

**Minutes of the Regular Meeting of
the Members of MassHousing held
on
July 8, 2025**

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing - was held on July 8, 2025. 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
Ed Augustus, <i>ex officio</i>	X	
Bran Shim*	X	
Herby Duvern�	X	
Tom Flynn	X	
Darnell Dunn	X	
Carmen Panacopolous	X	
Michael Glover	X	

**Designee of Matthew Gorzkowicz, ex officio*

The Chair convened the meeting to order at 2:02 p.m.

The Chair indicated that the first order of business was the approval of the minutes of the previous meeting.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present (Bran Shim was not yet attending):

VOTED: That the minutes of the Regular Meeting held on June 10, 2025 are hereby approved and placed on record.

Bran Shim joined the meeting.

Chief Executive’s Report

Chrystal Kornegay began the meeting by talking about the Homeownership Partner Awards that took place on June 11, 2025. Ms. Kornegay pointed out that this is the first time since the COVID-

19 pandemic that MassHousing has hosted these awards. She detailed the importance of recognizing and celebrating our homeownership partners and described some of the various awards that were handed out.

Ms. Kornegay announced the Agency's Equitable Business Development division has undergone a name change and will now be known as Strategic Community Investments. Ms. Kornegay explained how the new name better reflects the goals of the division and brings together all aspects of its work.

Ms. Kornegay then discussed the passing of the Trump Administration's "Big Beautiful Bill" and what its impact on the Agency could be. The required bond threshold for 4% LIHTC has lowered from 50% to 25%. She noted this was a huge win for our industry. The changes will take effect on January 1, 2026 and there are ongoing discussions on how this will impact the Agency. Ms. Kornegay said that she will have more to say about this at the September Board meeting. Chairman Pinado commented that she looks forward to hearing more about the impact and "more credits is always good news".

Loan Committee

Appleton Mill, Holyoke

Michael Carthas presented a proposal for Commitment of Tax-Exempt Supplemental Conduit Loan and Approval of the Use of Low-Income Housing Tax Credits for Appleton Mill in Holyoke, as presented in the attached Board package.

Chairman Pinado remarked it was good to see old mill buildings being repurposed in this way.

Upon a motion duly made and seconded, by roll call vote, it was, by all 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.

775 Huntington Snow Lot, Boston (Mission Hil)

Jeffrey Geller presented a proposal for Official Action Status, Commitment of Tax-Exempt Conduit Loan and Approval of the Use of Low-Income Housing Tax Credits for 775 Huntington Snow Lot in the Mission Hill neighborhood of Boston, as presented in the attached Board package.

Michael Glover asked for clarification to the "unique" developer fee mentioned in the presentation. Mr. Geller explained the homeownership side could not sustain the developer fee and therefore it is being combined with the rental side. Mr. Geller confirmed that EOHLC will approve this structure with the expectation that it is for this specific deal and not to expect approvals like this on future deals.

Upon a motion duly made and seconded, by roll call vote, it was, by all 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 Crossing, Boston (Dorchester)

Sarah Hall presented a proposal for Official Action Status, Commitment of Tax-Exempt Conduit Loan and Approval of the Use of Low-Income Housing Tax Credits for Columbia Crossing in the Dorchester neighborhood of Boston, as presented in the attached Board package.

Chairman Pinado asked if the units are designed to be a combination of live/workspaces. Ms. Hall explained there will be “flex space” within the development but the units themselves are strictly residential. Ms. Pinado asked if the third-party tenant has done similar deals in the past. Ms. Hall replied that DS4SI not only has extensive experience, but they have also been instrumental in the Columbia Crossing redevelopment effort.

Upon a motion duly made and seconded, by roll call vote, it was, by all 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.

95 Everett Street, Boston (Allston)

Mitch Printz presented a proposal for Official Action Status, Commitment of a Permanent Tax-Exempt Loan, Commitment of a Tax-Exempt Bridge Loan and Approval of the Use of Low-Income Housing Tax Credits for 95 Everett Street in the Allston neighborhood of Boston, as presented in the attached Board package.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present (Ed August was unavailable for this vote):

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

Woodland Cove Phase I & II, Wareham

John Collins presented a proposal for Votes approving Transfers of Interest for Woodland Cove Phase I & II in Wareham, as presented in the attached Board package.

There were no questions with regards to this proposal however Chairman Pinado asked about the status of Woodland Cove Phase III. Mr. Collins responded that Phase III is done and occupied and that Dakota Partners is looking to exit that deal as well.

Upon a motion duly made and seconded, by roll call vote, it was, by all 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.

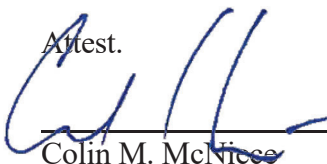
The Chairman asked if there was any other old or new business for the Members' consideration.

Chrystal Kornegay stated that although the August Board meeting is generally canceled, she is not prepared to do that yet and will confirm approximately one week before the next meeting.

There being no other business to consider, the meeting adjourned at 2:36 p.m.

A true record.

Attest.


Colin M. McVie
Secretary

Materials:

- Minutes of the Meeting of June 10, 2025
- CEO's Report, July 8, 2025
- Board Package, July 8, 2025

**Minutes of the Regular Meeting of the
Members of MassHousing
held on
June 10, 2025**

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing – was held June 10, 2025 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.

Members:

Board Member	Present	Absent
Jeanne Pinado, Chair	X	
Carolina Avellaneda, Vice Chair	X	
Edward Augustus, ex officio	X	
Bran Shim*	X	
Herby Duvern�	X	
Tom Flynn	X	
Darnell Dunn	X	
Carmen Panacopoulos	X	
Michael Glover	X	

**Designee of Secretary Matthew Gorzkowicz, ex officio*

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

The Chair then indicated that the first order of business was the approval of the minutes of the May 13, 2025 meeting.

Upon a motion duly made and seconded, by roll call vote, by all Members present (Bran Shim and Michael Glover not yet attending), it was:

VOTED: That the minutes of the Regular Meeting of the Members held on May 13, 2025 are hereby approved and placed on record.

Michael Glover joined the meeting.

Chief Executive Officer’s Report

Chrystal Kornegay began her report by discussing MassHousing’s comprehensive internship

program, now in its third year. Ms. Kornegay detailed the process and explained that MassHousing received 669 applicants and of those candidates 46 were chosen to be interviewed and ultimately 16 interns, from 10 different schools were offered internships to work in 11 different MassHousing departments. Jeanne Pinado said that she has experience in the hiring of interns and reiterated what a great opportunity this is for the interns and MassHousing.

Ms. Kornegay then discussed the Commonwealth Builder program. The program began in 2019 and has since expanded its reach across the Commonwealth. To date, MassHousing has committed \$177 million of funding in 13 municipalities creating 804 new homeownership opportunities. Demand for Commonwealth Builder funding is “over subscribed” by almost 3:1, but the limited funds available are expected to be made available in a competitive funding round later this year. Carmen Panacopolous asked how the distribution of funds would be prioritized. Ms. Kornegay responded that readiness would likely be the biggest factor, but geographic distribution, and cost efficiency will also be important.

Bran Shim joined the meeting.

Vote Approving the Fiscal Year 2026 Fiscal Plan

Rachel Madden presented the proposed Fiscal Plan for Fiscal Year 2026. Ms. Madden began with a summary of Net Income, excluding grant activity, over the past several fiscal years, noting that the FY26 Budgeted Net Income is 7.9% higher than the FY25 Budget Net Income. Multifamily income is budgeted higher in FY26, with budgeted increase in lending income and servicing income, offset by lower Net Interest spread. Single-family income is also budgeted higher, driven by lending income, servicing income and net interest spread and offset by higher SRP purchases. MIF Production is predicted to be higher due to the increase in single-family production. Ms. Madden then walked through the various slides and appendices summarizing the Fiscal Plan. Jeanne Pinado asked if any new products were being added and Ms. Madden noted the recent modifications to the DPA program that have been very marketable.

Ms. Madden said that the payroll is increasing as well as the GIC payments. Ms. Panacopolous asked what the impact of the increased GIC cost would be on MassHousing employees. Ms. Madden responded that MassHousing has absorbed most of the costs. Herby Duvern  asked about a flat or reduced budget in light of the uncertainty in the federal government. Ms. Madden noted that the budget is generally built upon Agency need and noted that MassHousing is constantly monitoring the changes and is prepared to course correct if the need arises.

Tom Flynn asked what the plans were for the 3rd floor space that had been previously sublet and Ms. Madden noted that the Agency intends to occupy the space.

Ms. Madden then summarized the effects of grant activity and how the timing of grant receipts against grant disbursements can create confusion in some of the reporting and reviewed the Net Income both including grant activity and excluding grant activity. Michael Glover asked if we will continue to see grant discrepancies and for how long. Ms. Madden responded that given the disbursement of grants already received and several additional grant receipts anticipated, the

discrepancy in the timing will continue for some time.

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

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

Vote to Accept the Recommendation of the Retirement Board under M.G.L c. 32 § 103

Joseph Petty presented a recommendation of the Retirement Board under M.G.L. c. 32 § 103 with regards to an increase to the COLA Base.

The Members discussed the reasons for the proposed increase and the nature of the COLA rate and the Base amount. Mr. Petty noted that the pension fund is approximately 93% funded and the Members requested benchmarks for the future on how the fund compares to other retirement system funds.

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

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

Carolina Avellaneda and Bran Shim left the meeting.

Loan Committee

55 Hudson Rental (f/k/a Parcel R-1), Boston (Chinatown)

Sarah Hall presented a proposal for Official Action Status, Commitment of Tax-Exempt Conduit Loan, and Approval of the Use of Low-Income Housing Tax Credits for 55 Hudson Rental (f/k/a Parcel R-1), Boston (Chinatown).

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

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

Darnell Dunn left the meeting.

Northern Heights Apartments, Springfield

Michael Carthas presented a proposal for Official Action Status, Commitment of Tax-Exempt

Conduit Loan, and Approval of the Use of Low-Income Housing Tax Credits for Northern Heights Apartments in Springfield.

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

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

Somerhill (f/k/a 259 Lowell Street), Somerville

Michael Carthas presented a proposal for Official Action Status, Commitment of a Permanent Tax-Exempt Loan, Commitment of a Tax-Exempt Bridge Loan and Approval of the Use of Low-Income Housing Tax Credits for Somerhill (f/k/a 259 Lowell Street) in Somerville.

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

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

Claremont Grafton, Grafton

Jeffrey Geller and Brian Robinson presented a Commitment of Momentum Fund Equity and Commitment of a Subordinate Loan for Claremont Grafton in Grafton.

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

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 being none, the meeting adjourned at 3:15 p.m.

A true record.

Attest.



Colin M. McNiece
Secretary

Materials:

- Board Package, June 10, 2025



Massachusetts Housing Finance Agency
One Beacon Street Boston, MA 02108

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

Posted: June 5, 2025 @ 4:05 p.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, June 10, 2025**

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://masshousing.zoom.us/j/87998909253>

The Zoom meeting ID is: Meeting ID: 879 9890 9253

The Zoom Passcode is: 017828

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. Vote Approving the Minutes
 - Regular Meeting of May 13, 2025
- C. Chief Executive Officer's Report

- D. Vote Approving the Fiscal Year 2026 Fiscal Plan
- E. Vote to Accept the Recommendation of the Retirement Board under M.G.L. c. 32 § 103(j)

2. LOAN COMMITTEE

- A. 55 Hudson Rental (f/k/a Parcel R-1) Boston (Chinatown)
 - Official Action Status
 - Commitment of a Tax-Exempt Conduit Loan
 - Approval for the Use of Low-Income Housing Tax Credits
- B. Northern Heights Apartments, Springfield
 - Official Action Status
 - Commitment of a Tax-Exempt Conduit Loan
 - Approval for the Use of Low-Income Housing Tax Credits
- C. Somerhill (f/k/a 259 Lowell Street), Somerville
 - Official Action Status
 - Commitment of a Permanent Tax-Exempt Loan
 - Commitment of a Tax-Exempt Bridge Loan
 - Approval for the Use of Low-Income Housing Tax Credits
- D. Claremont Grafton, Grafton
 - Commitment of Momentum Fund Equity
 - Commitment of a Subordinate Loan

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)

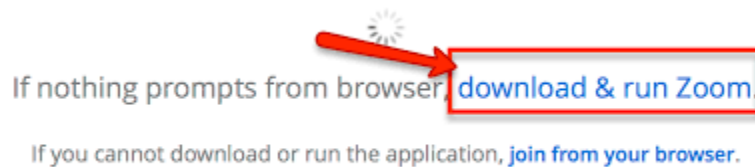
+1 669 900 9128 US (San Jose)

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)



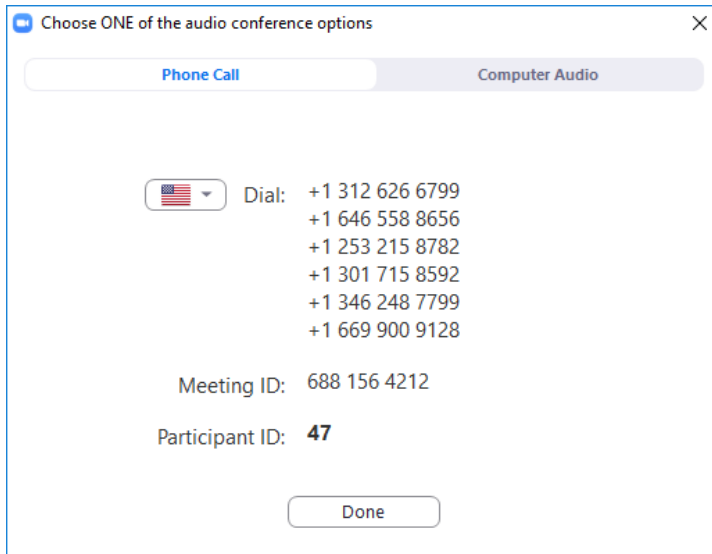
3. If Zoom does NOT automatically download and install. Click Download & run Zoom

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.

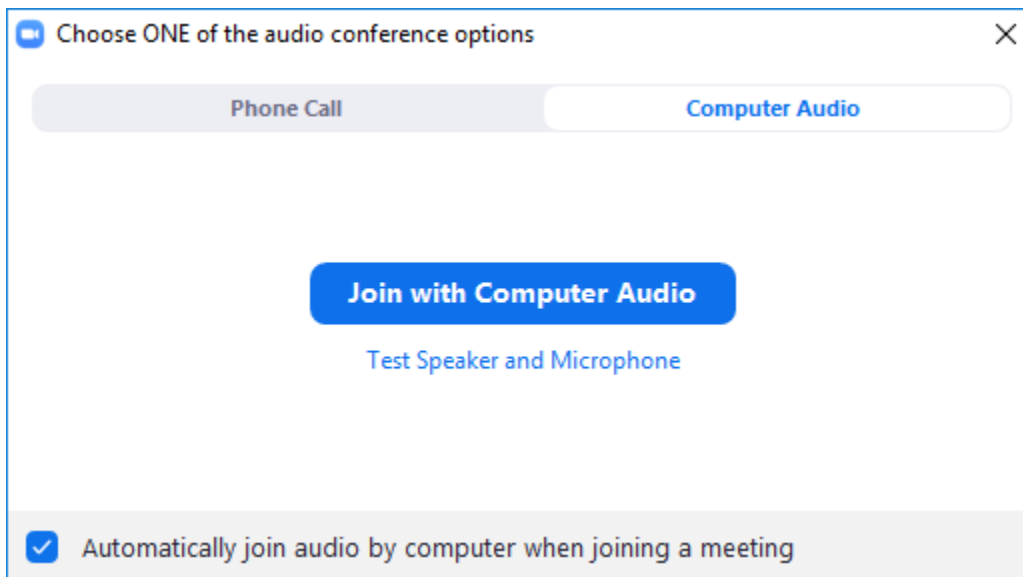
NOTE: The numbers for your meeting may be different than the ones in this example.



The screenshot shows a Zoom dialog box titled "Choose ONE of the audio conference options". It has two tabs: "Phone Call" (selected) and "Computer Audio". Under the "Phone Call" tab, there is a dropdown menu showing the United States flag, followed by the text "Dial:" and a list of phone numbers: +1 312 626 6799, +1 646 558 8656, +1 253 215 8782, +1 301 715 8592, +1 346 248 7799, and +1 669 900 9128. Below the numbers, it says "Meeting ID: 688 156 4212" and "Participant ID: 47". At the bottom, there is a "Done" button.

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.



The screenshot shows the same Zoom dialog box, but now the "Computer Audio" tab is selected. The "Phone Call" tab is greyed out. In the center, there is a large blue button that says "Join with Computer Audio". Below it, there is a link that says "Test Speaker and Microphone". At the bottom, there is a checkbox that is checked, with the text "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.

**Minutes of the Regular Meeting of the
Members of MassHousing
held on
May 13, 2025**

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing – May 13, 2025 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.

Members:

Board Member	Present	Absent
Jeanne Pinado, Chair	X	
Carolina Avellaneda, Vice Chair	X	
Edward Augustus, ex officio	X	
Bran Shim*	X	
Herby Duvern�	X	
Tom Flynn	X	
Darnell Dunn	X	
Carmen Panacopoulos	X	
Michael Glover	X	

**Designee of Secretary Matthew Gorzkowicz, ex officio*

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

The Chair then indicated that the first order of business was the approval of the minutes of the April 8, 2025 meeting.

Upon a motion duly made and seconded, by roll call vote, by all Members present (Carolina Avellaneda abstained and Tom Flynn not yet present), it was:

VOTED: That the minutes of the Regular Meeting of the Members held on April 8, 2025 are hereby approved and placed on record.

Chief Executive Officer's Report

Chrystal Kornegay began her report by discussing the Federal Administration's continued issuance of executive orders and MassHousing is tracking and addressing the orders that are relative to MassHousing. Ms. Kornegay stated that any questions related to this topic should be

addressed to Colin McNiece.

Ms. Kornegay told the Board MassHousing's lease at One Beacon Street that expires in 2030 is being extended to 2046. There was discussion with regards to the length of the lease and if 15-year lease was standard. Ms. Kornegay replied yes, it is typical for office leases of our size and the lease terms and terms for tenant improvement were extremely favorable to MassHousing. There was discussion about the new square footage figure and Ms. Kornegay noted that the square footage includes changes in the previous and current sublet space, some of which will be used by the Agency and some of which will be released, and that the total leased premises would be smaller.

Ms. Kornegay then introduced Maggie Church, Director of Policy and Programs for MA Community Climate Bank who gave a presentation on the MA Community Climate Bank (MACCB).

Massachusetts Community Climate Bank Presentation

Maggie Church, Director of Policy and Programs for the Massachusetts Community Climate Bank (MCCB), gave an overview presentation of the mission and purpose of MCCB, describing its creation and policy goals. She outlined the success of the Energy Saver Home Loan Program in its first year and then described the recently launched (April 10, 2025) Massachusetts Energy Savings Finder website. The website provides information regarding energy saving programs to Massachusetts residents based on their zip code and utility provider.

Ms. Church continued with a preview of new solar lending initiatives and a new demonstration program for multifamily retro-fits.

Carmen Panacopoulos asked if MCCB collaborates with all of the different departments as MassHousing. Ms. Church replied, yes. Carolina Avellaneda wondered if the new federal administration was creating new challenges with its position on climate change. Ms. Church responded that there are no forward commitments that rely on federal funds and noted that the MCCB is not making any commitments of resources that are not already in hand.

Tom Flynn joined the meeting.

Loan Committee

Ticcoma Green 4% and Ticcoma Green 9%, Nantucket

Michael Carthas presented a proposal for Official Action Status, Commitment of a Permanent Tax-Exempt Loan, Commitment of a Tax-Exempt Bridge Loan and Approval of the Use of Low-Income Housing Tax Credits for Ticcoma Green 4%; and a Commitment of a Permanent Taxable Loan for Ticcoma Green 9% in Nantucket.

Jeanne Pinado asked about the Deferred Developer Fee and why there were so many partners in this deal. Mr. Carthas explained the number of partners involved in partly due to the long-

term strategy among those parties as part of the sponsor's succession planning.

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

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

Allston Post, Boston

Jeffrey Geller and Brian Robinson presented a proposal for Commitment of a Subordinate Loan and Commitment of Momentum Equity Investment for Allston Post in Boston.

Jeanne Pinado noted the success of seeing the second Bringing Innovation to Lending and Development ("BILD") Commitment come through.

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

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

Jackson Place, Cambridge

Amanda Melick presented a proposal for Official Action Status, Commitment of a Permanent Tax-Exempt Loan, Commitment of a Tax-Exempt Bridge Loan and Approval of the Use of Low-Income Housing Tax Credits for Jackson Place Apartments in Cambridge.

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

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 being none, the meeting adjourned at 2:54 p.m.

A true record.

Attest.

Colin M. McNiece
Secretary

Materials:

- Board Package, May 13, 2025

CEO Report

June 10, 2025

- Summer Internship Program
- CWB Reach & Pipeline

Agency Internship Program

MassHousing's Summer Internship Program is in the **third year** of organizing and delivering impactful professional learning experiences for college students.

Goal: Cultivate an **inclusive environment** for students to explore **career opportunities** within the affordable housing industry, while learning about MassHousing's mission and vision.



The 2025 cohort of MassHousing's Summer Internship Program

16

Interns

in this year's cohort

10

Schools

our interns hail from

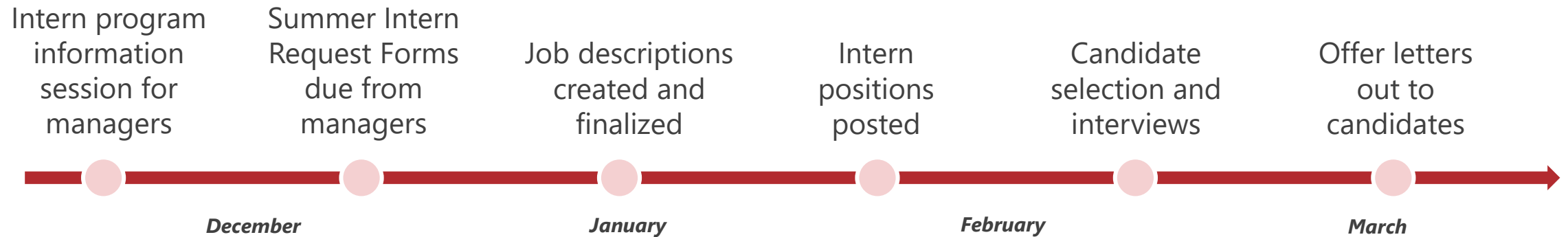
11

Agency Departments

hosting interns

Intern Selection Process

Tailored job descriptions for each intern position were created, highlighting the key skills and attributes essential for the role. These postings were shared across Masshousing.com, Handshake, and LinkedIn.



From Intern to Employee



Nicholas O'Donnell | Intern cohort 2024

- **Intern position:** Data analyst in the Homeownership Division
- **Full-time position:** Retention Analyst in the same division.

"When I graduated from Suffolk University, I was eager to reach back out to MassHousing and inquire about openings... I returned to see all of the great people I had worked with and expand my career with the retention team in the Servicing Department."

CommonWealth Builder (CWB) Reach

Since inception in 2019, CWB has expanded its reach across Massachusetts

\$176.2M

Committed funding

13

Municipalities

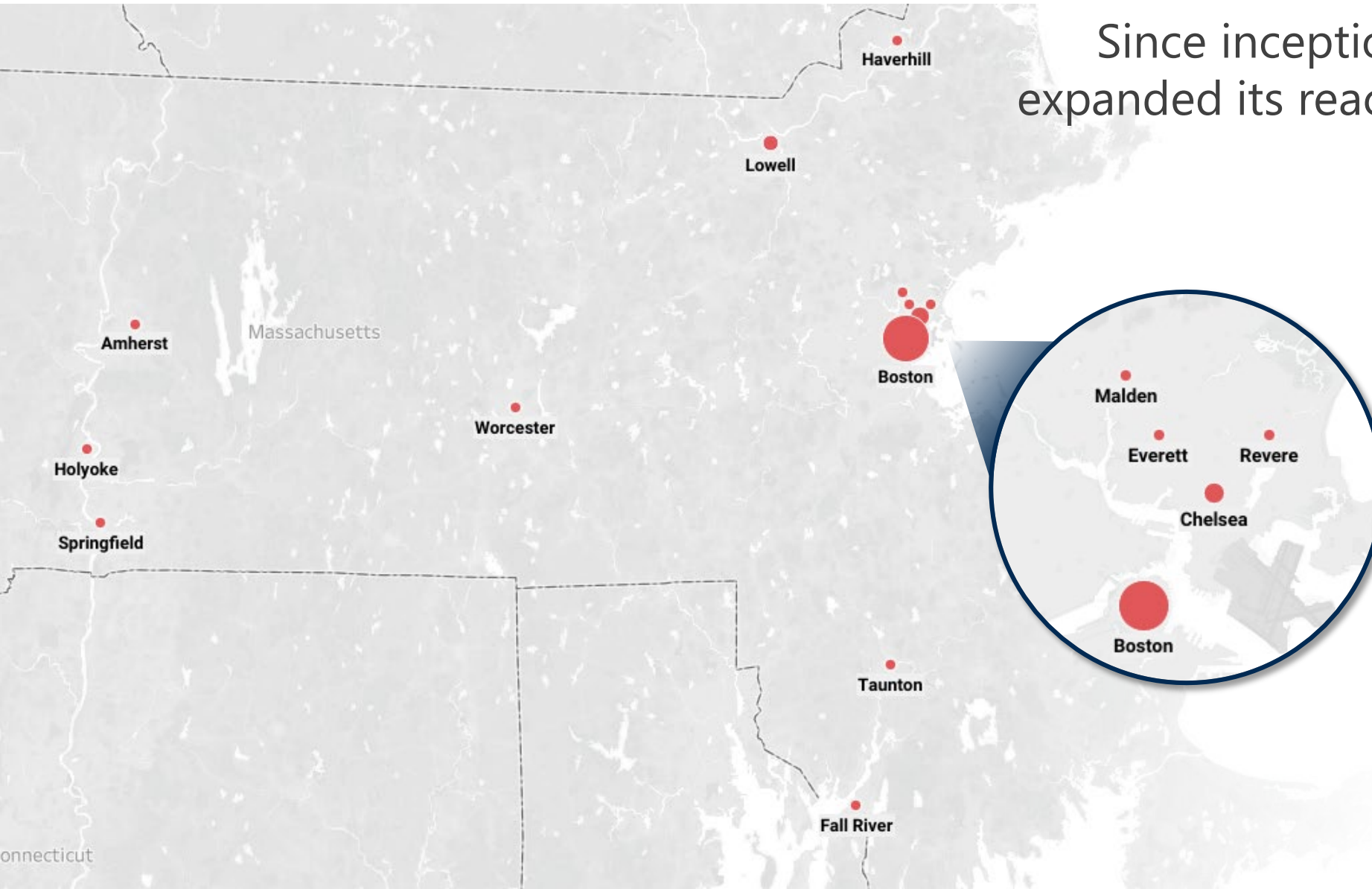
804

New homeownership opportunities

Including:

715

New affordable homes for first-time homebuyers



CWB Pipeline

The demand for CWB funding is **oversubscribed**.



21 projects¹
in the pipeline



666

New homeownership
opportunities

Including:

540

New affordable homes for
first-time homebuyers

\$130M

Funds requested

With ~**\$40M of funding remaining**, MassHousing is expecting to open a competitive funding round.

**Questions?
Comments?**

Thank You!

MEMORANDUM

To: Agency Members
Through: Chrystal Kornegay
From: Rachel Madden
Date: June 10, 2025
Subject: Proposed Fiscal Plan for Fiscal Year 2026

I. The Proposed Fiscal Plan

Each year, MassHousing's Members are asked to adopt a Fiscal Plan that establishes financial benchmarks for operating results. We develop the Fiscal Plan to better understand and manage the costs of doing business.

The Fiscal Plan is presented on a modified cash basis and may differ from the year-end Financial Statements due to required accounting treatments of deferrals, accruals, capital items, loan loss provisions, extraordinary items, restrictions, designations, mark-to-market and other non-cash adjustments. In addition, the highly unpredictable nature of grant activity typically results in significant variances between the budget and actual results. The Fiscal Plan includes each of our Business Lines including Multifamily (MF) operations, Single-Family (SF) operations, Mortgage Insurance Fund (MIF) operations, Mission activities (primarily grant activity and operations within the Opportunity Fund), and Corporate Overhead.

The Fiscal Plan represents our best current estimates of business projections and financial forecasts. Since some of the major components of our business (e.g. interest rates and market conditions) are beyond our control, preparing this Fiscal Plan represents a significant, yet necessary, challenge.

The analysis below includes comparisons across the proposed FY26 Fiscal Plan, the approved FY25 Fiscal Plan, and year-end FY25 Projection (which represents actuals through the third quarter plus fourth quarter projections).

The Fiscal Plan presented for your review and approval consists of the following items:

- Exhibit 1: Income and Expenses for the Massachusetts Housing Finance Agency and Affiliates
- Exhibit 2: Income and Expenses for the Massachusetts Housing Finance Agency and Affiliates – Opportunity Fund Contribution
- Exhibit 3: Glossary of Terms

II. Overview of the Fiscal Plan

FY26 Budget Comparison to FY25 Budget and FY25 Projection (Projected Actuals)

The proposed Budget for FY26 (excluding grant activity), projects Net Income of \$71.7 million, representing an \$5.3 million increase from Net Income (excluding grant activity) of \$66.4 million from the approved FY25 Budget.

However, including grant activity, the proposed FY26 Budget projects a Net Loss of (\$10.0) million, representing an \$80.6 million decrease from the Net Income of \$70.6 million in the approved FY25 Budget. The Agency, including grant activity, is budgeting a Net Loss in the FY26 Budget, which is a \$211.5 million decrease over the FY25 Projection.

Net Income (Loss) (in millions)	FY26 Budget	FY25 Budget	FY25 Projection
Net Income Before Grant Activity	\$ 71.7	\$ 66.4	\$ 89.9
Net Grant Activity	(81.6)	4.2	111.6
Net Income (Loss)	<u>\$ (10.0)</u>	<u>\$ 70.6</u>	<u>\$ 201.5</u>

MassHousing began receiving various grant awards (recorded as grant income) in FY20, where the subsequent grant disbursements to award recipients would occur over time. It was noted at that time that the grant disbursements would eventually outpace subsequent/new grant income in future years. In FY24, MassHousing received over \$200 million in grant income, and is projecting to receive \$198 million in FY25. The Budget FY26 grant income decreased to \$44 million from \$138 million as compared to the FY25 Budget. In FY26, grant disbursements are budgeted to outweigh grant receipts for the first time since FY20.

There are several factors that lead us to the proposed FY26 Net Income of \$71.7 million (excluding grant activity).

Production

MF and SF Production for the FY26 Budget are both higher than the FY25 Production Budget amounts.

The FY26 Multifamily Production Budget is higher, as compared to the FY25 Production Budget, primarily due to the shift across fiscal years of delayed construction projects, which have been negatively impacted by construction and supply chain delays since the pandemic. As a result, the MF FY26 Production Budget is also higher than the FY25 Projected Production due to the completion of previously delayed large projects.

The Single-Family FY26 Production Budget is higher, as compared to the FY25 Production Budget, primarily due to the creation of new products, including the Workforce Advantage loan program and the realigned DPA program. The SF FY26 Production Budget is lower than the SF FY25 Projected Production primarily due to overall uncertainties in the housing market.

Production

(in millions)

	FY26	FY25	FY25
	Budget	Budget	Projection
MF Production	\$ 760.9	\$ 715.0	\$ 336.4
SF Production	500.0	475.0	640.0
Total Production	<u>\$ 1,260.9</u>	<u>\$ 1,190.0</u>	<u>\$ 976.4</u>

Multifamily Income

MF income is higher in the FY26 Budget, compared to the FY25 Budget, due to higher lending fee income, offset by a reduction in the Net Interest Spread. MF has a finance fee pricing matrix ranging from 1.0% to 2.0%, which is based on loan amounts. The actual finance fee income percentages that were collected in FY25 were much higher than the budgeted average amount of 1.25%. Total MF Servicing Income is higher in the FY26 Budget, compared to the FY25 Budget, due to an increase in MF subsidy income. MF Net Interest Spread is lower in the FY26 Budget, compared to the FY25 Budget, primarily due to decreases in rates of returns.

Multifamily Income

(in millions)

	FY26	FY25	FY25
	Budget	Budget	Projection
MF Lending Income	\$ 15.4	\$ 10.9	\$ 12.8
MF Servicing Income	44.1	43.6	44.0
MF Net Interest Spread	53.0	55.5	59.3
Total	<u>\$ 112.5</u>	<u>\$ 110.1</u>	<u>\$ 116.0</u>

Single-Family Income

SF Lending Income is higher in the FY26 Budget, compared to the FY25 Budget, due to lower borrowing costs. SF Servicing Income is higher in the FY26 Budget, compared to the FY25 Budget, due to growth in the SF portfolio balance. Payoff activity in the SF portfolio decreased during FY25 and that trend is expected to continue in FY26. SF Net Interest Spread is higher in the FY26 Budget, compared to the FY25 Budget, primarily due to increases in the mortgage loan balances and decreases in payoff activity in mortgage loans and mortgage-backed securities (MBS) investments during FY25.

Single-Family Income

(in millions)

	FY26	FY25	FY25
	Budget	Budget	Projection
SF Lending Income	\$ 3.6	\$ 1.0	\$ 5.4
SF Servicing Income (Net SRP)	7.2	7.0	5.0
SF Net Interest Spread	14.3	14.0	12.6
Total	<u>\$ 25.2</u>	<u>\$ 22.0</u>	<u>\$ 23.0</u>

Mortgage Insurance Income

MIF Fee income for the FY26 Budget is higher than the FY25 Budget due to higher SF production. MIF new activations continue to outpace cancellations and amortization. The FY26 Budget for MIF Fee Income is lower than the FY25 Projection primarily due to a decrease in the SF Production Budget. MIF Investment Earnings for the FY26 Budget is higher than the FY25 Budget due to the maturity of older investments with lower rates now being invested at higher rates of return. The FY25 Budget for MIF Investment Earnings is lower than the FY25 Projection due to lower interest rates earned on older investments in place when budgeted being reinvested at higher rates during the course of the fiscal year. MIF Insurance Claims for the FY26 Budget are higher than the FY25 Budget due to the expiration of mortgage relief programs, slightly higher unemployment rates, and on-going inflation burden on borrowers.

Mortgage Insurance Fund (MIF)

(in millions)

	FY26	FY25	FY25
	Budget	Budget	Projection
MIF Fee Income	\$ 5.6	\$ 4.7	\$ 5.7
MIF Investment Earnings	4.7	4.1	5.2
MIF Insurance Claims	(0.9)	(0.7)	(0.5)
MIF Expenses	(2.1)	(2.1)	(1.9)
Total	<u>\$ 7.4</u>	<u>\$ 6.0</u>	<u>\$ 8.4</u>

Corporate Income

Corporate Income is lower in the FY26 Budget, compared to the FY25 Budget, due to lower grant administrative fees and lower interest rates. The FY26 Budget for Corporate Income is lower than the FY25 Projection due to an expected decline in the collection of grant administration fees.

Mission Income is higher in the FY26 Budget, compared to the FY25 Budget, due to larger cash equivalents and investment balances of the grant programs. MassHousing has received over \$300 million in investable grant receipts over the past two years, while grant disbursements are being made over time. The FY26 Budget for Mission Income is higher than the FY25 Projection due to higher budgeted cash and investment balances.

In the FY26 Budget, we are projecting minimal rate cuts, and are therefore budgeting for similar, but more modest, rates than experienced in FY25.

Investment Earnings, Other Income

(in millions)

	FY26 Budget	FY25 Budget	FY25 Projection
Corporate Income	\$ 9.0	\$ 12.3	\$ 15.9
Mission Income	13.0	2.1	12.6
Total	<u>\$ 22.0</u>	<u>\$ 14.4</u>	<u>\$ 28.5</u>

Corporate Expenses

Payroll & Related Personnel Expenses are higher in the FY26 Budget, compared to the FY25 Budget, primarily due to increases in payroll and insurance premiums. Payroll has increased to support expanded program activities already underway, new programs and anticipated initiatives, and succession planning. Health insurance costs have also increased significantly, primarily due to the average 11.7% increase in healthcare premiums implemented by the Group Insurance Commission for the FY26. Budget headcount for FY26 is 366 FTEs and remains the same as the FY25 Budget.

Professional Services are higher in the FY26 Budget, compared to the FY25 Budget, due to the implementation of several key projects. MassHousing's website will be revamped, and the Agency plans to develop a new strategic plan for the upcoming years. MassHousing's audit fees also increase annually, based on an agreed-upon schedule. The FY26 Budget for Professional Services is higher than the FY25 Projection due to the implementation of new initiatives and slight increases in legal and audit fees.

Information Technology (IT) expenses are lower in the FY26 Budget, compared to the FY25 Budget, primarily due to the implementation of new IT software and increased IT consulting costs incurred in the FY25 Budget, which have now been built in the base budget.

Leased Office Space is higher in the FY26 Budget, compared to the FY25 Budget, primarily due to the termination of a sublease contract in March 2025. The FY26 Budget of Leased Office Space is higher than the FY25 Projection primarily due to the termination of a sublease and a slight increase in rent charged per square foot per the existing lease agreement.

Operating Costs are lower in the FY26 Budget, compared to the FY25 Budget, primarily due to a decrease in advertising costs. A new large Homeownership campaign is not in the FY26 Budget due to the high interest rates and low supply in the current housing market. This decrease is partially offset by the three-year premium for mortgage impairment insurance to be paid upfront in FY26. The FY26 Budget for Operating Costs is higher than the FY25 Projection due to the increase in upfront insurance costs.

Mission Related Expenses from the WCF are higher in the FY26 Budget, compared to the FY25 Budget, primarily due to the funding of the Tenant Preservation Program (TPP) and the funding of MIF premiums for Workforce Advantage loans. The FY26 Budget of Mission Related Expenses from the WCF are higher than the FY25 Projection primarily due to the funding of the TPP program.

Corporate Expenses

(in millions)

	FY26 Budget	FY25 Budget	FY25 Projection
Payroll & Related Personnel Expenses	\$ (62.7)	\$ (58.7)	\$ (58.5)
Professional Services	(4.8)	(3.7)	(3.3)
Information Technology	(11.6)	(12.2)	(11.6)
Leased Office Space	(5.6)	(4.9)	(5.1)
Operating Costs	(4.9)	(5.0)	(4.5)
Mission Related Expenses from the WCF	(5.8)	(1.7)	(3.2)
Total	<u>\$ (95.4)</u>	<u>\$ (86.2)</u>	<u>\$ (86.1)</u>

Grant Activity

The FY26 Budget reflects grant income of \$43.5 million for the receipt of funds for various programs, compared to the \$137.7 million in the FY25 Budget. The Agency is expected to receive \$20.0 million for the Commonwealth Builder Program, \$13 million for Workforce Housing, \$7.7 million from the Neighborhood Stabilization Program, and \$2.5 million from the Gateway Housing Rehabilitation Program in FY26. In the FY25 Projection, we included \$198.4 million this year for various programs, with the most significant being \$117 million for the Commonwealth Builder Program, \$31 million for the Momentum Fund, \$25 million for Workforce Housing, \$9 million for the Capital Magnet Fund, \$7.8 million from the Neighborhood Stabilization Program, and \$7.7 million from other smaller programs.

The FY26 Budget includes \$125.2 million for grant disbursements, compared to \$133.5 million in the FY25 Budget. The Agency is expected to disburse \$48.7 million to the Commonwealth Builder Program, \$45.2 million to Workforce Housing, \$7.2 million to the Neighborhood Stabilization Program, and \$2.5 million to the Gateway Housing Rehabilitation Program in FY26. The FY26 Budget includes \$125.2 million for grant disbursements, \$38.4 million dollars higher than the FY25 Projection.

Grant Activity

(in millions)

	FY26 Budget	FY25 Budget	FY25 Projection
Grant Income	\$ 43.5	\$ 137.7	\$ 198.4
Grant Disbursements	(125.2)	(133.5)	(86.8)
Total	<u>\$ (81.6)</u>	<u>\$ 4.2</u>	<u>\$ 111.6</u>

Opportunity Fund Contribution

For the FY26 Budget, the bond programs are projected to generate \$47.4 million net income, of which \$17.4 million is projected to be transferred to the Working Capital Fund (WCF). The WCF, exclusive of MIF, the Opportunity Fund and Grant Activity, is projected to generate a net income of \$3.8 million, for an aggregate positive excess revenue of \$21.2 million, which results in a budgeted contribution to the Opportunity Fund of \$10.6 million.

Request for Adoption

Staff recommends that the Members adopt the Fiscal Plan for FY26 as described herein and in the accompanying material and the following vote is recommended:

VOTED: To adopt the proposed Fiscal Plan for Fiscal Year 2026 in substantially the form contained herein and as presented to the Members at their meeting held on June 10, 2025.

