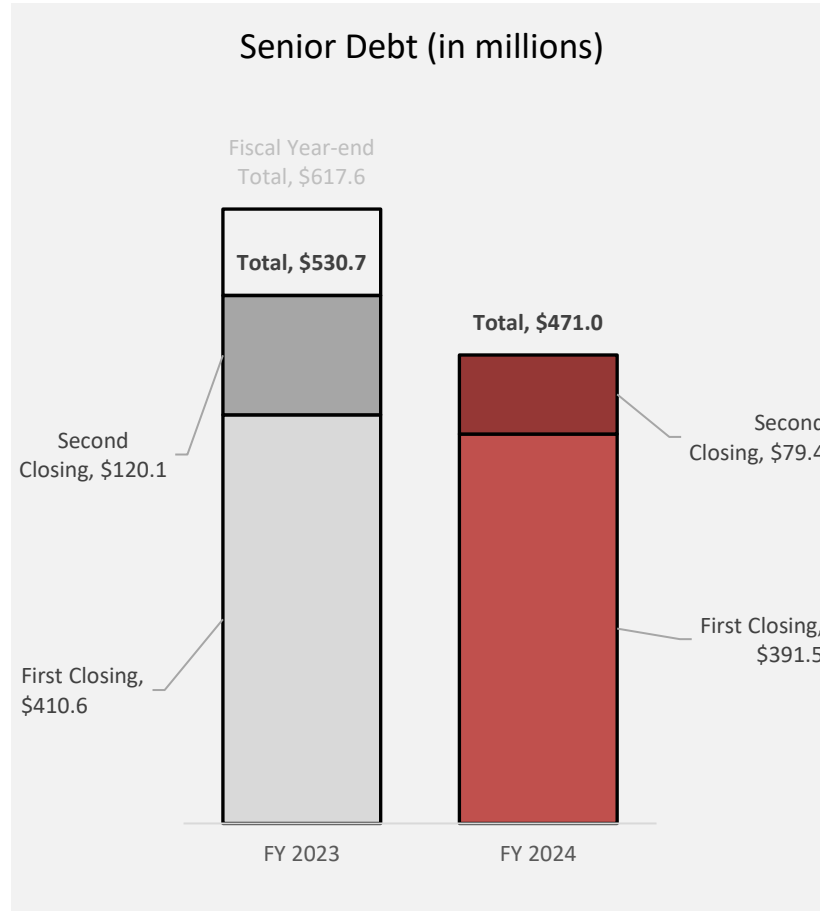
1. Commitments
2. Funding Events through Q3
3. Commitments of 2024 Volume Cap

Summary

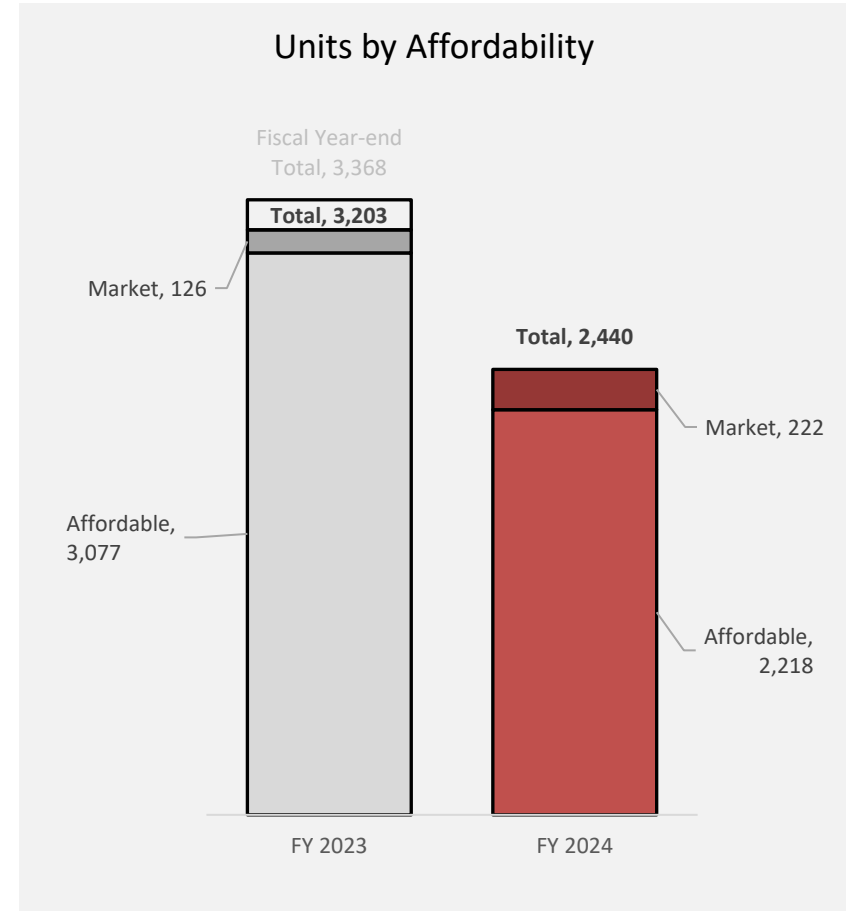
Count



Senior Debt (in millions)