Income and Expenses for the Massachusetts Housing Finance Agency and Affiliates
Proposed Budget for Fiscal Year 2026
Exhibit 1
(in thousands)

	FY 2026 Budget Total	FY 2025 Budget Total	Budget to Budget \$ Change	Budget to Budget % Change	FY 2025 Projection Total	FY 2026 Budget to FY 2025 Proj \$ Change	Budget to Projection % Change
PRODUCTION							
Single-Family Production	\$ 500,000	\$ 475,000	\$ 25,000	5.3%	\$ 640,000	\$ (140,000)	-21.9%
Multifamily Production	760,900	715,000	45,900	6.4%	336,435	424,465	126.2%
Total Production	1,260,900	1,190,000	70,900	6.0%	976,435	284,465	29.1%
INCOME							
Multifamily							
Multifamily Lending	15,426	10,944	4,482	41.0%	12,824	2,602	20.3%
Multifamily Servicing	44,074	43,647	427	1.0%	43,964	110	0.3%
Multifamily Net Interest Spread	53,025	55,492	(2,467)	-4.4%	59,251	(6,226)	-10.5%
Subtotal - Multifamily Income	112,525	110,083	2,442	2.2%	116,039	(3,514)	-3.0%
Single-Family							
Single-Family Lending	3,592	994	2,598	261.4%	5,414	(1,822)	-33.7%
Single-Family Servicing (Net SRP)	7,249	7,014	235	3.4%	4,959	2,290	46.2%
Single-Family Net Interest Spread	14,335	14,026	309	2.2%	12,633	1,702	13.5%
Subtotal - Single-Family Income	25,176	22,034	3,142	14.3%	23,006	2,170	9.4%
Mortgage Insurance Fund (MIF)							
MIF Fee Income	5,620	4,680	940	20.1%	5,689	(69)	-1.2%
MIF Investment Earnings	4,722	4,131	591	14.3%	5,159	(437)	-8.5%
MIF Insurance Claims	(859)	(710)	(149)	21.0%	(511)	(348)	68.1%
MIF Expenses	(2,120)	(2,072)	(48)	2.3%	(1,901)	(219)	11.5%
Subtotal - MIF Income	7,363	6,029	1,334	22.1%	8,436	(1,073)	-12.7%
Investment Earnings, Other Income							
Corporate Income	8,998	12,274	(3,276)	-26.7%	15,942	(6,944)	-43.6%
Mission Income	13,043	2,133	10,910	511.5%	12,585	458	3.6%
Subtotal - Investment Earnings, Other Income	22,041	14,407	7,634	53.0%	28,527	(6,486)	-22.7%
TOTAL INCOME	\$ 167,105	\$ 152,553	\$ 14,552	9.5%	\$ 176,008	\$ (8,903)	-5.1%
CORPORATE EXPENSES							
Payroll & Related Personnel Expenses							
Payroll	\$ (48,095)	\$ (45,388)	\$ (2,707)	6.0%	\$ (44,897)	\$ (3,198)	7.1%
Related Personnel Expenses	(8,586)	(7,401)	(1,185)	16.0%	(7,671)	(915)	11.9%
Pension & OPEB	(6,014)	(5,920)	(94)	1.6%	(5,920)	(94)	1.6%
Subtotal - Payroll & Related Personnel Expenses	(62,695)	(58,709)	(3,986)	6.8%	(58,488)	(4,207)	7.2%
Administrative Expenses							
Professional Services	(4,840)	(3,702)	(1,138)	30.7%	(3,330)	(1,510)	45.3%
Information Technology	(11,621)	(12,153)	532	-4.4%	(11,622)	1	0.0%
Leased Office Space	(5,565)	(4,874)	(691)	14.2%	(5,052)	(513)	10.2%
Operating Costs	(4,905)	(4,993)	88	-1.8%	(4,506)	(399)	8.9%
Subtotal - Administrative Expenses	(26,931)	(25,722)	(1,209)	4.7%	(24,510)	(2,421)	9.9%
Mission Related Expenses from the WCF							
Mission Related Expenses from the WCF	(5,814)	(1,723)	(4,091)	237.4%	(3,151)	(2,663)	84.5%
Subtotal Mission Related Expenses from the WCF	\$ (5,814)	\$ (1,723)	\$ (4,091)	237.4%	\$ (3,151)	\$ (2,663)	84.5%
TOTAL EXPENSES	\$ (95,440)	\$ (86,154)	\$ (9,286)	10.8%	\$ (86,149)	\$ (9,291)	10.8%
NET INCOME (EXCLUDES GRANT ACTIVITY)	\$ 71,665	\$ 66,399	\$ 5,266	7.9%	\$ 89,859	\$ (18,194)	-20.2%
Grant Activity							
Grant Income	43,532	137,679	(94,147)	-68.4%	198,391	(154,859)	-78.1%
Grant Disbursements	(125,167)	(133,462)	8,295	-6.2%	(86,765)	(38,402)	44.3%
Net Grant Activity	(81,635)	4,217	(85,852)	-2035.9%	111,626	(193,261)	-173.1%
NET INCOME (INCLUDES GRANT ACTIVITY)	\$ (9,970)	\$ 70,616	\$ (80,586)	-114.1%	\$ 201,485	\$ (211,455)	-104.9%

Income and Expenses for the Massachusetts Housing Finance Agency and Affiliates - Opportunity Fund Contribution
Proposed Budget for Fiscal Year 2026
Exhibit 2
(in thousands)

	FY 2026 Budget Total	FY 2025 Budget Total	Budget to Budget \$ Change	Budget to Budget % Change	FY 2025 Projection Total	FY 2026 Budget to FY 2025 Proj \$ Change	Budget to Projection % Change
WCF - Operating Income							
Multifamily Lending	15,426	10,944	4,482	41.0%	12,824	2,602	20.3%
Multifamily Servicing	44,074	43,647	427	1.0%	43,964	110	0.3%
WCF - Multifamily Net Interest Spread	19,321	15,470	3,851	24.9%	16,280	3,041	18.7%
Single-Family Lending	3,592	994	2,598	261.4%	5,414	(1,822)	-33.7%
Single-Family Servicing	7,249	7,014	235	3.4%	4,959	2,290	46.2%
WCF - Single-Family Net Interest Spread	624	617	7	1.1%	771	(147)	-19.1%
Corporate Income	8,998	12,274	(3,276)	-26.7%	15,942	(6,944)	-43.6%
Total WCF - Operating Income	99,284	90,960	8,324	9.2%	100,154	(870)	-0.9%
WCF - Operating Costs							
Payroll	\$ (48,095)	\$ (45,388)	\$ (2,707)	6.0%	\$ (44,897)	\$ (3,198)	7.1%
Related Personnel Expenses	(8,586)	(7,401)	(1,185)	16.0%	(7,671)	(915)	11.9%
Pension & OPEB	(6,014)	(5,920)	(94)	1.6%	(5,920)	(94)	1.6%
Professional Services	(4,840)	(3,702)	(1,138)	30.7%	(3,330)	(1,510)	45.3%
Information Technology	(11,621)	(12,153)	532	-4.4%	(11,622)	1	0.0%
Leased Office Space	(5,565)	(4,874)	(691)	14.2%	(5,052)	(513)	10.2%
Operating Costs	(4,905)	(4,993)	88	-1.8%	(4,506)	(399)	8.9%
Mission Related Expenses from the WCF	(5,814)	(1,723)	(4,091)	237.4%	(3,151)	(2,663)	84.5%
Total WCF - Operating Costs	\$ (95,440)	\$ (86,154)	\$ (9,286)	10.8%	\$ (86,149)	\$ (9,291)	10.8%
Excess of Revenues over Expenses	\$ 3,844	\$ 4,806	\$ (962)	-20.0%	\$ 14,005	\$ (10,161)	-72.6%
Transfers From the Bond Programs							
MF Bond Programs - Housing Bonds	15,000	15,000	-	0.0%	15,000	-	0.0%
MF Bond Programs - Other	2,303	3,165	(862)	-27.2%	3,165	(862)	-27.2%
SF Bond Programs	47	58	(11)	-19.0%	58	(11)	-19.0%
Total Transfers From the Bond Programs	17,350	18,223	(873)	-4.8%	18,223	(873)	-4.8%
Excess After Transfers from Bond Programs	\$ 21,194	\$ 23,029	\$ (1,835)	-8.0%	\$ 32,228	\$ (11,034)	-34.2%
Transfer to Opportunity Fund	\$ 10,597	\$ 23,029	\$ (1,835)	-8.0%	\$ 32,228	\$ (11,034)	-34.2%

Exhibit 4

Glossary of Terms used in MassHousing's Fiscal Plan for FY 2026

This material provides a brief explanation of the various revenue and expense categories that are used throughout this Fiscal Plan. This guide does not present textbook definitions of these terms, but describes how certain types of transactions are recognized.

Operating Revenues

Production and New Lending Income

This income is earned and recognized at the time of the loan funding. This includes the following:

- Premiums earned on loans that are securitized and sold to the secondary market and the Single-Family Housing Revenue Bond Program (SFHRB).
- Transaction/underwriting fees include application and financing fees charged for Multifamily Lending loan commitments and closings. In Single-Family (SF), these include borrower processing fees. Fees also include premiums and renewals earned by the Mortgage Insurance Fund (MIF).
- Warehousing, which represent the interest earned on loans that are initially funded through the Working Capital Fund (WCF). The WCF serves as a temporary funding source for SF lending activity, pending subsequent sale of the loans, or loans wrapped by Mortgage-Backed Securities (MBS), either to outside investors or to one or more of MassHousing's bond programs. The warehousing interest earned is offset by the interest expense of the line of credit, which is used to fund the purchase of these loans.
- Construction Loans/Notes, which represents the interest earned on construction loans offset by the interest expense of the construction loan notes used to fund the financing of these loans.
- Other Income, which represents revenue not included elsewhere.

Servicing Income, Spread, and Investment Earnings

- Servicing income includes loan servicing fees, including Government National Mortgage Association (GNMA) and Federal Financing Bank (FFB) service fees, and the Performance Based Contract Administration (PBCA) fees from the U.S. Department of Housing and Urban Development (HUD).
- Single-Family and Multifamily Spread, which represents the interest earned in the bond resolutions on its loans and investment earnings offset by the interest expense of the bonds used to fund the financing of these loans and financing costs.

- In addition, there are fees which are unique to certain resolutions such as remarketing and liquidity fees applicable in the case of variable rate bonds. Lastly, certain resolutions have financed Section 8 developments subsidized with a so-called Financing Adjustment Factor (FAF). The bonds financing these developments were refunded in prior years with the resulting interest rate savings being shared equally with HUD and booked as Financing Costs.
- Risk Share Fee Income, which represents the fees earned for bearing the risk of loss for loans funded under the Risk Sharing Program for Insured Affordable Multifamily Project Loans (Risk-Sharing Program), which is administered by HUD.
- Loan Prepayment Fees, which is a fee received to recapture the interest lost when a loan is paid off before its scheduled maturity date.
- WCF Interest on Loans, which represents a number of loans that have been funded out of WCF or funded on an interim basis pending the issuance of bonds.

Direct Expenses

Administrative Expenses

- Administrative expenses booked to WCF refer to the cost of doing business, including such costs as all personnel and operating expenses, professional service contracts, and leasehold obligations (net of sublease income).
- Administrative expenses booked to the bond resolutions refer to fees paid to the trustees of our bond resolutions.

Insurance Claims

- Insurance claims refer to claims paid by MIF on loans insured by the Fund, or partial claims paid with various risk-share partners.

Servicing Rights Purchased

- The cost to acquire the rights to service, and earn a servicing fee, over the life of the loans.

Cost of Issuance

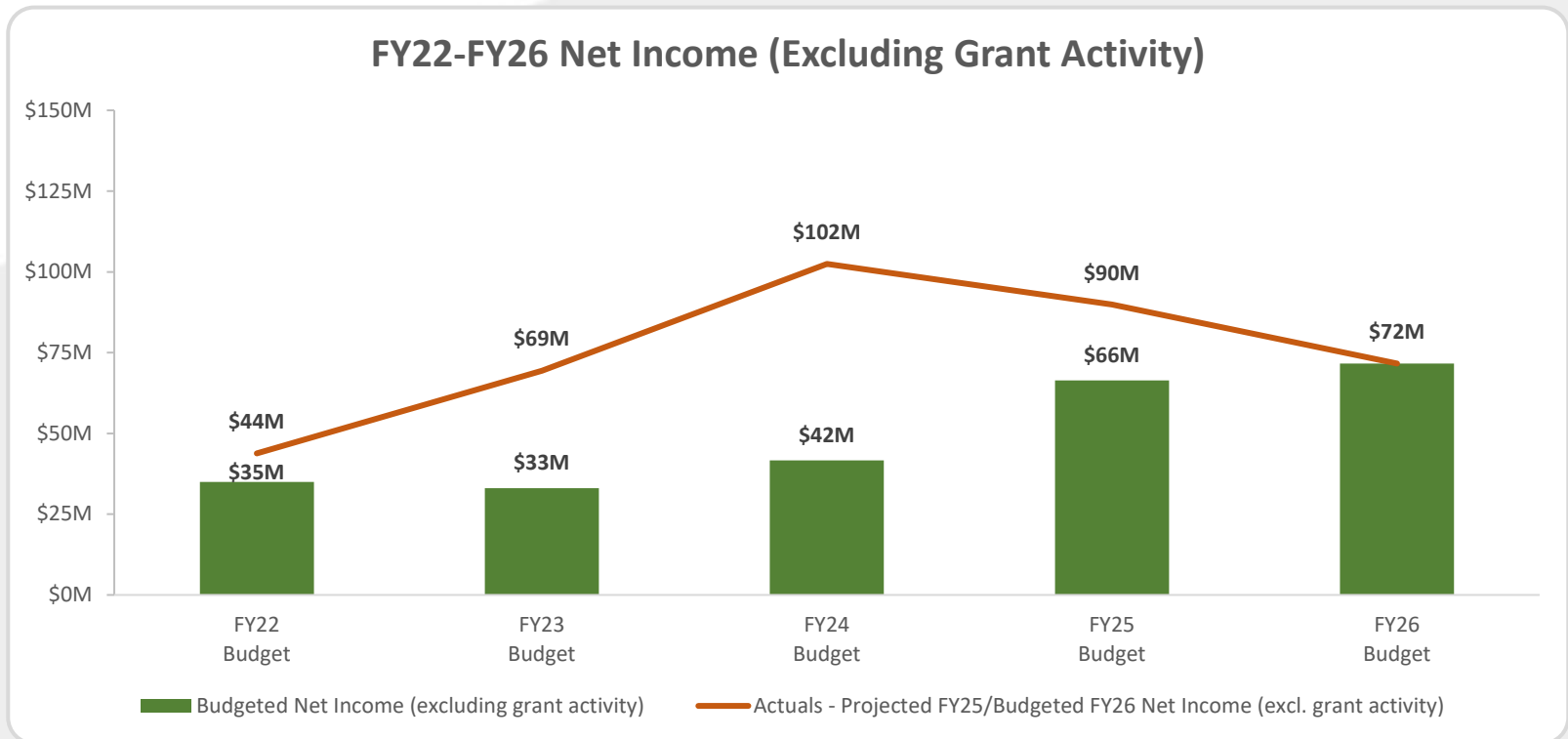
- Financing costs include the costs to issue and refund bonds such as those fees paid to the bond underwriting team and selling group, bond counsel, rating agencies, as well as any ancillary expenses.

Fiscal Year 2026 Budget Presentation MassHousing Board of Directors

June 10, 2025

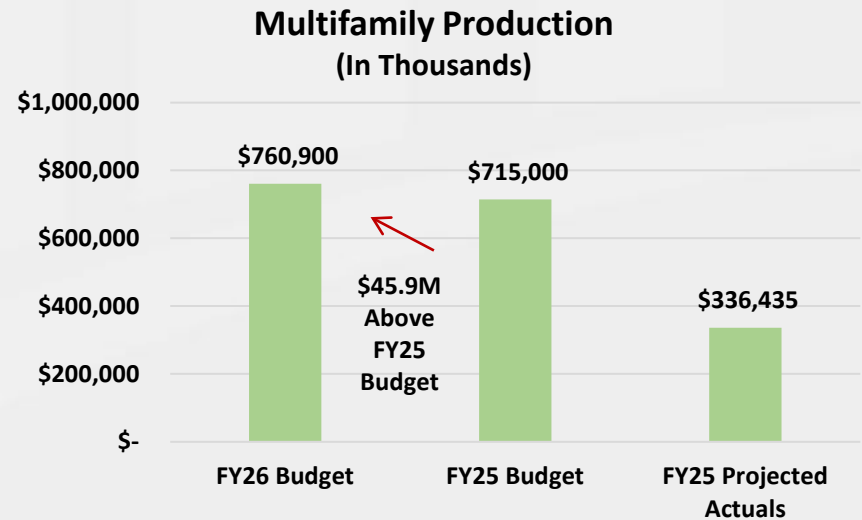
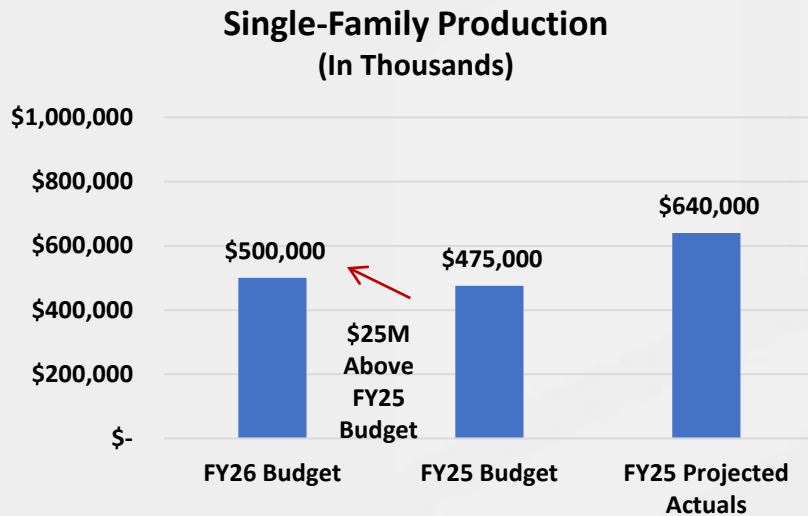
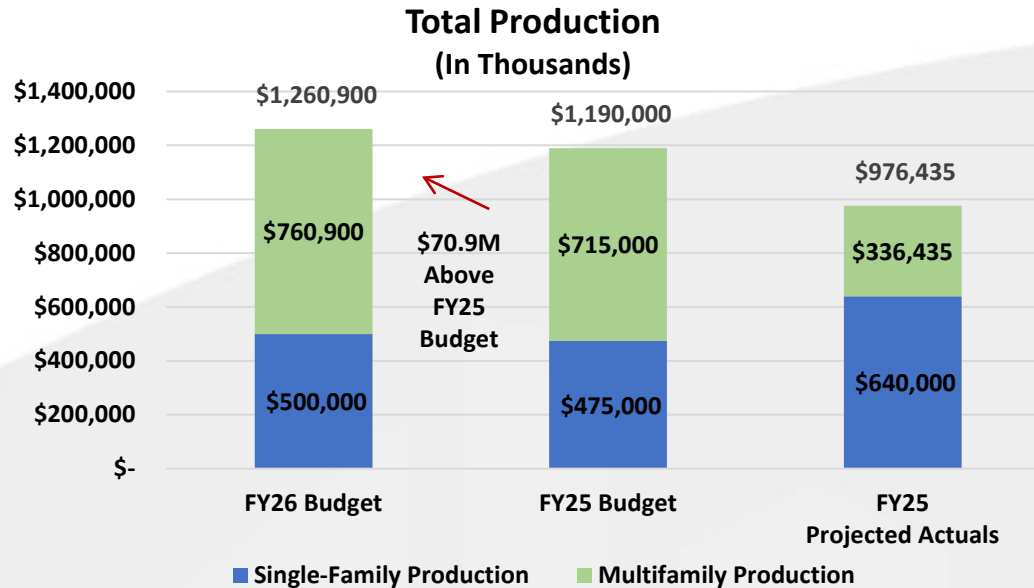
FY26 Budget Net Income (Excluding Grant Activity)

FY26 Budgeted Net Income of \$71.7M is \$5.3M, or 7.9%, higher than the FY25 Budget Net Income of \$66.4M

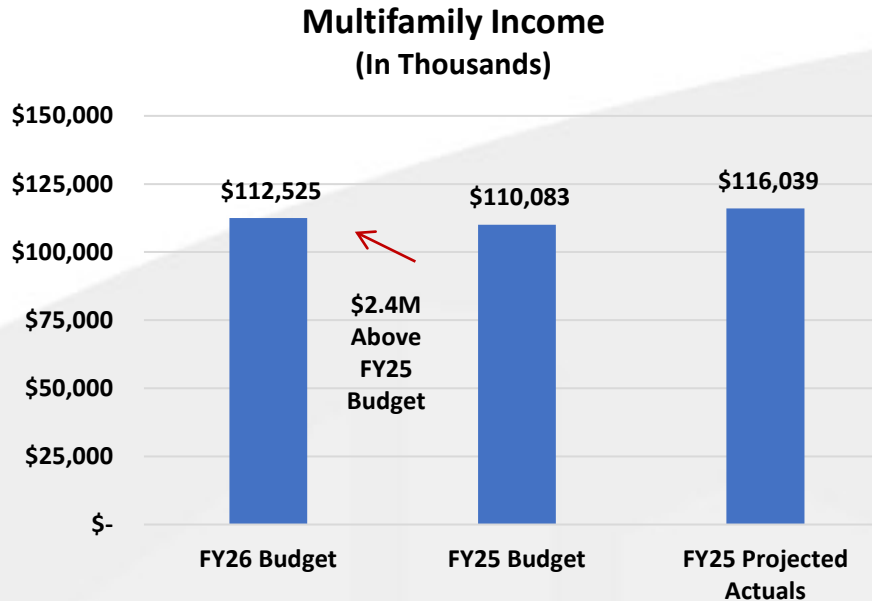


* Notable increase in FY24 Actual Net Income was primarily driven by Investment Income due to significantly higher interest rates than budgeted, as well as unanticipated grant admin fee income.

FY26 Budget Production



FY26 Budget Multifamily Income



FY26 Budget Multifamily Income is \$2.5M higher than FY25 Budget

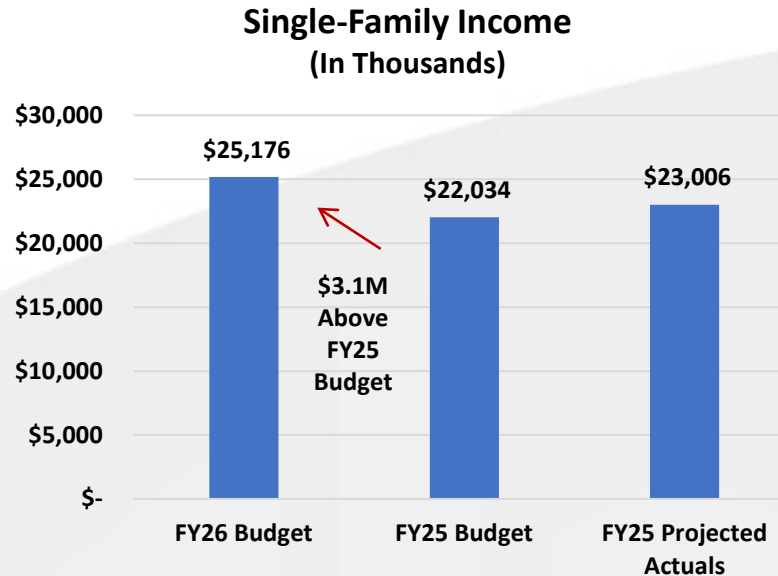
Drivers:

- Multifamily Lending Income is higher by \$4.5M
- Multifamily Servicing Income is higher by \$500K

Offset by

- Multifamily Net Interest Spread is lower by \$2.5M

FY26 Budget Single-Family Income



FY26 Budget Single-Family Income is \$3.1M higher than FY25 Budget

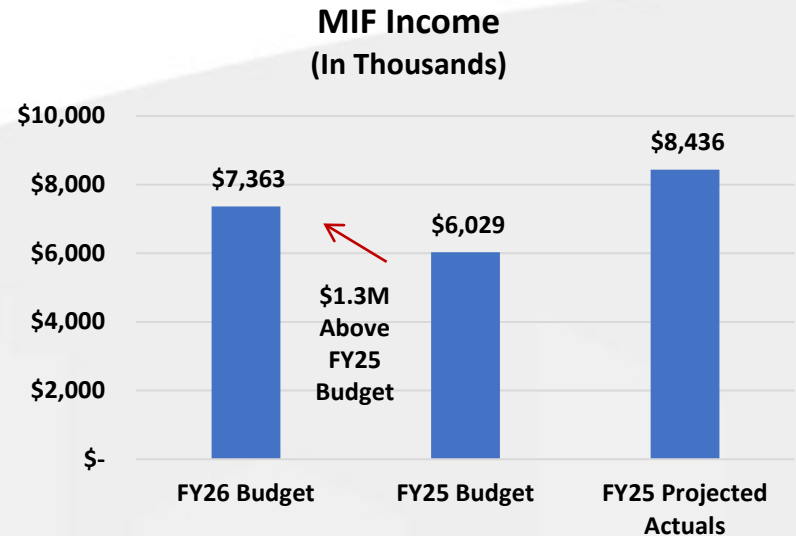
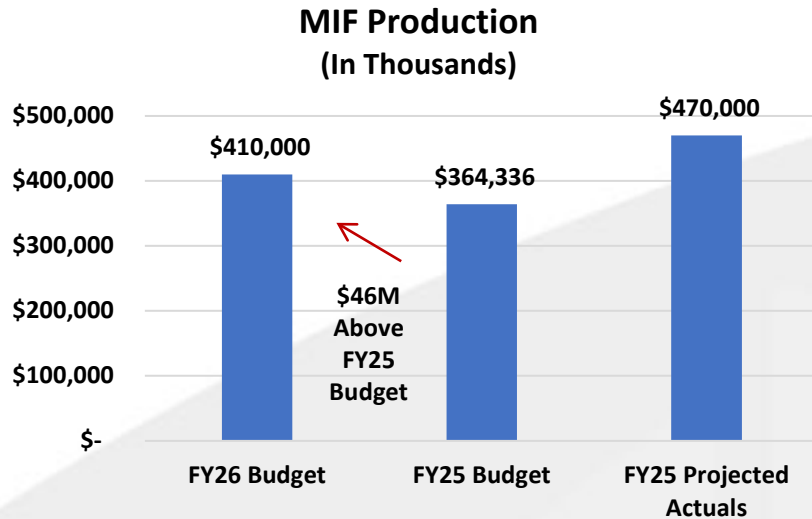
Drivers:

- Single-Family Lending Income is higher by \$2.6M
- Single-Family Servicing Income is higher by \$1.2M
- Single-Family Net Interest Spread is higher by \$300K

Offset by

- Servicing Rights Premium (SRP) purchased is higher by \$1.0M

FY26 Budget Mortgage Insurance Fund (MIF)



FY26 Budget MIF Net Income is \$1.3M higher than FY25 Budget

Production Drivers:

- MIF Production is higher due to the increase in SF Production

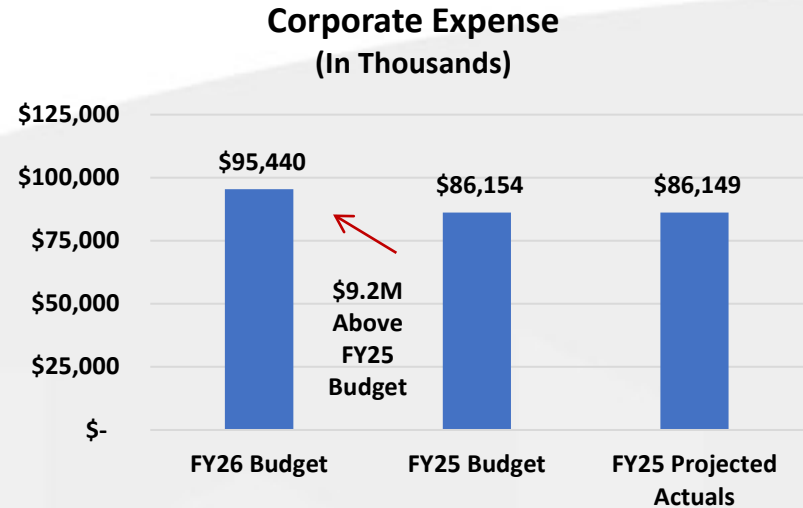
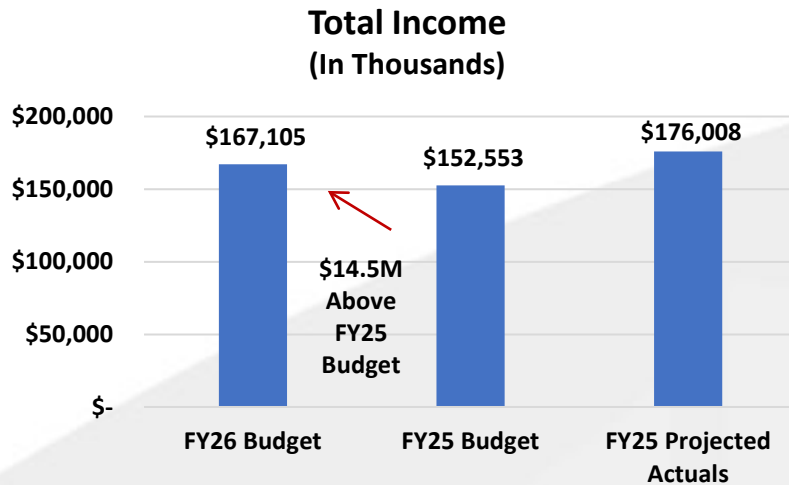
Income Drivers:

- Fee Income is higher by \$940K
- Investment Income is higher by \$600K

Offset by

- Paid claims is higher by \$150K
- IT and Professional service costs are higher by \$40K

FY26 Budget Financial Overview (excluding Grants)



FY26 Budget Net Income (excluding grants) is \$5.3M higher than FY25 Budget

Income Drivers (Budgeted):

- Mission Income is higher by \$10.9M
- MF & SF Lending Income is higher by \$7.1M
- MF & SF Servicing Income is higher by \$1.7M
- MIF Net Income is higher by \$1.3M

Offset by

- Corporate Income is lower by \$3.3M
- MF & SF Net Interest Spread is lower by \$2.2M
- Servicing Rights Premium (SRP) purchases is higher by \$1.0M

Expense Drivers (Budgeted):

- Payroll & Payroll Added Costs are higher by \$4.0M
- Mission Related Expenses from the WCF are higher by \$4.1M
- Professional Services are higher by \$1.1M
- Leased Office Space is higher by \$700K

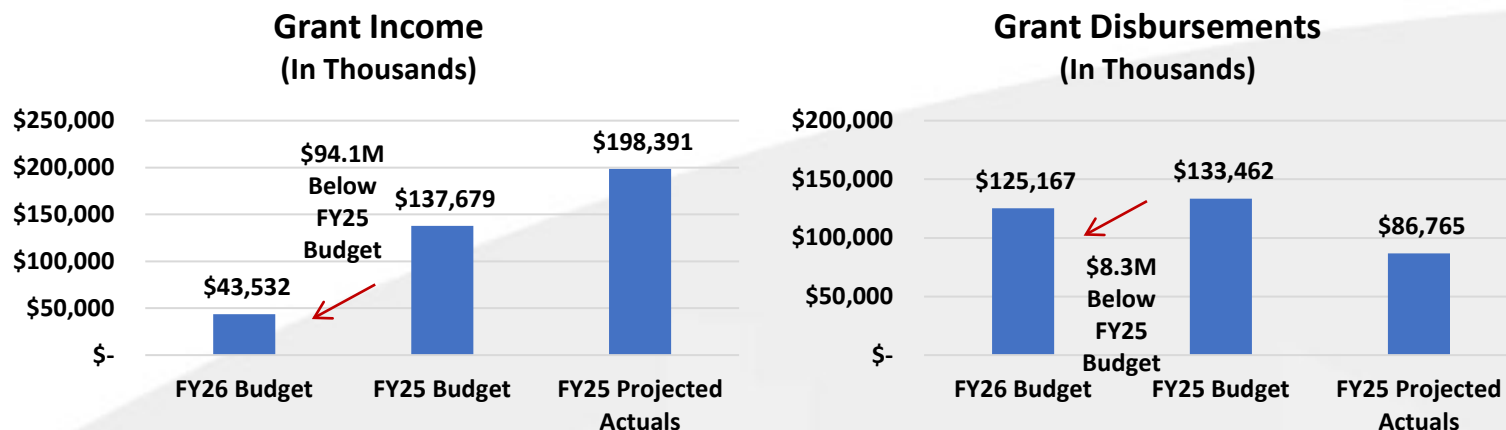
Offset by

- IT Expenses are lower by \$600K
- Operating Costs are lower by \$100K

FY26 Budget Corporate Expenses

FY26 vs. FY25 Budget Summary					
(In Thousands)					
	FY26 Budget	FY25 Budget	FY25 Projected Actuals	FY26 vs. FY25 Budget	% of Change
Payroll and Related Personnel Expenses	\$ 62,695	\$ 58,709	\$ 58,488	\$ 3,986	6.8%
Professional Services	\$ 4,840	\$ 3,702	\$ 3,330	\$ 1,138	30.7%
Information Technology	\$ 11,621	\$ 12,153	\$ 11,622	\$ (532)	-4.4%
Leased Office Space, net	\$ 5,565	\$ 4,874	\$ 5,052	\$ 691	14.2%
Operating Costs	\$ 4,905	\$ 4,993	\$ 4,506	\$ (88)	-1.8%
Subtotal	\$ 89,626	\$ 84,431	\$ 82,998	\$ 5,195	6.2%
Mission Related Expenses from the WCF	\$ 5,814	\$ 1,723	\$ 3,151	\$ 4,091	237.4%
Total	\$ 95,440	\$ 86,154	\$ 86,149	\$ 9,286	10.8%

FY26 Budget Grant Income & Disbursements



FY26 Budget Net Grant Activity is \$85.8M lower than FY25 Budget

Grant Activity:

- Total Budgeted FY26 Grant Income is \$43.5M
 - Commonwealth Builder Program - \$20.0M
 - Workforce Housing - \$13.0M
 - Neighborhood Stabilization Program - \$7.7M
 - Gateway Housing Rehabilitation Program - \$2.5M
- Total Budgeted FY26 Grant Disbursements are \$125.2M (includes disbursements of grant income received in prior fiscal years)
 - Commonwealth Builder Program - \$48.7M
 - Workforce Housing - \$45.2M
 - Equitable Developers Fund - \$20.1M
 - Neighborhood Stabilization Program - \$7.2M

FY26 Budget Net Income (Including Grant Activity)

FY26 vs. FY25 Budget Summary					
(In Thousands)					
	FY26 Budget	FY25 Budget	FY25 Projected Actuals	FY26 vs. FY25 Budget	% of Change
Multifamily Income	\$ 112,525	\$ 110,083	\$ 116,039	\$ 2,442	2.2%
Single-Family Income	\$ 25,176	\$ 22,034	\$ 23,006	\$ 3,142	14.3%
Mortgage Insurance Fund Income	\$ 7,363	\$ 6,029	\$ 8,436	\$ 1,334	22.1%
Mission Income - Includes Grant Activity	\$ (68,592)	\$ 6,350	\$ 124,211	\$ (74,942)	-1180.2%
Corporate Income	\$ 8,998	\$ 12,274	\$ 15,942	\$ (3,276)	-26.7%
Corporate Expenses	\$ (95,440)	\$ (86,154)	\$ (86,149)	\$ (9,286)	10.8%
Net Income (Loss)	\$ (9,970)	\$ 70,616	\$ 201,485	\$ (80,586)	-114.1%

FY26 Budget Net Income (Excluding Grant Activity)

FY26 vs. FY25 Budget Summary					
(In Thousands)					
	FY26 Budget	FY25 Budget	FY25 Projected Actuals	FY26 vs. FY25 Budget	% of Change
Multifamily Income	\$ 112,525	\$ 110,083	\$ 116,039	\$ 2,442	2.2%
Single-Family Income	\$ 25,176	\$ 22,034	\$ 23,006	\$ 3,142	14.3%
Mortgage Insurance Fund Income	\$ 7,363	\$ 6,029	\$ 8,436	\$ 1,334	22.1%
Mission Income - Excludes Grant Activity	\$ 13,043	\$ 2,133	\$ 12,585	\$ 10,910	511.5%
Corporate Income	\$ 8,998	\$ 12,274	\$ 15,942	\$ (3,276)	-26.7%
Corporate Expenses	\$ (95,440)	\$ (86,154)	\$ (86,149)	\$ (9,286)	10.8%
Net Income	\$ 71,665	\$ 66,399	\$ 89,859	\$ 5,266	7.9%

FY26 Budget WCF Operating Income

(In Millions)

	FY26 Budget	FY25 Budget	FY25 Projected Actuals	FY26 vs. FY25 Budget	% of Change
Working Capital Fund Operating Income	\$ 3.8	\$ 4.8	\$ 14.0	\$ (1.0)	-20.0%
Cash Transfers from Bond Programs	\$ 17.4	\$ 18.2	\$ 18.2	\$ (0.9)	-4.8%
Excess Income After Transfers from Bond Programs	\$ 21.2	\$ 23.0	\$ 32.2	\$ (1.8)	-8.0%
50% Transfer to the Opportunity Fund	\$ 10.6	\$ 11.5	\$ 16.1	\$ (0.9)	-8.0%

Working Capital Fund Operating Income:

- MF & SF Lending Income is higher by \$7.1M
- WCF Net Interest Spread is higher by \$3.8M
- MF & SF Servicing Income is higher by \$1.7M
- IT & Operating Costs are lower by \$700K

Offset by

- Corporate Income is lower by \$3.3M
- Mission Related Expenses from the WCF are higher by \$4.1M
- Payroll & Payroll Added are higher by \$4.0M
- Professional Services & Leased Office Space is higher by \$1.8M
- Servicing Rights Premium (SRP) purchased is higher by \$1.0M

Requested Vote:

To adopt the proposed Fiscal Plan for Fiscal Year 2026
in substantially the form contained herein and as
presented to the Members at their meeting held on
June 10, 2025.

Appendix

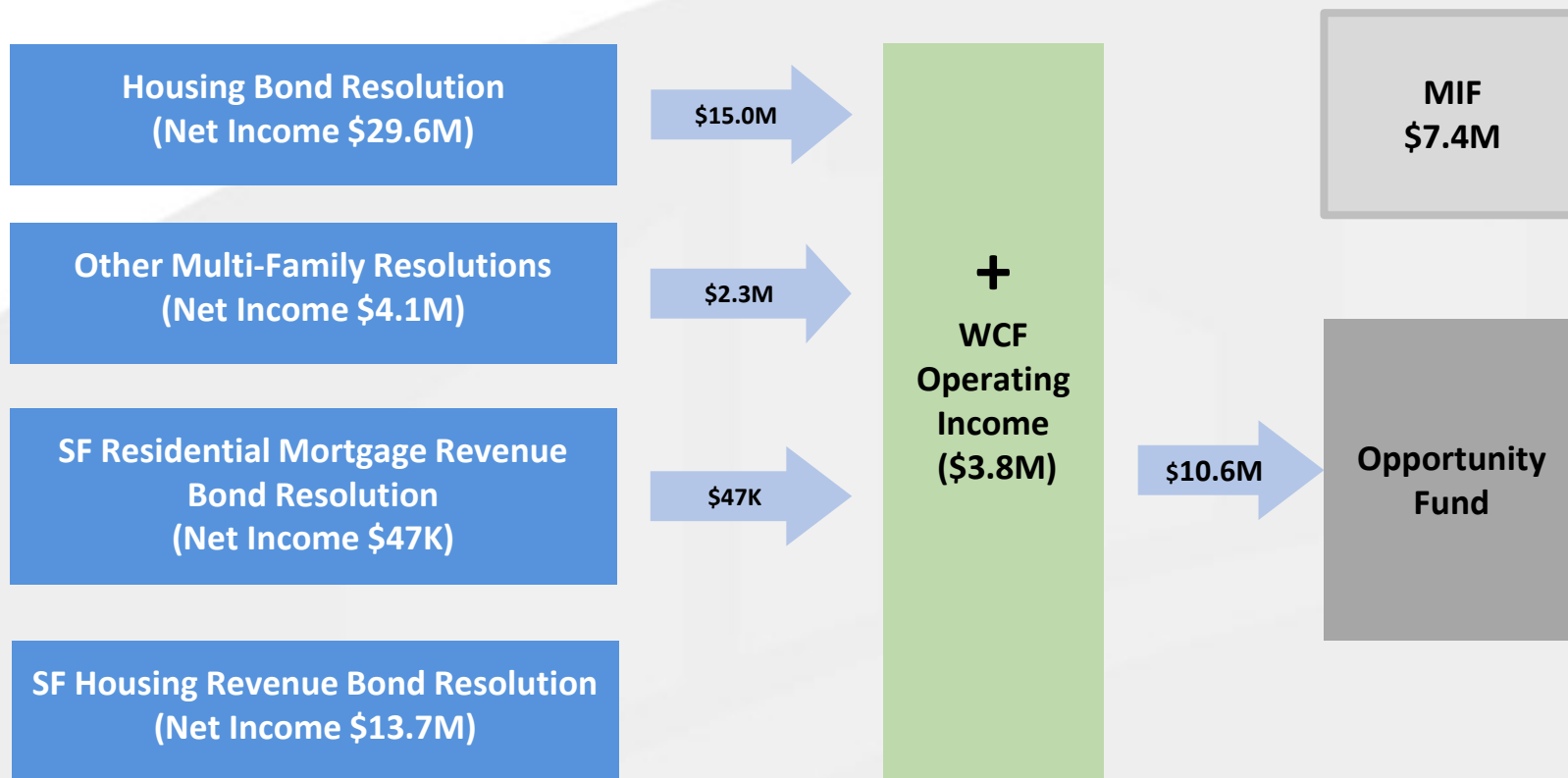
- A. Components of Opportunity Fund Contributions
 - B. FY26 Budget to FY25 Projected Actuals
 - C. Production and Corporate Expense Trends
 - D. Grants Activity Dashboard Excerpts
 - E. Additional Economic Conditions Information
-

Appendix A:

- ✓ Components of Opportunity Fund Contribution
 - ✓ Opportunity Fund Transfers Budget and Actual Trends
-

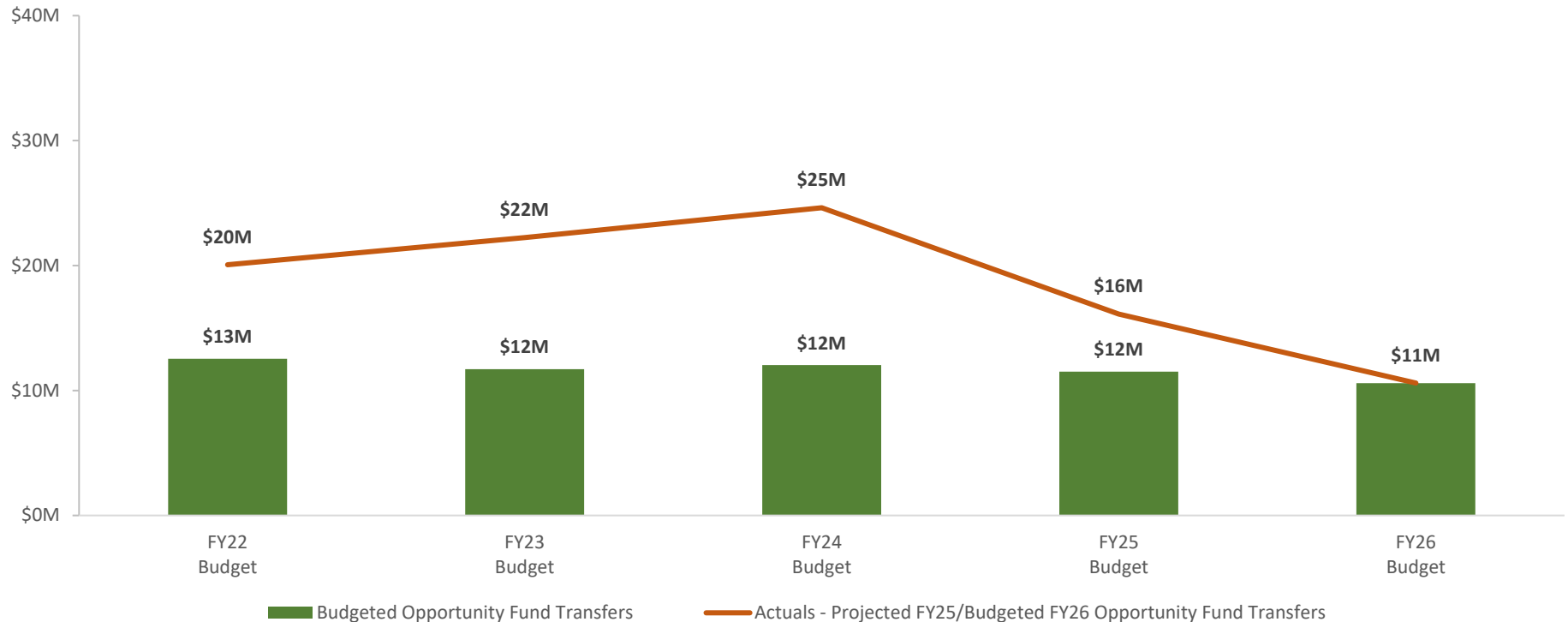
Keys to Future Sustainability

Components with \$ Transfers for FY26 Budget & Resulting Opportunity Fund Contribution



Opportunity Fund Transfers

FY22-FY26 Opportunity Fund Transfers



Appendix B:

- ✓ FY26 Budget to FY25 Projected Actuals

FY26 Budget vs. FY25 Projected Actuals

FY26 Budget vs. FY25 Projected Actuals				
(In Thousands)				
Production	FY26 Budget	FY25 Projected Actuals	FY26 Budget vs. FY25 Projected Actuals	% of Change
Single-Family Production	\$ 500,000	\$ 640,000	\$ (140,000)	-21.9%
Multifamily Production	\$ 760,900	\$ 336,435	\$ 424,465	126.2%
Total	\$ 1,260,900	\$ 976,435	\$ 284,465	29.1%

FY26 Budget vs. FY25 Projected Actuals

FY26 Budget vs. FY25 Projected Actuals				
(In Thousands)				
MIF Net Income	FY26 Budget	FY25 Projected Actuals	FY26 Budget vs. FY25 Projected Actuals	% of Change
MIF Fee Income	\$ 5,620	\$ 5,689	\$ (69)	-1.2%
MIF Investment Income	\$ 4,722	\$ 5,159	\$ (437)	-8.5%
MIF Paid Claims	\$ (859)	\$ (511)	\$ (348)	68.1%
MIF Expenses	\$ (2,120)	\$ (1,901)	\$ (219)	11.5%
TOTAL	\$ 7,363	\$ 8,436	\$ (1,073)	-12.7%

FY26 Budget vs. FY25 Projected Actuals				
(In Thousands)				
Grant Activity	FY26 Budget	FY25 Projected Actuals	FY26 Budget vs. FY25 Projected Actuals	% of Change
Grant Income	\$ 43,532	\$ 198,391	\$ (154,859)	-78.1%
Grant Disbursements	\$ (125,167)	\$ (86,765)	\$ (38,402)	44.3%
TOTAL	\$ (81,635)	\$ 111,626	\$ (193,261)	-173.1%

FY26 Budget vs. FY25 Projected Actuals

FY26 Budget vs. FY25 Projected Actuals				
(In Thousands)				
Total Income	FY26 Budget	FY25 Projected Actuals	FY26 Budget vs. FY25 Projected Actuals	% of Change
Multifamily Income	\$ 112,525	\$ 110,083	\$ 2,442	2.2%
Single-Family Income	\$ 25,176	\$ 22,034	\$ 3,142	14.3%
MIF Income	\$ 7,363	\$ 6,029	\$ 1,334	22.1%
Mission Income	\$ 13,043	\$ 2,133	\$ 10,910	511.5%
Corporate Income	\$ 8,998	\$ 12,274	\$ (3,276)	-26.7%
TOTAL	\$ 167,105	\$ 152,553	\$ 14,552	9.5%

FY26 Budget vs. FY25 Projected Actuals

FY26 Budget vs. FY25 Projected Actuals				
(In Thousands)				
Corporate Expenses	FY26 Budget	FY25 Projected Actuals	FY26 Budget vs. FY25 Projected Actuals	% of Change
Payroll and Related Personnel Expenses	\$ 62,695	\$ 58,488	\$ 4,207	7.2%
Professional Services	\$ 4,840	\$ 3,330	\$ 1,510	45.3%
Information Technology	\$ 11,621	\$ 11,622	\$ (1)	0.0%
Leased Office Space, net	\$ 5,565	\$ 5,052	\$ 513	10.2%
Operating Costs	\$ 4,905	\$ 4,506	\$ 399	8.9%
Subtotal	\$ 89,626	\$ 82,998	\$ 6,628	8.0%
Mission Related Expenses from the WCF	\$ 5,814	\$ 3,151	\$ 2,663	84.5%
TOTAL	\$ 95,440	\$ 86,149	\$ 9,291	10.8%

FY26 Budget vs. FY25 Projected Actuals

FY26 Budget vs. FY25 Projected Actuals				
(In Thousands)				
Net Income (Including Grant Activity)	FY26 Budget	FY25 Projected Actuals	FY26 Budget vs. FY25 Projected Actuals	% of Change
Multifamily Income	\$ 112,525	\$ 116,039	\$ (3,514)	-3.0%
Single-Family Income	\$ 25,176	\$ 23,006	\$ 2,170	9.4%
Mortgage Insurance Fund Income	\$ 7,363	\$ 8,436	\$ (1,073)	-12.7%
Mission Income (Includes Grant Activity)	\$ (68,592)	\$ 124,211	\$ (192,803)	-155.2%
Corporate Income	\$ 8,998	\$ 15,942	\$ (6,944)	-43.6%
Corporate Expenses	\$ (95,440)	\$ (86,149)	\$ (9,291)	10.8%
NET INCOME (LOSS)	\$ (9,970)	\$ 201,485	\$ (211,455)	-104.9%

FY26 Budget vs. FY25 Projected Actuals

FY26 Budget vs. FY25 Projected Actuals				
(In Thousands)				
Net Income (Excluding Grant Activity)	FY26 Budget	FY25 Projected Actuals	FY26 Budget vs. FY25 Projected Actuals	% of Change
Multifamily Income	\$ 112,525	\$ 116,039	\$ (3,514)	-3.0%
Single-Family Income	\$ 25,176	\$ 23,006	\$ 2,170	9.4%
Mortgage Insurance Fund Income	\$ 7,363	\$ 8,436	\$ (1,073)	-12.7%
Mission Income (Excludes Grant Activity)	\$ 13,043	\$ 12,585	\$ 458	3.6%
Corporate Income	\$ 8,998	\$ 15,942	\$ (6,944)	-43.6%
Corporate Expenses	\$ (95,440)	\$ (86,149)	\$ (9,291)	10.8%
TOTAL	\$ 71,665	\$ 89,859	\$ (18,194)	-20.2%

FY26 Budget vs. FY25 Projected Actuals

FY26 Budget vs. FY25 Projected Actuals				
(In Millions)				
WCF Operating Income	FY26 Budget	FY25 Projected Actuals	FY26 Budget vs. FY25 Projected Actuals	% of Change
Working Capital Fund Operating Income	\$ 3.8	\$ 14.0	\$ (10.2)	-72.6%
Cash Transfers from Bond Programs	\$ 17.4	\$ 18.2	\$ (0.9)	-4.8%
Excess Income After Transfers from Bond Programs	\$ 21.2	\$ 32.2	\$ (11.0)	-34.2%
50% Transfer to the Opportunity Fund	\$ 10.6	\$ 16.1	\$ (5.5)	-34.2%

Appendix C:

- ✓ Production and Corporate Expense Trends

Production – Budget to Actual Trend

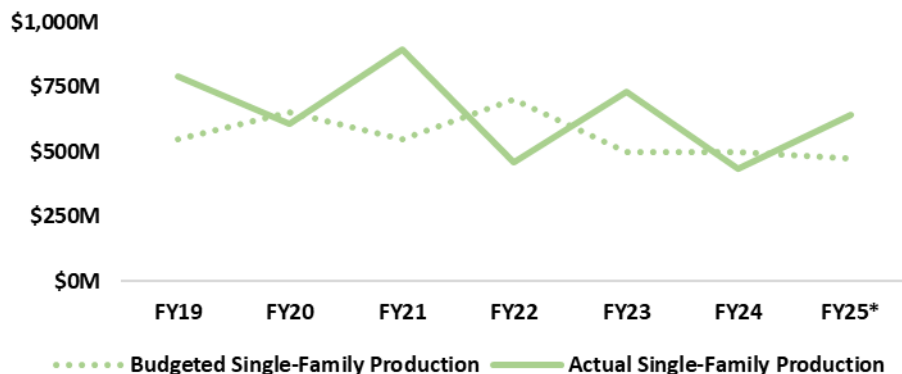
(In Millions)

	FY19	FY20	FY21	FY22	FY23	FY24	FY25*	FY26 Budget
Budgeted Single-Family Production	\$ 550	\$ 650	\$ 550	\$ 700	\$ 500	\$ 500	\$ 475	\$ 500
Actual Single-Family Production	\$ 792	\$ 607	\$ 894	\$ 461	\$ 729	\$ 433	\$ 640	\$ -
Variance Actual vs. Budget	\$ 242	\$ (43)	\$ 344	\$ (239)	\$ 229	\$ (67)	\$ 165	\$ -
Budgeted Multifamily Production	\$ 600	\$ 625	\$ 750	\$ 800	\$ 750	\$ 750	\$ 715	\$ 761
Actual Multifamily Production	\$ 689	\$ 619	\$ 823	\$ 945	\$ 658	\$ 648	\$ 336	\$ -
Variance Actual vs. Budget	\$ 89	\$ (6)	\$ 73	\$ 145	\$ (92)	\$ (102)	\$ (379)	\$ -
Budgeted Total Production (SF & MF)	\$ 1,150	\$ 1,275	\$ 1,300	\$ 1,500	\$ 1,250	\$ 1,250	\$ 1,190	\$ 1,261
Actual Total Production (SF & MF)	\$ 1,481	\$ 1,226	\$ 1,717	\$ 1,406	\$ 1,387	\$ 1,081	\$ 976	\$ -
Variance Actual vs. Budget	\$ 331	\$ (49)	\$ 417	\$ (94)	\$ 137	\$ (169)	\$ (214)	\$ -

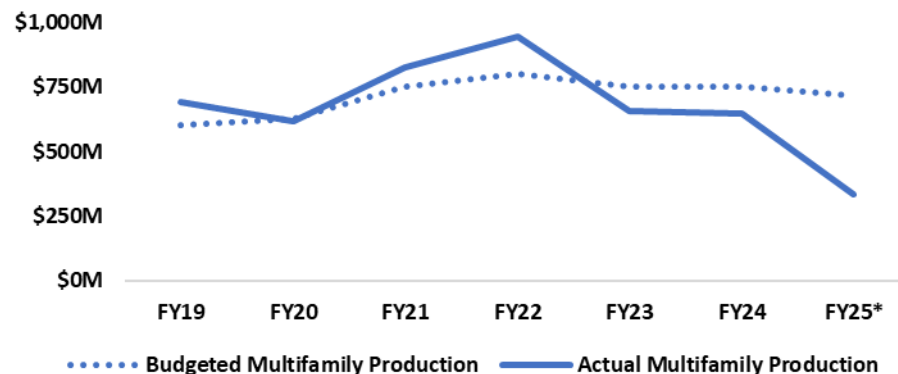
Note: Actual Production for FY25 represents our current projection.

Production – Budget to Actual Trend

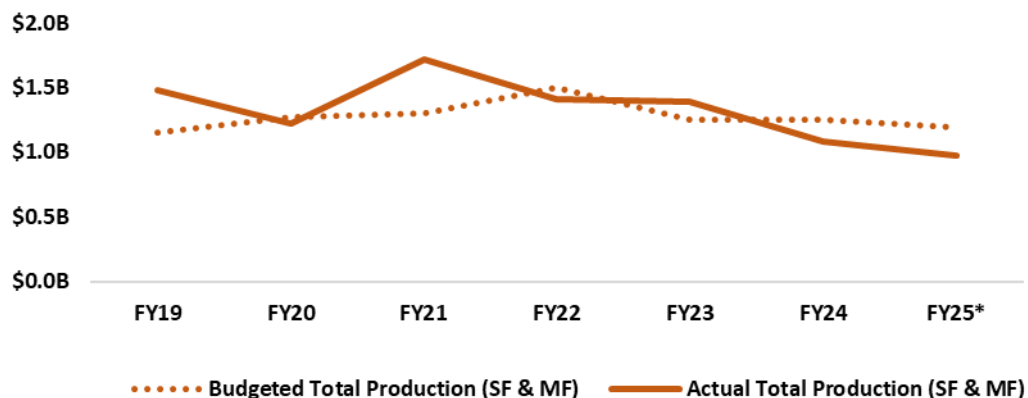
Single-Family Production



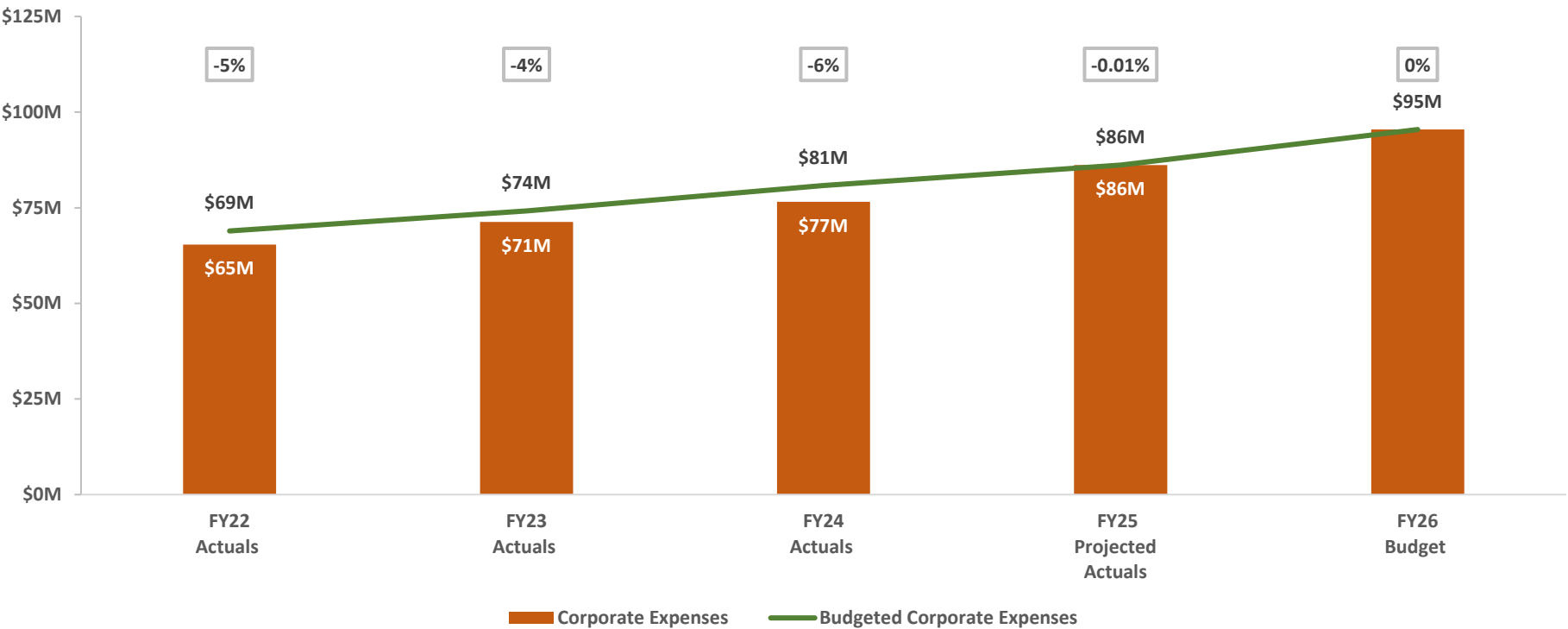
Multifamily Production



Total Production – Single-Family & Multifamily



FY22-FY26 Corporate Expenses Actual to Budget and % Variance



Appendix D:

- ✓ Grants Activity Dashboard Excerpts

Grant Programs Summary as of 5/31/2025

Number of Grant Programs

23

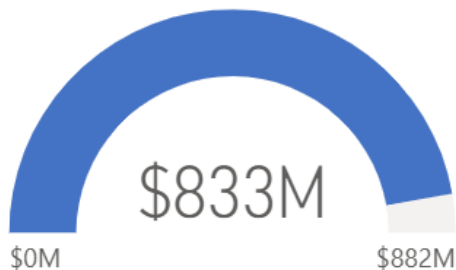
Total Amount Received

\$833M

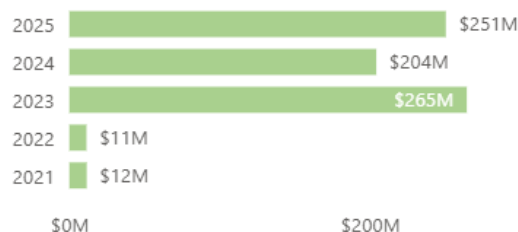
Total Amount Disbursed

\$447M

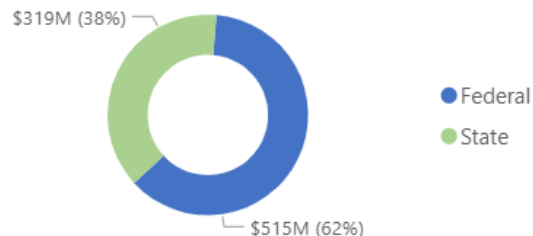
Total Received of Gross Award Amount



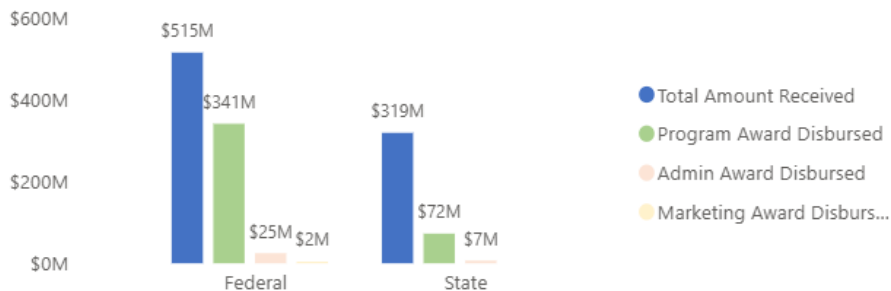
Amount Received by Fiscal Year



Amount Received by Funding Source



Amount Received and Disbursed by Funding Source



Top 5 Award Amounts Received by Program

(Includes Program, Administration, and Marketing)

Program	Federal	State
ARPA CWB	\$115,000,000	
ARPA-2 AHTF	\$100,000,000	
ARPA-1 Rental	\$87,100,000	
Commonwealth Builder		\$86,200,000
ARPA WFH	\$86,000,000	
Total	\$388,100,000	\$86,200,000

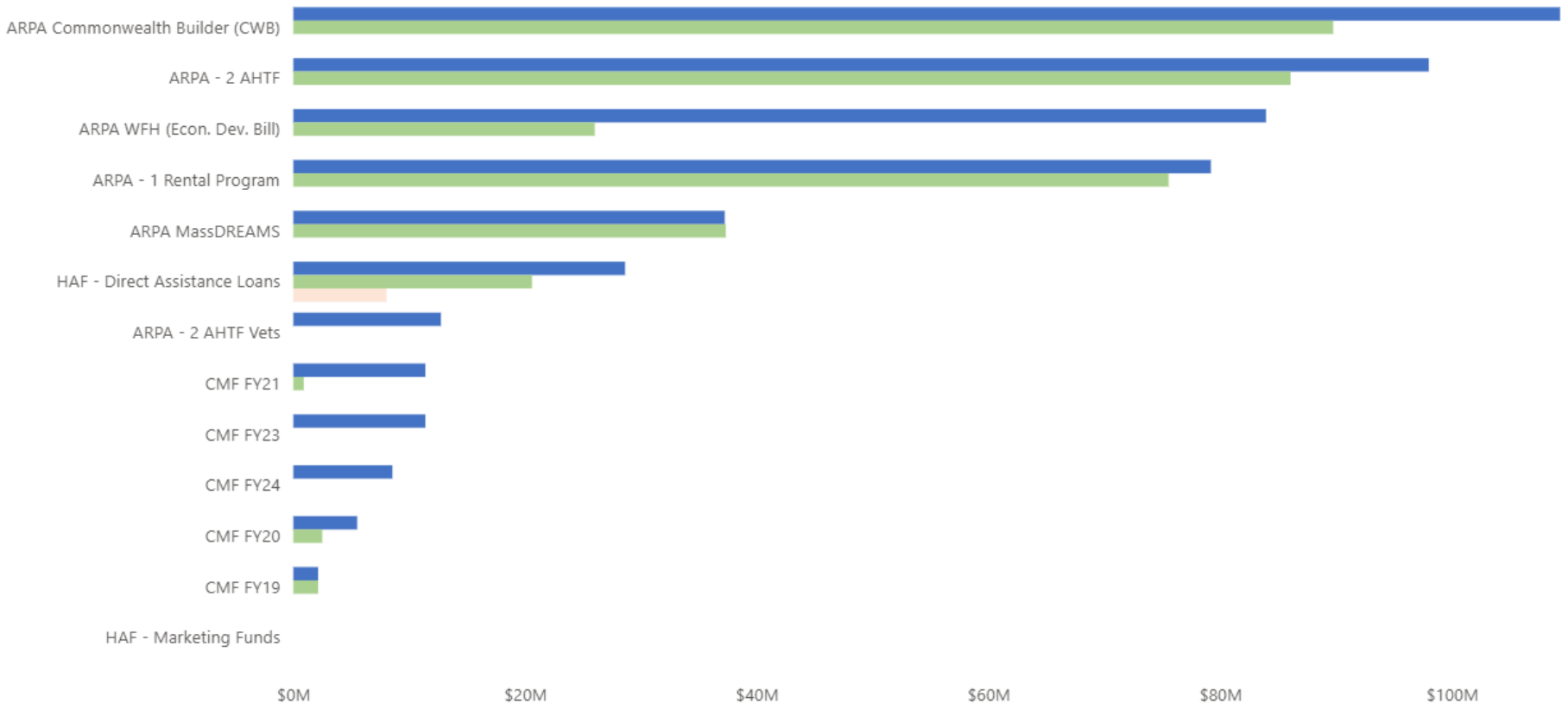
Note: ARPA-1 Rental is a conduit grant therefore the Grant Income and Expense does not run through the Agency's books and records. The ARPA-2 AHTF grant is recorded in AHTF, a separate legal entity. MassHousing receives fees to administer these grants.



Federal Grant Program Award and Disbursement as of 5/31/2025

Program Award Received and Disbursed by Federal Grant Program

● Program Award Received ● Program Award Disbursed ● Program Award Returned

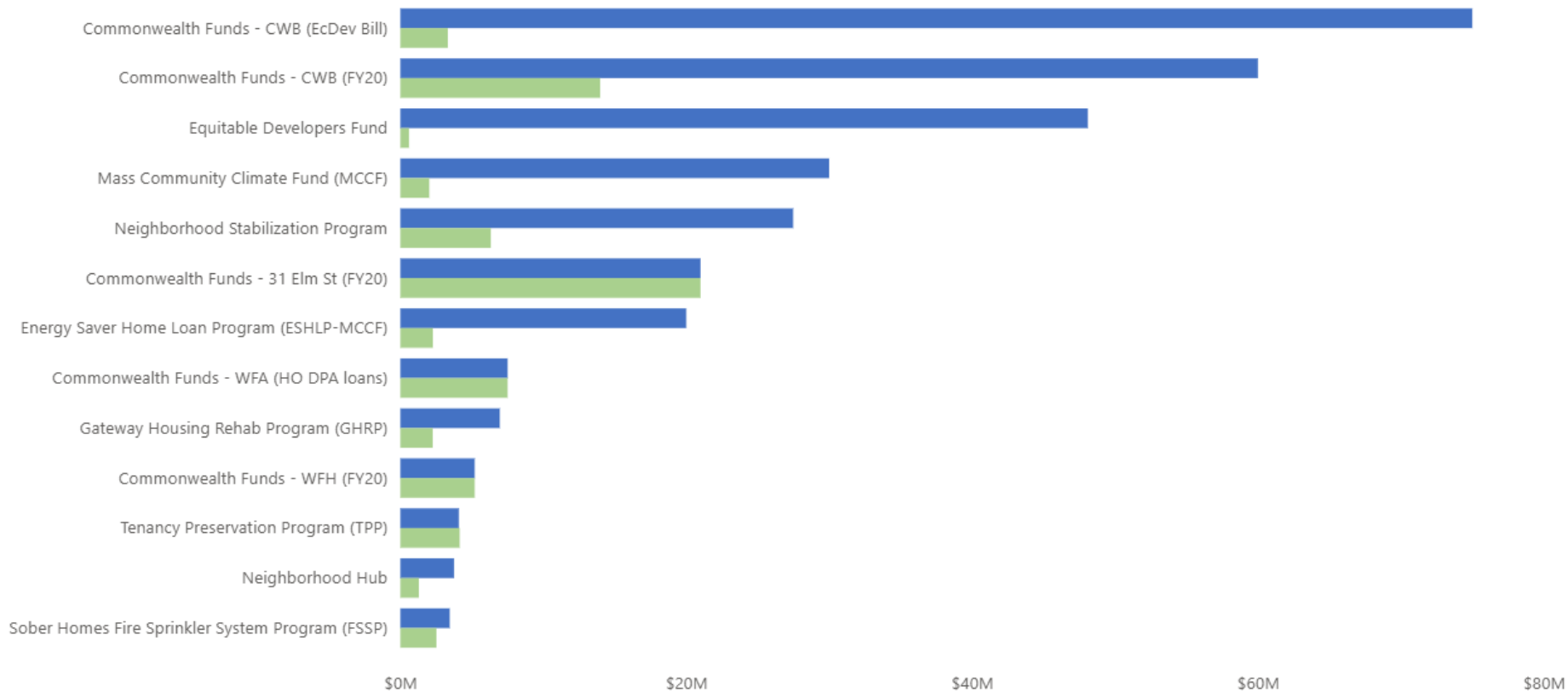


Note: ARPA-1 Rental is a conduit grant therefore the Grant Income and Expense does not run through the Agency's books and records. The ARPA-2 AHTF grant is recorded in AHTF, a separate legal entity. MassHousing receives fees to administer these grants.

State Grant Program Award and Disbursement as of 5/31/2025

Program Award Received and Disbursed by State Grant Program

● Program Award Received ● Program Award Disbursed

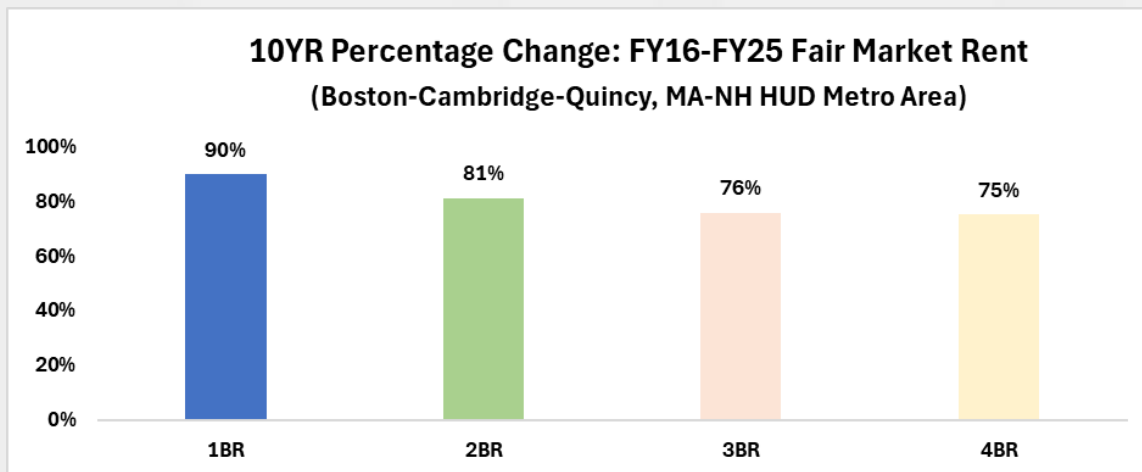
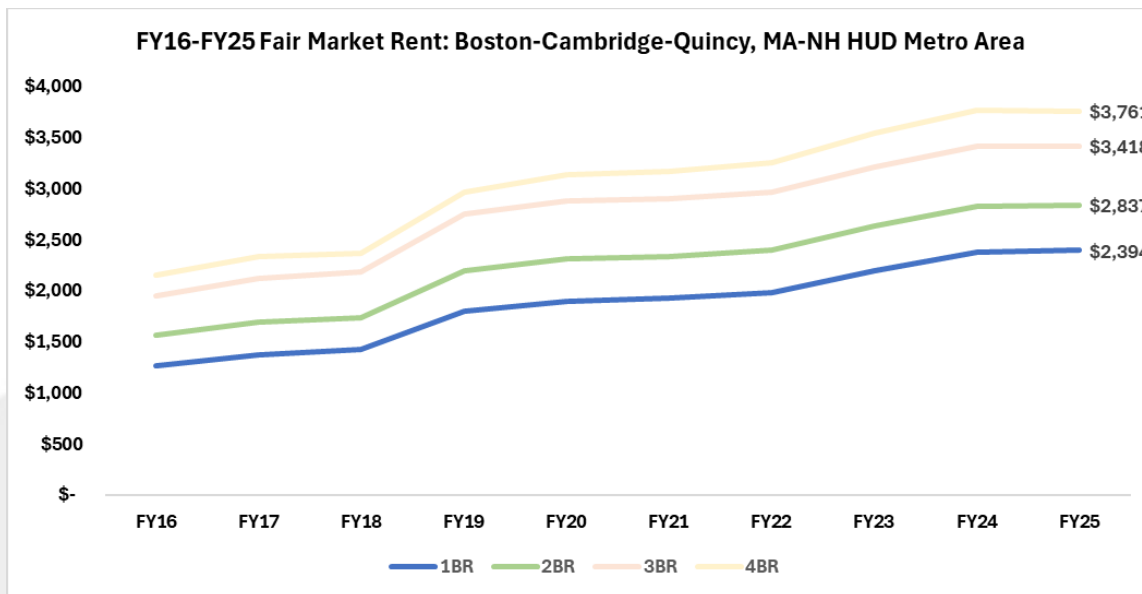


Note: The Energy Saver Home Loan Program is a subset of the Mass Community Climate Fund.

Appendix E:

- ✓ Additional Market and Economic Conditions
Background Information

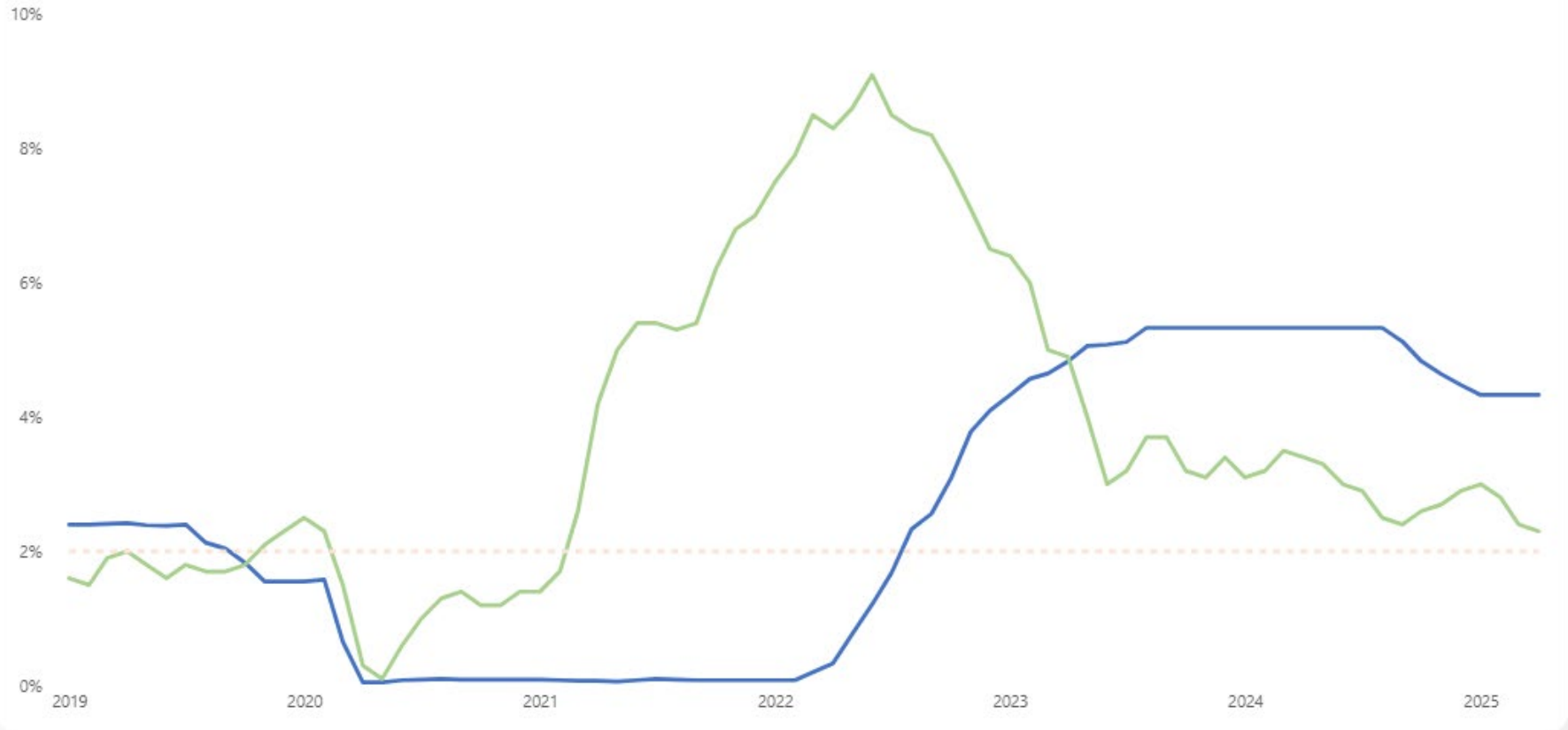
Additional Data for Informational Purposes Only



Additional Data for Informational Purposes Only

Fed Funds Rate and US Inflation Rate (CPI)

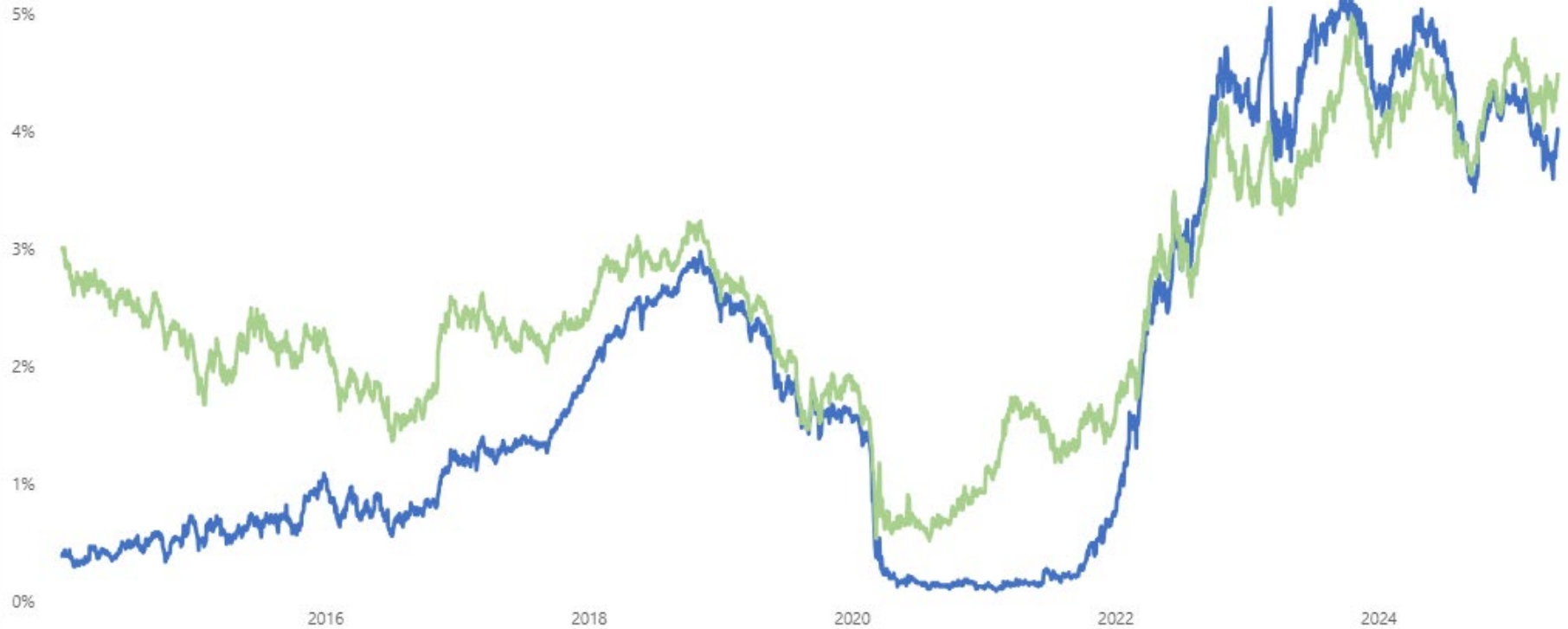
● Fed Funds Rate ● US Inflation Rate (CPI) ● US Inflation (CPI) Target Rate



Additional Data for Informational Purposes Only

U.S. Treasury Yield Curve (2YR and 10YR)

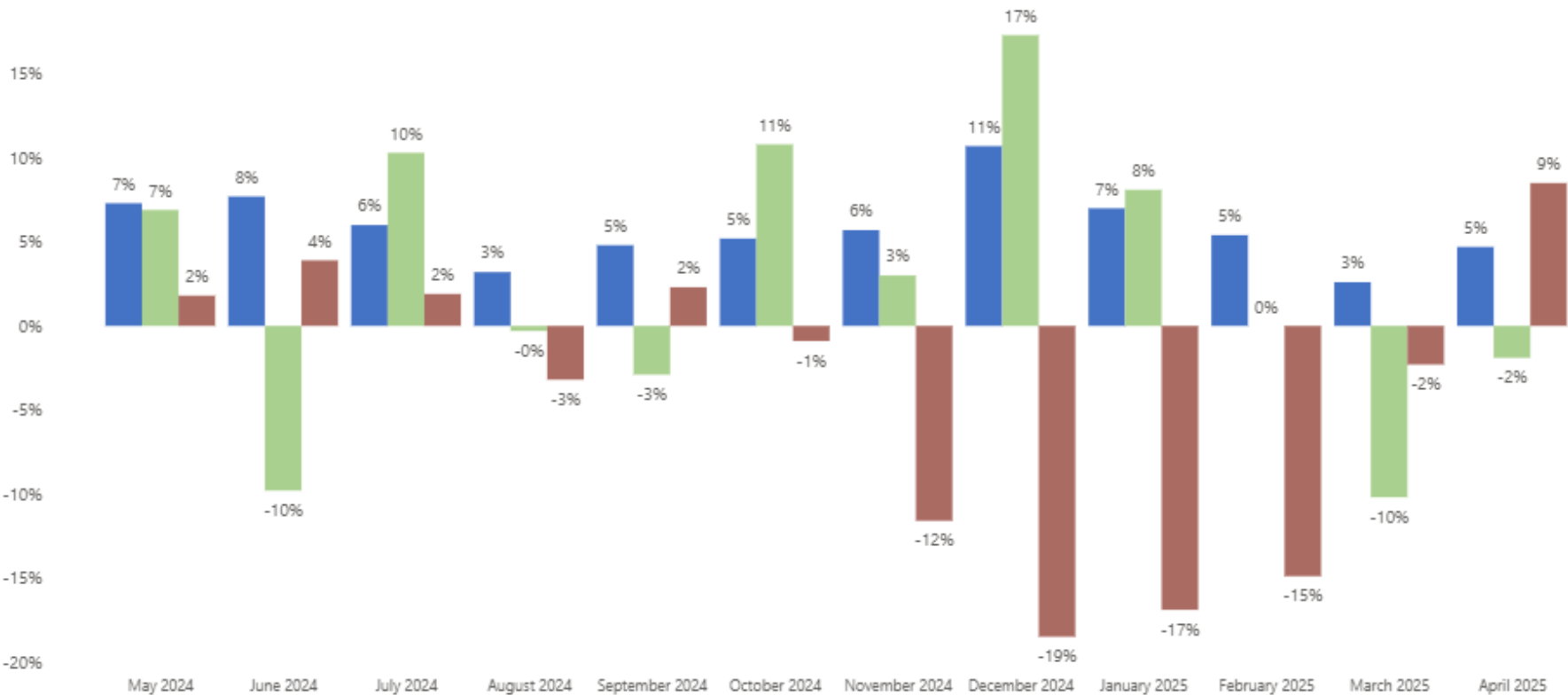
● 2YR Treasury Yield ● 10YR Treasury Yield



Additional Data for Informational Purposes Only

MA Single Family Market Data: YoY% Change Comparison

● Median Sales Price
 ● Closed Sales
 ● Home Inventory



MEMORANDUM

TO: Agency Members

FROM: Colin M. McNiece, Chief Legal & Operating Officer

SUBJECT: Retirement System – M.G.L. Ch.32 Section 103

DATE: June 10, 2025

The Massachusetts Housing Finance Agency Employees' Retirement Board (the "Retirement Board") requests acceptance by the MassHousing Board (the "Board"), its legislative body under M.G.L. Ch.32 §103, of its recommendation to increase the maximum base for which its retirees can receive a cost-of-living allowance (COLA) as further described in the attached memorandum.