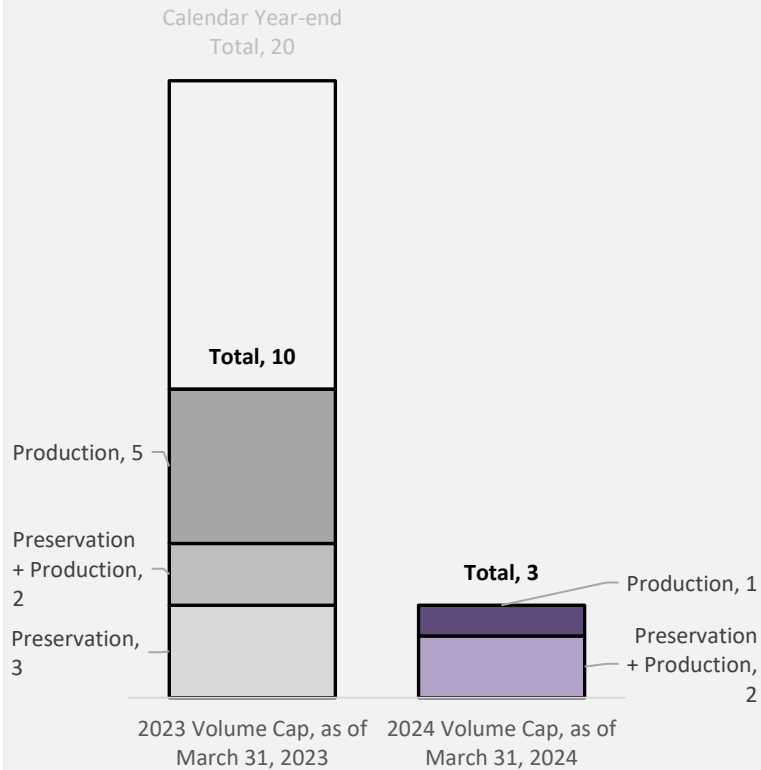
Units by Affordability



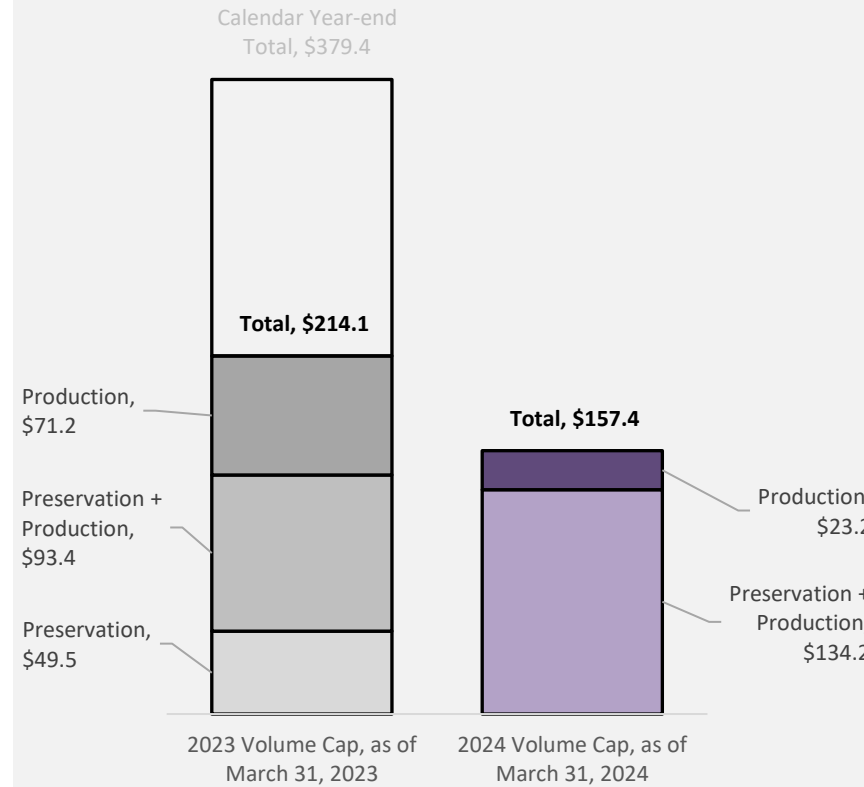
1. Commitments
2. Funding Events
3. Commitments of 2024 Volume Cap