If the Board desires to accept such recommendation, the following vote is offered for consideration

VOTED: That the Massachusetts Housing Finance Agency hereby accepts the provisions of M.G.L. c. 32 § 103(j), as recommended to it by the Board of the Massachusetts Housing Finance Agency Employees' Retirement System, in the attached memorandum, with an effective date of July 1, 2025.

**Massachusetts Housing Finance Agency
Employees' Retirement Board
One Beacon Street
Boston, MA 02108
617. 854.1871, 1123**

**Michael Fitzmaurice, Chairman
Antonio Torres, Elected Member
Member Rachel Madden, Ex-Officio
Secretary**

**Paul T. Hynes, Appointed Member
Thomas Flynn, Appointed
Joseph M. Petty, Executive**

To: Colin McNiece, General Counsel
From: Joseph M. Petty, Executive Secretary
Re: COLA Base Increase
Date: June 10, 2025

At the May 13, 2025, MHFA Employees' Retirement Board meeting, it was voted unanimously to decrease the discount rate from 7% to 6.75%. It was also voted to increase the maximum base of which its retirees can receive a cost-of-living allowance (COLA) under M.G.L. c. 32sec 103(j) as follows:

1. To increase the COLA base from \$18,000 to \$20,000 effective July 1, 2025.
2. To increase the COLA base from \$20,000 to \$21,000 effective July 1, 2026.

The maximum COLA that can be granted in any year is 3% which means that the maximum COLA for our retirees would increase from \$540.00 a year to \$600.00 a year if the Board of MassHousing approves the new \$20,000.00 maximum base effective July 1, 2025. Then effective July 1, 2026, the increase would go from \$600.00 per year to \$630.00 per year with a base of \$21,000.00.

The Retirement Board's actuary has estimated that raising the maximum COLA base to \$21,000.00 would increase the actuarial accrued liability of the MHFA Employees' Retirement System by approximately 0.74% compared to the existing \$18,000 Base. The annual contribution rate will increase by 4.5% over the next three years, an increase of 0.25% compared to the 4.25% increases which would have been needed to fund the liability in three years for the \$18,000. This increased the FY2026 contribution by approximately \$12,000.

The reduction in discount rate to 6.75% increased the liability by \$6.8 million, or 2.60%, which extended the funding schedule by two years.

MHFA Retirement Board



January 1, 2025 Actuarial Valuation

COLA Increase

Overview



- COLA Base
 - Currently \$18,000
 - Alternate: increase to \$20,000 for one year, \$21,000 thereafter
 - Previous scenario: increase to \$19,000 for one year, \$20,000 for one year, \$21,000 thereafter
 - Increased liability by \$2.0 million compared to \$18,000 COLA Base
 - Increased liability by \$108 thousand compared to previous scenario
- 6.75% Discount rate

Funding Results



- Expected appropriation from 2023 valuation: \$4,842,973
- Previous COLA scenario: 4 year schedule
 - 4.25% contribution increases
 - FY26 appropriation: \$4,987,180
- New COLA scenario
 - 4.50% appropriation increases required in order to complete funding in four years
 - 4.50% increase: \$4,999,140
 - \$156 thousand increase compared to expected from 2023 (3.2%)
 - \$12 thousand increase compared to previous COLA scenario (0.25%)

MASSACHUSETTS HOUSING FINANCE AGENCY RETIREMENT SYSTEM

FUNDING SCHEDULE with 3(8)(C) - 4 years, 4.50% increases

6.75% Discount Rate; \$21,000 COLA Base

Fiscal Year	Normal Cost	Unfunded Liability	Funding		Schedule Contribution*	Adjusted Payments	% Change
			Amortization of UAAL	Net 3(8)(c) Payments			
2026	2,036,645	13,985,032	3,636,917	(674,422)	4,999,140	4,999,140	4.50%
2027	2,118,111	11,046,613	3,780,413	(674,422)	5,224,101	5,224,101	4.50%
2028	2,202,835	7,756,669	3,930,773	(674,422)	5,459,186	5,459,186	4.50%
2029	2,290,949	4,084,144	4,084,144	(674,422)	5,700,670	5,700,670	4.42%
2030	2,382,587	-	-	(674,422)	1,708,164	1,708,164	-70.04%

Amortization of Unfunded Liability as of July 1, 2025

Year	Type	Original Amort.	Percentage	Original #	Current Amort.	Years
		Amount	Increasing	of Years	Amount	Remaining
2026	Fresh Start	N/A	N/A	4	N/A	4

MASSACHUSETTS HOUSING FINANCE AGENCY RETIREMENT SYSTEM

VALUATION RESULTS AS OF JANUARY 1, 2025

6.75% Discount Rate; \$21,000 COLA Base

A. Member Data as of January 1, 2025

	Current Valuation January 1, 2025	Prior Valuation January 1, 2023	Percent Change
1. Active Members			
a. Number	347	316	9.81%
b. Annual Compensation	\$ 45,041,144	\$ 36,887,015	22.11%
c. Average Annual Compensation	129,802	116,731	11.20%
d. Average Attained Age	49.8	50.3	-0.98%
e. Average Past Service	13.7	14.6	-6.30%
2. Retired Members and Beneficiaries			
a. Number	225	210	7.14%
b. Total Annual Retirement Allowance excluding reimbursable COLA	\$ 12,233,614	\$ 10,990,532	11.31%
c. Average Annual Retirement Allowance	\$ 54,372	\$ 52,336	3.89%
d. Average Attained Age	73.4	72.5	1.30%
3. Inactive Members			
a. Number	59	63	-6.35%

B. Actuarial Components

1. Normal Cost			
a. Total Normal Cost as of January 1, 2025	\$ 5,746,978	\$ 4,350,672	32.09%
b. Less Expected Members' Contributions	4,483,876	3,627,083	23.62%
c. Normal Cost to be funded by the Employer	\$ 1,263,102	\$ 723,589	74.56%
d. Adjustment to July 1, 2025	25,014	14,330	74.56%
e. Administrative expense assumption	748,528	682,922	9.61%
f. Normal Cost Adjusted to July 1, 2025	\$ 2,036,645	\$ 1,420,840	43.34%
2. Actuarial Accrued Liability as of January 1, 2025			
a. Active Members	\$ 137,680,257	\$ 116,493,478	18.19%
b. Inactive Members	4,606,401	4,495,258	2.47%
c. Retired Members and Beneficiaries	128,513,433	114,676,581	12.07%
d. Total	\$ 270,800,091	\$ 235,665,317	14.91%
3. Unfunded Actuarial Accrued Liability			
a. Actuarial Accrued Liability as of January 1, 2025	\$ 270,800,091	\$ 235,665,317	14.91%
b. Less Actuarial Value of Assets as of January 1, 2025	257,895,980	219,758,813	17.35%
c. Unfunded Actuarial Accrued Liability	\$ 12,904,112	\$ 15,906,504	-18.88%
d. Adjustment to July 1, 2025	1,080,920	921,555	
e. Unfunded Actuarial Accrued Liability as of July 1, 2025	\$ 13,985,032	\$ 16,828,059	

Loan Commitment Proposal | June 10, 2025

55 Hudson Rental**1. General Project Information**

Project Name	55 Hudson Rental
Project ID	24-104
Associated Projects	55 Hudson Homeownership
Address(es)	55 Hudson Street, Boston (Chinatown), MA 02111
Sponsor	Asian Community Development Corporation
Transaction Type	Production (4%)
Funding Type	Conduit Drawdown – Private Placement
Execution Type	Conduit (Tax-Exempt)
Credit Enhancement	None
Approval Type	Board
Total Rental Units	66
Affordability Mix	66 Affordable

2. Recommended Actions

- Official Action Status
- Commitment of a Tax-Exempt Conduit Loan
- Approval for the Use of Low-Income Housing Tax Credits

55 Hudson Rental (the “Development” or the “Rental Condo”) is a proposed 66-unit affordable housing community in Boston’s Chinatown neighborhood. The Development will be one condominium within a single high-rise building that also includes 55 Hudson Homeownership (the “Homeownership Condo”) and a new Chinatown Branch of the Boston Public Library (the “Library Condo” or “55 Hudson BPL”).

In 2021, the Boston Planning and Development Agency (the “BPDA”) released a request for proposals (“RFP”) for the redevelopment of 55 Hudson (formerly known as Parcel R-1), which consists of 14 contiguous parcels totaling just over 18,900 square feet of vacant land (the “Site”). Asian Community Development Corporation (the “Sponsor” or “ACDC”) was the successful respondent to the RFP. The Sponsor’s proposal was consistent with a 2018 community visioning exercise and a 2020 Chinatown Master Plan, both of which highlighted the need for affordable housing and community and cultural resources.

3. MassHousing Financing

Conduit Loan	
Type	Short-Term Tax-Exempt Conduit Loan
Loan Amount	\$22,680,000
Loan Term / Amortization	36 mo / interest only
Conduit Loan	
Type	Long-Term Tax-Exempt Conduit Loan
Loan Amount	\$8,210,000
Loan Term/Amortization	20y / 40y after permanent conversion, interest only for the development period of up to 36 months

4. Development Plan

Description of Site. The Site is located in the Chinatown neighborhood of Boston and is currently used as a surface parking lot. Surrounding uses include a 14-story office building, a mid-rise office and medical building, row houses, and One Greenway, a high-rise residential apartment and condominium community developed by a joint venture of ACDC and New Boston Fund. The Site is within easy walking distance to multiple MBTA stations, including South Station and Chinatown, and is near the Kneeland Street commercial corridor, Tufts Medical Center, and Routes 90 and 93.

Description of Existing or Proposed Building. The Development will create 66 affordable units within the larger 55 Hudson building. Amenities available for the exclusive use of residents of the Development include a children’s playroom and a laundry room. A community space and bike storage areas will have shared use between the Rental Condo and the Homeownership Condo. Floors one and two of the 55 Hudson building will house a new, permanent location of the Chinatown Branch of the Boston Public Library. The Development will include amenity space on floors one and two, and rental units on floors three through eight. Floors nine through twelve will have 44 homeownership units. The steel frame masonry structure will be built to LEED Gold standard.

Description of Affordability Mix. All 66 units will be subject to income restrictions with set-asides ranging from 30% of Area Median Income (“AMI”) to 80% of AMI.

Fourteen (14) units will benefit from project-based rental assistance, including eight (8) project-based Section 8 units and six (6) project-based MRVP units. The remaining 52 units will be tax credit units restricted at 50%, 60%, and 80% of AMI.

Site Control. The Sponsor has site control through a developer designation by the BPDA. The BPDA awarded Final Designation status to ACDC on April 10, 2025, with an expiration date of October 31, 2025. At initial construction closing, an affiliate of the Sponsor will enter into a 99-year ground lease with the BPDA, will declare the primary condominium with three units, and will convey the Rental Condo to the Rental Condo’s borrower entity.

5. Borrower Team

Mortgagor Entity: ACDC 55 Hudson Rental LLC

ACDC 55 Hudson Rental LLC is a single-asset, sole purpose limited liability company formed for the purposes of owning and operating the Development.

Developer / Sponsor: Asian Community Development Corporation

Founded in 1987 to respond to the growing needs of Boston's Chinatown, Asian Community Development Corporation has expanded its reach to include Asian American communities elsewhere in greater Boston, most notably Quincy and Malden. In addition to developing affordable housing, ACDC programs focus on community planning, civic engagement, youth leadership, and financial education.

ACDC has participated in the construction and rehabilitation of five affordable housing developments, two of which, Oak Terrace and The Metropolitan, are in MassHousing's loan portfolio. Of the five projects completed, The Metropolitan and One Greenway are mixed-use and mixed-tenure communities with condominium structures in which ACDC was a joint venture partner with a co-developer. 55 Hudson will be the first such development ACDC completes independently. ACDC has assembled an experienced team, including an affordable housing consultant (please see Consultant description below).

General Partner / Managing Member: ACDC 55 Hudson Rental MM LLC

Construction Lender: First-Citizens Bank & Trust Company

First-Citizens Bank & Trust Company ("First Citizens") is headquartered in Raleigh, North Carolina and is among the largest 20 financial institutions in the US with more than \$200 billion in total assets and over 550 branches in 23 states. As of September 30, 2024, First Citizens reports a diverse lending portfolio totaling \$138.7 billion of which commercial multifamily real estate lending accounts for \$5.7 billion. First Citizens purchased all assets and liabilities of Silicon Valley Bank in March of 2023 and continues to operate Silicon Valley Bank as an affiliated business. First Citizens is the construction lender on West Newton Armory.

Permanent Lender: Massachusetts Housing Partnership

Massachusetts Housing Partnership ("MHP" or "Commercial Lender") is a public nonprofit affordable housing organization that works in concert with the Governor and the Executive Office of Housing and Livable Communities ("EOHLC") to increase the supply of affordable housing in Massachusetts. Founded in 1985, MHP finances affordable housing through a state law that requires companies that acquire Massachusetts banks to make loan funds available to MHP for the creation and preservation of affordable multifamily housing. MHP was most recently the permanent lender on Cheney Homes Apartments, a conduit transaction that closed in October 2024 and West Newton Armory, a conduit transaction that closed in May 2025.

Consultant: Peter Munkenbeck

Since 1997, Peter Munkenbeck (“Munkenbeck”) has been a consultant, primarily to nonprofit affordable housing developers. During that time, Munkenbeck has been involved in the development and financing of 50 multifamily properties with over 6,000 units on behalf of more than 20 community development corporations in and near Boston. In recent years, he has assisted developers on increasingly complex transactions, many of them redevelopment efforts in response to City of Boston RFPs. In his consultant role on 55 Hudson, Munkenbeck is assisting and advising the Sponsor at all stages of the development, from local permitting to financial structuring, closing, and preparation of construction requisitions. Munkenbeck worked as a development consultant with ACDC on The Metropolitan and is also advising other nonprofits in several deals in the Agency’s pipeline.

Syndicator / Investor: RBC Community Investments

RBC Community Investments is a leading syndicator of LIHTC, Workforce/Impact Housing, Renewable Energy Tax Credits, Historic Tax Credits, and State Tax Credits. As of December 2021, their team closed over \$12.8 billion in equity through 126 active funds with 95 institutional investors and 1,067 affordable housing tax credit assets under administration. Recent MassHousing deals on which RBC Community Investments was the syndicator include Bartlett Station F5 and 52 New Street.

Management Company: Maloney Properties, LLC

Maloney Properties, Inc. is a women-owned firm established in 1981 that provides professional property management services throughout New England. Currently, Maloney Properties manages over 10,000 units of housing, including over 1,950 units in 20 properties in MassHousing’s loan portfolio.

Architect: Stantec Architecture, Inc.

Stantec Inc. is an international professional services company in the design and consulting industry. The company was founded in 1954, as D. R. Stanley Associates in Edmonton, Alberta, Canada. Stantec provides professional consulting services in planning, engineering, architecture, interior design, landscape architecture, surveying, environmental sciences, project management, and project economics for infrastructure and facilities projects. The company provides services on projects around the world, with over 26,000 employees operating out of more than 400 locations in North America and across offices on six continents. Stantec was the architect on 117 Union Street and Bunker Hill Building M, two Agency-financed deals that are nearing construction completion.

General Contractor: Consigli Construction Company, Inc.

Consigli is one of the largest employee-owned construction managers in the Northeast and Mid-Atlantic. Staffed by more than 1,600 employees, with ten regional offices across the east coast from Maine to DC, and upward of \$2.3 billion in annual volume, Consigli has expanded its roots,

while maintaining its core competencies with more than 650 skilled carpenters, laborers, and masons on staff. In recent years, Consigli has been the general contractor on Clifton Place and the first phase of the Mildred Hailey redevelopment.

6. Summary of MassHousing-Sponsor Relationship			
	<i>Recorded</i>	<i>Committed</i>	<i>Total</i>
Number of Projects with MassHousing Debt	2	0	2
Total Units with MassHousing Debt	169	0	169
Outstanding MassHousing Principal Debt	\$21,935,216*	\$0	\$21,935,216*
Number of Projects with MassHousing Conduit Financing	0		
MassHousing Conduit Loans are Compliant with Program Rules	N/A		
Adverse Actions Against the Borrower Team	No		
Current on Obligations with MassHousing	Yes		
Property Management Affiliate	No		

** This amount includes the total outstanding principal balance on The Metropolitan, a mixed-tenure and mixed-use condominium development including affordable rental, commercial, 81 market rate condominiums, and a parking garage. ACDC is a co-owner and is responsible for the debt service on the affordable rental and commercial condominiums only.*

MassHousing Staff	
Origination	Sarah Hall, Originator Patrick Schrantz, Analyst
Underwriting	Emily Loomis, Underwriter Dan Staring, Analyst
Asset Management	Tina Attachi, Portfolio Manager Kosal Saren, Asset Manager

7. Unit Mix

Unit Size	Total Units	LIHTC Eligible									
		30% of AMI PB-Section 8*		30% of AMI PB-MRVP		50% of AMI*		60% of AMI*		80% of AMI*	
		Count	Rent	Count	Rent	Count	Rent	Count	Rent	Count	Rent
1 BR	24	3	\$2,499	2	\$2,394	4	\$1,252	8	\$1,546	7	\$2,135
2 BR	36	4	\$2,962	3	\$2,837	3	\$1,459	19	\$1,813	7	\$2,520
3 BR	6	1	\$3,583	1	\$3,418	2	\$1,627	2	\$2,036		
Total	66	8		6		9		29		14	

*Rents are net of utility allowances.

Project-Based Rental Subsidy	
Type	Section 8
Term	20 y
Administrator	MetroHousing Boston
Type	MRVP
Term	15 y
Administrator	Metro Housing Boston

8. Operating Overview

Underwritten Operating Expenses	\$932,000 (approximately \$14,100 per unit)
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Basis of Operating Costs. Operating expense assumptions were based on the Sponsor's proposed budget and supporting documentation. While the per unit operating expenses are within the Agency's portfolio range of \$11,000 to \$15,000, a few elements of the operating expenses are worth describing in greater detail:

- **Resident Services:** Resident Services expenses are \$1,200 per unit. These Services will be coordinated between Maloney Properties and ACDC, with the involvement of a part-time ACDC Community Building Associate. Planned offerings include support services, arts and cultural opportunities, computer learning, youth enrichment, parenting support, and job skills and training.
- **Replacement Reserves:** Annual deposits to replacement reserves are underwritten at \$750 per unit per year. This level of reserve funding was a Sponsor-proposed increase to ensure the Development can support any future capital needs.
- **Condominium Fees:** Approximately \$145,000 annually to cover the Development's share of the overall condominium budget for maintenance and grounds, janitorial, fire and safety, snow removal, insurance, and reserves, among other expenses that will be shared by all three condominium units. Certain other expenses will be allocated between the two residential condominiums, including elevator maintenance and utilities.

9. Project Costs

Core Residential Costs	
Base	\$37,154,679
Extraordinary	\$16,144,974
Total	\$53,299,652
Commercial, Site and Other Non-Residential Costs	
Commercial Costs	
Site and Other Non-Residential Costs	\$8,127,827
Total	\$8,127,827
Total Development Cost	
Total	\$61,427,479

Project Construction Costs	
Total Construction Cost	\$45,682,257
Construction per Square Foot	\$713

Background on Extraordinary Residential Costs. Extraordinary residential costs are largely attributable to the challenges and constraints associated with high-rise construction on a very tight site. The twelve-story steel-frame building will have reinforced concrete walls, columns, and slabs, and will require a deep foundation system. This approach to construction requires temporary hoists and other specialty equipment to navigate the small site, protect utilities, and avoid disturbances to the surrounding area.

In addition, the construction budget reflects increases in labor and material costs due to ongoing shortages and supply chain challenges.

Background on Commercial, Site and Other Non-Residential Costs. Non-residential costs associated with the construction of the Boston Public Library branch are not carried on this budget. However, the Development’s budget does include non-residential costs associated with soil removal and preparation and design features related to Coastal Flood Resilience Overlay (“CFROD”) requirements.

As noted below in Section 12 of this proposal, contaminated soils must be removed from the Site. The remaining soil then must be prepared to accommodate end-bearing piles that will be nearly 100 feet long for the deep foundation system. The Site’s location in a CFROD contributes to increased costs because additional lifts, stairs, and concrete will be used to ensure the construction meets CFROD requirements.

10. Sources and Uses

Sources of Funds	Total
MHP Permanent Loan	\$8,210,000
Federal LIHTC Equity	\$29,095,131
State LIHTC Equity	\$14,933,049
EOHLC - AHTF	\$2,000,000
EOHLC - HSF	\$1,000,000
EOHLC – TOD	\$1,000,000
EOHLC – CBH/FCF	\$1,000,000
City of Boston MOH - CPA	\$1,266,513
City of Boston MOH - NHT	\$1,750,000
Deferred Developer Fee	\$1,172,786
Total Sources	\$61,427,479

LIHTC Pricing	
Federal LIHTC	\$0.9825
State LIHTC	\$0.82

Core Residential Uses of Funds	Total	Per Unit
Acquisition	-	-
Construction	\$39,493,438	\$598,385
Construction Contingency	\$1,974,672	\$29,919
General Development	\$6,162,611	\$93,373
Capitalized Reserves	\$755,477	\$11,447
Overhead	\$2,456,727	\$37,223
Fee	\$2,456,727	\$37,223
Total Residential Uses	\$53,299,652	\$807,570

Base Costs		Extraordinary Costs	
Per Unit		Per Unit	
-	-	-	-
\$26,640,574	\$403,645	\$12,852,864	\$194,740
\$1,332,029	\$20,182	\$642,643	\$9,737
5,358,059	\$81,183	\$804,552	\$12,190
\$509,612	\$7,721	\$245,865	\$3,725
\$1,657,203	\$25,109	\$799,525	\$12,114
\$1,657,203	\$25,109	\$799,525	\$12,114
\$37,154,679	\$562,950	\$16,144,974	\$244,621

Commercial Uses	-
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Site and Other Nonresidential Uses*	\$8,127,827
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Total Uses	\$61,427,479
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*Includes applicable hard costs, contingency, soft costs, overhead and fee

11. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		\$475,740
Rental Income – Non-Rental Subsidy		\$1,153,332
Gross Potential Residential Income		\$1,629,072
Vacancy – Project-Based Rental Subsidy	3.0%	(\$14,272)
Vacancy – Non-Rental Subsidy	5.0%	(\$57,667)
Gross Residential Income		\$1,557,133
Other Income – laundry		\$14,855
Effective Gross Income		\$1,571,988

Expenses		
Residential Operating Expenses		\$932,021
Net Operating Income		\$639,968
Debt Service		(\$539,326)
Cash Flow		\$100,642

First Mortgage Debt Service Coverage 1.19

Residential Operating Expense Detail			<i>Per Unit</i>
Management Fee	5.0%	\$78,599	\$1,191
Administrative Costs		\$201,526	\$3,053
Maintenance Costs		\$179,019	\$2,712
Resident Services		\$79,200	\$1,200
Security		\$1,842	\$28
Utilities (water and sewer, hot water)		\$97,350	\$1,475
Taxes		\$99,460	\$1,507
Replacement Reserves		\$49,500	\$750
Condominium Fees (includes insurance)		\$145,524	\$2,205
Total		\$932,021	\$14,122

Operating Expenses as a Percent of EGI 59.3%

12. Underwriting

1. **Financing Structure.** First Citizens will serve as the taxable and tax-exempt construction lender, providing an estimated \$43,500,000 in construction loans to the Development. MassHousing will issue an estimated \$38,615,000 in conduit tax-exempt drawdown bonds, sized to meet the Development's 50% test needs.

At construction closing, the Borrower will close on the taxable and tax-exempt construction financing with First Citizens. MassHousing will also issue the drawdown tax-exempt bonds. First Citizens will draw down at least \$51,000 of the tax-exempt bonds.

During construction, the Borrower will continue to draw down First Citizens' taxable and tax-exempt construction loans, available equity, and EOHLC and City soft funds to pay for project expenses. The full amount of tax-exempt bonds will be utilized during the development period. The Borrower has proposed a delayed equity investor admission structure, which will allow the Borrower to benefit from a non-profit sales tax exemption and result in just under \$1,500,000 savings on the costs of construction materials.

Following stabilization, a portion of the tax-exempt proceeds, equal to \$8,210,000 of the tax-exempt loan, will be assigned to MHP and remain outstanding as a permanent loan.

2. **Ground Lease.** ACDC 55 Hudson Development LLC, an affiliate of ACDC, will act as both the ground lessee and the declarant of the primary condominium. At construction closing, this entity will enter into a 99-year ground lease with the BPDA, with nominal annual ground lease payments and no upfront payment. MassHousing review and approval of the ground lease documents will be required prior to closing.
3. **Condominium Structure.** ACDC 55 Hudson Development LLC (the "Primary Condo Entity") will declare the primary condominium with three units at the time of the construction loan closing: the Rental Condo (the Development), the Homeownership Condo, and the Library Condo.

At this time, the Primary Condo Entity will convey the Development to the Borrower. The Primary Condo Entity will retain and develop the Library Condo (core and shell only) and the Homeownership Condo.

At construction completion, the core and shell of the Library Condo will be conveyed to the City of Boston, acting by and through the Boston Public Library (the "City" or "BPL"), who will then complete improvements to the library. The Primary Condo Entity will declare a secondary homeownership condominium. As the homeownership units are sold, the individual unit owners will become members of the secondary condominium association, which is a member of the primary condominium association. The

condominium structure and documents shall be subject to MassHousing review and approval prior to closing, including a review to ensure that costs and risk are reasonably isolated to each respective component.

4. **Homeownership and Library Funding.** Evidence of all funding for the Rental, Homeownership and Library Condos shall be required prior to closing, including the following funds that have not yet been confirmed as awarded.
 - a. Homeownership: MassHousing is currently processing the Sponsor's request for \$12,000,000 in funding under the Commonwealth Builder ("CWB") program for the Homeownership Condo. Additionally, First Citizens is reviewing a request for an approximate \$1,500,000 Sponsor line of credit to bridge a portion of homeownership sales proceeds and expects to issue a term sheet for this funding in early June.
 - b. Library: The City of Boston has confirmed that the necessary funds for acquisition of the core and shell have been allocated and made available in the City's budget. This has been confirmed by the City of Boston Capital Plan, the Public Facilities Commission vote, and the Boston Public Library Board of Trustees vote. The City's Office of Budget Management provided informal confirmation via email. The funding commitment will be evidenced by a forthcoming purchase and sale agreement between the BPL and ACDC 55 Hudson Development LLC.
5. **Environmental.** The Phase I Environmental Site Assessment identified a Business Environmental Risk. Soils at the Site were found to contain elevated levels of naphthalene, the presence of which is typically associated with the historic location of a dry cleaner on an adjacent parcel. Further investigations determined that fewer than twenty cubic yards of soil are impacted, and these soils will be removed under a Limited Removal Action ("LRA") in accordance with MassDEP regulations within 120 days of executing the ground lease and notice to proceed. The Development's prorata share of the costs for this work are included in the development budget.
6. **Developer Fee.** The Sponsor has proposed paid developer fee that exceeds the QAP standard because, due to resource constraints, no fee or overhead are charged to the Homeownership Condo. This proposal is currently under review and is subject to EOHLIC approval.
7. **Tenant Selection Plan.** The Sponsor has proposed to use an alternative form of Affirmative Fair Housing Marketing and Tenant Selection Plan. This is subject to MassHousing approval prior to closing.

8. **Average Income Set-Aside.** The Sponsor proposes the use of the average income set-aside for this transaction. All 80% of AMI units are eligible for tax credits, and the unit mix provides an average income restriction of 56.52%, which is below the EOHLC maximum average income restriction of 59% of AMI. The use of this average income set-aside is subject to EOHLC's approval.
9. **Conduit Appraisal.** For this conduit transaction, MassHousing will rely on the First Citizens' appraisal as an intended user to determine value.

Underwriting Criteria and Loan Terms	55 Hudson Rental	Underwriting Standards
1. DSCR	1.19x	Commercial Lender
2. Term/Amortization	20 y / 40 y	Up to 40 years, as determined by Commercial Lender
3. Loan to Value	TBD	Maximum of 90% based on third party "as-proposed" investment value
4. Underwriting Rents	Programmatic rent cap, with 5.0% marketing window on 50% - 80% AMI units	Commercial Lender
5. Vacancy Allowance	PB-Section 8 & MRVP: 3.0% Non-PBS8: 5.0%	Commercial Lender
6. Affordability	40% at 60% of AMI	Minimum of: • 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	\$750 unit / year	Commercial Lender
8. Operating Expenses	Approximately \$14,122 unit / year	Commercial Lender

13. Low-Income Housing Tax Credits

The Sponsor 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.

55 Hudson Rental

VOTES AND FINDINGS

PROPOSALS AND VOTES

OAS

RECOMMENDATION:

Staff has reviewed the development experience and creditworthiness of the mortgagor and sponsor and found them to be acceptable. Staff has also determined that the mortgagor, sponsor, or an affiliate under common control has demonstrated evidence of site control, that the proposed site is acceptable for the intended housing, and that there is a need for the proposed housing in the community where the site is located. Therefore, staff recommends the following votes for approval:

VOTED: To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as “55 Hudson Rental” (the “Development”) at such time as it is submitted; (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 that such loan (a) be funded with proceeds of tax-exempt debt issued in the future and (b) reimburse, in accordance with Treasury Regulations Section 1.150-2, up to \$38,615,000 of costs of the Development paid prior to the issuance of such debt or the making of such loan; provided that this vote does not require the Agency to make any expenditure, incur any indebtedness or proceed with the Development.

Official Action Status Findings

In accordance with the vote of the Members of MassHousing dated October 10, 2023, staff makes the following Official Action Status findings for the Development:

1. The mortgagor or sponsor has acceptable multifamily housing development experience and acceptable credit history.
2. The mortgagor, sponsor or an affiliate under common control has demonstrated evidence of site control, which may include a deed, a ground lease, a purchase option, a contract of sale, or designation under a public land disposition process.

3. The site is acceptable for the proposed housing (if the loan would finance new construction).
4. There is a need for the proposed housing in the community where the site is located.

Commitment of a Conduit Loan

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 \$38,615,000 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, Chief Legal and Operating Officer, General Counsel, Chief Financial and Administrative Officer, Financial Director, Comptroller, Director (or Senior Director) of Finance, or Director (or Senior Director) of Capital Markets, 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 ACDC 55 Hudson Rental LLC or another single-purpose entity controlled by Asian Community Development Corporation or an affiliate (the “Borrower”) as owner of the multifamily residential development known as “55 Hudson Rental” (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:

4% Low-Income Housing Tax Credits

VOTED: That the amount of 4% Credits, as set by the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior 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 “55 Hudson Rental” (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 Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, 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, the Chief Legal and Operating 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, including a taxable construction loan with First-Citizens Bank & Trust Company (the “First Citizens Loan”), provided that (1) any such mortgage loans, other than the First Citizens Loan, shall be subordinated to MassHousing’s first mortgage loan, and other MassHousing debt as determined by the Chief Executive Officer, the Chief Legal and Operating 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 their designee.

FURTHER VOTED: To authorize the Chief Executive Officer and the Vice President of Multifamily Programs, or their respective designees, each acting singly, to permit the owner and management agent of 55 Hudson Rental to use as its tenant selection plan and affirmative fair housing marketing plan the form of Affirmative Fair Housing Marketing + Tenant Selection Plan (AFHM + TSP) in such form as has been approved by the Mayor's Office of Housing, Boston Planning & Development Agency and Boston Fair Housing Commission (BFHC) and subject to review and approval by MassHousing's 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:

Sixty-six 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 28, 2025. 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 975 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 96.8 %, and range between 93% and 99%. None of the comparables were offering concessions.

2nd Qtr. 2025 CoStar data for the subject's Downtown Boston Multi-Family Submarket (11,854 units) have an overall vacancy rate at 3.9% YTD, which is an increase of .02% from one year ago. CoStar data for the Boston market (286,369 units) has an overall vacancy rate of 5.6% YTD, which is an increase of .04 % from one year ago. The Downtown Boston Multi-Family Submarket vacancy rate is projected to increase to 4.7 % over the next five years, while the Boston market is projected to decrease to 5.5%.

CoStar submarket data for the 4-5 Star building type (6,744 units) indicates a 2nd Qtr. 2025 vacancy rate of 4.5% and an average asking rent of \$4,441, while the submarket data for the subject's 3 Star building type (3,645 units) indicates a 2nd Qtr. 2025 vacancy rate of 2.7% at an average asking rent of \$3,491 and 1-2 Star buildings (2,465 units) indicates a 2nd Qtr. 2025 vacancy rate of 3.7 % at an average asking rent of \$2,712. 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 (EOHLC) Chapter 40B Subsidized Housing Inventory (06/29/23), 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 this time. The BHA also maintains a Public Housing Wait list with 28,703 applicants.

U.S. Census data from the 2018-2023 American Community Survey (ACS) indicates that of the 279,216 households in the City of Boston approximately 81.9% earned less than the HUD published 2025 AMI (\$160,900), approximately 45.6% earned less than 50% of 2025AMI, approximately 53.3% earned less than 60% of the 2025 AMI, and approximately 68.6 %earned less than 80% of the 2025 AMI.

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:

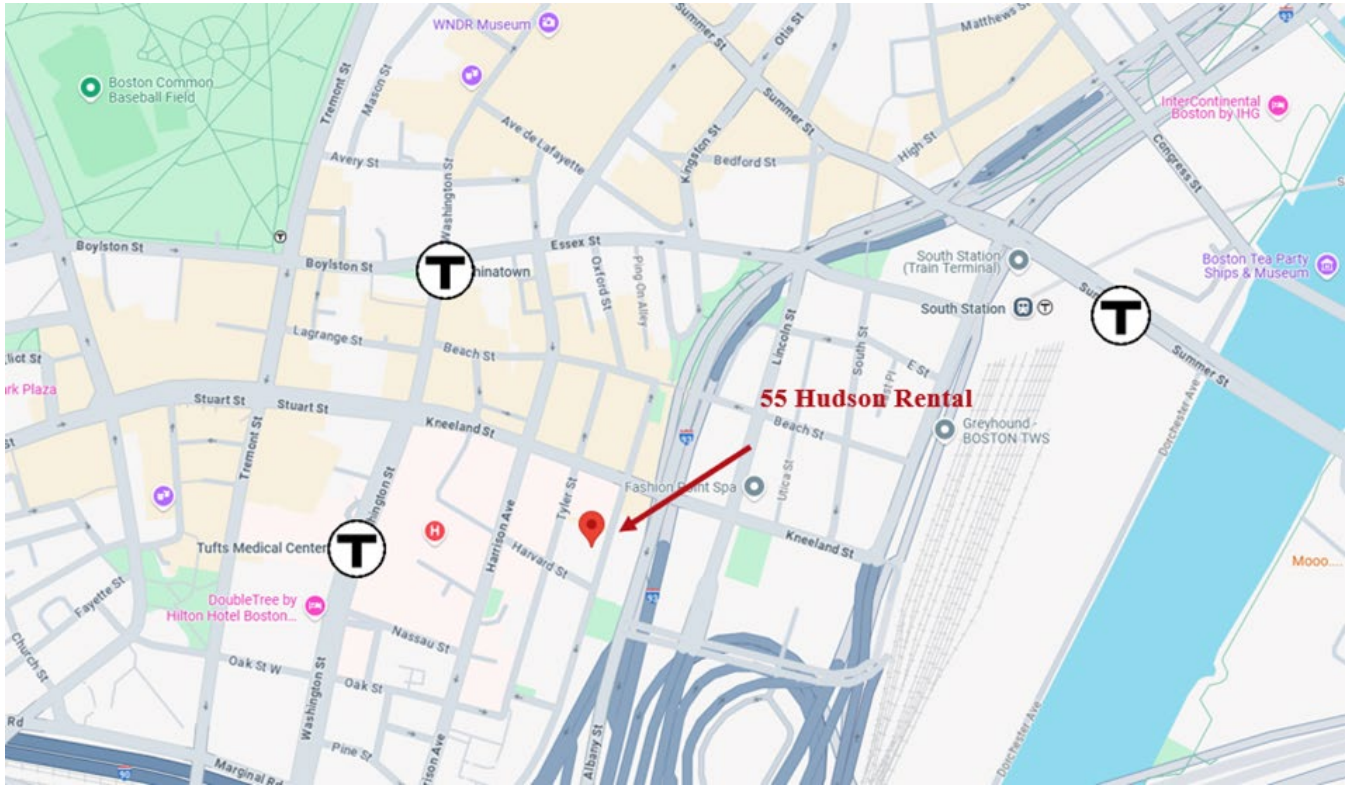
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	1	2	3
Number of Units	24	36	6
Net SF/Unit	667	899	1152
Elev./Non-Elev.	E	E	E
Market Rate Rent (insert)	\$6,632	\$6,908	\$7,161
MHFA Below Market Rent (Cost-Based Rent)	\$4,272	\$4,547	\$4,801
MHFA Adjusted Rent	30% of 60% of AMI		
Underwriting Rents			
Section 8 PBV	\$2,499	\$2,962	\$3,583
MRVP	\$2,394	\$2,837	\$3,418
LIHTC at 50% AMI	\$1,252	\$1,459	\$1,627
LIHTC at 60% AMI	\$1,546	\$1,813	\$2,036
LIHTC at 80% AMI	\$2,135	\$2,520	\$3,024

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 | June 10, 2025

Northern Heights Apartments**1. General Project Information**

Project Name	Northern Heights Apartments
Project ID	72-050
Associated Projects	N/A
Address(es)	3, 7, 11, 13, 15, 16, 17, 19, 21, 22, 23, 24, 27, 29, 31, 33, 35, 37, 39, 41, 43, 45, 47, 51, 53, 55, 57, 59, 61, 63, 65, 67, 71, 73, 75, 77 and 79 Central Street 759, 765 and 769 Main Street 84, 86, 88, 90, 92, 94, 96, 98, and 99 Adams Street 12, 14, 36, 40-1/2 Ashmun Street Springfield, MA 01105
Sponsor	WinnDevelopment Company Limited Partnership
Transaction Type	Preservation (4%)
Funding Type	Conduit Drawdown – Private Placement
Execution Type	Conduit (Tax-Exempt)
Credit Enhancement	None
Approval Type	Board
Total Rental Units	148
Affordability Mix	148 Affordable

2. Recommended Actions

- Official Action Status
- Commitment of a Tax-Exempt Conduit Loan
- Approval for the Use of Low-Income Housing Tax Credits

WinnDevelopment Company Limited Partnership (the “Sponsor” or “WinnDevelopment”) has requested that MassHousing act as the conduit 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 Northern Heights Apartments (the “Development”) in Springfield. The proposed financing will support the acquisition and occupied rehabilitation of the fully affordable Development.

The Sponsor acquired the scattered-site development, a former 13A property, in 2004 and completed a rehabilitation at that time. This proposal includes the first rehabilitation since 2004.

3. MassHousing Financing

Conduit Loan

Type	Short-Term Tax-Exempt Conduit Loan
Loan Amount	\$16,260,000
Loan Term / Amortization	24 mo / interest only

4. Development Plan

Description of Site. The Development is located on five separate parcels on approximately three acres of land at 769 Main Street and multiple other addresses in the South End neighborhood of downtown Springfield (the “Site”). While the Development has multiple street addresses, there are five separate buildings. The Development is 0.5 miles from I-91 and within one mile of medical facilities, the police department, library, City Hall, multiple schools, restaurants, and retail and grocery stores. There are also several parks within walking distance.

Description of Existing or Proposed Building. The 148-unit development includes five (5) two- to-six-story, wood-frame buildings, within one city block. The mid-rise building at 3 and 7 Central and 759-769 Main Street is an elevator building, while the other buildings are walkups. Three buildings were constructed in 1900, with another constructed in 1908, and the last constructed in 1976. The historic rehabilitation includes work on all five buildings.

Rehabilitation includes the replacement of Federal Pacific electrical panels. Exterior work includes the replacement of roofs, windows, and masonry and siding repairs, while in-unit work includes the replacement of all kitchens, baths, unit doors, and upgrading all ADA units to be fully accessible.

Site work includes repaving sidewalks, entryways, and parking lots. Common area upgrades include new flooring, baseboard heating, new community kitchen appliances and countertops, and a new playground. Historic rehabilitation repairs include work to stairways, doors, and flooring. In-unit appliances will be Energy Star certified, and all lighting fixtures will be replaced with LED fixtures.

The Development includes a mix of studios, one-bedroom, two-bedroom, three-bedroom, and four-bedroom units.

The Development contains 134 striped, off-street parking spaces, of which 12 are handicap accessible. The Borrower leases thirty (30) of the spaces from an unrelated party on an abutting parcel.

Description of Affordability Mix. All 148 units will be subject to income restrictions with set-asides ranging from 30% of Area Median Income (“AMI”) to 60% of AMI.

Thirty-seven (37) units will benefit from project-based MRVP rental assistance.

Site Control. Quitclaim deed between Northern Heights Realty Company and Northern Heights 2 Limited Partnership.

5. Borrower Team

Mortgagor Entity: Northern Heights 2 Limited Partnership

Northern Heights 2 Limited Partnership (“Borrower”) is a single-asset, sole-purpose limited partnership formed for the purposes of owning and operating the Development.

Developer / Sponsor: WinnDevelopment Company Limited Partnership

WinnDevelopment Company Limited Partnership, (“WinnDevelopment”) is a Massachusetts limited partnership, the sole general partner of which is WDP Manager Corp., a Massachusetts corporation wholly owned by the partners of the company. Founded in 1971 and comprised of a staff of 3,000, WinnCompanies (the parent company of WinnDevelopment) is an owner, developer and manager of multifamily communities and mixed-income properties, owning more than 100 properties in 11 states, including 15,600 apartments. The company’s development practice focuses on large-scale mixed-use and mixed-income multifamily properties, the acquisition and repositioning of properties, and the acquisition and adaptive reuse of historic structures.

The Agency’s most recent experience with WinnDevelopment was on Newton Gardens in 2025, and Mary Ellen McCormack – Building A, Eastwalk, and Eva White Apartments in 2024. WinnDevelopment also completed a similarly structured conduit transaction, Worcester Boys Club (now known as Lincoln Square), in 2024.

General Partner / Managing Member: Northern Heights 2 GP LLC

A single-purpose entity formed for the purpose of being the general partner of the ownership entity.

Construction Lender: Rockland Trust Company

Founded in 1907, Rockland Trust Company (“Rockland Trust”) currently operates 120 branches located in Massachusetts as a subsidiary of Independent Bank Corp. Rockland Trust offers a wide range of banking, investment, and insurance services to businesses and individuals through retail branches, commercial lending offices, investment management offices, and residential lending centers.

The Agency’s most recent experience with Rockland Trust as construction lender was on Tackenash Knoll and Ticcoma Green 4% and 9% in 2025, Meshacket Commons in 2024 and Worcester Boys Club/Lincoln Square in 2024.

Syndicator / Investor: U.S. Bancorp Community Development Corporation (“US Bank”)

Dating back to 1863 in its initial incarnation as First National Bank, US Bank is now the fifth largest bank in the United States and operates across a multitude of banking sectors.

US Bank has been operating in the affordable housing industry for over three decades, creating over 120,000 units and managing a portfolio of over \$19,000,000.

The Agency’s most recent experience with US Bank as investor was on Old Colony Phase Four in 2022.

Management Company: Winn Managed Properties, LLC (d/b/a “WinnResidential”)

WinnResidential is the fifth-largest multifamily property manager in the United States, as well as the largest manager of affordable and privatized military housing. The company manages over 100,000 units at more than 550 properties in 22 states and the District of Columbia, including more than 50,000 units of affordable housing.

The Agency’s most recent experience with WinnResidential was on Newton Gardens in 2025, and Mary Ellen McCormack – Building A, Eastwalk, Eva White Apartments in 2024 and Worcester Boys Club/Lincoln Square in 2024.

Architect: The Architectural Team, Inc.

The Architectural Team, Inc. (“TAT”) is a master planning, architecture and interior design firm established in 1971. The 95+ person firm has earned more than 100 awards for design excellence across a broad range of building types and programs.

The Agency’s most recent experience with The Architectural Team, Inc. was on 375 Broadway, Mary Ellen McCormack – Building A, and Eastwalk in 2024.

General Contractor: Keith Construction, Inc.

Keith Construction, Inc. is a general contractor and construction manager specializing in multifamily residential construction for clients throughout the Northeast and Mid-Atlantic United States. For over three decades, the company has gained extensive experience in residential rehabilitation, adaptive reuse, historic renovations, and new construction.

The Agency’s most recent experience with Keith Construction, Inc. was on Eva White Apartments in 2024 and on Appleton Mill and The Aurora in 2023.

6. Summary of MassHousing-Sponsor Relationship			
	<i>Recorded</i>	<i>Committed</i>	<i>Total</i>
Number of Projects with MassHousing Debt	32	11	43
Total Units with MassHousing Debt	5,103	1,090	6,193
Outstanding MassHousing Principal Debt	\$734,346,034	\$280,166,100	\$1,014,512,134
Number of Projects with MassHousing Conduit Financing	1		
MassHousing Conduit Loans are Compliant with Program Rules	Yes		
Adverse Actions Against the Borrower Team	No		
Current on Obligations with MassHousing	Yes		
Property Management Affiliate	Yes, Winn Managed Properties, LLC manages properties in the Sponsor's portfolio and offers management services outside the portfolio.		

MassHousing Staff	
Origination	Mike Carthas, Originator Dan Maillet, Analyst
Underwriting	Mitchell Printz, Underwriter Caroline Dylag, Analyst
Asset Management	Dan Barbanell, Portfolio Manager Vivian Almeida, Asset Manager

7. Unit Mix

Unit Size	Total Units	LIHTC Eligible					
		30% of AMI - MRVP		60% of AMI - MRVP		60% of AMI - LIHTC*	
		Count	Rent	Count	Rent	Count	Rent
0 BR	19	1	\$1,115	1	\$1,115	17	\$866
1 BR	38	6	\$1,115	4	\$1,115	28	\$891
2 BR	61	5	\$1,375	5	\$1,375	51	\$1,079
3 BR	18	6	\$1,669	4	\$1,669	8	\$1,235
4 BR	12	1	\$1,954	4	\$1,954	7	\$1,298
Total	148	19		18		111	

**Rents are net of utility allowance*

Project-Based Rental Subsidy	
Type	MRVP
Term	15 y*
Administrator	Way Finders

**Development will receive a new MRVP contract at construction completion. The term will be 15 years from the construction completion date.*

8. Operating Overview

Underwritten Operating Expenses	\$1,749,754 (approximately \$11,800 per unit)
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Basis of Operating Costs. Borrower-proposed budget and historical development operations. Staff added \$400/unit in Replacement Reserve Deposits, which was not included in the Borrower's budget.

9. Project Costs

Core Residential Costs	
Base	\$31,325,442
Extraordinary	\$0
Total	\$31,325,442
Commercial, Site and Other Non-Residential Costs	
Site and Other Non-Residential Costs	\$3,411,037
Total	\$3,411,037
Total Development Cost	
Total	\$34,736,479

Project Construction Costs	
Total Construction Cost	\$15,624,744
Construction per Square Foot	\$115

Background on Commercial, Site and Other Non-Residential Costs. Site and non-residential costs are related to the undergrounding and installation of electrical utility lines. Additional costs are related to the historic rehabilitation.

10. Sources and Uses

Sources of Funds	Total
MHP Permanent Loan	\$500,000
Federal LIHTC	\$11,700,00
Federal Historic	\$2,160,000
State LIHTC	\$7,438,000
State Historic	\$1,768,000
Sponsor Note	\$1,500,000
NOI During Construction	\$207,754
50% of Existing HOME-AHT	\$1,131,862
50% of Existing HOME-Springfield	\$626,049
EOHLC - AHTF	\$2,750,000
EOHLC - HSF	\$2,750,000
EOHLC - TOD	\$2,000,000
Total Sources	\$34,736,479

LIHTC Pricing	
Federal LIHTC	\$0.92
State LIHTC	\$0.85
Federal Historic	\$0.90
State Historic	\$0.85

Core Residential Uses of Funds	Total	Per Unit
Acquisition	\$8,510,000	\$57,500
Construction	\$12,594,244	\$85,096
Construction Contingency	\$1,410,949	\$9,533
General Development	\$5,242,489	\$35,422
Capitalized Reserves	\$1,296,772	\$8,762
Overhead	\$1,135,494	\$7,672
Fee	\$1,135,494	\$7,672
Total Residential Uses	\$31,325,442	\$211,658

Base Costs	Per Unit
\$8,510,000	\$57,500
\$12,594,244	\$85,096
\$1,410,949	\$9,533
\$5,242,489	\$35,422
\$1,296,772	\$8,762
\$1,135,494	\$7,672
\$1,135,494	\$7,672
\$31,325,442	\$211,658

Site and Other Nonresidential Uses*	\$3,411,037
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Total Uses	\$34,736,479
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*Includes applicable hard costs, contingency, soft costs, overhead and fee

11. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		\$660,180
Rental Income – Non-Rental Subsidy		\$1,372,584
Gross Potential Residential Income		\$2,032,764
Vacancy – Project-Based Rental Subsidy	2.5%	(\$16,505)
Vacancy – Non-Rental Subsidy	3%	(\$41,178)
Gross Residential Income		\$1,975,082
Other Income – Laundry		\$7,970
Effective Gross Income		\$1,983,051

Expenses	
Residential Operating Expenses	\$1,749,754
Net Operating Income	\$233,298
Debt Service	(\$38,880)
Cash Flow	\$180,388

Residential Operating Expense Detail			Per Unit
Management Fee	5.0%	\$99,153	\$670
Administrative Costs		\$311,632	\$2,106
Maintenance Costs		\$670,206	\$4,528
Security		\$46,930	\$317
Utilities (water and sewer, gas, electric)		\$345,930	\$2,337
Insurance		\$175,096	\$1,183
Taxes		\$140,760	\$951
Replacement Reserves		\$59,200	\$400
Parking Lease		\$34,000	230
Total		\$1,749,754	\$11,823

Operating Expenses as a Percent of EGI 88.2%

12. Underwriting

1. **Financing Structure.** At construction closing, the Borrower will close on the taxable construction financing. MassHousing will also issue the drawdown tax-exempt bonds. Rockland Trust will draw down \$51,000 of the tax-exempt bonds, which will be used specifically to pay for costs of bond issuance. During construction, the Borrower will draw down Rockland Trust's taxable construction loan, available equity, and Executive Office of Housing and Livable Communities ("EOHLC") and City of Springfield soft funds to pay for project expenses.

At 50% completion, Rockland Trust will provide a tax-exempt loan or loans to the Borrower to pay down a portion of the construction loan. The Borrower will continue to draw down on the tax-exempt proceeds in an amount needed to meet the 50% test upon completion. When the Development meets the permanent lender's conversion conditions, the tax-exempt loan and the outstanding balance of the taxable loan will be repaid from tax credit equity, and the Borrower will close on a permanent loan in the amount of \$500,000 from Massachusetts Housing Partnership Fund Board ("MHP").

2. **Relocation.** The development budget includes \$168,945 (\$1,142/unit) in relocation costs. The Sponsor has hired Housing To Home ("HTH"), a national relocation firm with extensive experience in affordable housing development in Massachusetts.

There will be two tiers of relocation: i) in-place relocation and ii) temporary onsite relocation. The majority of residents will experience in-place relocation where they will vacate their units during the day to Developer-provided day spaces on-site and return to their units in the evening. Work for these units should take approximately 3-5 days.

As part of the construction, eight (8) units will be renovated to be fully compliant ADA units. The residents of those units will be relocated to non-accessible units on the ground floor of the Development during the four-week renovation period and will then return to the ADA units. HTH will have an on-site Access Manager to work closely with residents and to provide guidance and support throughout the transition.

3. **Parking Lease.** The Development leases 30 surface parking spaces, as required by zoning, from an abutting site. The lease runs through 2032, with an annual payment of \$34,000. Prior to closing, the sponsor will demonstrate to the satisfaction of MassHousing its ability to provide adequate parking for the Development for the long term.
4. **Third-Party Reports.** MassHousing will rely on the commercial lender's appraisal as an intended user to determine value.

Underwriting Criteria and Loan Terms	Northern Heights Apartments	Underwriting Standards
1. DSCR	N/A	Commercial Lender
2. Term/Amortization	24 months / Interest-Only	30 to 40 years, fully amortizing
3. Loan to Value	TBD	Maximum of 90% based on third party "as-proposed" investment value
4. Underwriting Rents	Programmatic Rent Cap	Commercial Lender
5. Vacancy Allowance	MRVP: 2.5% LIHTC: 3.0%	Commercial Lender
6. Affordability	40% at 60% of AMI	Minimum of: • 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	\$400 unit / year	Commercial Lender
8. Operating Expenses	Approximately \$11,800 unit / year	Commercial Lender

13. Low-Income Housing Tax Credits

The Sponsor 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.

Northern Heights Apartments VOTES AND FINDINGS

PROPOSALS AND VOTES

OAS

Staff has reviewed the development experience and creditworthiness of the mortgagor and sponsor and found them to be acceptable. Staff has also determined that the mortgagor, sponsor, or an affiliate under common control has demonstrated evidence of site control, that the proposed site is acceptable for the intended housing, and that there is a need for the proposed housing in the community where the site is located. Therefore, staff recommends the following votes for approval:

VOTED: To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as “Northern Heights Apartments” (the “Development”) at such time as it is submitted; (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 that such loan (a) be funded with proceeds of tax-exempt debt issued in the future and (b) reimburse, in accordance with Treasury Regulations Section 1.150-2, up to \$20,325,000 of costs of the Development paid prior to the issuance of such debt or the making of such loan; provided that this vote does not require the Agency to make any expenditure, incur any indebtedness or proceed with the Development.

Official Action Status Findings

In accordance with the vote of the Members of MassHousing dated October 10, 2023, staff makes the following Official Action Status findings for the Development:

1. The mortgagor or sponsor has acceptable multifamily housing development experience and acceptable credit history.
2. The mortgagor, sponsor or an affiliate under common control has demonstrated evidence of site control, which may include a deed, a ground lease, a purchase option, a contract of sale, or designation under a public land disposition process.
3. The site is acceptable for the proposed housing (if the loan would finance new construction).
4. There is a need for the proposed housing in the community where the site is located.

Commitment of a Conduit Loan

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 \$20,325,000, 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, Chief Financial and Administrative Officer, Financial Director, Comptroller, Director (or Senior Director) of Finance, or Director (or Senior Director) of Capital Markets, 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 Northern Heights 2 Limited Partnership or another single-purpose entity controlled by WinnDevelopment Company Limited Partnership (the “Borrower”) as owner of the multifamily residential development known as “Northern Heights Apartments” (the “Development”) and located in Springfield, 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.”

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, including a taxable construction mortgage loan from Rockland Trust Company (the “Rockland Loan”), provided that, other than the Rockland Loan, (1) any such mortgage loans shall be subordinated to MassHousing’s 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 her designee.

4% Low-Income Housing Tax Credits

VOTED: That the amount of 4% Credits, as set by the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior 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 Springfield, Massachusetts and known as “Northern Heights Apartments” (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 Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, 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.

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:

148 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 May 8, 2025. 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 972 units) in the area revealed a strong rental market. Current occupancy rates of the five comparable properties reviewed averaged approximately 98.8%, and range between 99% and 100%. None of the comparables were offering concessions.

Second quarter 2025 CoStar data for the subject's Springfield submarket (7,262 units) have an overall vacancy rate at 2.2% YTD, which is an increase of 0.05% from one year ago. CoStar data for the Springfield market (24,132 units) has an overall vacancy rate of 2.5% YTD, which is an increase of 0.05% from one year ago. The Springfield submarket vacancy rate is projected to increase to 2.5% over the next five years, and the Springfield Market is projected to stay at 2.5%. CoStar submarket data for the 4-5-Star building type (266 units) indicates a 2nd quarter 2025 vacancy rate of 9.3% and an average asking rent of \$1,610, while submarket data for the subject's 3-Star building type (2,774 units) indicates a 2nd quarter 2025 vacancy rate of 1.6% at an average asking rent of \$1,399 and 1-2-Star buildings (4,222 units) indicates a 2nd quarter 2025 vacancy rate of 2.2% at an average asking rent of \$1,229. 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 (EOHLC) Chapter 40B Subsidized Housing Inventory (6/29/23), the City of Springfield has 62,653 year-round housing units, 9,899 units (15.8%) of which are subsidized for low/moderate-income households.

Further, the Springfield Housing Authority (SHA) owns and /or operates 2,397 Public Housing units broken into five districts in Springfield. These include 13 developments for elderly and disabled residents and 14 developments for families. According to the City of Springfield's Five-Year Consolidated plan (2016-2021), there are 2,081 applicants on the waiting lists. 90.7% of those applicants are extremely low-income, with household incomes below 30% of AMI, 7.7% are very low-income households with incomes of 30-50% of AMI, and 1.5% are low-income households

with incomes of 50-80% of AMI. Further, 40.6% of the applicants are families with children, 14.8% are elderly and 44.4% are disabled.

SHA also administers 2,733 Section 8 Housing Vouchers and they participate in the Massachusetts Section 8 Housing Choice Voucher Centralized Waiting List. At this time the list is open, and it is expected to remain open indefinitely.

U.S. Census data from the 2019-2023 American Community Survey (ACS) indicates that of the 58,046 households in the City of Springfield, approximately 69.7% earned less than the HUD published 2025 AMI (\$96,200), approximately 56.2% earned less than 50% of 2025 AMI, approximately 61.8% earned less than 60% of the 2025 AMI, and approximately 69.6% earned less than 80% of the 2025 AMI.

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:

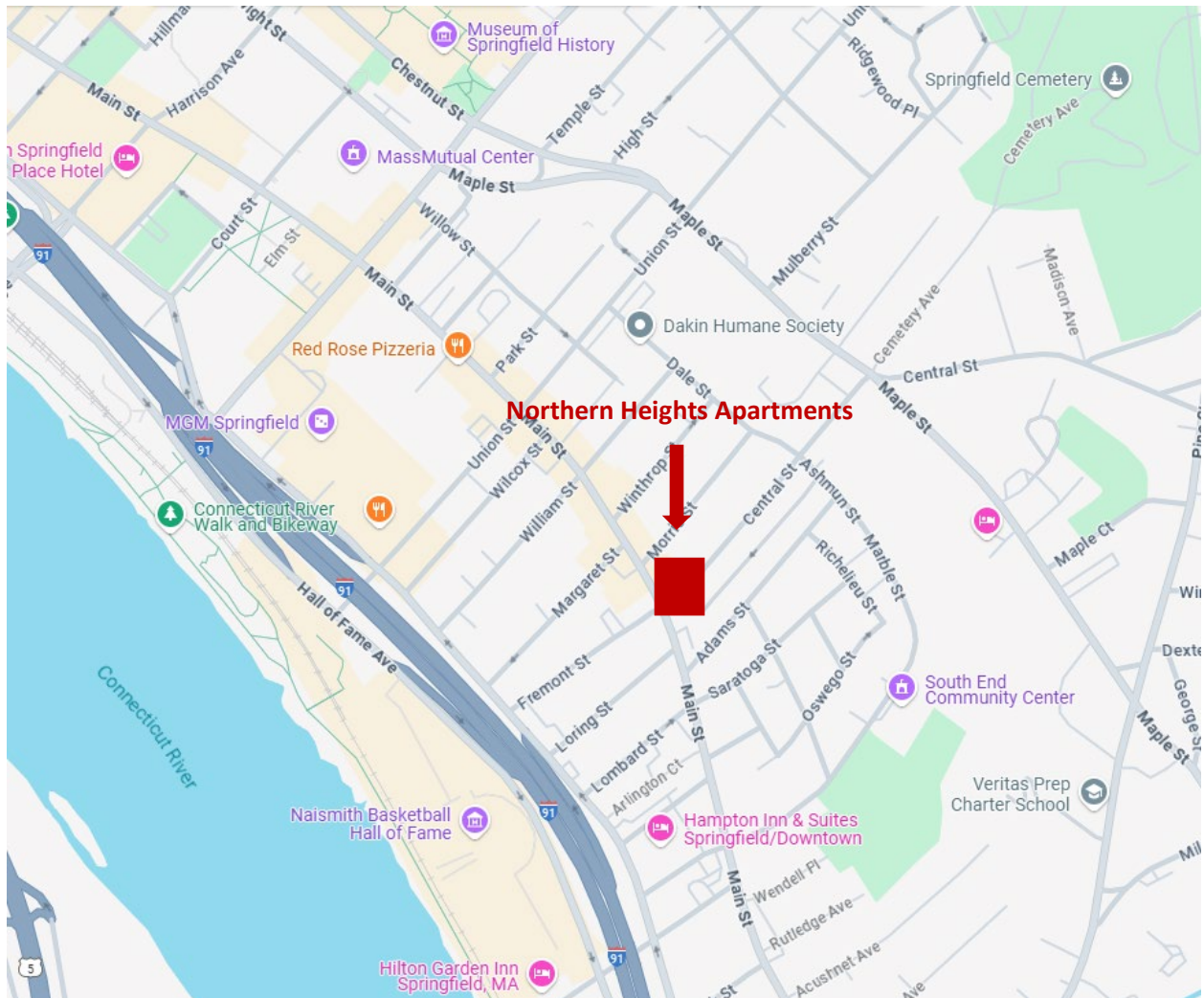
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	0	1	2	3	4
Number of Units	19	38	61	13	17
Net SF/Unit	516	737	844	1341	1840
Elev./Non-Elev.	Elev	Elev	Elev	Elev	Elev
Market Rate Rent (10% rate 20-year term)	\$923	\$937	\$1,167	\$1,382	\$1,688
MHFA Below Market Rent (Cost-Based Rent)	\$913	\$926	\$1,156	\$1,371	\$1,677
MHFA Adjusted Rent	30% of 60% of AMI				
Underwriting Rents					
MRVP - 30%	\$ 1,115	\$ 1,115	\$1,375	\$1,669	\$1,954
MRVP - 60%	\$1,115	\$1,115	\$1,375	\$1,669	\$1,954
LIHTC - 60%	\$889	\$859	\$1,113	\$1,185	\$1,282

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 | June 10, 2025

Somerhill**1. General Project Information**

Project Name	Somerhill (f/k/a 259 Lowell Street)
Project ID	24-103
Associated Projects	N/A
Address(es)	259 Lowell Street, Somerville, MA 02144
Sponsor	WinnDevelopment Company Limited Partnership
Transaction Type	Preservation (4%)
Funding Type	Forward Commitment of a Permanent Loan
Execution Type	Portfolio (TE)
Credit Enhancement	HUD/FHA Risk-Sharing with 50% credit risk
Approval Type	Board
Total Rental Units	97
Affordability Mix	78 Affordable 19 Market

2. Recommended Actions

- Official Action Status
- Commitment of a Permanent Tax-Exempt Loan
- Commitment of a Tax-Exempt Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

The proposed financing will support the acquisition and rehabilitation of Somerhill (the “Development”), an existing 97-unit mixed-income senior housing development in Somerville. The Development is currently owned by the Visiting Nurses Association of Eastern Massachusetts (“VNA”) and offers residents a full array of supportive services including meals, housekeeping, laundry, 24-hour staff, personal emergency response systems as well as personal care and medication assistance.

As it refocuses on its healthcare mission, the VNA is seeking to phase out its ownership of the Development. As such, the VNA approached WinnDevelopment Company Limited Partnership (“WinnDevelopment” or the “Sponsor”) to purchase the Development. As part of the Purchase and Sale Agreement, the VNA and the Sponsor have agreed on the continuation of all services that the VNA will provide to the residents.

Rehabilitation includes a Deep Energy Retrofit which will convert the Development to 100% electric and reduce the Development’s energy usage by 40%. The transaction will bring the Development into the MassHousing portfolio.

3. MassHousing Financing

First Loan	
Type	Tax-Exempt Permanent Loan
Loan Amount	\$10,660,000
Interest Rate	30-Year MMD plus 225 basis points (bps) to be locked at Construction Loan Closing (processing rate of 7.00% assumed for underwriting)
Loan Term / Amortization	40 y / 40 y
Term of Fwd Commitment	24 mo
LTV	83% projected (90% maximum)
Equity Bridge Loan	
Type	Tax-Exempt Bridge Loan
Loan Amount	\$8,885,000
Interest Rate	5.31% projected
Loan Term/Amortization	12 mo / interest only

4. Development Plan

Description of Site. The Development is located on a 1.91-acre site at 259 Lowell Street in Somerville (the “Site”). The centrally located neighborhood is surrounded by amenities including retail and services, commercial uses, and recreation areas. The Site is within walking distance to the MBTA Green Line and the Somerville Community Path.

Description of Existing or Proposed Building. Built in 1999, the Development consists of 97 one-bedroom units. Rehabilitation includes a complete Deep Energy Retrofit. This work will overhaul MEP systems and HVAC distribution for residents. Exterior work includes insulating the building envelope, and roof and window replacements, while in-unit work includes renovated kitchens, baths, and ADA upgrades.

All common areas, including the community room, laundry facilities, and exercise space will be upgraded with modern finishes. The existing office space on the second floor will be converted into a fitness center and a dining room, while the existing office space on the third floor will be converted into a large art room.

Description of Affordability Mix. Seventy-three (73) of the 97 units are currently restricted through 2099. The proposed financing will deepen restrictions on 20 of the 73 units (from 40%/50% of Area Median Income (“AMI”) to 30% of AMI), and create new restrictions on five units (converting from market to 60% of AMI). As a result, 78 of the 97 units will be subject to income restrictions with set-asides ranging from 30% of AMI to 60% of AMI. The remaining 19 units will be unrestricted.

Twenty (20) units will benefit from project-based MRVP rental assistance.

Site Control. The current owner is the VNA. The Development is subject to a Purchase and Sale Agreement with the Sponsor.

5. Borrower Team

Mortgagor Entity: Somerville Senior Phase One LLC

Somerville Senior Phase One LLC (the “Borrower”) is a single-asset, sole-purpose limited liability company formed for the purposes of owning and operating the Development.

Developer / Sponsor: WinnDevelopment Company Limited Partnership

WinnDevelopment Company Limited Partnership, (“WinnDevelopment”) is a Massachusetts limited partnership, the sole general partner of which is WDP Manager Corp., a Massachusetts corporation wholly owned by the partners of the company. Founded in 1971 and comprised of a staff of 3,000, WinnCompanies (the parent company of WinnDevelopment) is an owner, developer and manager of multifamily communities and mixed-income properties, owning more than 100 properties in 11 states, including 15,600 apartments. The company’s development practice focuses on large-scale mixed-use and mixed-income multifamily properties, the acquisition and repositioning of properties, and the acquisition and adaptive reuse of historic structures.

The Agency’s most recent experience with WinnDevelopment was on Newton Gardens in 2025, and Mary Ellen McCormack – Building A, Eastwalk, and Eva White Apartments in 2024.

General Partner / Managing Member: Somerville Senior Phase One MM LLC

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

Construction Lender: Citizens Bank, N.A.

Citizens Financial Group, Inc. is a bank holding company that owns Citizens Bank, N.A. (“Citizens”) and is one of the nation’s oldest and largest financial institutions, with \$220 billion in assets as of August 2024. Headquartered in Providence, Rhode Island, Citizens offers a range of retail and commercial banking products and services to individuals, small businesses, middle-market companies, large corporations and institutions.

The Agency’s most recent experiences with Citizens as the construction lender was on Singing Bridge Residences in 2025.

Syndicator / Investor: Boston Financial Investment Management

Founded in 1969, Boston Financial Investment Management, LP (“BFIM”) has been a leader in real estate investment management for over fifty years. With headquarters in Boston, BFIM manages approximately \$15 billion in real estate investments for over 140 institutional clients across the United States.

The Agency's most recent experience with BFIM was on Eastwalk in 2024.

Management Company: Winn Managed Properties, LLC (d/b/a "WinnResidential")

WinnResidential is the fifth largest multifamily property manager in the country and the largest manager of affordable housing. The organization manages more than 100,000 units in 580 properties throughout the United States. WinnResidential manages a total of 82 properties with over 9,900 units in MassHousing's portfolio.

The Agency's most recent experience with WinnResidential was on Newton Gardens in 2025, and Mary Ellen McCormack – Building A, Eastwalk, and Eva White Apartments in 2024.

Architect: Khalsa Design, Inc. ("KDI")

Established in 1985, Khalsa Design, Inc. is an award-winning design firm specializing in multifamily housing, hospitality and mixed-use developments. Located in Somerville, MA, KDI works with developers and city officials to improve communities across New England. KDI's work includes new construction, renovations, and adaptive re-use of historic structures.

This is MassHousing's first transaction with Khalsa Design as the architect. MassHousing's Design & Technical team have reviewed Khalsa Design's history and work and found the firm to be acceptable.

General Contractor: The Congress Companies

The Congress Companies ("Congress") is a construction firm specializing in senior living, healthcare and multifamily residential market sectors throughout New England, New York, and New Jersey. Congress has provided pre-construction strategy, construction management, and development services to clients for over 60 years.

The Agency's most recent experience with Congress as general contractor for a rental project was on Greenfield Acres in 2015. Congress also served as general contractor for 68 Church Green Townhomes, a CWB project, in 2023.

6. Summary of MassHousing-Sponsor Relationship			
	<i>Recorded</i>	<i>Committed</i>	<i>Total</i>
Number of Projects with MassHousing Debt	32	11	43
Total Units with MassHousing Debt	5,103	1,090	6,193
Outstanding MassHousing Principal Debt	\$734,346,034	\$280,166,100	\$1,014,512,134
Number of Projects with MassHousing Conduit Financing	1		
MassHousing Conduit Loans are Compliant with Program Rules	Yes		
Adverse Actions Against the Borrower Team	No		
Current on Obligations with MassHousing	Yes		
Property Management Affiliate	Yes, Winn Managed Properties, LLC manages properties in the Sponsor's portfolio and offers management services outside the portfolio.		

MassHousing Staff	
Origination	Mike Carthas, Originator Matt Deych, Analyst
Underwriting	Joe Bertolino, Underwriter Ryan Setzko, Underwriter
Asset Management	Mildred Mukasa, Portfolio Manager Mirna Bynoe, Asset Manager

7. Unit Mix

		LIHTC Eligible							
Unit Size	Total Units	30% AMI MRVP-PB		50% AMI LIHTC		60% AMI LIHTC		Market	
		Count	Rent	Count	Rent	Count	Rent	Count	Rent
1 BR	97	20	\$2,394	29	\$1,551	29	\$1,861	19	\$2,600
Total	97	20		29		29		19	

Project-Based Rental Subsidy	
Type	MRVP
Term	15 y
Administrator	Metro Housing Boston
Lesser of market or contract rents.	

8. Operating Overview

Underwritten Operating Expenses	\$1,413,100 (approximately \$14,600 per unit)
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Basis of Operating Costs. Operating expense assumptions are based on the borrower-proposed budget and borrower-supporting documentation. Staff increased the Replacement Reserve Deposits to \$500/unit to meet the Agency’s minimum requirement for preservation transactions.

9. Project Costs

Core Residential Costs	
Base	\$36,682,372
Extraordinary	\$3,965,690
Total	\$40,648,062
Commercial, Site and Other Non-Residential Costs	
Site and Other Non-Residential Costs	\$512,639
Total	\$512,639
Total Development Cost	
Total	\$41,160,701

Project Construction Costs	
Total Construction Cost	\$16,526,626
Construction per Square Foot	\$200

Background on Extraordinary Residential Costs. Extraordinary residential costs are related to the Deep Energy Retrofit materials encompassing the building envelope, roof, windows, and building systems.

Background on Commercial, Site and Other Non-Residential Costs. Site and Non-Residential costs are related to code-required accessibility improvements to sidewalks and the parking lot. Additional costs are related to City-required improvements to site drainage.

10. Sources and Uses

Sources of Funds	Total
MH Permanent Loan	\$10,660,000
Federal LIHTC	\$12,290,345
DOER	\$3,880,000
Climate Ready Homes	\$1,500,000
EOHLC AHTF/HSF/FCF	\$7,800,000
MassSave LEAN	\$694,417
Somerville AHT	\$2,000,000
Resubordinated EOHLC/City HOME	\$950,000
NOI During Construction	\$652,747
Deferred Developer Fee	\$733,192
Total Sources	\$41,160,701

LIHTC Pricing	
Federal LIHTC	\$0.92

Core Residential Uses of Funds	Total	Per Unit
Acquisition	\$12,557,000	\$129,454
Construction	\$16,072,624	\$165,697
Construction Contingency	\$1,926,727	\$19,863
General Development	\$5,630,717	\$58,049
Capitalized Reserves	\$1,394,041	\$14,372
Overhead	\$1,533,477	\$15,809
Fee	\$1,533,477	\$15,809
Total Residential Uses	\$40,648,062	\$419,058

Base Costs	Per Unit	Extraordinary Costs	Per Unit
\$12,557,000	\$129,454	\$0	
\$13,392,624	\$138,068	\$2,680,000	\$27,629
\$1,658,727	\$17,100	\$268,000	\$2,763
\$5,505,717	\$56,760	\$125,000	\$1,289
\$1,115,079	\$11,496	\$278,962	\$2,876
\$1,226,612	\$12,645	\$306,864	\$3,164
\$1,226,612	\$12,645	\$306,864	\$3,164
\$36,682,372	\$378,169	\$3,965,690	\$40,883

Site and Other Nonresidential Uses*	\$512,639
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Total Uses	\$41,160,701
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*Includes applicable hard costs, contingency, soft costs, overhead and fee

11. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		\$574,560
Rental Income – Non-Rental Subsidy		\$1,780,176
Gross Potential Residential Income		\$2,354,736
Vacancy – Project-Based Rental Subsidy	2.5%	(\$14,364)
Vacancy – Non-Rental Subsidy	3.7%	(\$65,261)
Gross Residential Income		\$2,275,111
Other Income – MRVP Services Income		\$30,000
Effective Gross Income		\$2,305,111

Expenses		
Residential Operating Expenses		\$1,413,059
Net Operating Income		\$892,052
Debt Service		(\$794,935)
Cash Flow		\$97,117

Debt Service Coverage 1.12

Residential Operating Expense Detail			<i>Per Unit</i>
Management Fee	5.0%	\$115,256	\$1,188
Administrative Costs		\$173,096	\$1,784
Maintenance Costs		\$247,309	\$2,550
Resident Services		\$278,496	\$2,871
Security		\$32,527	\$335
Utilities (water and sewer, hot water)		\$248,247	\$2,559
Insurance		\$126,100	\$1,300
Taxes		\$116,878	\$1,205
Replacement Reserves		\$48,500	\$500
Mortgage Insurance Premium		\$26,650	\$275
Total		\$1,413,059	\$14,568

Operating Expenses as a Percent of EGI 38.70%

12. Underwriting

1. **Loan Sizing.** The Sources and Uses in this commitment proposal reflect a Projected Loan amount of \$10,660,000. The MassHousing Votes below allow for an “Up To” Loan amount of \$11,250,000. The final loan amount will be set when the interest rate is locked at construction closing, such that MassHousing’s debt service coverage ratio and loan to value benchmarks will be met.

To the extent that the final loan amount is greater or less than \$10,660,000, MassHousing will confirm that other sources will be adjusted as necessary to maintain a balanced sources and uses.

2. **MRVP Service Income.** The Sponsor’s proforma includes \$30,000 in annual MRVP Service Income. This funding was awarded as part of the Development’s Supportive Housing award. EOHLC/CEDAC has committed \$1,500 per unit per year in services funding. MRVP Service Income will be paid monthly, must be used for resident services, and will benefit all households, not just MRVP households. Services include the Development’s 24/7 front desk coverage. This coverage will be staffed by Winn employees or Winn-contracted staff and will be able to dispatch medical assistance as needed. The length of the support assistance is still being determined, but in no event will it be less than 40 years.
3. **Relocation.** The development budget includes \$380,000 (\$3,918/unit) in relocation costs. The Sponsor has hired Housing To Home (“HTH”), a national relocation firm with extensive experience in affordable housing development in Massachusetts.

The rehabilitation will require temporary on-site relocation for residents while units are being renovated. Residents will move into vacant on-site units for approximately one to two weeks while renovations occur in their unit. It is anticipated that the in-place unit renovations will take approximately six months to complete.

As part of the construction, five (5) units will be renovated to be fully compliant ADA units. Four of the ADA units are currently vacant and will be renovated first. The resident of the occupied ADA unit will move to a newly renovated ADA unit on the same floor. HTH will have an on-site Access Manager to work closely with residents and to provide guidance and support throughout the transition.

4. **Net Operating Income (NOI) During Construction.** The development budget includes 50% of the NOI during the construction period as a funding source. This source includes income from MRVP rents, which begins once the renovated units are occupied by MRVP holders, prior to conversion. The NOI during construction accounts for a staggered phase-in of MRVP rents throughout construction.

5. **Rent Transition Reserve.** Many existing tenants pay rents that are lower than the full LIHTC rents that are assumed in the underwriting. For existing residents in non-subsidy LIHTC units, the Sponsor has agreed not to increase rents by more than 2% per year. Rents will increase to 100% of LIHTC maximum at natural turnover. To maintain a 1.15x debt service coverage ratio for 5 years, MassHousing will hold a rent transition reserve (currently estimated to be \$380,000) based on the projected turnover rate.
6. **Third-Party Reports.** The MassHousing third-party appraisal and capital needs study are underway. To the extent either reports change the underwritten rents and/or loan-to-value, the loan amount will be adjusted accordingly.

Underwriting Criteria and Loan Terms	Somerhill	Underwriting Standards
1. DSCR	1.12x	Minimum of 1.10
2. Term/Amortization	40 y / 40 y	30-40 y, fully-amortizing
3. Loan to Value	83.1%	Maximum of 90% based on third party "as-proposed" investment value
4. Underwriting Rents	PB – Rental Subsidy contract or market supported rents	Lesser of: • PB-Rental Subsidy contract or market supported rents • Programmatic rent cap or rents supported by MassHousing market review.
5. Vacancy Allowance	2.5% for PB – Rental Subsidy 3.0% for LIHTC 5.0% for unrestricted or workforce housing	Minimum of: • 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: • 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: • \$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 \$14,600 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 the Loan 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.

Somerhill
VOTES AND FINDINGS
PROPOSALS AND VOTES

Official Action Status

RECOMMENDATION:

Staff has reviewed the development experience and creditworthiness of the mortgagor and developer and found them to be acceptable. Staff has also determined that the mortgagor has demonstrated evidence of site control, that the proposed site is acceptable for the intended housing, and that there is a need for the proposed housing in the community. Therefore, staff recommends the following votes for approval:

VOTED: To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as “Somerhill” (the “Development”) at such time as it is submitted; (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 to fund all or a portion of costs paid or incurred after this date from the proceeds of a tax-exempt debt issue of the Agency if the Agency shall approve and fund the Development; (iii) that the issuance of debt by the Agency not be in excess of \$24,435,000 in principal amount for the Development; and (iv) that the issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Internal Revenue Code or Treasury Regulations promulgated thereunder.

Official Action Status Findings

In accordance with the vote of the Members of MassHousing dated October 10, 2023, staff makes the following Official Action Status findings for the Development:

1. The mortgagor or sponsor has acceptable multifamily housing development experience and acceptable credit history.
2. The mortgagor, sponsor or an affiliate under common control has demonstrated evidence of site control, which may include a deed, a ground lease, a purchase option, a contract of sale, or designation under a public land disposition process.
3. The site is acceptable for the proposed housing (if the loan would finance new construction).

4. There is a need for the proposed housing in the community where the site is located.

Mortgage Loans

Staff has reviewed the proposal for (i) permanent and equity bridge financing and (ii) the use of Low-Income Housing Tax Credits and proposes the following votes for approval:

VOTED: To approve the findings and determinations set forth below and to authorize (a) a permanent first mortgage loan in a principal amount of up to \$11,250,000, such first loan to be insured under the HUD HFA Risk Sharing Program; and (b) a subordinate equity bridge mortgage loan in a principal amount of up to \$8,885,000, in each case to be made to Somerville Senior Phase One LLC or another single-purpose entity controlled by WinnDevelopment Company Limited Partnership (the “Borrower”) as owner of the multifamily residential development known as “Somerhill” (the “Development”) and located in Somerville, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, 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: N/A

FURTHER VOTED: That the amount of 4% Credits, as set by the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior 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 Somerville, Massachusetts and known as “Somerhill” (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 Executive Director, 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, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, 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.

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:

78 units (80.4%) 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 May 6, 2025. 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 1,199 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 94.8% and ranged between 90% and 98%. One comparable was offering a concession of ½ month free

2nd Qtr. 2025 CoStar data for the subject's Somerville/Charlestown Submarket (6,728 units) have an overall vacancy rate at 6.1% YTD, which is a decrease of 2.04% from one year ago. CoStar data for the Boston market (285,950 units) has an overall vacancy rate of 5.6% YTD, which is an increase of .09% from one year ago. The Somerville/Charlestown Submarket vacancy rate is projected to increase to 8.3% over the next five years, while the Boston market is projected to increase to 5.7%.

CoStar, submarket data for the Somerville/Charlestown 4-5 Star building type (3,845 units) indicates a 2nd Qtr. 2025 vacancy rate of 7.5% and an average asking rent of \$3,643 while submarket data for the subject's 3 Star building type (1,463 units) indicates a 2nd Qtr. 2025 vacancy rate of 4.0% at an average asking rent of \$2,594 and 1-2 Star buildings (1,420 units) indicates a 2nd Qtr. 2025 vacancy rate of 4.2% at an average asking rent of \$2,211. 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.

Per the representative of the Somerville Housing Authority, (SHA) they own/manage, 215 units of Federal Family housing consisting of 22 one-bedrooms, 94 two-bedrooms, 71 three-bedrooms, 24 four bedrooms and 4 five-bedrooms. There are 1,108 applicants on the Federal family waiting list, broken down as follows: 368 one-bedrooms, 253 two-bedrooms, 407 three-bedrooms, 65 four-bedrooms and 15 five-bedrooms. They also have 369 one- bedroom units of Federal Elderly housing and there are 2,526 applicants on that waiting list. Regarding State funded housing, SHA owns/manages 459 State Family housing consisting of 33 one-bedrooms, 247 two-bedroom, 177 three-bedrooms, 1 4-bedroom and 1 five-bedrooms. There are 1,121 applicants on the State Family

waiting lists that are broken down as follows: 344 one-bedrooms, 454 two-bedrooms, 231 three-bedrooms, 80 four-bedrooms and 12 -five bedrooms. They also have 274 State Elderly Units consisting of 261 one-bedrooms, 4 two-bedrooms and 3 three-bedrooms. There are 1,110 applicants on that waiting list consisting of 1,024 one- bedroom, 85 two- bedrooms and 1 three-bedroom. They also administer 1197 HCV vouchers and 112 Mainstream vouchers and per the representative there are 219,211 applicants on the centralized Section 8 waitlist. This list is a state-wide list.

According to the Executive Office of Housing and Livable Communities (EOHLC) Chapter 40B Subsidized Housing Inventory (06/29/2023), the City of Somerville has 36,167 year-round housing units, 3,247 (8.95%) of which are subsidized for low/moderate income households.