Summary

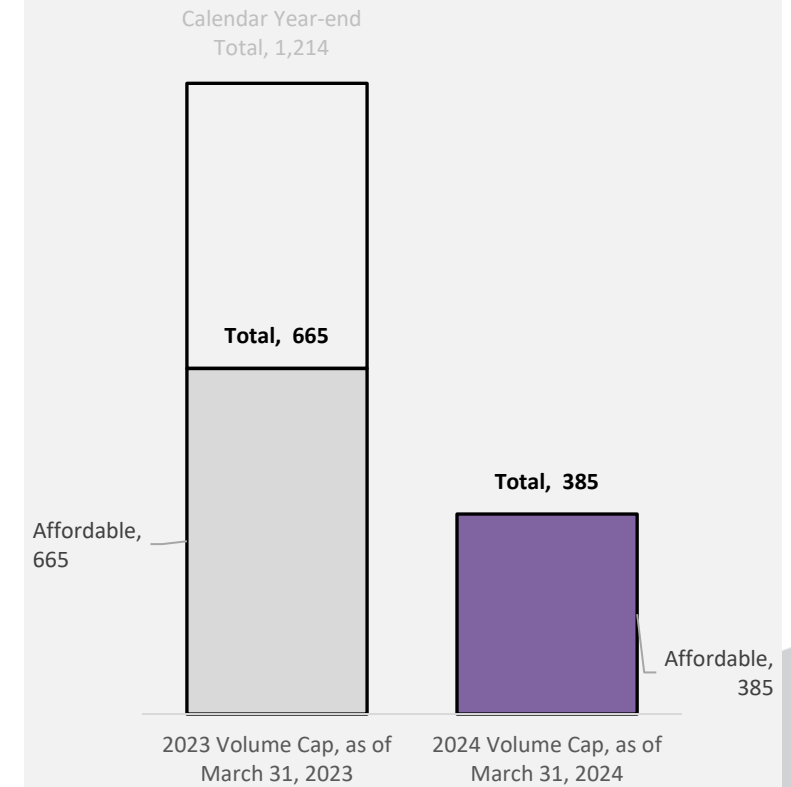
Count



Volume Cap (in millions)



Units by Affordability



Questions?
Comments?

Thank You!



Delinquency Summary Report



Apr 30, 2024

Delinquencies in Excess of: \$1,000
Monthly Billed Loans

Program Type	Principal Program Detail	Number of Developments	Project Outstanding Loan Amount	Developments Delinquent	Delinq Outstanding Loan Amount	Pct \$ Delinq Loans	Pct # Delinquent Loans
Other	Elder CHOICE	3	\$12,118,266	0	\$0	0.00%	0.00%
	Mixed Income	30	\$499,491,456	0	\$0	0.00%	0.00%
	Options for Independence	17	\$550,027	0	\$0	0.00%	0.00%
	RDAL Only	1	\$18,903,193	0	\$0	0.00%	0.00%
Other - Total		51	\$531,062,942	0	\$0	0.00%	0.00%
Section 8	Loan Mgmt Set Aside	27	\$778,893,075	0	\$0	0.00%	0.00%
	New Construction	84	\$1,407,325,288	0	\$0	0.00%	0.00%
	Sec 8 Project-Based	6	\$145,557,469	0	\$0	0.00%	0.00%
	Substantial Rehab	65	\$915,620,918	0	\$0	0.00%	0.00%
Section 8 - Total		182	\$3,247,396,751	0	\$0	0.00%	0.00%
SHARP - RDAL	SHARP and RDAL	2	\$35,613,462	0	\$0	0.00%	0.00%
	SHARP Only	3	\$24,371,596	1	\$5,221,190	21.42%	33.33%
SHARP - RDAL - Total		5	\$59,985,058	1	\$5,221,190	8.70%	20.00%
Mixed Financing	4% Credits	60	\$572,908,705	1	\$33,825,580	5.90%	1.67%
	9% Credits	55	\$185,961,345	0	\$0	0.00%	0.00%
	Internally Subsidized	17	\$318,829,572	0	\$0	0.00%	0.00%
	Miscellaneous	50	\$555,444,850	0	\$0	0.00%	0.00%
	Other Soft Debt	1	\$756,761	0	\$0	0.00%	0.00%
Mixed Financing - Total		183	\$1,633,901,234	1	\$33,825,580	2.07%	0.55%
Overall - Total		421	\$5,472,345,984	2	\$39,046,770	0.71%	0.48%

Delinquency Detail

Apr 30, 2024
Delinquencies in Excess of: \$1,000



4% Tax Credits

Principal Program Code	Project Id - Development Name	City/Town	Total Rental Units	Project Outstanding Loan Amount	Total Due & Uncollected	Past Due Installments
TCRED4	16-004 PACIFIC MILLS PHASE I	Lawrence	180	\$33,825,580	\$17,543,900	16

SHARP Only

Principal Program Code	Project Id - Development Name	City/Town	Total Rental Units	Project Outstanding Loan Amount	Total Due & Uncollected	Past Due Installments
SHARP	87-038 BROOKS SCHOOL-BOSTON	Boston - Dorchester	56	\$5,221,190	\$290,761	9
Overall - Total			236	\$39,046,770	\$17,834,661	

Comments Detail



Apr 30, 2024

Delinquencies in Excess of: \$1,000

Program Desc	Program Code	Project Id - Development Name	City	Number of Units	Current Principal Balance	Forbearance Start Date	Forbearance Expire Date
Internally Subsidized	INTERN	85-016 HEBRONVILLE MILL	Attleboro	83	\$11,825,874.99	Jul 31, 2020	Aug 1, 2024
Total		Number of Devs: 1			\$11,825,874.99		