U.S. Census data from the 2019-2023 American Community Survey (ACS) indicates that of the 35,427 households in the City of Somerville approximately 78% earned less than the HUD published 2025 AMI (160,900) approximately 341.1% earned less than 50% of 2025 AMI, approximately 43.4 % earned less than 60% of the 2025 AMI, and approximately 62.0% earned less than 80% of the 2025 AMI.

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	1
Number of Units	97
Net SF/Unit	550
Elev./Non-Elev.	Elev.
Market Rate Rent (10% rate, 20-year term)	\$2,401
MHFA Below Market Rent (Cost-Based Rent)	\$2,023
MHFA Adjusted Rent	30% of 60% of AMI
Underwriting Rents	
30% AMI MRVP	\$2,394
50% AMI LIHTC	\$1,551
60% AMI LIHTC	\$1,861
Unrestricted Market	\$2,600

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

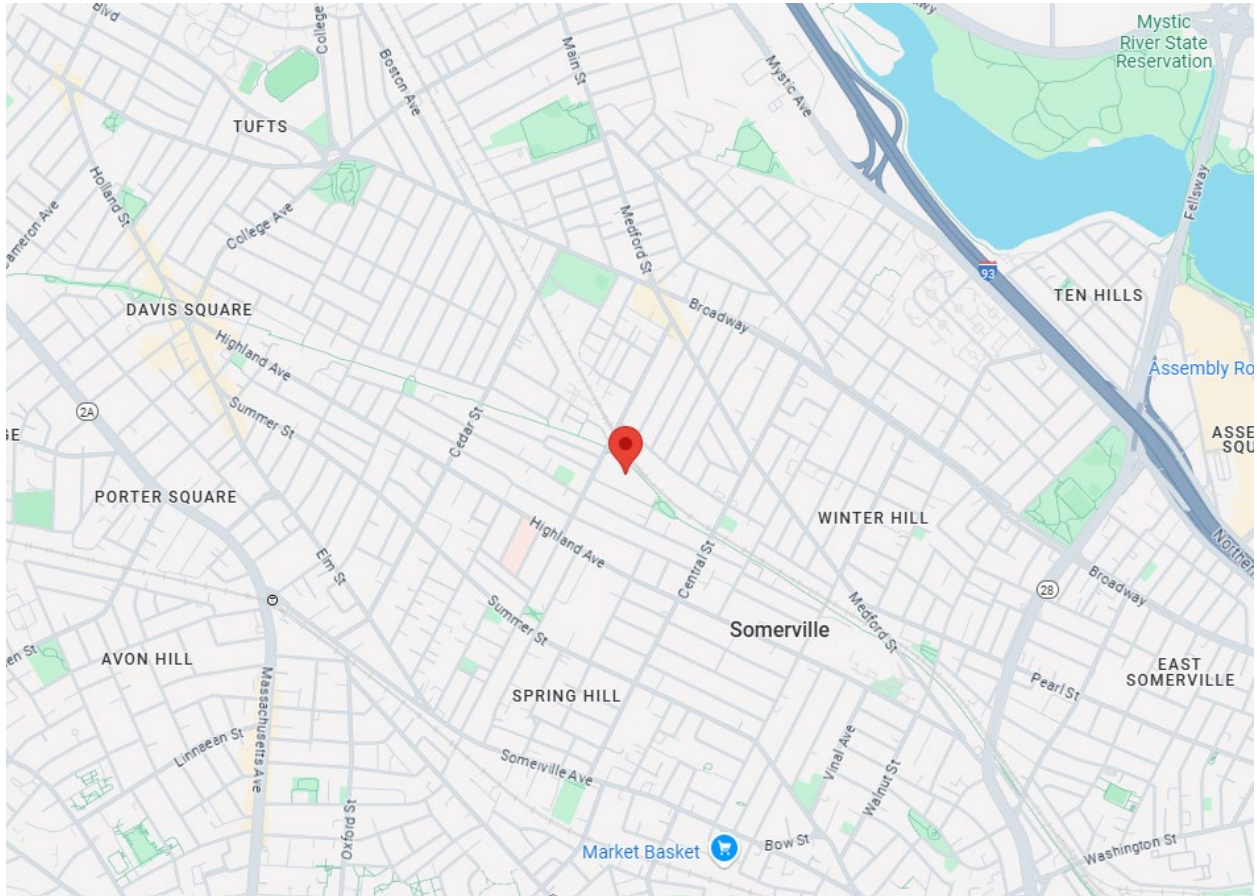


BILD Financing Commitment Proposal | June 10, 2025

Claremont Grafton

1. General Project Information	
Project Name	Claremont Grafton
Project ID	25-004
Associated Projects	N/A
Address(es)	5 Millennium Drive, Grafton MA 01536
Sponsors	Claremont Companies
Transaction Type	Production
Funding Type	1) Forward Commitment of an Equity Investment 2) Forward Commitment of a Subordinate Loan
Execution Type	1) Momentum Equity 2) Financing Options for Residential Growth and Expansion (“FORGE”) Loan (Taxable)
Credit Enhancement	None
Approval Type	Board
Total Rental Units	233
Affordability Mix	47 Affordable 186 Market

2. Recommended Actions

- Commitment of Momentum Equity
- Commitment of a Subordinate Loan

The proposed financing will support the development of Claremont Grafton (the “Development”), a 233-unit mixed-income community located in the Town of Grafton. Claremont Companies (“Claremont” or the “Sponsor”) will be the developer for the proposed transaction.

The financing will leverage the Agency’s Bringing Innovation to Lending and Development (“BILD”) program and will include both a Momentum Equity investment and permanent debt with a Financing Options for Residential Growth and Expansion (“FORGE”) Loan. The proposed FORGE Loan financing will utilize MassHousing’s arrangement with Berkadia Commercial Mortgage LLC (“Berkadia”), which allows sponsors to access an integrated debt financing package through the Federal Home Loan Mortgage Corporation (“Freddie Mac”).

3. Financing

Momentum Equity	
Type	Preferred Equity
Equity Investment Amount	Up to \$9,000,000
Preferred Equity Return	10 Year Treasury Rate + 200bps (currently 6.45%)
Funding Timing	Stabilization
FORGE Loan	
Combined Loan Amount	\$59,140,000
Loan Term / Amortization	10 y / 40 y
Forward Term	Up to 42 months*
Combined Year 1 DSCR	1.25 projected (1.25 minimum)
Combined LTV	59% projected (80% maximum)
Funding Timing	Stabilization
<i>Freddie Mac Loan</i>	
Type	Taxable Freddie Mac Loan
Loan Amount	\$53,230,000
Interest Rate	6.45% projected, locked in advance of closing
<i>MassHousing Loan</i>	
Type	Taxable MassHousing Loan
Loan Amount	\$5,910,000
Interest Rate	8.45% projected, locked in advance of closing

*The programmatic maximum forward commitment is 36 months. Due to the site work required before vertical construction can begin, and the time needed to construct the two buildings and lease 233 units, the projected FORGE funding date is 42 months after construction closing. Berkadia will request a waiver from the 36-month forward commitment limit as part of its application to Freddie Mac. MassHousing's commitment is conditioned upon receipt of this waiver.

4. Development Timing

Estimated Project Timing	
Sitework Construction Start Date	8/15/2025
Vertical Construction Start Date	1/15/2026
Completion of Building 1	7/15/2027
Completion of Building 2	9/15/2027
Building 1 Fully Occupied	6/15/2028
Building 2 Fully Occupied	12/15/2028
Disbursement of FORGE Loan & Momentum Equity	4/15/2029

5. Development Plan

Description of Site. The Development will be located on a 10.7-acre parcel located at 5 Millennium Drive in Grafton (the “Site”).

The Site is a wooded lot adjacent to the Grafton MBTA Commuter Rail station. The surrounding area contains office and light industrial uses, with the Cummings School of Veterinary Medicine at Tufts University located less than a mile away. Amenities such as grocery stores, restaurants, and other services are available at various locations in Grafton and on Route 9 in Shrewsbury, all within a 10-minute drive.

The grade change from the northern to the southern end of the site is approximately 70 feet, which will require an estimated five months of site work before vertical construction can begin. Once complete, the Development will provide direct pedestrian access to the commuter rail station, with service to Worcester and Boston.

Description of Existing or Proposed Building. The development plan involves the new construction of two five-story buildings, one with 123 units and the other with 110 units, for a total of 276,000 gross square feet and 222,000 net rentable square feet. Each building will contain two elevators. The Development will include 355 surface parking spaces available to residents free of charge and 24 garage parking spaces in four garages available for \$300 per month.

The Development will include nearly 11,000 square feet of amenity space, such as resident lounges, a game room, fitness center, mail & package rooms, dog wash area, and work-from-home stations. Outdoor features will include a swimming pool, grilling areas, a pergola with an outdoor TV, and a fire pit.

Description of Affordability Mix. Twenty percent of the units (47 units) will be income restricted for households earning up to approximately 80% of the Area Median Income (“AMI”). The remaining units will be unrestricted market rate apartments.

Zoning and Permitting. The Development is fully permitted as part of the Town of Grafton’s Chapter 40R Smart Growth Zoning Overlay district and is also located in the Town’s multifamily zoning district as part of the MBTA Communities act.

Site Control. The Sponsor has site control through a quitclaim deed.

Priority Screening Criterion. The project was screened for BILD eligibility on a wide range of factors (e.g. readiness and eligibility, project costs and investment efficiency, impact and additionality). Additional information about this criterion can be found in Exhibit B.

6. Development Team

Mortgagor Entity: Claremont Grafton LLC is a sole-asset, single-purpose entity formed for the purpose of owning and operating the Development.

Developer / Sponsor: Claremont Companies is a privately owned family-run real estate investment, development, and asset management firm based in Bridgewater. The company was founded in 1968 by Patrick Carney, who still serves as the Chairman & Chief Executive Officer. Claremont owns over 60 real estate assets consisting of hotels, apartments, office buildings, and vacant and leased land.

Managing Member / Manager: An affiliate of Claremont Companies, with Edward Carney as principal, will retain control in an entity structure that will comply with both the FORGE and Momentum requirements.

Construction Lender: Rockland Trust Company (“Rockland Trust”) was founded in 1907 and currently operates 120 branches in Massachusetts as a subsidiary of Independent Bank Corp. Rockland Trust offers a wide range of banking, investment, and insurance services to businesses and individuals through retail branches, commercial lending offices, investment management offices, and residential lending centers. Rockland Trust is also the construction lender on Meshacket Commons and Tackenash Knoll.

Investor: Carney Family Trust 2019 will provide all common equity to the Mortgagor Entity for the transaction.

General Contractor: Dellbrook | JKS is one of the largest construction companies in New England and has been in operation for over 30 years. The firm has extensive experience in overseeing the new construction of sustainable multi-family buildings throughout Massachusetts. Dellbrook was the general contractor on Rindge Commons Phase I, which completed construction in 2024, and is currently working on Meshacket Commons and Pointe at Hills Farm, all of which have Agency financing.

Architect: Market Square Architects PLLC was established in 2016 in Portsmouth, NH and has a staff of over 40 people, with 10 licensed architects. The firm has designed multifamily developments in Pembroke, Lowell, and Fall River within Massachusetts, and has acquired architecture firms in Austin, TX and Nashville, TN to more effectively work in those regions.

Market Square Architects is currently under review by Design & Construction as this will be their first project with MassHousing.

Management Company: Claremont Companies has over 50 years of property management experience and currently manages over 2,500 units in Massachusetts. Claremont manages 425 units in three developments in the Agency’s portfolio.

7. Summary of MassHousing-Sponsor Relationship	
Number of Projects with MassHousing Debt	3
Total Units with MassHousing Debt	425
Outstanding MassHousing Principal Debt	\$38,919,487
Adverse Actions Against the Borrower Team	Yes* (see explanation below)
Current on Obligations with MassHousing	Yes
Property Management Affiliate	Yes

*MassHousing’s engagement with the Claremont Companies dates to the 1970s. Despite a lengthy and successful relationship spanning decades, the Agency ultimately foreclosed on a Claremont development in 2005. The Agency and the Sponsor have since reviewed and reconciled the circumstances surrounding the foreclosure, and the Sponsor has maintained properties in the Agency’s portfolio in conformance with the Agency’s requirements and standards. As part of the origination process for the Development, Agency staff have followed up with the Sponsor’s references in the real estate development field, all of whom reported that they consider the Claremont relationship to be highly valuable and in their highest credit quality tiers. This context and diligence inform staff’s recommendations of approval of both the FORGE Loan and Momentum Equity investment.

MassHousing Staff	
Origination	Brian Robinson Jeff Geller
Underwriting	Dan Staring Joe Bertolino
Asset Management	Piia DiMeco Dan Discenza

8. Unit Mix with Preliminary Rents

Unit Size	Total Units	80% of AMI MassHousing Statutory*			Unrestricted Market Rate**		
		Count	Rent/sf	Rent	Count	Rent/sf	Rent
0 BR	12	2	\$2.47	\$1,470	10	\$4.16	\$2,475
1 BR	104	22	\$1.93	\$1,511	82	\$3.59	\$2,810
1 BR Large	5				5	\$3.23	\$3,025
2 BR	81	20	\$1.62	\$1,789	61	\$3.05	\$3,370
2 BR with Den	13				13	\$3.02	\$3,475
2 BR Large	5				5	\$2.49	\$3,595
3 BR	13	3	\$1.52	\$2,010	10	\$3.03	\$3,995
Total	233	47			186		

* Net of utility allowances

** Market rents represent projections based on review of materials provided by Sponsor as well as available market comparable information. Underwritten rents will be reviewed and finalized upon receipt of appraisal commissioned by Berkadia and reviewed by both Berkadia and MassHousing. At this stage, the projected gross rent net of vacancy allowance associated with these units is in line with comparable data

9. Operating Overview

Underwritten Operating Expenses	\$2,579,000 (approximately \$11,070 per unit)
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Basis of Operating Costs. Underwritten operating expenses are based on review of the Sponsor’s proforma, Freddie Mac underwriting requirements, and review of available comparable data. Operating Expenses will be further refined through Berkadia’s underwriting with Agency underwriting confirming the final operating expense budget in sizing of the Subordinate Loan but appears to be reasonable based on staff review of comparable expense data.

All utilities at the Development will be sub-metered, including water usage, and will be paid by tenants. Heat, air conditioning, appliances, and hot water will be electric. The operating expenses include common area electrical and water and sewer costs. The 80% of AMI units include a utility allowance in the rent.

10. Project Costs

Project Construction Costs	
Total Construction Cost	\$70,156,000
Gross Square Footage	276,000 GSF
Construction per Gross Square Foot	\$254 per GSF
Construction per Unit	\$301,100 per unit

11. Sources and Uses

Sources	Construction		Pre-Stabilization		Permanent	
		<i>per unit</i>		<i>per unit</i>	<i>per SF</i>	<i>per unit</i>
Construction Loan	\$67,399,376	\$289,268	\$67,399,376	\$289,268		
FORGE Loan					\$59,140,000	\$214
Momentum Equity					\$9,000,000	\$33
Common Equity	\$22,466,459	\$96,422	\$22,466,459	\$96,422	\$21,725,835	\$79
Total	\$89,865,835	\$385,690	\$89,865,835	\$385,690	\$89,865,835	\$326

Uses				<i>per SF</i>	<i>per unit</i>
Acquisition			\$3,930,000	\$14	\$16,867
Construction			\$70,156,462	\$254	\$301,101
Contingency (5%)			\$3,507,823	\$13	\$15,054
General Development			\$9,890,079	\$36	\$42,447
Developer Overhead & Fee			\$2,381,471	\$9	\$10,221
Total			\$89,865,835	\$326	\$385,690

12. Construction Loan Detail

Sources	<i>Position</i>	<i>Rate</i>	<i>Term</i>	<i>Amort.</i>	<i>Funding</i>
Construction Loan	First	TBD	TBD	TBD	Construction

13. Equity Detail

Equity Breakdown	<i>Total</i>	<i>Percent of TDC</i>	<i>Percent of All Equity</i>
Total Equity			
Common Equity	\$21,725,835	24%	71%
Momentum Equity (permanent only)	\$9,000,000	10%	29%

Financial Assumptions	
Trending (annual)	3% revenue increase 3% expense increase
# of Units Pre-leased by 1 st CO	20 Units
Monthly Absorption Rate	17 units per month
Sale or Exit Timeframe	120 Months after Project Stabilization
Key Performance Indicators	
Sale or Exit Capitalization Rate*	5.75%
Unlevered Year 1 Return on Cost	5.89%
Distributions / Paid-in-Capital, net of investment	0.58x
Residual Value to Paid-in-Capital, net of investment	1.96x
Total Value to Paid-in-Capital	2.54x
Common Equity IRR	9.32%
Common Equity IRR without Momentum	8.26%
Momentum Equity IRR	6.50%
Levered Average Project Cash-on-Cash	5.82%
Break-Even Capitalization Rate	10.48%
Break-Even NOI	\$3,674,000
*Based on a sales comp analysis which included 17 sales over the past 24 months, the average cap rate was 4.90% with a 76 basis-point spread over the 10-year treasury rate.	

14. Distribution Waterfall

Operating Cash Flow

1. To **MH Investor**, an LLC established as part of the Momentum Fund, until MH Investor has received the then outstanding cumulative Preferred Equity Preferred Return on the Preferred Equity Investment.
2. To the **Sponsor**.

Cash from Sale or Refinancing

1. To **MH Investor** until MH Investor has received the then outstanding cumulative Preferred Equity Preferred Return on the Preferred Equity Investment.
2. To **MH Investor**, until MH Investor has received the return of the then outstanding Preferred Equity Investment.
3. To the **Sponsor**, until the Sponsor has received (after taking into account any prior distributions made to the Sponsor under the Net Cash Flow Distribution Waterfall) an internal rate of return with respect to the Total Sponsor Equity equal to the Preferred Equity Preferred Return Rate plus an additional spread of up to 1,000 basis points as determined by MassHousing.
4. Thereafter, to **MH Investor** and the **Sponsor** in accordance with their respective Venture Capital Percentages unless otherwise agreed to.

15. Assessment of Equity Investment

Development Strengths

1. Experienced development team with a track record in this market.
2. Central location, immediately adjacent to the Grafton MBTA Commuter Rail station and in close proximity to major arteries and highways, and regional employment center.
3. Marketable unit features and high standard amenities that competitively position the Development within the submarket compared to existing properties.

Risks and Mitigants

Residential Rent Level Risk. The site is untested for multifamily rental developments. The nearest comparable property is adjacent to a major roadway and approximately 3 miles from the subject site.

Mitigants:

- a. Occupancy levels for comparable properties range in this submarket range between 94-97% occupancy. The market rents are being underwritten at a 7.0% vacancy level, which is higher than historic vacancy levels at comparable properties in the subject market.
- b. The subject property is the first market-rate, residential development in this submarket in the last five years. The Development's desirable amenities create a market advantage over comparable properties.
- c. The average unit sizes of the subject property are slightly larger than comparable properties, and offer amenities and services not available at comparable properties in the Development's submarket.

16. Developer Fee Overview

This proposal includes a paid developer fee of \$2,381,471, which the Sponsor proposes to disburse as follows:

100% (\$2,381,471) to be paid in 26 equal installments throughout the 26-month construction period.

The Sponsor has incurred direct overhead costs of approximately \$1,200,000 and costs associated with land acquisition, design, permitting, and carrying costs of approximately \$3,800,000 over 3 years. Even after realizing this paid fee, the Sponsor still has unrecovered costs and will be incentivized to perform as the managing member.

The construction lender with whom the Sponsor is working has verbally consented to this agreement.

17. Exit Strategy

The FORGE Loan has a balloon repayment. While the Sponsor intends to hold the Development as a long-term investment, MassHousing has conducted an exit analysis considering both a refinancing scenario, as well as a potential sale scenario.

In both scenarios projected proceeds are sufficient to fully repay the outstanding mortgage balance and return equity invested through the Momentum Fund.

Sale Scenario		
Net Operating Income – 2038		\$6,900,000
Cap Rate		5.75%
Valuation		\$120,000,000
Sale Cost	3.0%	(\$3,600,000)
Debt Repayment		(\$53,000,000)
Net Sale Proceeds		\$63,500,000
Return of Momentum Equity		(\$9,000,000)
Net Proceeds Available to Investors		\$54,400,000
Refinance Scenario		
Total Value		\$120,000,000
Interest Rate		6.25%
Amortization		40
Loan Amount		\$80,000,000
LTV		67%
DSCR		1.25
Refinance Cost	2.5%	(\$2,000,000)
Existing Debt		(\$53,000,000)
Net Refinance Proceeds		\$25,000,000
Return of Momentum Equity		(\$9,000,000)
Net Proceeds available to Investors		\$16,000,000

18. Estimated First Year Income and Expenses

Income	
Affordable Gross Potential Residential Income	\$935,904
Affordable Vacancy (5.0%)	(\$46,795)
Market Gross Potential Residential Income	\$6,947,580
Market Vacancy (7.0%)	(\$486,331)
Gross Residential Income	\$7,350,358
Other Income – Parking, Fees, Internet	\$518,662
Effective Gross Income	\$7,869,020

Expenses	
Residential Operating Expenses	\$2,579,276
Net Operating Income	\$5,289,744
Cash Flow	\$1,055,524

Combined Debt Service Coverage 1.25

Residential Operating Expense Detail			<i>Per Unit</i>
Management Fee	3%	\$241,801	\$1,038
Administrative Costs		\$630,750	\$2,707
Maintenance Costs		\$332,025	\$1,425
Utilities: Electricity, gas, water & sewer		\$326,200	\$1,400
Real Estate Taxes		\$699,000	\$3,000
Insurance		\$168,925	\$1,250
Replacement Reserves		\$52,425	\$250
Total		\$2,451,126	\$11,070

Operating Expenses as a Percent of EGI 33%

19. Notes and Analysis

1. **Equity Sizing.** The Sources and Uses in this commitment proposal reflects a projected Momentum Equity investment amount of up to \$9,000,000. The final equity amount and preferred rate will be set after Freddie Mac issues their loan commitment and the interest rate on the Loans is locked.
2. **Loan Sizing.** The Sources and Uses and MassHousing Financing Summary in this commitment proposal reflect a Projected Subordinate Loan amount of \$5,910,000. The Votes below allow for an “Up To” Loan amount of \$7,978,000. The final loan amount will be set after Freddie Mac issues their loan commitment and the interest rate is locked, such that the combined debt service coverage ratio as well as loan to value benchmarks will be met and the Subordinate Loan will be no greater than 10% of the Loans.

To the extent that the final subordinate loan amount is greater or less than \$5,910,000, MassHousing will confirm that other sources will be adjusted as necessary to maintain a balanced sources and uses.

3. **Other Income.** Other Income is inclusive of garage income, internet, water and sewer reimbursements, and miscellaneous administrative fees. Underwritten other income is based on the borrower’s projected budget, which appears reasonable when compared to similar newly developed assets.
4. **Third Party Reports.** Under the Origination and Underwriting Agreement between Berkadia and MassHousing, Berkadia will commission all third-party reports as part of its diligence review. MassHousing will be an intended user of these reports and to the extent that any of the reports change the underwritten rents, loan-to-value, or replacement reserve deposits, the loan size may be adjusted accordingly.

Claremont Grafton
VOTES AND FINDINGS
PROPOSALS AND VOTES

Mortgage Loan

Staff has reviewed the proposal for subordinate financing and proposes the following vote for approval by the Agency:

VOTED: To approve the findings and determinations set forth below and to authorize a permanent second mortgage loan in an approximate principal amount of \$5,910,000, or such other amount as evidenced in the Freddie Mac loan commitment, subject to the limitation that the final amount of such loan shall not be more than \$7,978,000 nor less than \$3,841,000, to be made to Claremont Grafton LLC or another single-purpose entity controlled by Claremont Companies or Edward Carney (the “Borrower”) as owner of the multifamily residential development known as “Claremont Grafton” (the “Development”) and located in Grafton, Massachusetts, provided together with, and made subordinate to, a first mortgage loan to the Borrower by Freddie Mac, (1) to be funded from that portion of the Opportunity Fund approved by the Members of MassHousing on September 10, 2024, designated and reserved for MassHousing’s Bringing Innovation to Lending and Development (BILD) strategies, including the Momentum Equity product and FORGE loan product, and (2) in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (a) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (b) the following special conditions: None.

Momentum Equity

Staff has reviewed the proposal for momentum equity financing and proposes the following vote for approval by the Agency:

VOTED: To approve and authorize an investment, and the creation of any entities necessary to effectuate such investment, of Momentum Equity in an approximate amount of up to \$9,000,000, to a to-be-determined single-purpose entity, jointly controlled by a MassHousing affiliate entity and an entity controlled by Claremont Companies, or its principal Patrick Carney, such that MassHousing will hold a preferred equity investment in the multifamily residential development known as “Claremont

Grafton” (the “Development”) and located in Grafton, Massachusetts, and in accordance with the requirements of the Momentum Equity program and any requirements related to such program (including such documentation as the General Counsel may require), the delegations of authority previously approved, and further subject to compliance with all applicable laws and all regulations and requirements of applicable financing programs.

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:

Forty-seven units (20%) 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 May 15, 2025. 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 1,122 units) in the area revealed a strong rental market. Current occupancy rates of the five comparable properties reviewed averaged approximately 96.4%, and range between 93% and 100%. One comparable was offering 6 months free parking.

Second Qtr. 2025 CoStar data for the subject's Southeast Worcester County submarket (3,521 units) have an overall vacancy rate at 8.8% YTD, which is an increase of 2.66% from one year ago. CoStar data for the Worcester market (32,795 units) has an overall vacancy rate of 4.7% YTD, which is a decrease of .29% from one year ago. The Southeast Worcester County submarket vacancy rate is projected to decrease to 6.7% over the next five years, and the Worcester Market is projected to decrease to 3.7%.

CoStar, submarket data for the 4-5 Star building type (631 units) indicates a 2nd Qtr. 2025 vacancy rate of 26.6% and an average asking rent of \$2,632, while submarket data for the subject's 3 Star building type (1,342 units) indicates a 2nd Qtr. 2025 vacancy rate of 5.0% at an average asking rent of \$2,489 and 1-2 Star buildings (1,548 units) indicates a 2nd Qtr. 2025 vacancy rate of 5.0% at an average asking rent of \$1,765. 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 (EOHLC) Chapter 40B Subsidized Housing Inventory (6/29/23), the Town of Grafton has 7,740 year-round housing units, 428 (5.53%) of which are subsidized for low/moderate-income households.

Further, the Grafton Housing Authority (GHA) owns and /or operate 3 state subsidized properties, which includes 128 units 60 and older, six houses of family housing and 16 units for Veterans.

Per the representative, they utilize the CHAMP wait list and there are over 57,000 applicants on the list. They do not administer any Section 8 Housing Choice Vouchers.

U.S. Census data from the 2019-2023 American Community Survey (ACS) indicates that of the 5,220 households in the Town of Grafton approximately 49.6% earned less than the HUD published 2025 AMI (\$122,200), approximately 14.3% earned less than 50% of 2025 AMI, approximately 19% earned less than 60% of the 2025 AMI, and approximately 35.1% earned less than 80% of the 2025 AMI.

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 will change neither the current income mix of the Development or that of its surrounding locality.

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	Studio	1 BR	1 BR Large	2 BR	2 BR w/ Den	2 BR Large	3BR
Number of Units	12	104	5	81	13	5	13
Net SF/Unit	595	783	936	1,104	1,151	1,446	1,320
Elevator Y/N	Y	Y	Y	Y	Y	Y	Y
Market Rate Rent (10% Rate 20 Yr. Term)	\$3,147	\$3,401	\$3,865	\$3,817	\$4,315	\$4,435	\$4,354
MHFA Below Market Rent (Cost-Based Rent)	\$2,308	\$2,561	\$3,025	\$2,977	\$3,475	\$3,595	\$3,514
MHFA Adjusted Rent	30% of 80% of AMI						
Underwriting Rents							
Market	\$2,475	\$2,810	\$3,025	\$3,370	\$3,475	\$3,595	\$3,995
80% of AMI	\$1,470	\$1,635		\$1,780			\$1,911

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.

EXHIBIT A
Map and Picture

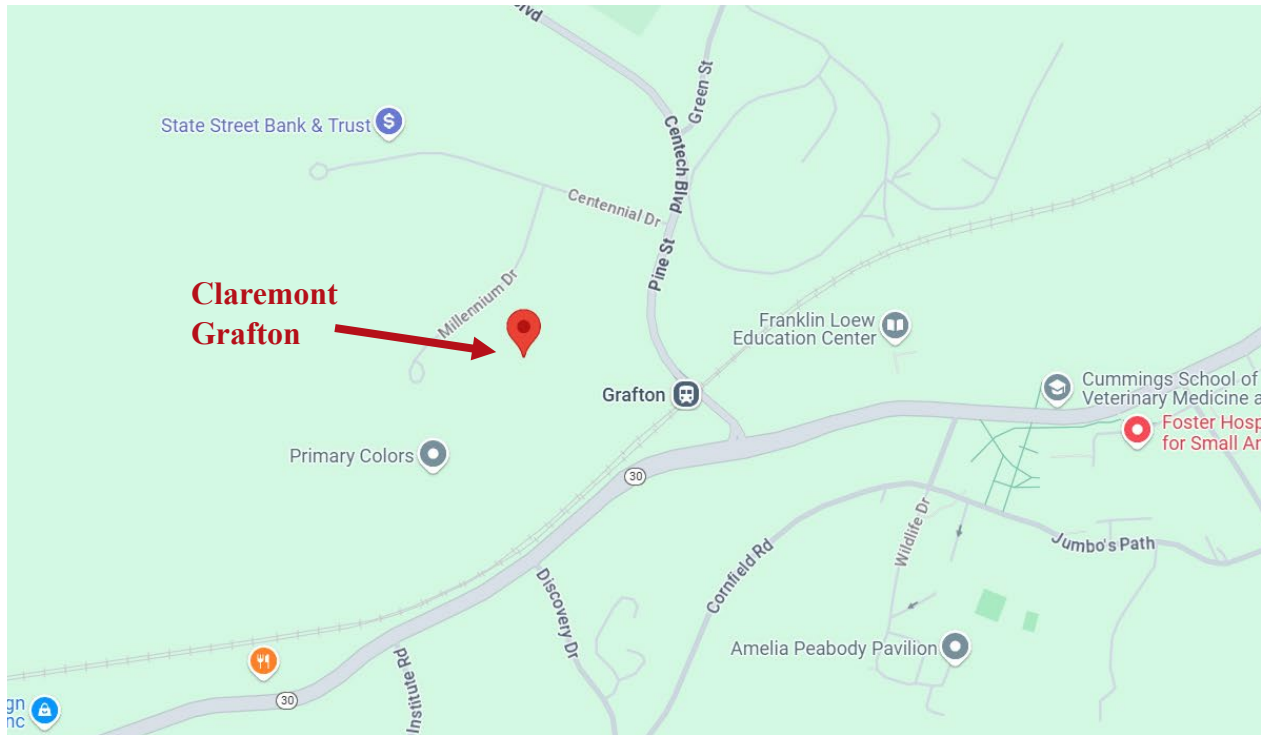


EXHIBIT B

Priority Screening Criteria

1. Readiness and Eligibility

- a. **Project Readiness.** The Developer secured the necessary local zoning and permitting approvals, retained a general contractor with a firm construction bid proposal, identified construction period financing sources and assembled the entire development team.
- b. **Completeness of Submission.** The Developer has provided all requested preliminary due diligence materials related to project information, development plans and related reports, and sponsor/principal information.
- c. **Affordability Level Eligibility.** Twenty percent of the units (47 units) will be income restricted for households earning up to 80% of the Area Median Income (“AMI”).

2. Project Costs & Investment Efficiency

- a. **Cost Efficiency (Units per Dollar).** The total development cost is \$89,865,835, which is approximately \$385,690 per unit.
- b. **Investment Efficiency (Size of Ask)** The investment level of Momentum Equity in the project represents 29% of the project’s total equity.

3. Impact and Additionality

- a. **Local Impact on Housing Opportunity**
As of the 2020 census, the Town of Grafton had 365 SHI (Subsidized Housing Inventory) units. With the addition of 47 affordable units from this development, the total number of affordable units in the community will increase by 12.8%.
- b. **Additionality of Investment (“but for”)**
Without the investment of Momentum equity in this transaction, the project will have an overall project IRR of approximately 8.26% over a 13-year term. With the investment of Momentum equity as part of the project’s financing structure, the project does not incur an excessive refinance shortfall and will be able to generate an overall project IRR of 9.32% over a 13-year term, which is an improvement by 13%.
- c. **Diversity & Inclusion**

The project’s design team is comprised of several professional firms, one of which has senior principals/owners of diverse representation. In addition, several of the subcontractors of the project’s construction team have senior principals/owners of diverse representation.

d. Climate Alignment

The project aligns with a Stretch Energy Code requirement, prioritizing energy conservation and incorporating EV charging stations. Additionally, it features natural tree-lined screening between the development and the train station.

EXHIBIT C- Market Rent Comparables

	Subject	Comp Average	1	2	3	4
Property Name	Claremont Grafton		Bell Shrewsbury	Edgemere Crossing	Parc Westborough	Audubon Shrewsbury
Property Address	5 Millennium Dr, North Grafton, MA 01536		35 Harrington Ave, Shrewsbury, MA 01545	100 Flint Pond Cir, Shrewsbury, MA 01545	346 Turnpike Rd, Westborough, MA 01581	890 Hartford Turnpike, Shrewsbury, MA 01545
		Comp Average				
# of Units	233	250	250	250	249	251
Year Built	2027	2015	2017	2022	2016	2006
Distance (miles)	0		5.6	3.2	4.0	2.8
	0x1	Studio	0x1	0x1	0x1	0x1
Avg. Rent	\$2,475	\$2,296	\$2,296			
Square Feet	595	584	584			
Avg. Rent/SF	\$4.16	\$3.93	\$3.93			
	1x1	1 Bed	1x1	1x1	1x1	1x1
Avg. Rent	\$2,810	\$2,598	\$2,765	\$2,550	\$2,575	\$2,500
Square Feet	783	747	758	732	792	707
Avg. Rent/SF	\$3.59	\$3.48	\$3.65	\$3.48	\$3.25	\$3.54
	2x2	2 Bed	2x2	2x2	2x2	2x2
Avg. Rent	\$3,370	\$3,199	\$3,515	\$3,155	\$2,955	\$3,171
Square Feet	1,104	1,081	1,132	1,077	1,055	1,059
Avg. Rent/SF	\$3.05	\$2.96	\$3.11	\$2.93	\$2.80	\$2.99
	3x2	3 Bed	3x2	3x2	N/A	3x2
Avg. Rent	\$3,995	\$3,868	\$3,760		\$3,975	
Square Feet	1,320	1,423	1,434		1,411	
Avg. Rent/SF	\$3.03	\$2.72	\$2.62		\$2.82	
Utilities	Submetered					
Parking	Surface Parking Included - Garages for Rent					
Notes	Property will be newest delivery in the market with the most current finishes, layouts, and amenities. Property provides immediate access to MBTA stop.		Bell Shrewsbury is an 8 year old property with relatively small amenity areas and older style finishes.	3 story walkup product- no elevators. Smaller amenity area, less elevated finishes	9 Year old property. Vinyl siding on the exteriors, older-style finishes in the interiors.	19 Year old property. Recently renovated, but rug floorings, outdated washer/dryer, vinyl siding, outdated gym, outdated unit layouts.

Delinquency Summary Report



May 31, 2025

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
40B	NEF - 40B	1	\$8,200,000	0	\$0	0.00%	0.00%
40B - Total		1	\$8,200,000	0	\$0	0.00%	0.00%
INDEP	Options for Independence	17	\$314,134	0	\$0	0.00%	0.00%
INDEP - Total		17	\$314,134	0	\$0	0.00%	0.00%
OTHER	Other Subordinate Only	1	\$973,627	0	\$0	0.00%	0.00%
OTHER - Total		1	\$973,627	0	\$0	0.00%	0.00%
SECT8NONP	Project Based Section 8 - Not PBCA	4	\$27,647,793	0	\$0	0.00%	0.00%
SECT8NONP - Total		4	\$27,647,793	0	\$0	0.00%	0.00%
SECT8PBCA	Project Based Section 8 - PBCA	172	\$3,061,334,425	0	\$0	0.00%	0.00%
SECT8PBCA - Total		172	\$3,061,334,425	0	\$0	0.00%	0.00%
SECT8VOUCH	Project Based Section 8 Vouchers	28	\$332,199,675	0	\$0	0.00%	0.00%
SECT8VOUCH - Total		28	\$332,199,675	0	\$0	0.00%	0.00%
SHARP	SHARP/ RDAL	3	\$43,560,737	0	\$0	0.00%	0.00%
SHARP - Total		3	\$43,560,737	0	\$0	0.00%	0.00%
TAXCREDIT	Tax Credit (4% and/or 9%)	165	\$1,533,863,556	1	\$33,773,980	2.20%	0.61%
TAXCREDIT - Total		165	\$1,533,863,556	1	\$33,773,980	2.20%	0.61%
UNSUB	Un-Subsidized	22	\$319,456,348	0	\$0	0.00%	0.00%
UNSUB - Total		22	\$319,456,348	0	\$0	0.00%	0.00%
WORKFORCE	Workforce Housing	8	\$80,049,767	0	\$0	0.00%	0.00%
WORKFORCE - Total		8	\$80,049,767	0	\$0	0.00%	0.00%
		8	\$160,013,373	0	\$0	0.00%	0.00%
- Total		8	\$160,013,373	0	\$0	0.00%	0.00%
Overall - Total		429	\$5,567,613,437	1	\$33,773,980	0.61%	0.23%

Delinquency Detail by Investor



May 31, 2025

Delinquencies in Excess of: \$1,000

Investor Segment	Segment Code	Investor Segment	Investor Pool	Loan Nbr	Project Id - Development Name	Total Rental Units	Original Loan Amt	Outstanding Loan Amt	Total Due & Uncollected - Delinquent	Past Due Installments
Escrow Division/Working Capital Fund	W001	Working Capital Fund	WCF Corporate	16-004-02	16-004 Pac 10 Lofts, Phase One	180	\$18,000,000	\$16,005,980	\$16,057,580	1
Housing Bond Resolution	B001	Housing Bond Resolution	HOUSING BOND RES 2017D	16-004-01	16-004 Pac 10 Lofts, Phase One	180	\$11,100,000	\$11,100,000	\$1,787,765	29
			HOUSING BOND RES 2022A-1	16-004-01	16-004 Pac 10 Lofts, Phase One	180	\$6,668,000	\$6,668,000	\$1,073,948	29
Overall - Total						180	\$35,768,000	\$33,773,980	\$18,919,293	

Delinquency Detail



May 31, 2025
Delinquencies in Excess of: \$1,000

Tax Credit (4% and/or 9%)

Principal Program Code	Project Id - Development Name	City/ Town	Total Rental Units	Project Outstanding Loan Amount	Total Due & Uncollected	Past Due Installments
TAXCREDIT	16-004 Pac 10 Lofts, Phase One	Lawrence	180	\$33,773,980	\$18,919,293	29
Overall - Total			180	\$33,773,980	\$18,919,293	



Massachusetts Housing Finance Agency
One Beacon Street Boston, MA 02108

Tel: 617-854-1000
Fax: 617-854-1091

Relay 711
www.masshousing.com

Posted: July 2, 2025 @ 4:55 p.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, July 8, 2025**

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://masshousing.zoom.us/j/84456088171>

The Zoom meeting ID is: Meeting ID: 844 5608 8171

The Zoom Passcode is: 591673

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. Vote Approving the Minutes
 - Regular Meeting of June 10, 2025
- C. Chief Executive Officer's Report

2. LOAN COMMITTEE

- A. Appleton Mill, Holyoke
 - Commitment of a Tax-Exempt Supplemental Conduit Loan
 - Approval for the Use of Low-Income Housing Tax Credits
- B. 775 Huntington Snow Lot, Boston (Mission Hill)
 - Official Action Status
 - Commitment of a Tax-Exempt Conduit Loan
 - Approval for the Use of Low-Income Housing Tax Credits
- C. Columbia Crossing, Boston (Dorchester)
 - Official Action Status
 - Commitment of a Tax-Exempt Conduit Loan
 - Approval for the Use of Low-Income Housing Tax Credits
- D. 95 Everett Street, Boston (Allston)
 - Official Action Status
 - Commitment of a Permanent Tax-Exempt Loan
 - Commitment of a Tax-Exempt Bridge Loan
 - Approval for the Use of Low-Income Housing Tax Credits
- E. Woodland Cove Phases I & II, Wareham
 - Votes Approving Transfers of Interests

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)

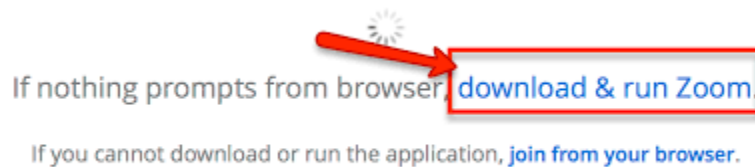
+1 669 900 9128 US (San Jose)

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)



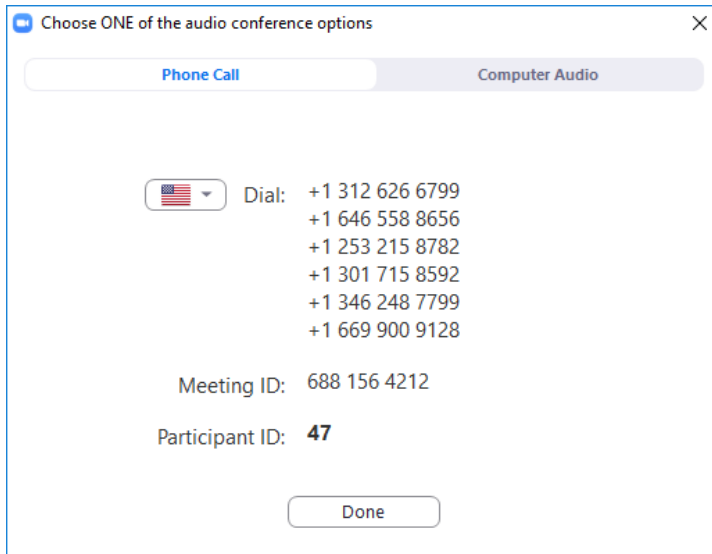
3. If Zoom does NOT automatically download and install. Click Download & run Zoom

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.

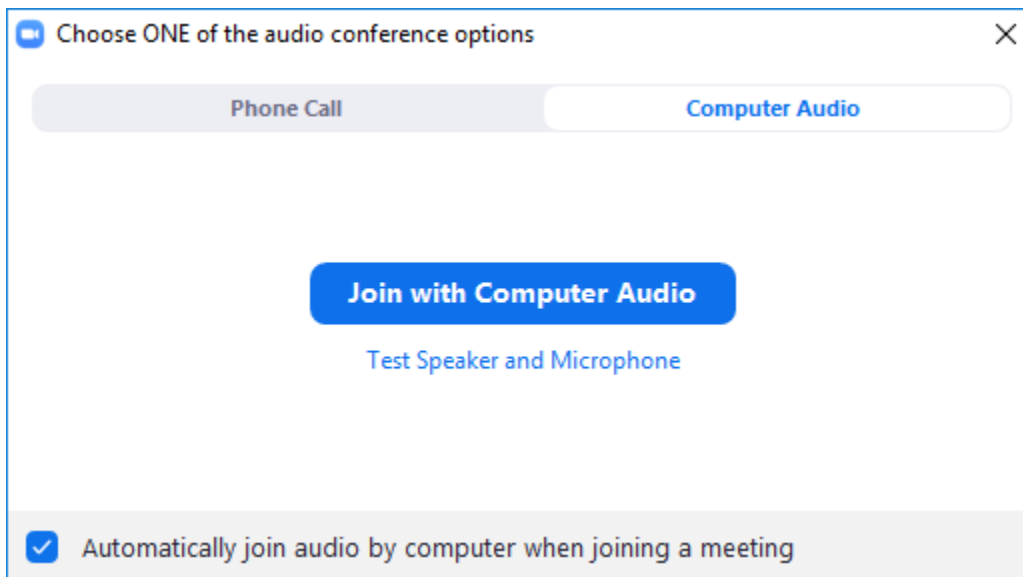
NOTE: The numbers for your meeting may be different than the ones in this example.



The screenshot shows a Zoom dialog box titled "Choose ONE of the audio conference options". It has two tabs: "Phone Call" (selected) and "Computer Audio". Under the "Phone Call" tab, there is a dropdown menu showing the United States flag, followed by a list of phone numbers: +1 312 626 6799, +1 646 558 8656, +1 253 215 8782, +1 301 715 8592, +1 346 248 7799, and +1 669 900 9128. Below the numbers, the "Meeting ID: 688 156 4212" and "Participant ID: 47" are displayed. At the bottom, there is a "Done" button.

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.



The screenshot shows the same Zoom dialog box, but now the "Computer Audio" tab is selected. The "Phone Call" tab is greyed out. In the center, there is a large blue button that says "Join with Computer Audio". Below it, there is a link that says "Test Speaker and Microphone". At the bottom, there is a checkbox that is checked, with the text "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.

**Minutes of the Regular Meeting of the
Members of MassHousing
held on
June 10, 2025**

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing – was held June 10, 2025 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.

Members:

Board Member	Present	Absent
Jeanne Pinado, Chair	X	
Carolina Avellaneda, Vice Chair	X	
Edward Augustus, ex officio	X	
Bran Shim*	X	
Herby Duvern�	X	
Tom Flynn	X	
Darnell Dunn	X	
Carmen Panacopoulos	X	
Michael Glover	X	

**Designee of Secretary Matthew Gorzkowicz, ex officio*

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

The Chair then indicated that the first order of business was the approval of the minutes of the May 13, 2025 meeting.

Upon a motion duly made and seconded, by roll call vote, by all Members present (Bran Shim and Michael Glover not yet attending), it was:

VOTED: That the minutes of the Regular Meeting of the Members held on May 13, 2025 are hereby approved and placed on record.

Michael Glover joined the meeting.

Chief Executive Officer’s Report

Chrystal Kornegay began her report by discussing MassHousing’s comprehensive internship

program, now in its third year. Ms. Kornegay detailed the process and explained that MassHousing received 669 applicants and of those candidates 46 were chosen to be interviewed and ultimately 16 interns, from 10 different schools were offered internships to work in 11 different MassHousing departments. Jeanne Pinado said that she has experience in the hiring of interns and reiterated what a great opportunity this is for the interns and MassHousing.

Ms. Kornegay then discussed the Commonwealth Builder program. The program began in 2019 and has since expanded its reach across the Commonwealth. To date, MassHousing has committed \$177 million of funding in 13 municipalities creating 804 new homeownership opportunities. Demand for Commonwealth Builder funding is “over subscribed” by almost 3:1, but the limited funds available are expected to be made available in a competitive funding round later this year. Carmen Panacopolous asked how the distribution of funds would be prioritized. Ms. Kornegay responded that readiness would likely be the biggest factor, but geographic distribution, and cost efficiency will also be important.

Bran Shim joined the meeting.

Vote Approving the Fiscal Year 2026 Fiscal Plan

Rachel Madden presented the proposed Fiscal Plan for Fiscal Year 2026. Ms. Madden began with a summary of Net Income, excluding grant activity, over the past several fiscal years, noting that the FY26 Budgeted Net Income is 7.9% higher than the FY25 Budget Net Income. Multifamily income is budgeted higher in FY26, with budgeted increase in lending income and servicing income, offset by lower Net Interest spread. Single-family income is also budgeted higher, driven by lending income, servicing income and net interest spread and offset by higher SRP purchases. MIF Production is predicted to be higher due to the increase in single-family production. Ms. Madden then walked through the various slides and appendices summarizing the Fiscal Plan. Jeanne Pinado asked if any new products were being added and Ms. Madden noted the recent modifications to the DPA program that have been very marketable.

Ms. Madden said that the payroll is increasing as well as the GIC payments. Ms. Panacopolous asked what the impact of the increased GIC cost would be on MassHousing employees. Ms. Madden responded that MassHousing has absorbed most of the costs. Herby Duvern  asked about a flat or reduced budget in light of the uncertainty in the federal government. Ms. Madden noted that the budget is generally built upon Agency need and noted that MassHousing is constantly monitoring the changes and is prepared to course correct if the need arises.

Tom Flynn asked what the plans were for the 3rd floor space that had been previously sublet and Ms. Madden noted that the Agency intends to occupy the space.

Ms. Madden then summarized the effects of grant activity and how the timing of grant receipts against grant disbursements can create confusion in some of the reporting and reviewed the Net Income both including grant activity and excluding grant activity. Michael Glover asked if we will continue to see grant discrepancies and for how long. Ms. Madden responded that given the disbursement of grants already received and several additional grant receipts anticipated, the

discrepancy in the timing will continue for some time.

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

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

Vote to Accept the Recommendation of the Retirement Board under M.G.L c. 32 § 103

Joseph Petty presented a recommendation of the Retirement Board under M.G.L. c. 32 § 103 with regards to an increase to the COLA Base.

The Members discussed the reasons for the proposed increase and the nature of the COLA rate and the Base amount. Mr. Petty noted that the pension fund is approximately 93% funded and the Members requested benchmarks for the future on how the fund compares to other retirement system funds.

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

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

Carolina Avellaneda and Bran Shim left the meeting.

Loan Committee

55 Hudson Rental (f/k/a Parcel R-1), Boston (Chinatown)

Sarah Hall presented a proposal for Official Action Status, Commitment of Tax-Exempt Conduit Loan, and Approval of the Use of Low-Income Housing Tax Credits for 55 Hudson Rental (f/k/a Parcel R-1), Boston (Chinatown).

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

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

Darnell Dunn left the meeting.

Northern Heights Apartments, Springfield

Michael Carthas presented a proposal for Official Action Status, Commitment of Tax-Exempt

Conduit Loan, and Approval of the Use of Low-Income Housing Tax Credits for Northern Heights Apartments in Springfield.

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

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

Somerhill (f/k/a 259 Lowell Street), Somerville

Michael Carthas presented a proposal for Official Action Status, Commitment of a Permanent Tax-Exempt Loan, Commitment of a Tax-Exempt Bridge Loan and Approval of the Use of Low-Income Housing Tax Credits for Somerhill (f/k/a 259 Lowell Street) in Somerville.

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

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

Claremont Grafton, Grafton

Jeffrey Geller and Brian Robinson presented a Commitment of Momentum Fund Equity and Commitment of a Subordinate Loan for Claremont Grafton in Grafton.

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

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 being none, the meeting adjourned at 3:15 p.m.

A true record.

Attest.

Colin M. McNiece
Secretary

Materials:

- Board Package, June 10, 2025

CEO Report

July 8, 2025

- Homeownership Partner Awards
- Strategic Community Investments Division

Homeownership Partner Awards



The Agency recently hosted its **top Homeownership Partners**, recognizing them for their continued contribution and commitment to providing affordable, sustainable homeownership opportunities for Massachusetts residents. **Forty-one lenders** joined us at the event.

Empowerment Award
Most production under 80% AMI



Top Gateway City Lender



Empowerment Award
90% of their production is in
BIPOC Communities



Healthy Homes Award
The top lender in our *Get the Lead Out Program*



Community Bank Legacy Award
Our top community bank partner for
the past ten years



Energy Hero Award
Helping homeowners adopt clean
energy



Strategic Community Investments Division

Effective July 1, 2025, the Equitable Business Development (EBD) division has been renamed to the **Strategic Community Investments Division (SCI)**. This new name better reflects the goals of the division and brings together all aspects of its work



Objectives of SCI

- Support community efforts to meet local housing goals
- Provide financing for small- and mid-sized housing developments
- Provide technical assistance to strengthen the capacity of communities and local developers

**Questions?
Comments?**

Thank You!

Tax-Exempt Supplemental Conduit Loan Commitment Proposal | July 8, 2025

Appleton Mill**1. General Project Information**

Project Name	Appleton Mill
Project ID	21-137
Associated Projects	N/A
Address(es)	216 & 191 Appleton St. and 5 Essex St., Holyoke, MA 01040
Sponsor	WinnDevelopment Company Limited Partnership
Transaction Type	Production (4%)
Funding Type	Current – Conduit Private Placement
Execution Type	Conduit Tax-Exempt
Credit Enhancement	None
Approval Type	Board
Total Rental Units	88
Affordability Mix	88 Affordable

2. Recommended Actions

- Commitment of Tax-Exempt Supplemental Conduit Loan
- Approval for the Use of Low-Income Housing Tax Credits

On August 8, 2023, Members of the Agency approved a short-term conduit loan to WinnDevelopment Company Limited Partnership (the “Sponsor” or “WinnDevelopment”) to allow the Sponsor to access 4% LIHTC equity for the proposed financing of Appleton Mill (the “Development”). The Development consists of the adaptive reuse of the former Farr Alpaca Company building complex located in downtown Holyoke, and will create 88 new affordable units.

Originally committed in the amount of up to \$28,750,000, the tax-exempt bond proceeds were sized during the closing process to \$27,161,000 to allow the Development to meet the minimum requirements of the Internal Revenue Code’s 50% Test.

Since the start of rehabilitation in 2023, the Development has encountered cost overruns related to significant unforeseen conditions, as portions of the mill that were previously unreachable were accessed. These conditions required more replacement of beams and decks, structural shoring, and masonry repairs than anticipated, and forced redesigns across the building. Additionally, while installing new drainage structures in the parking lot, unforeseen subsurface asbestos was encountered, triggering required remediation.

As a result, total development costs have increased, and the approved amount of tax-exempt proceeds are insufficient to meet the 50% Test requirements. As such, the proposal seeks

authority for an up to loan amount of \$2,500,000, with the final amount being the minimum necessary to meet the 50% test.

3. MassHousing Financing

First Loan	
Type	Tax-Exempt Short-Term Conduit Loan
Loan Amount	Up to \$2,500,000
Loan Term / Amortization	30 months / Interest Only

4. Updated Development Plan

Aside from work completed to address unforeseen issues, the development plan is consistent with what was presented and approved in 2023. Rehabilitation is approximately 89% complete with construction completion targeted for September 2025.

Permanent project sources have increased to cover the additional uses. The Development has been allocated additional state historic tax credits, and will generate significant upward federal LIHTC and federal historic tax credits basis adjusters over the amount contemplated at construction closing.

The additional short-term tax exempt proceeds serve two purposes: (i) provide tax-exempt debt sufficient for the Development to meet the 50% Test requirements and (ii) allow the Development to pay down the increased taxable construction loan, bridging the additional equity coming in at permanent closing.

From a timing perspective, at the closing of the additional tax-exempt proceeds, Enterprise Bank, the bridge lender, will draw down \$51,000 of the tax-exempt bonds, which will be used specifically to pay for the cost of bond issuance. After construction is complete, Enterprise Bank will draw down the remaining tax-exempt bonds and will fund those to Appleton Redevelopment LP to meet the 50% Test requirements.

5. Borrower Team

The borrower team remains the same as originally presented and approved in August 2023.

Mortgagor Entity:	Appleton Redevelopment Limited Partnership
Developer / Sponsor:	WinnDevelopment Company Limited Partnership
General Partner / Managing Member:	Appleton Redevelopment GP LLC
Construction Lender:	Bank of America, N.A.
Syndicator / Investor:	Bank of America, N.A. and Enterprise Bank
Management Company:	Winn Managed Properties, LLC (d/b/a WinnResidential)

Architect: The Architectural Team Inc.

General Contractor: Keith Construction Co., Inc.

6. Summary of MassHousing-Sponsor Relationship			
	<i>Recorded</i>	<i>Committed</i>	<i>Total</i>
Number of Projects with MassHousing Debt	32	11	43
Total Units with MassHousing Debt	5,103	1,090	6,193
Outstanding MassHousing Principal Debt	\$734,346,034	\$280,166,100	\$1,014,512,134
Number of Projects with MassHousing Conduit Financing	2		
MassHousing Conduit Loans are Compliant with Program Rules	Yes		
Adverse Actions Against the Borrower Team	No		
Current on Obligations with MassHousing	Yes		
Property Management Affiliate	Yes, Winn Managed Properties, LLC manages properties in the Sponsor's portfolio and offers management services outside the portfolio.		

MassHousing Staff	
Origination	Mike Carthas, Originator
Underwriting	Ryan Setzko, Underwriter Doug O'Brien, Analyst
Asset Management	Dan Discenza, Portfolio Manager Greta Appleton, Asset Manager

7. Unit Mix

		LIHTC-Eligible								
Unit Size	Total Units	EOHLC PBV 110% FMR		LIHTC 30% AMI		LIHTC 60% AMI		LIHTC 80% AMI		Market Comparison
		Count	Rent	Count	Rent	Count	Rent	Count	Rent	Rent
0 BR	4	-	-	-	-	4	\$910	-	-	TBD
1 BR	75	7	\$980	3	\$426	54	\$959	11	\$1,314	TBD
2 BR	9	1	\$1,241	-	-	7	\$1,141	1	\$1,567	TBD
Total	88	8		3		65		12		
* Rents shown net of utility allowance										

Table for informational purposes only, rents shown represent contract rents at the time of the 2023 commitment.

Project-Based Rental Subsidy	
Type	Section 8
Term	20 y
Administrator	Way Finders, Inc.
Lesser of Market or Contract	

8. Operating Overview

Underwritten OpEx	\$871,100 (approximately \$9,900 per unit)
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Basis of Operating Costs. Borrower submitted operating budget.

Table for informational purposes only, operating expense overview represents expenses at the time of the 2023 commitment.

9. Project Costs

Core Residential Costs	
Base	\$55,824,480
Extraordinary	\$4,091,376
Total	\$59,915,856
Total Development Cost	
Total	\$59,915,856

Project Construction Costs	
Total Construction Cost	\$45,109,594
Construction per Square Foot	\$279

Background on Extraordinary Costs. The development costs are primarily driven by two factors: costs related to structural deficiencies due to the failing roof, and costs related to the disconnected parking lot and community building.

Roof remediation requires a complicated structural rebuild consisting of careful demolition followed by immediate rebuilding. This process requires additional materials, including structural beams, posts, floor decking, and roof decking, and also adds to construction timing.

The disconnected parking area creates a need for a sophisticated stormwater retention system, sidewalk infrastructure, and pedestrian crossings to access the mill site, while the community building requires a skybridge to connect to the residential main mill structure.

10. Sources and Uses

Permanent Sources	August 2023 Commitment	July 2025 Commitment	Difference
Federal LIHTC Equity	\$21,408,863	\$23,941,363	\$2,532,500
Federal Historic Equity	\$7,341,266	\$8,276,071	\$934,805
State LIHTC Equity	\$11,700,000	\$11,700,000	
State Historic Equity	\$3,920,000	\$5,040,000	\$1,120,000
Deferred Developer Fee	\$1,058,422	\$1,058,422	
EOHLC - ARPA	\$4,300,000	\$4,300,000	
EOHLC - AHT	\$2,950,000	\$2,950,000	
EOHLC - HSF	\$1,000,000	\$1,000,000	
EOHLC - FCF	\$750,000	\$750,000	
City of Holyoke	\$600,000	\$600,000	
Sponsor Loan	\$300,000	\$300,000	
Total Sources	\$55,328,551	\$59,915,856	\$4,587,305

Permanent Uses	August 2023 Commitment	July 2025 Commitment	Difference
Acquisition	\$925,000	\$925,000	
Construction	\$41,250,835	\$45,109,594	\$3,858,759
General Development	\$8,870,839	\$9,599,385	\$728,546
Capitalized Reserves	\$481,877	\$481,877	
Developer Overhead	\$1,900,000	\$1,900,000	
Developer Fee	\$1,900,000	\$1,900,000	
Total Uses	\$55,328,551	\$59,915,856	\$4,587,305

Core Residential Uses of Funds	Total		Base Costs		Extraordinary Costs	
		Per Unit		Per Unit		Per Unit
Acquisition	\$925,000	\$10,511	\$925,000	\$10,511		
Construction	\$40,598,635	\$461,348	\$37,148,135	\$422,138	\$3,450,500	\$39,210
Construction Contingency	\$4,510,959	\$51,261	\$4,165,909	\$47,340	\$345,050	\$3,921
General Development	\$9,599,385	\$109,084	\$9,303,559	\$105,722	\$295,826	\$3,362
Capitalized Reserves	\$481,877	\$5,476	\$481,877	\$5,476		
Overhead	\$1,900,000	\$21,591	\$1,900,000	\$21,591		
Fee	\$1,900,000	\$21,591	\$1,900,000	\$21,591		
Total Residential Uses	\$59,915,856	\$680,862	\$55,824,480	\$634,369	\$4,091,376	\$46,493

Total Uses	\$59,915,856
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11. Underwriting

1. **Volume Cap:** The amount of the Supplemental Bond issue and corresponding volume cap required will be the minimum amount necessary to pass the 50% test.

12. 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 the Loan 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 DHCD 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.

Appleton Mill
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 \$2,500,000, 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, Chief Financial and Administrative Officer, Financial Director, Comptroller, Director (or Senior Director) of Finance, or Director (or Senior Director) of Capital Markets, 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 Appleton Redevelopment Limited Partnership or another single-purpose entity controlled by WinnDevelopment Company Limited Partnership or an affiliate (the “Borrower”) as owner of the multifamily residential development known as “Appleton Mill” (the “Development”) and located in Holyoke, 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.”

4% Low-Income Housing Tax Credits

VOTED: That the amount of 4% Credits, as set by the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior 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 Holyoke,

Massachusetts and known as “Appleton Mill” (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 Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, 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.

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:

88 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 market conditions as of the date of collection on June 28, 2023. The data is not subject to unanticipated events and circumstances that may occur after this date. Specifically, the subject's market area remains susceptible to the impacts of local, national, and international events that may include, but are not limited to, the effects of COVID-19, rising interest rates, or Russia's invasion of Ukraine. Further, the reader is cautioned and reminded that the conclusions presented apply only as of the collection date.

In-house data for larger market and mixed-income complexes (713 approximate units) in the area revealed a strong market, with increasing rental and occupancy rates over the past three years. Current occupancy rates of the five developments reviewed averaged approximately 98.6% and ranged between 95% and 100%. None of the comparables were offering concessions.

2nd Qtr. 2023 CoStar data for the subject's Holyoke (4,245 units) has an overall vacancy rate at 4.22% YTD, which is an increase of 1.2% from one year ago. CoStar data for the Springfield market (23,436 units) has an overall vacancy rate of 2.4% YTD, which is an increase of .60 % from one year ago. The Holyoke submarket vacancy rate is projected to increase to 4.48% over the next five years, while the Springfield market is projected to increase to 2.69%.

CoStar, submarket data for submarket data for the subject's 3 Star building type (1,678 units) indicates a 2nd Qtr. vacancy rate of 1.8% at an average asking rent of \$1,213 and 1-2 Star buildings (2,567 units) indicates a 2nd Qtr. 2023 vacancy rate of 5.8% at an average asking rent of \$1,112. According to the CoStar data there are no 4&5 Star properties in Holyoke. 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 Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/21/20), the City of Holyoke has 16,320 year-round housing units, 3,189 (19.5%) of which are subsidized for low/moderate income households.

Further, the Holyoke Housing Authority (HHA) owns and /or operates 4 Federally funded Public Housing developments for families which have a total of 557 rental units and 3 Federally funded

Public Housing developments for elderly/ disabled which have a total of 247 rental units. Per the representative of HHA, the Federal Waiting list(family and elderly combined) is as follows; 1BR-265, 2BR-179, 3BR-169, 4BR-25, and 6BR-1.

Regarding State funded public housing, they also own and/or operate 12 state funded family scattered site housing units located in South Holyoke, 3 state funded public housing units for elderly/disabled which have a total of 128 rental units. Per the representative of HHA, the State Waiting list (family and elderly combined) is as follows; 1BR-364, 2BR-275, and 3BR-326. Finally, they own/manage and one state funded development of congregate housing for elderly with 20 units.

HHA also administers 1,380 Section 8 Housing Vouchers. Per the representative of HHA, there are 194,590 applicants are on the centralized waiting list and of those applicants there are 5,030 local applicants.

U.S. Census data from the 2017-2021 American Community Survey (ACS) indicates that of the 15,062 households in the City of Holyoke, approximately 63.9% earned less than the HUD published 2023 AMI (\$93,70), approximately 54.7% earned less than 50% of 2023 AMI, approximately 61.2% earned less than 60% of the 2023 AMI and approximately 72% earned less than 80% of the 2023 AMI.

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	1	2
Number of Units	4	75	9
Net SF/Unit	547	653	860
Elev./Non-Elev.	E	E	E
Market Rate Rent (10% Rate 20 Year Term)	\$910	\$1,001	\$1,199
MHFA Below Market Rent (Cost-Based Rent)	\$910	\$1,001	\$1,199
MHFA Adjusted Rent	30% of 60% of AMI		
Underwriting Rents			
DHCD PBV 110% FMR	-	\$1,086	\$1,378
LIHTC 30% AMI	-	\$532	-
LIHTC 60% AMI	\$995	\$1,065	\$1,278
LIHTC 80% AMI	-	\$1,420	\$1,704

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 | July 8, 2025

Appleton Mill

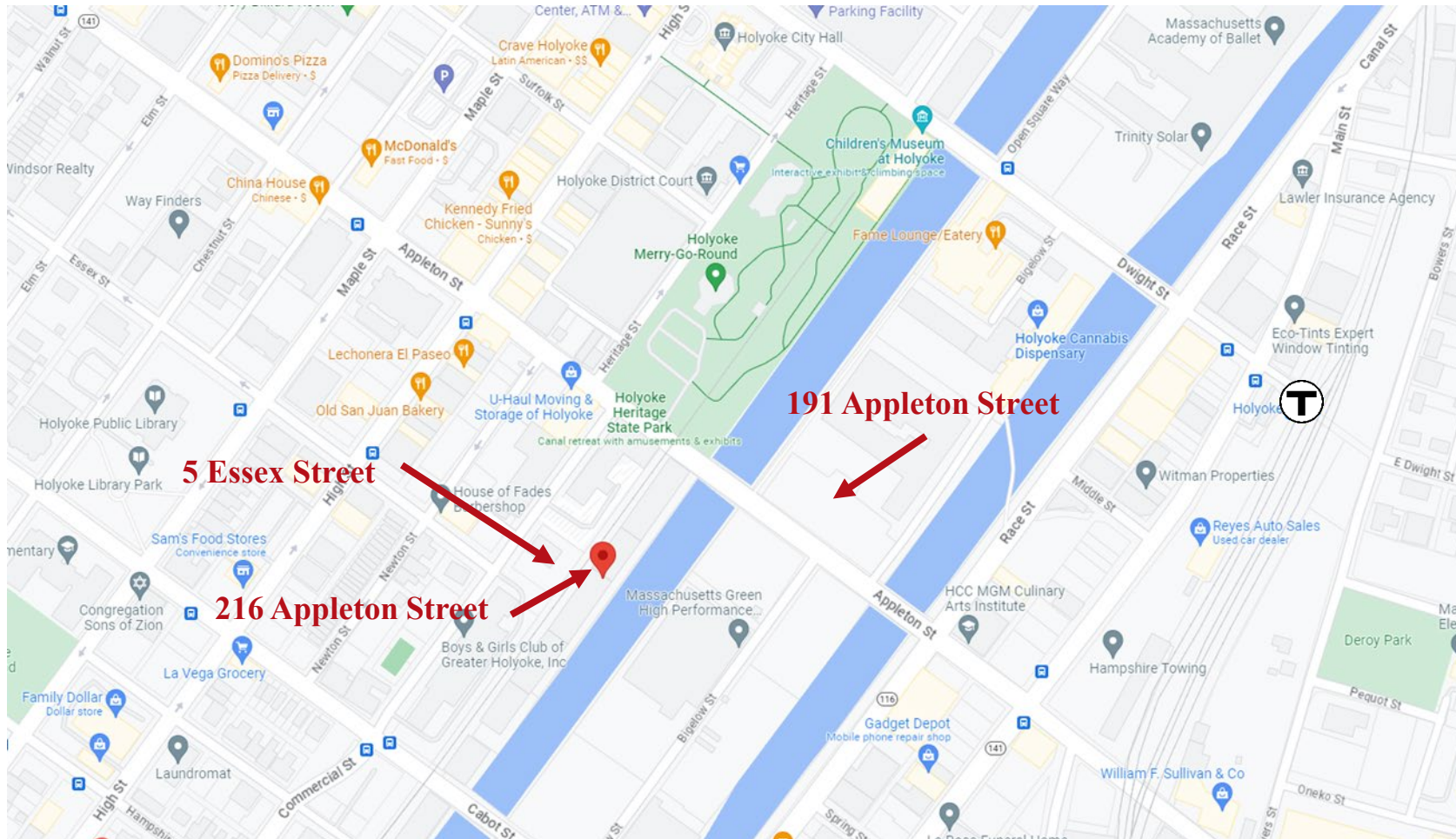


Location	216 & 191 Appleton St. and 5 Essex St., Holyoke, MA 01040
Sponsor	WinnDevelopment Company Limited Partnership
Transaction Type	Production (4%)
Funding Type	Current – Conduit Private Placement
Execution Type	Conduit Tax-Exempt
Credit Enhancement	None
Total Rental Units	88
Affordability Mix	88 Affordable

Deal Team Members

Origination	Mike Carthas
Underwriting	Ryan Setzko, Doug O'Brien
Asset Management	Dan Discenza, Greta Appleton

Appleton Mill | Holyoke



Appleton Mill | Holyoke



Borrower Team

Mortgagor Entity	Appleton Redevelopment Limited Partnership
Developer / Sponsor	WinnDevelopment Company Limited Partnership
General Partner / Managing Member	Appleton Redevelopment GP LLC
Construction Lender	Bank of America, N.A.
Syndicator / Investor	Bank of America, N.A. and Enterprise Bank
Management Company	Winn Managed Properties, LLC (d/b/a WinnResidential)
Architect	The Architectural Team Inc.
General Contractor	Keith Construction Co., Inc.

Unit Mix

		LIHTC-Eligible*								
Unit Size	Total Units	110% FMR – EOHLC PBV		30% of AMI – LIHTC		60% of AMI – LIHTC		80% of AMI – LIHTC		Market Comparison
		Count	Rent	Count	Rent	Count	Rent	Count	Rent	
0 BR	4	-	-	-	-	4	\$910	-	-	TBD
1 BR	75	7	\$980	3	\$426	54	\$959	11	\$1,314	TBD
2 BR	9	1	\$1,241	-	-	7	\$1,141	1	\$1,567	TBD
Total	88	8		3		65		12		

** Rents are net of utility allowance*

Table for informational purposes only, rents shown represent contract rents at the time of the 2023 commitment.

Project Costs

Core Residential Costs	
Base	\$55,824,480
Extraordinary	\$4,091,376
Total	\$59,915,856
Total Development Cost	
Total	\$59,915,856

Project Construction Costs	
Total Construction Cost	\$45,109,594
Construction per Square Foot	\$279

Sources and Uses

Permanent Sources	August 2023 Commitment	July 2025 Commitment	Difference
Federal LIHTC Equity	\$21,408,863	\$23,941,363	\$2,532,500
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Deferred Developer Fee	\$1,058,422	\$1,058,422	
EOHLC - ARPA	\$4,300,000	\$4,300,000	
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EOHLC - HSF	\$1,000,000	\$1,000,000	
EOHLC - FCF	\$750,000	\$750,000	
City of Holyoke	\$600,000	\$600,000	
Sponsor Loan	\$300,000	\$300,000	
Total Sources	\$55,328,551	\$59,915,856	\$4,587,305

Permanent Uses	August 2023 Commitment	July 2025 Commitment	Difference
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General Development	\$8,870,839	\$9,599,385	\$728,546
Capitalized Reserves	\$481,877	\$481,877	
Developer Overhead	\$1,900,000	\$1,900,000	
Developer Fee	\$1,900,000	\$1,900,000	
Total Uses	\$55,328,551	\$59,915,856	\$4,587,305

Underwriting Notes

1. Volume Cap

Recommended Votes

- Commitment of Tax-Exempt Supplemental Conduit Loan
- Approval for the Use of Low-Income Housing Tax Credits

Loan Commitment Proposal | July 8, 2025

775 Huntington Avenue Rental Condominium

1. General Project Information	
Project Name	775 Huntington Avenue Rental Condominium
Project ID	23-018
Associated Projects	775 Huntington Avenue Homeownership
Address(es)	775 Huntington Avenue, Boston (Mission Hill), MA 02115
Sponsor	Roxbury Tenants of Harvard Association, Inc.
Transaction Type	Production (4%)
Funding Type	Conduit Drawdown – Private Placement
Execution Type	Conduit (Tax-Exempt)
Credit Enhancement	None
Approval Type	Board
Total Rental Units	57
Affordability Mix	57 Affordable

2. Recommended Actions

- Official Action Status
- Commitment of a Tax-Exempt Conduit Loan
- Approval for the Use of Low-Income Housing Tax Credits

The proposed financing will support the construction of 775 Huntington Avenue Rental Condominium (the “Development” or the “Rental Condo”), a proposed 57-unit affordable housing community in Boston’s Mission Hill neighborhood. The Development will be one condominium within a single 13-story building that also includes 775 Huntington Ave Homeownership (the “Homeownership Condo”) and a Garage and Commercial Unit (the “Commercial Condo”).

In 2021, Roxbury Tenants of Harvard (the “Sponsor” or “RTH”), in conjunction with Munkenbeck Consulting and Causeway Development, were selected by the Boston Planning and Development Agency through a request for proposals process to redevelop 775 Huntington Avenue.

3. MassHousing Financing

Conduit Loan	
Type	Short-Term Tax-Exempt Conduit Loan
Loan Amount	\$19,400,000
Loan Term / Amortization	36 mo / interest only
Conduit Loan	
Type	Long-Term Tax-Exempt Conduit Loan
Loan Amount	\$10,600,000
Loan Term/Amortization	20y / 40y after permanent conversion, interest only for the development period of up to 36 months

4. Development Plan

Description of Site. The Development will be constructed on a 15,000-square foot parcel located at 775 Huntington Avenue in the Mission Hill neighborhood of Boston (the “Site”). The Site is currently used as a surface parking lot between two existing buildings and backed by an alleyway access from St. Albans Road. Surrounding uses include RTH’s Mission Park development, institutions in the Longwood Medical Area, a school, restaurants, and mixed-use buildings. MBTA Green Line and bus service are located less than one block away on Huntington Avenue.

Description of Proposed Building. The development plan includes the construction of 57 affordable housing units within the larger 775 Huntington Avenue building. Amenities available for the exclusive use of residents of the larger 775 Huntington Avenue building will be located on floors one, four, and thirteen. The first floor will include a lobby, management office, elevators, loading and services areas, interior trash, common area bathrooms, and bicycle parking. The fourth floor will have a lounge and kitchen space, washer/dryer facilities, a community room, and children’s play space. The thirteenth floor will consist of a community room and outdoor patio with views of downtown Boston. The Development will include one level of below grade parking with 20 spaces. The building will be built to LEED Gold and Passive House standards.

Description of Affordability Mix. All 57 units will be subject to income restrictions with set-asides ranging from 30% of Area Median Income (“AMI”) to 80% of AMI.

Eighteen (18) units will benefit from project-based rental assistance, including eight (8) project-based Section 8 units and ten (10) project-based MRVP units. The remaining 39 units will be tax credit units restricted at 60% and 80% of AMI.

Site Control. The Site is currently owned by RTH Community Property, LLC, an affiliate of the Sponsor.

5. Borrower Team

Mortgagor Entity: RTH 775 Rental LLC

RTH 775 Rental LLC is a single-asset, sole purpose limited liability company formed for the purposes of owning and operating the Development.

Developer / Sponsor: Roxbury Tenants of Harvard Association, Inc.

Roxbury Tenants of Harvard is a Boston-based community development corporation founded in the late 1960s with a mission to preserve and strengthen the Mission Hill neighborhood. Since its inception, RTH has developed 1,114 units of mixed-income housing and commercial space within the area bordered by Francis Street, Huntington Avenue, and the Riverway. Today, RTH provides property management, workforce development, and youth and senior services to nearly 2,200 residents. The organization's Mission Park development is in MassHousing's loan portfolio.

General Partner / Managing Member: RTH 775 Rental MM LLC

Construction Lender: Eastern Bank

Eastern Bank is a Massachusetts-based financial institution offering consumer, commercial, and business banking services. Eastern Bank has approximately \$22 billion in total assets and employs approximately 2,100 people. The most recent MassHousing transaction on which Eastern Bank was the construction lender was Brockton South T.O.D. in Brockton.

Permanent Lender: Massachusetts Housing Partnership

Massachusetts Housing Partnership ("MHP" or "Commercial Lender") is a public nonprofit affordable housing organization that works in concert with the Governor and the Executive Office of Housing and Livable Communities ("EOHLC") to increase the supply of affordable housing in Massachusetts. Founded in 1985, MHP finances affordable housing through a state law that requires companies that acquire Massachusetts banks to make loan funds available to MHP for the creation and preservation of affordable multifamily housing. Recent MassHousing conduit transactions on which MHP has been the permanent lender include Cheney Homes Apartments, West Newton Armory, and 55 Hudson, all of which are conduit transactions.

Consultant: Munkenbeck Consulting

Since 1997, Peter Munkenbeck has been a consultant, primarily to nonprofit affordable housing developers. During that time, Munkenbeck has been involved in the development and financing of 50 multifamily properties with over 6,000 units on behalf of more than 20 community development corporations in and near Boston. In recent years, he has assisted developers on increasingly complex transactions, many of them redevelopment efforts in response to City of Boston RFPs. In his consultant role on 775 Huntington, Munkenbeck is assisting and advising the Sponsor from local permitting to financial structuring through construction closing and the early stages of construction.

Consultant: Causeway Development

Causeway Development, formerly known as Traggorth Companies LLC, is led by principals Dave Traggorth and Dan Hubbard. Dave founded Traggorth Companies LLC in 2012 to develop mixed-income and mixed-use projects in urban environments. Today, he leads the work on acquisition opportunities, permitting, and construction while Dan focuses on financial structuring, analysis, and sourcing of development projects. Together, Traggorth and Hubbard have developed 12 residential or mixed-use projects, including Residences at Fairmount, a MassHousing Portfolio development. Causeway Development will lead the construction closing process, coordinate construction monitoring and requisitions, and oversee lease-up and permanent loan closing.

Federal Syndicator / Investor: Enterprise Housing Credit Investments, LLC

Enterprise Housing Credit Investments, LLC (“Enterprise”) is a national syndicator of tax credits. Since its founding, Enterprise and its investor partners have deployed nearly \$14 billion in LIHTC capital and have worked with non-profit and for-profit partners to create and preserve 154,000 affordable homes in more than 2,300 developments nationwide. The most recent MassHousing transaction on which Enterprise was the syndicator was Singing Bridge Residences in Chicopee.

State Syndicator / Investor: TCF LIHTC Fund of MA, LLC

TCF LIHTC Fund of MA, LLC is a fund that was created by Tax Incentive Finance (“TIF”) for the purpose of syndicating LIHTC in Massachusetts. Founded in 2005, TIF is an advisory and syndication firm based in Rhode Island with an office in Boston. TIF specializes in federal and state tax credit syndication, and in the past three years has closed thirteen State LIHTC deals in Massachusetts totaling over \$78 million in tax credit equity. The most recent MassHousing transaction with TIF as a credit placement agent was Pac-10 Lofts, Phase 1.

Management Company: Trinity Management LLC

Trinity Management LLC was launched on February 24, 2012, to provide exceptional property management services for condominiums, resident associations, cooperatives, community development corporations, non-profit and for-profit developers. The company manages properties throughout Massachusetts, Rhode Island, Connecticut and New York, with more than 7,800 residential units including 2,437 units in MassHousing’s portfolio.

Architect: Stantec Architecture, Inc.

Stantec Architecture Inc. is an international professional services company in the design and consulting industry. The company was founded in 1954, as D. R. Stanley Associates in Edmonton, Alberta, Canada. Stantec provides professional consulting services in planning, engineering, architecture, interior design, landscape architecture, surveying, environmental sciences, project management, and project economics for infrastructure and facilities projects.

The company provides services on projects around the world, with over 26,000 employees operating out of more than 400 locations in North America and across offices on six continents. Stantec was the architect on 117 Union Street and Bunker Hill Building M, two MassHousing-financed deals that are nearing construction completion.

General Contractor: Dimeo Construction Company

Founded in 1930, Dimeo Construction Company is one of the largest construction companies in New England. The organization has completed single projects ranging in size from several hundred thousand to over \$400 million. Dimeo's exclusive New England focus includes regional full-service offices in New Haven and Boston, and its headquarters in Johnston, RI. Dimeo is familiar to the agency and is serving as the general contractor on active projects such as 41 LaGrange and Curtis Apartments, Phase 1.

6. Summary of MassHousing-Sponsor Relationship			
	<i>Recorded</i>	<i>Committed</i>	<i>Total</i>
Number of Projects with MassHousing Debt	1	0	1
Total Units with MassHousing Debt	775	0	775
Outstanding MassHousing Principal Debt	\$33,373,330	\$0	\$33,373,330
Number of Projects with MassHousing Conduit Financing	0		
MassHousing Conduit Loans are Compliant with Program Rules	N/A		
Adverse Actions Against the Borrower Team	No		
Current on Obligations with MassHousing	Yes		
Property Management Affiliate	No		

MassHousing Staff	
Origination	Jeff Geller, Originator Sim Montrond, Analyst Patrick Schrantz, Analyst
Underwriting	Joseph Bertolino, Underwriter Dan Staring, Analyst
Asset Management	Lee Fiorenza, Portfolio Manager Serena Kay, Asset Manager

7. Unit Mix

Unit Size	Total Units	LIHTC Eligible							
		30% of AMI PB-Section 8		30% of AMI PB-MRVP		60% of AMI		80% of AMI	
		Count	Rent	Count	Rent	Count	Rent	Count	Rent
1 BR	12	3	\$2,680	2	\$2,377	5	\$1,689	2	\$2,309
2 BR	37	5	\$3,174	6	\$2,827	21	\$2,015	5	\$2,759
3 BR	8			2	\$3,418	6	\$2,318		
Total	57	8		10		32		7	

Rents are net of utility allowances, with the exception of the PB-MRVP.

Project-Based Rental Subsidy	
Type	Section 8
Term	20 y
Administrator	Metro Housing Boston
Type	MRVP
Term	15 y
Administrator	Metro Housing Boston

8. Operating Overview

Underwritten Operating Expenses	\$685,700 (approximately \$12,030 per unit)
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Basis of Operating Costs. Operating expense assumptions were based on the Sponsor's proposed budget and supporting documentation. While the per unit operating expenses are within the Agency's portfolio range of \$11,000 to \$15,000, the following element of the operating expenses is worth describing in greater detail:

- **Condominium Fees:** Approximately \$146,000 (\$2,565/unit) annually to cover the Development's portion of the overall condominium budget for expenses that will be shared by all three condominium units. These fees include costs related to management fee, fire and safety systems, security, insurance, etc. Insurance makes up the largest line item, with approximately \$1,240 per unit (49.6%) of the Rental Condo's total insurance cost included in the condo fees.

9. Project Costs

Core Residential Costs	
Base	\$38,613,089
Extraordinary	\$13,298,149
Total	\$51,911,238
Commercial, Site and Other Non-Residential Costs	
Commercial Costs	-
Site and Other Non-Residential Costs	\$5,069,685
Total	\$5,069,685
Total Development Cost	
Total	\$56,980,923

Project Construction Costs	
Total Construction Cost	\$42,904,000
Construction per Square Foot	\$615

Background on Extraordinary Residential Costs. Extraordinary residential costs are largely attributable to the size and shape of the site, which results in a triangular-shaped building with a high proportion of non-unit space per apartment. With an elevator lobby, two staircases, electrical and trash rooms, each floor can only accommodate 11 units. According to the Sponsor, the ratio on the residential floors of apartment area to common area is about 3 to 1 on this constrained site, while the typical ratio in a standard 20-unit per floor rectangular building is nearly 5:1.

The thirteen-story steel-frame building will have reinforced concrete walls, columns, and slabs, and will require a deep foundation system. This approach to construction requires temporary hoists and other specialty equipment to navigate the small site, protect utilities, and avoid disturbances to the surrounding area.

In addition, the construction budget reflects increases in labor and material costs due to ongoing shortages and supply chain challenges, and costs related to Passive House design.

Background on Commercial, Site and Other Non-Residential Costs. Non-residential costs associated with the construction of the Homeownership Condo and the Commercial Condo are not carried on this budget. However, the Development's budget does include site costs associated with undertaking construction of a deep foundation system within 10 feet of the existing buildings on both sides. Work will include soldier piles drilled into bedrock and lagging to brace the excavation walls, and underpinning of the neighboring buildings' foundations.

10. Sources and Uses

Sources of Funds	Total
MHP Permanent Loan	\$10,600,000
Federal LIHTC Equity	\$25,816,000
State LIHTC Equity	\$12,480,000
MOH	\$3,500,000
AHT	\$1,552,913
HIF	\$750,000
CBH & FCF	\$1,400,000
AAHG	\$750,000
Deferred Developer Fee	\$132,010
Total Sources	\$56,980,923

LIHTC Pricing	
Federal LIHTC	\$0.9025
State LIHTC	\$0.78

Core Residential Uses of Funds	Total	Per Unit
Acquisition	-	-
Construction	\$38,454,000	\$674,632
Construction Contingency	\$1,922,700	\$33,732
General Development	\$7,262,632	\$127,415
Capitalized Reserves	\$612,174	\$10,740
Overhead	\$1,829,866	\$32,103
Fee	\$1,829,866	\$32,103
Total Residential Uses	\$51,911,238	\$910,723

Base Costs	Extraordinary Costs
Per Unit	Per Unit
-	-
\$29,154,000	\$9,300,000
\$1,457,700	\$465,000
\$4,762,632	\$2,500,000
\$464,121	\$148,053
\$1,387,318	\$442,548
\$1,387,318	\$442,548
\$38,613,089	\$13,298,149

Commercial Uses*	-
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Site and Other Nonresidential Uses*	\$5,069,685
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Total Uses	\$56,980,923
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*Includes applicable hard costs, contingency, soft costs, overhead and fee.

11. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		\$621,624
Rental Income – Non-Rental Subsidy		\$949,656
Gross Potential Residential Income		\$1,571,280
Vacancy – Project-Based Rental Subsidy	5.0%	(\$31,081)
Vacancy – Non-Rental Subsidy	5.0%	(\$47,483)
Gross Residential Income		\$1,492,716
Other Income – Laundry		\$6,000
Effective Gross Income		\$1,498,716

Expenses		
Residential Operating Expenses		\$685,716
Net Operating Income		\$813,000
Debt Service		(\$669,091)
Cash Flow		\$143,909

Debt Service Coverage 1.22

Residential Operating Expense Detail			<i>Per Unit</i>
Management Fee	4.0%	\$59,949	\$1,052
Administrative Costs		\$148,453	\$2,604
Maintenance Costs		\$175,629	\$3,081
Resident Services		\$21,000	\$368
Security		-	-
Utilities (water and sewer, electricity)		\$31,000	\$544
Insurance		\$15,000	\$263
Taxes		\$68,514	\$1,202
Replacement Reserves		\$19,950	\$350
Master Condo Fees		\$146,221	\$2,565
Total		\$685,716	\$12,030

Operating Expenses as a Percent of EGI 45.8%

12. Underwriting

1. **Financing Structure.** Eastern Bank will serve as the taxable and tax-exempt construction lender, providing an estimated \$37,200,000 in construction loans to the Development. MassHousing will issue an estimated \$30,000,000 in conduit tax-exempt drawdown bonds, sized to meet the Development's 50% test needs.

At construction closing, the Borrower will close on the taxable and tax-exempt construction financing with Eastern Bank. MassHousing will also issue the drawdown tax-exempt bonds. Eastern Bank will draw down at least \$51,000 of the tax-exempt bonds.

During construction, the Borrower will continue to draw down Eastern's taxable and tax-exempt construction loans, available equity, and EOHLC and City soft funds to pay for project expenses. The full amount of tax-exempt bonds will be utilized during the development period. The Borrower has proposed a delayed equity investor admission structure, which will allow the Borrower to benefit from a non-profit sales tax exemption on the costs of construction materials, saving approximately \$1,500,000.

Following stabilization, a portion of the tax-exempt proceeds, equal to \$10,600,000 of the tax-exempt loan, will be assigned to MHP and remain outstanding as a permanent loan.

2. **Condominium Structure.** At construction closing, RTH 775 Residences Primary LLC (the "Primary Condo Entity"), an affiliate of the Sponsor, will acquire the Site and declare the primary condominium with three "shed units": the Rental Condo, which will comprise the Development, the Homeownership Condo, and the Commercial Condo. At this time, the Primary Condo Entity will convey the rental unit to the Borrower through a long-term unit lease.

When construction is sufficiently complete, the Primary Condo Entity and Borrower will amend and restate the primary condominium unit descriptions and the Primary Condo Entity will declare a secondary homeownership condominium in the Homeownership Condo to create the individual homeownership units. As the homeownership units are sold, the individual unit owners will become members of the secondary condominium association, which is a member of the primary condominium association. The Primary Condo Entity will retain ownership of the Commercial Condo. The condominium structure and documents are subject to MassHousing review and approval prior to closing, including a review to ensure that costs and risk are reasonably isolated to each respective component.

3. **Long-Term Unit Lease.** The Primary Condo Entity will convey the condominium unit comprising the Development to the Borrower through a 99-year unit lease. Rent payments under the long-term unit lease will be made from available cash flow. The long-term unit lease structure and documents are subject to MassHousing review and approval prior to closing.
4. **Developer Fee Approach.** Due to resource constraints, no developer fee or overhead will be charged for development of the Homeownership Condo. The Sponsor has proposed paid developer fee for the Rental Condo that includes an amount that would have been in the Homeownership Condo development budget if there were no resource constraints. The total amount of the proposed developer fee/overhead (\$4,000,000) is within the QAP limit. Given the unique circumstances regarding this development, EOHLC has consented to the proposed developer fee approach.
5. **Average Income Set-Aside.** The Sponsor proposes the use of the average income set-aside test option available under the federal tax code to make all the units in the Rental Condo, including the units restricted at 80% of AMI, eligible for federal low-income housing tax credits. The unit mix provides an average income restriction of 52.98%, which is below the 59% maximum required by EOHLC. The use of this average income set-aside is subject to EOHLC's approval.
6. **Tenant Selection Plan.** The Sponsor has proposed using an alternative form of Tenant Selection Plan ("TSP"), requiring a waiver of the Agency's Tenant Selection Regulations. Consistent with other MassHousing conduit transactions in the City of Boston involving city-owned land or city subsidy, the Sponsor will use a TSP in a form approved by the City of Boston's Mayor's Office of Housing ("MOH"). The MOH form of TSP will be required to meet all of the requirements of the Agency's enabling statute and will be subject to review and approval by the Agency's Director (or Senior Director) of Rental Management. This arrangement allows the owner and management agent to operate the Development under a single set of tenant selection instructions while ensuring compliance with core MassHousing requirements. Other transactions for which MassHousing has agreed to this arrangement include 55 Hudson and Cheney Homes Apartments.
7. **Conduit Appraisal.** For this conduit transaction, MassHousing will rely on the primary lender's appraisal as an intended user to determine value.

Underwriting Criteria and Loan Terms	775 Huntington Ave Rental	Underwriting Standards
1. DSCR	1.22	Commercial Lender
2. Term/Amortization	20 y / 40 y	Up to 40 years, as determined by the Commercial Lender
3. Loan to Value	TBD	Maximum of 90% based on third party "as-proposed" investment value
4. Underwriting Rents	2025 programmatic rent cap on 60-80% AMI units; 2024 FMR for MRVP units; 120% of 2024 FMR for Sec-8 units	Commercial Lender
5. Vacancy Allowance	PB Sec-8 & MRVP: 2% Non-PB: 3%	Commercial Lender
6. Affordability	40% at 60% of AMI	Minimum of: • 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	\$350 unit / year	Commercial Lender
8. Operating Expenses	Approximately \$12,030 unit / year	Commercial Lender

13. Low-Income Housing Tax Credits

The Sponsor 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.

775 Huntington Avenue Rental Condominium VOTES AND FINDINGS

PROPOSALS AND VOTES

OAS

RECOMMENDATION:

Staff has reviewed the development experience and creditworthiness of the mortgagor and sponsor and found them to be acceptable. Staff has also determined that the mortgagor, sponsor, or an affiliate under common control has demonstrated evidence of site control, that the proposed site is acceptable for the intended housing, and that there is a need for the proposed housing in the community where the site is located. Therefore, staff recommends the following votes for approval:

VOTED: To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as “775 Huntington Ave Rental Condominium” (the “Development”) at such time as it is submitted; (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 that such loan (a) be funded with proceeds of tax-exempt debt issued in the future and (b) reimburse, in accordance with Treasury Regulations Section 1.150-2, up to \$30,000,000 of costs of the Development paid prior to the issuance of such debt or the making of such loan; provided that this vote does not require the Agency to make any expenditure, incur any indebtedness or proceed with the Development.

Official Action Status Findings

In accordance with the vote of the Members of MassHousing dated October 10, 2023, staff makes the following Official Action Status findings for the Development:

1. The mortgagor or sponsor has acceptable multifamily housing development experience and acceptable credit history.

2. The mortgagor, sponsor or an affiliate under common control has demonstrated evidence of site control, which may include a deed, a ground lease, a purchase option, a contract of sale, or designation under a public land disposition process.
3. The site is acceptable for the proposed housing (if the loan would finance new construction).
4. There is a need for the proposed housing in the community where the site is located.

Commitment of a Conduit Loan

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 \$30,000,000 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, Chief Legal and Operating Officer, General Counsel, Chief Financial and Administrative Officer, Financial Director, Comptroller, Director (or Senior Director) of Finance, or Director (or Senior Director) of Capital Markets, 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 775 Huntington Ave Rental LLC or another single-purpose entity controlled by Roxbury Tenants of Harvard or an affiliate (the “Borrower”) as owner of the multifamily residential development known as “775 Huntington Ave Rental Condominium” (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:4% Low-Income Housing Tax Credits

VOTED: That the amount of 4% Credits, as set by the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior 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 “775 Huntington Ave Rental Condominium” (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 Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, 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, the Chief Legal and Operating 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, including a taxable construction loan with Eastern Bank

(the “Eastern Bank Loan”), provided that (1) any such mortgage loans, other than the Eastern Bank Loan, shall be subordinated to MassHousing’s first mortgage loan, and other MassHousing debt as determined by the Chief Executive Officer, the Chief Legal and Operating 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 their designee.

FURTHER VOTED: To authorize the Chief Executive Officer and the Vice President of Multifamily Programs, or their respective designees, each acting singly, to permit the owner and management agent of 775 Huntington Avenue Rental Condominium to use as its tenant selection plan a plan approved by MassHousing’s Director (or 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:

57 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 June 6, 2025. 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 1,506 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 92.8 %, and range between 90% and 96%. Three of comparables were offering concessions that ranged from \$1,000 off to \$2,000 off first month's rent.

Third Qtr. 2025 CoStar data for the subject's Fenway/Mission Hill Multi-Family Submarket (11,714 units) have an overall vacancy rate at 4.9% YTD, which is an increase of 1.46% from one year ago. CoStar data for the Boston market (287,611 units) has an overall vacancy rate of 6.1% YTD, which is an increase of .62 from one year ago. The Fenway/Mission Hill Multi-Family Submarket vacancy rate is projected to decrease to 4.8% over the next five years, while the Boston market is projected to decrease 6.0%.

CoStar, submarket data for the 4-5 Star building type (3,833 units) indicates a 3rd Qtr. 2025 vacancy rate of 9.8% and an average asking rent of \$4,344, while the submarket data for the subject's 3 Star building type (4,762 units) indicates a 3rd Qtr. 2025 vacancy rate of 3.1% at an average asking rent of \$3,376 and 1-2 Star buildings (3,119 units) indicates a 3rd Qtr. 2025 vacancy rate of 1.7% at an average asking rent of \$2,784. 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 (EOHLC) Chapter 40B Subsidized Housing Inventory (06/29/23), 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 2019-2023 American Community Survey (ACS) indicates that of the 279,216 households in the City of Boston approximately 81.9% earned less than the HUD published 2025 AMI (\$160,900), approximately 45.6% earned less than 50% of 2025AMI, approximately 53.3% earned less than 60% of the 2025 AMI, and approximately 68.6 %earned less than 80% of the 2025 AMI.

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:

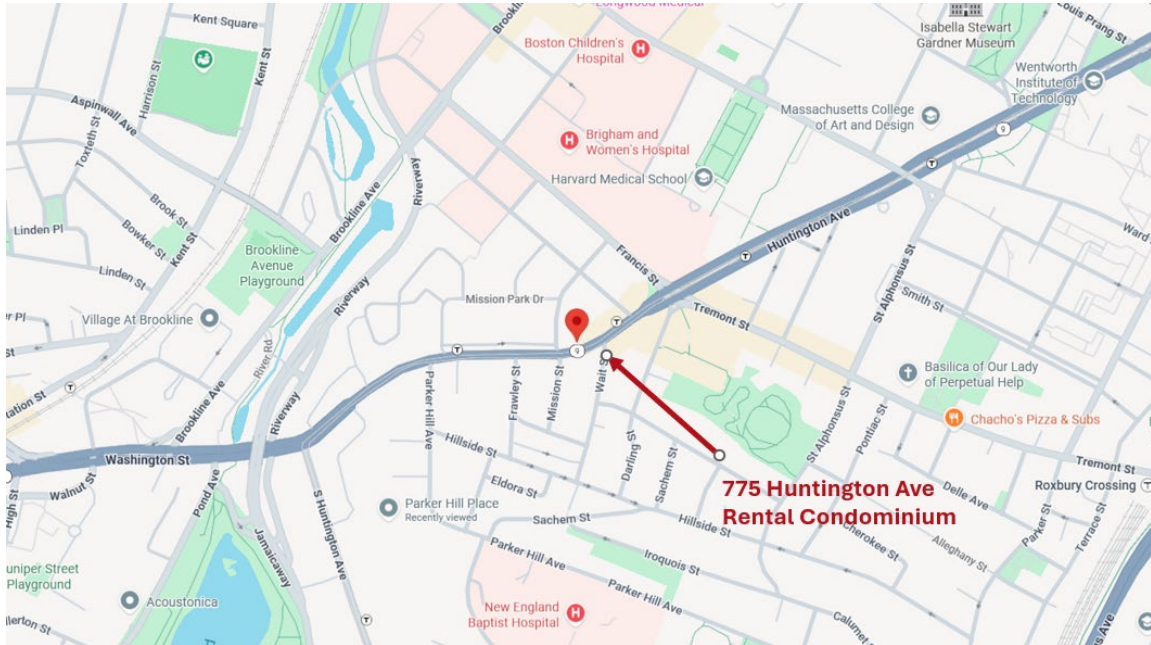
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms		1	2	3
Number of Units		12	37	8
Net SF / Unit		635	856	1268
Elevator Y/N		Y	Y	Y
Market Rate Rent (10% Rate 20 Year Term)	\$	3,157	\$ 3,369	\$ 3,518
MHFA Below Market Rent (Cost-Based Rent)	\$	2,109	\$ 2,321	\$ 2,470
MHFA Adjusted Rent	30% of 60% AMI			
Underwriting Rents				
MRVP	\$	2,377	\$ 2,827	\$ 3,418
Section 8	\$	2,625	\$ 3,075	
60% AMI	\$	1,634	\$ 1,916	\$ 2,154
80% of AMI	\$	2,254	\$ 2,660	

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 | July 8, 2025

775 Huntington Avenue Rental Condominium

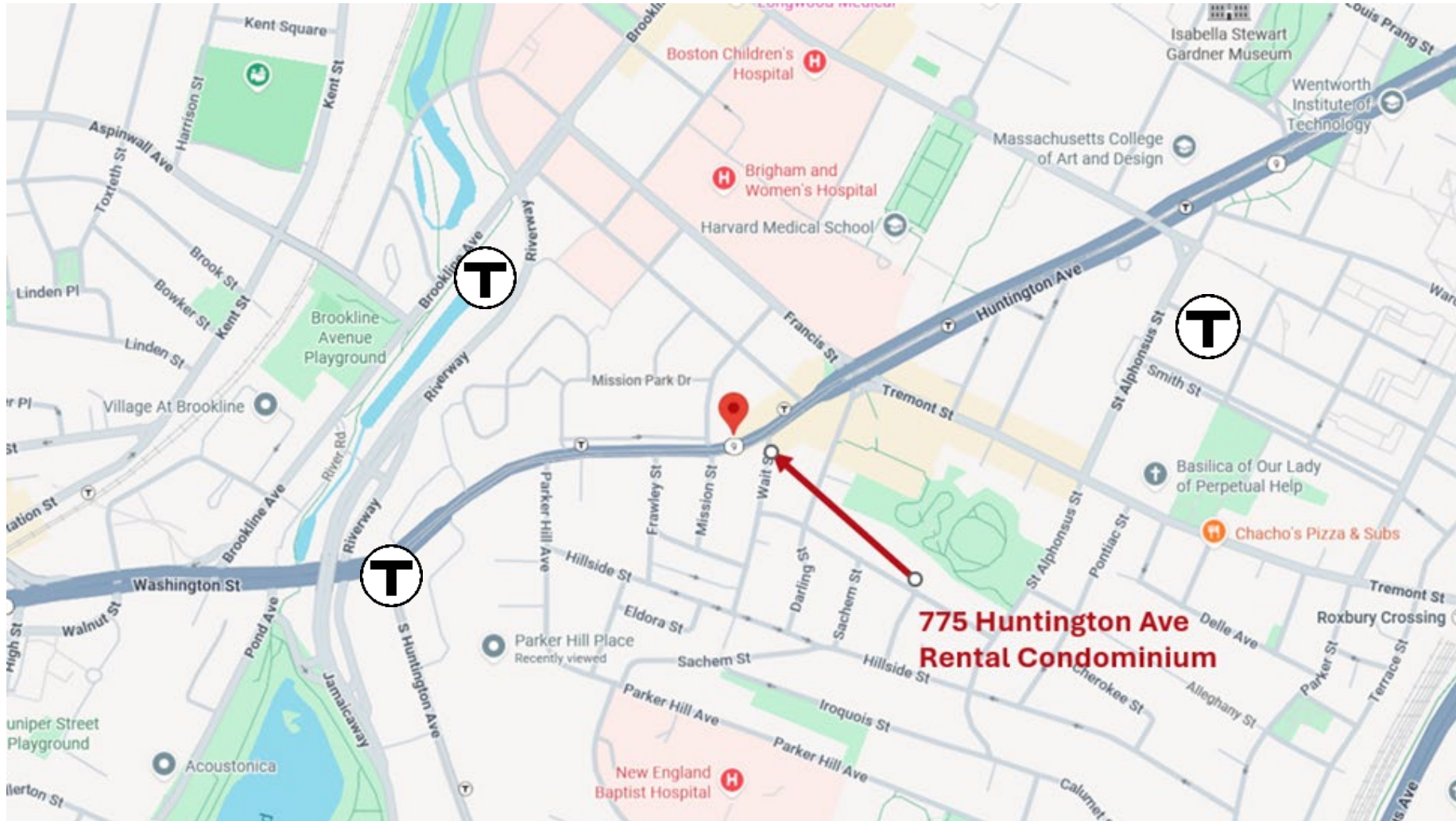


Location	775 Huntington Avenue, Boston (Mission Hill), MA
Sponsor	Roxbury Tenants of Harvard Association, Inc.
Transaction Type	Production (4%)
Funding Type	Conduit Drawdown – Private Placement
Execution Type	Conduit (Tax-Exempt)
Credit Enhancement	N/A
Total Rental Units	57 Units
Affordability Mix	57 Affordable

Deal Team Members

Origination	Jeff Geller, Sim Montrond, Patrick Schrantz
Underwriting	Joe Bertolino, Dan Staring
Asset Management	Lee Fiorenza, Serena Kay

775 Huntington Avenue Rental Condominium | Boston (Mission Hill)



Borrower Team

Mortgagor Entity	RTH 775 Rental LLC
Developer / Sponsor	Roxbury Tenants of Harvard Association, Inc.
General Partner / Managing Member	RTH 775 Rental MM LLC
Construction Lender	Eastern Bank
Consultant	Peter Munkenbeck, Causeway Development
Syndicator / Investor	Federal LIHTC: Enterprise Housing Credit Investments, LLC State LIHTC: TCF LIHTC Fund of MA, LLC
Management Company	Trinity Management LLC
Architect	Stantec Architecture, Inc.
General Contractor	Dimeo Construction Company

Unit Mix

Unit Size	Total Units	LIHTC-Eligible							
		30% of AMI PB-Section 8*		30% of AMI PB-MRVP		60% AMI*		80% AMI*	
		<i>Count</i>	<i>Rent</i>	<i>Count</i>	<i>Rent</i>	<i>Count</i>	<i>Rent</i>	<i>Count</i>	<i>Rent</i>
1 BR	12	3	\$2,680	2	\$2,377	5	\$1,689	2	\$2,309
2 BR	37	5	\$3,174	6	\$2,827	21	\$2,015	5	\$2,759
3 BR	8	-	-	2	\$3,418	6	\$2,318	-	-
Total	57	8		10		32		7	

** Rents are net of utility allowances, with the exception of the PB-MRVP.*

Project Costs

Core Residential Costs	
Base	\$38,613,089
Extraordinary	\$13,298,149
Total	\$51,911,238
Commercial and Non-Residential Costs	
Commercial Costs	-
Site and Other Non-Residential Costs	\$5,069,685
Total	\$5,069,685
Total Development Cost	
Total	\$56,980,923

Project Construction Costs	
Total Construction Cost	\$42,904,000
Construction per Square Foot	\$615

Sources and Uses

Sources of Funds			Uses of Funds	
MHP Permanent Loan	\$10,600,000		Acquisition	-
Federal LIHTC Equity	\$25,816,000		Construction	\$38,454,000
State LIHTC Equity	\$12,480,000		Construction Contingency	\$1,922,700
EOHLC – AHT	\$1,552,913		General Development	\$7,262,632
EOHLC – CBH/FCF	\$1,400,000		Capitalized Reserves	\$612,174
EOHLC - HIF	\$750,000		Overhead	\$1,829,866
City of Boston MOH	\$3,500,000		Fee	\$1,829,866
AAHG	\$750,000		Site and Other	\$5,069,685
Deferred Developer Fee	\$132,010		Nonresidential Uses	
Total Sources	\$56,980,923		Total Uses	\$56,980,923

Underwriting Notes

1. Financing Structure
2. Condominium Structure
3. Long-Term Unit Lease
4. Developer Fee Approach
5. Average Income Set-Aside
6. Tenant Selection Plan
7. Conduit Appraisal

Recommended Votes

- Official Action Status
- Commitment of a Tax-Exempt Conduit Loan
- Approval for the Use of Low-Income Housing Tax Credits
- Permit the Use of City of Boston TSP

Loan Commitment Proposal | July 8, 2025

Columbia Crossing

1. General Project Information

Project Name	Columbia Crossing
Project ID	23-101
Associated Projects	N/A
Address(es)	568-574 Columbia Road, Boston, MA 02125
Sponsor	Preservation of Affordable Housing, Inc. and Dorchester Bay Economic Development Corporation
Transaction Type	Production (4%)
Funding Type	Conduit Forward – Private Placement
Execution Type	Conduit (Tax-Exempt)
Credit Enhancement	None
Approval Type	Board
Total Rental Units	48
Affordability Mix	48 Affordable

2. Recommended Actions

- Official Action Status
- Commitment of a Tax-Exempt Conduit Loan
- Approval for the Use of Low-Income Housing Tax Credits

The proposed financing will support the construction of Columbia Crossing (the “Development”), a proposed 48-unit mixed-use community with affordable housing units and commercial space in Boston’s Dorchester neighborhood. The proposal involves the adaptive re-use of the existing Dorchester Savings Bank building, which will house civic and community uses with a focus on arts and innovation, and the new construction of residential units on what is now the parking lot for the bank building.

In 2020, an affiliate of Dudley Neighbors Incorporated (“DNI”), in conjunction with Dudley Street Neighborhood Initiative, Inc. (“DSNI”) and the City of Boston, released a request for proposals (“RFP”) for the redevelopment of the historic Dorchester Savings Bank building and an adjacent surface parking lot. The joint venture of Preservation of Affordable Housing, Inc. and Dorchester Bay Economic Development Corporation (together, the “Sponsor”) was the successful respondent to the RFP. The Sponsor’s proposal was consistent with ongoing work to create and nurture the Uphams Corner Arts and Innovation District (“UCAID”), an effort with the goal of revitalizing Uphams Corner with affordable housing, small businesses, and the arts.

3. MassHousing Financing

Conduit Loan	
Type	Short-Term Tax-Exempt Conduit Loan
Loan Amount	\$18,900,000
Loan Term / Amortization	36 mo / interest only
Conduit Loan	
Type	Long-Term Tax-Exempt Conduit Loan
Loan Amount	\$6,000,000
Loan Term/Amortization	20y / 40y after permanent conversion, interest only for the development period of up to 36 months

4. Development Plan

Description of Site. The Development will be on a 26,185 square-foot parcel in the Uphams Corner section of Dorchester (the “Site”). The Dorchester Savings Bank building sits on the front of the site, while the rear of the site is a surface parking lot. Several bus lines have stops within easy walking distance, and the Uphams Corner MBTA light rail station is four blocks away. Nearby uses include retail, restaurants, and the Strand Theater.

Description of Existing or Proposed Building. The six-story new construction residential building will have 48 affordable units, a management office, and two small “flex spaces” for artist-residents. Fifteen (15) enclosed parking spaces will be available for the exclusive use of residential tenants. An additional four outdoor parking spaces will also be available to both tenants and those using the commercial space. The residential building will be built to Passive House standards.

The Dorchester Savings Bank building will undergo a gut rehabilitation and will house 4,200 square feet of commercial and civic space and the 3,500-square foot Glow Box, which will have a roof deck. The Glow Box is so named because it is almost entirely glass and will house shared work and display space for artists.

Description of Affordability Mix. All 48 units will be subject to income restrictions with set-asides ranging from 30% of Area Median Income (“AMI”) to 80% of AMI.

Sixteen (16) units will benefit from project-based rental assistance, including eight (8) project-based Section 8 units and eight (8) project-based MRVP units. The remaining 32 units will be tax credit units restricted at 60% and 80% of AMI.

Site Control. The Sponsor has site control through a June 2021 developer designation by DNI 5, Inc. (“DNI 5”), a community land trust and affiliate of DNI and DSNI. In August 2022, the Sponsor entered a Memorandum of Understanding (“MOU”) with DNI and DNI 5 for a 24-month period with automatic 6-month extensions. At initial construction closing, an affiliate of the Sponsor will enter a 99-year ground lease with DNI 5 with an annual payment of \$2,000.

5. Borrower Team

Mortgagor Entity: Columbia Crossing, LLC

Columbia Crossing, LLC is a single-asset, sole purpose limited liability company formed for the purposes of owning and operating the Development.

Developer / Sponsor: Preservation of Affordable Housing, Inc. and Dorchester Bay Economic Development Corporation

Established in 2001, Preservation of Affordable Housing, Inc. (“POAH”) is a national nonprofit developer, owner, and operator of more than 12,000 affordable homes in eleven states and the District of Columbia. Aaron Gornstein is President and CEO of POAH and provides overall leadership and oversight of the organization, including strategic planning, financial management, supervision of the executive team, and external relations and partnerships. Rodger Brown is Managing Director of Real Estate Development. Recent MassHousing-financed developments sponsored by POAH include Gardner Terrace I, Whittier Phase 3, and Clarendon Hill Building E.

Dorchester Bay Economic Development Corporation (“DBEDC” or “Dorchester Bay EDC”) is a nonprofit community development corporation based in Uphams Corner. Founded in 1979, DBEDC is a certified Minority Business Enterprise that has developed and preserved over 1,100 units of affordable housing in and near Uphams Corner. In addition to their affordable housing development work, DBEDC has programs that create economic development opportunities for businesses and individuals, and they engage in community organizing and civic engagement work in their service area. Recent MassHousing-financed developments sponsored by DBEDC include Indigo Block and Quincy Heights.

General Partner / Managing Member: Columbia Crossing JV MM, LLC

Construction Lender: Citizens Bank, N.A.

Citizens Financial Group, Inc. is a bank holding company that owns Citizens Bank, N.A. (“Citizens Bank”) and is one of the nation’s oldest and largest financial institutions, with \$220 billion in assets as of August 2024. Headquartered in Providence, Rhode Island, Citizens offers retail and commercial banking products and services to individuals, small businesses, middle-market companies, large corporations and institutions. Recent MassHousing financed developments for which Citizens Bank has provided construction financing include Bartlett Station Building A in Boston, Rindge Commons in Cambridge, and Singing Bridge Residences in Chicopee.

Permanent Lender: Massachusetts Housing Partnership

Massachusetts Housing Partnership (“MHP” or “Commercial Lender”) is a public nonprofit affordable housing organization that works in concert with the Governor and the Executive Office of Housing and Livable Communities (“EOHLC”) to increase the supply of affordable

housing in Massachusetts. Founded in 1985, MHP finances affordable housing through a state law that requires companies that acquire Massachusetts banks to make loan funds available to MHP for the creation and preservation of affordable multifamily housing. Recent MassHousing conduit transactions on which MHP has been the permanent lender include Cheney Homes Apartments, West Newton Armory, and 55 Hudson, all of which are conduit transactions.

Federal LIHTC Syndicator: Boston Financial Investment Management, LP

Founded in 1969, Boston Financial Investment Management, LP (“Boston Financial”) has been a working in real estate investment management for over fifty years. With headquarters in Boston, the company currently manages approximately \$15 billion in real estate investments for over 140 institutional clients from across the United States. Recent MassHousing-financed developments with Boston Financial involvement include Jaycee Place and Powdermill Village.

State LIHTC Syndicator: Clocktower Tax Credits, LLC

Clocktower Tax Credits, LLC (“Clocktower”) is a national broker of state and federal tax credit incentives, including affordable housing tax credits. Based in Maynard, Clocktower’s state tax credit syndications are largely on Massachusetts projects. Recent MassHousing-financed developments with Clocktower as the State LIHTC syndicator include Prospect Estates and Tackenash Knoll.

Management Company: POAH Communities, LLC

POAH Communities, LLC (“POAH-C”) manages over 12,000 units of affordable rental housing on behalf of POAH, Inc. in eleven states and the District of Columbia. POAH-C has 350 staff members and maintains its corporate offices in Boston.

Architect: Moody Nolan

Moody Nolan is a national architecture firm with twelve offices employing over 350 staffers across the country, including one in Boston. The portfolio includes aviation, healthcare, education, hospitality, recreation, retail, sports, student life, office, and housing. The firm’s recent affordable housing projects are in the Midwest and New York. The firm has received numerous awards and citations, including the 2021 American Institute of Architects Architecture Firm Award. Moody Nolan is new to MassHousing, and the Agency’s Design and Construction team has conducted a review and determined that Moody Nolan has sufficient experience and capacity to serve as architect for the Development.

General Contractor: NEI General Contracting, Inc.

NEI General Contracting, Inc. (“NEI”) is an award-winning provider of general contracting and construction management services specializing in affordable and market-rate housing. Since 1998, NEI General Contracting has provided a full spectrum of general contracting and construction management services to clients throughout the Eastern United States. Recent



MassHousing-financed developments with NEI as the general contractor include Littleton Drive, Whittier Phases 1 and 2, and Prospect Estates.

6. Summary of MassHousing-Sponsor Relationship

Dorchester Bay EDC	<i>Recorded</i>	<i>Committed</i>	<i>Total</i>
Number of Projects with MassHousing Debt	4	0	4
Total Units with MassHousing Debt	310	0	310
Outstanding MassHousing Principal Debt	\$27,063,338	\$0	\$27,063,338
Number of Projects with MassHousing Conduit Financing	0		
MassHousing Conduit Loans are Compliant with Program Rules	N/A		
Adverse Actions Against the Borrower Team	No		
Current on Obligations with MassHousing	Yes		
Property Management Affiliate	No		

POAH	<i>Recorded</i>	<i>Committed</i>	<i>Total</i>
Number of Projects with MassHousing Debt	27	4	33
Total Units with MassHousing Debt	2,917	475	3,466
Outstanding MassHousing Principal Debt	\$286,476,321	\$155,069,500	\$441,545,821
Number of Projects with MassHousing Conduit Financing	1		
MassHousing Conduit Loans are Compliant with Program Rules	Yes		
Adverse Actions Against the Borrower Team	No		
Current on Obligations with MassHousing	Yes		
Property Management Affiliate	Yes, POAH Communities, LLC; management is limited to properties in POAH's portfolio.		

MassHousing Staff	
Origination	Sarah Hall, Originator Patrick Schrantz, Analyst
Underwriting	Mitch Printz, Underwriter, Dan Staring, Analyst
Asset Management	Lee Fiorenza, Portfolio Manager Serena Kay, Asset Manager

6. Unit Mix

		LIHTC Eligible													
Unit Size	Total Units	30% AMI PB Section 8*		50% AMI PB Section 8*		30% AMI MRVP		50% AMI MRVP		60% of AMI*		80% of AMI Artist*		80% of AMI*	
		Count	Rent	Count	Rent	Count	Rent	Count	Rent	Count	Rent	Count	Rent	Count	Rent
0 BR	6									6	\$1,566				
1 BR	11					1	\$2,377			7	\$1,663	1	\$1,957	2	\$2,252
2 BR	26	1	\$3,725	4	\$3,725	6	\$2,819			9	\$1,987	4	\$2,341	2	\$2,694
4 BR	5	2	\$3,076	1	\$3,076			1	\$3,399			1	2,693		
Total	48	3		5		7		1		22		6		4	

*Rents are net of utility allowances.

Project-Based Rental Subsidy	
Type	Section 8
Term	20 y
Administrator	Metropolitan Boston Housing Partnership Inc. (d/b/a "MetroHousing Boston")
Type	MRVP
Term	15 y
Administrator	Metro Housing Boston

7. Operating Overview

Underwritten Operating Expenses	\$810,800 (approximately \$16,900 per unit)
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Basis of Operating Costs. Operating expense assumptions were based on the Sponsor's proposed budget and supporting documentation. Per unit operating expenses exceed the Agency's portfolio range of \$11,000 to \$15,000 due to the following factors:

- **Resident Services:** Resident Services expenses are \$1,029 per unit. These services will be coordinated between the Sponsor and POAH-C and will include the involvement of an on-site Community Impact Coordinator. While the resident services program will ultimately be tailored to residents' needs, planned offerings include support services, financial coaching, after school activities, arts and cultural opportunities, and wellness programming.
- **Utilities:** The building will be fully electric and annual electricity costs are projected at \$1,855 per unit. The proposed solar array will offset only a small portion of these electric costs.
- **Insurance:** Per unit insurance costs over \$2,500 are based on a recent insurance quote and are significantly higher than what the Sponsor had been projecting. The increase in this line item is consistent with recent experience across the industry as insurance costs have gone up sharply in recent years.

8. Project Costs

Core Residential Costs	
Base	\$28,363,955
Extraordinary	\$9,535,585
Total	\$37,899,540
Commercial, Site and Other Non-Residential Costs	
Commercial Costs	\$7,665,739
Site and Other Non-Residential Costs	\$3,945,315
Total	\$11,611,054
Total Development Cost	
Total	\$49,510,594

Project Construction Costs	
Total Construction Cost	\$34,596,200
Construction per Square Foot	\$457

Background on Extraordinary Residential Costs. Extraordinary residential costs are largely attributable to the challenges and constraints associated with mid-rise construction on a compact site with a proposal that calls for both adaptive re-use and new construction. Three of the four elevations of the proposed new building are in close proximity to abutting properties and shoring is required along the lengths of these elevations.

In addition, the construction budget reflects the premium for Passive House materials, the costs for a rooftop solar array, and construction and increases in labor and material costs due to ongoing shortages and supply chain challenges.

Background on Commercial, Site and Other Non-Residential Costs. Non-residential costs carried in the development budget include the following:

- Relocation. Commercial tenants who had occupied the existing building have been relocated and the development budget reflects those costs.
- Zero lot line construction. The existing building occupies nearly the entire accessible area of the site and requires a zero lot line construction approach. All staging, loading, and trade equipment access will be required from either the street or sidewalk, necessitating the consistent use of temporary barriers, fencing, and pedestrian protection systems throughout the construction period.
- Commercial, civic, and arts space. Given the requirements of the RFP and local planning and visioning priorities, the community and arts spaces are an important feature of the proposed development. The costs to complete a gut rehabilitation of the existing building for future commercial tenants and for community use, along with the creation of the Glow Box are a significant portion of the development budget.

9. Sources and Uses

Sources of Funds	Total
MHP Permanent Loan	\$6,000,000
Federal LIHTC	\$20,939,262
State LIHTC	\$9,396,000
EOHLC HSF/TOD	\$2,800,000
EOHLC AHTF	\$2,000,000
EOHLC HOME (ARPA)	\$1,500,000
City of Boston MOH	\$2,500,000
City of Boston CPA	\$650,000
MHP Workforce Housing	\$1,000,000
MassWorks Site Readiness	\$1,415,332
DS4SI Funds	\$450,000
City of Boston Assumed Debt	\$740,000
Accrued Soft Debt Interest	\$120,000
Total Sources	\$49,510,594

LIHTC Pricing	
Federal LIHTC	\$0.92
State LIHTC	\$0.81

Core Residential Uses of Funds	Total	Per Unit
Acquisition	\$1,082,536	\$22,553
Construction	\$25,261,865	\$526,289
Construction Contingency	\$1,768,330	\$36,840
General Development	\$6,292,814	\$131,100
Capitalized Reserves	\$633,841	\$13,205
Developer Overhead	\$1,430,077	\$29,793
Developer Fee	\$1,430,077	\$29,793
Total Residential Uses	\$37,899,540	\$789,574

Base Costs	Per Unit	Extraordinary Costs	Per Unit
\$1,082,536	\$22,553	-	-
\$19,427,330	\$404,736	\$5,834,535	\$121,553
\$1,359,913	\$28,332	\$408,417	\$8,509
\$3,807,162	\$79,316	\$2,485,652	\$51,784
\$487,454	\$10,155	\$146,395	\$3,050
\$1,099,783	\$22,912	\$330,294	\$6,881
\$1,099,783	\$22,912	\$330,294	\$6,881
\$28,363,955	\$590,916	\$9,535,585	\$198,658

Commercial Uses*	\$7,665,739
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Site and Other Nonresidential Uses*	\$3,945,315
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Total Uses	\$49,510,594
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*Includes applicable hard costs, contingency, soft costs, overhead and fee

10. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		\$590,940
Rental Income – Non-Rental Subsidy		\$753,912
Gross Potential Residential Income		\$1,344,852
Vacancy – Project-Based Rental Subsidy	5.0%	(\$29,547)
Vacancy – Non-Rental Subsidy	5.0%	(\$37,696)
Gross Residential Income		\$1,277,609
Other Income – Laundry		\$6,490
Effective Gross Income		\$1,284,099

Expenses		
Residential Operating Expenses		\$810,815
Net Operating Income		\$484,926
Debt Service		(\$403,708)
Cash Flow		\$81,218

Debt Service Coverage 1.20

Residential Operating Expense Detail			<i>Per Unit</i>
Management Fee	3.0%	\$38,872	\$810
Administrative Costs		\$160,096	\$3,335
Maintenance Costs		\$128,522	\$2,678
Resident Services		\$49,400	\$1,029
Security		\$7,580	\$158
Utilities (Electric, Hot Water, Cable)		\$184,350	\$3,841
Insurance		\$123,252	\$2,568
Taxes		\$92,843	\$1,934
Replacement Reserves		\$17,900	\$363
Ground Lease; MHP Monitoring Fee		\$8,000	\$167
Total		\$810,815	\$16,892

Operating Expenses as a Percent of EGI 62.6%

11. Underwriting

1. **Financing Structure.** Citizens Bank will serve as the taxable and tax-exempt construction lender, providing an estimated \$32,000,000 in construction loans to the Development. MassHousing will issue an estimated \$24,900,000 in conduit tax-exempt bonds, sized to meet the Development's 50% test needs.

At construction closing, the Borrower will close on the construction financing with Citizens Bank and MassHousing will issue the drawdown tax-exempt bonds. Citizens Bank will draw down \$51,000 of the tax-exempt bonds, which will be used specifically to pay for costs of bond issuance.

During construction, the Borrower will draw down Citizens Bank's taxable construction loan, available equity, and EOHLC and City soft funds to pay for project expenses. The remaining balance in tax-exempt bonds will not be utilized during the construction period. The Sponsor has proposed a delayed equity investor admission structure, which will allow the Borrower to benefit from a non-profit sales tax exemption and result in an estimated \$600,000 savings on the costs of construction materials.

After construction is complete, the remaining tax-exempt bond proceeds will be drawn down and the taxable construction loan will be repaid. Following stabilization, the short-term portion of the conduit loan will be repaid from sources including tax credit equity, and the long-term portion will be assigned to MHP and remain outstanding as a permanent loan.

2. **Commercial, Civic, and Arts Spaces.** The Sponsor intends to construct commercial, civic, and arts spaces totaling approximately 7,700 square feet. These spaces, comprising the bank hall and the Glow Box, will be fully built out as part of the scope of work. The bank hall and Glow Box will be rented to Design Studio for Social Intervention ("DS4SI"). The Sponsor will not charge rent for the spaces leased to DS4SI. Instead, the operating expenses, including utilities and replacement reserves, will be passed on to DS4SI. Given this proposed arrangement, no income or expenses from the non-residential spaces is included in the underwriting.
3. **DS4SI Funds.** DS4SI is an Uphams Corner based nonprofit organization that focuses on artistic research and development. The organization partners with communities, artists, and social justice practitioners to bring the arts to marginalized communities. As part of their commitment to UCAID and the Development, DS4SI will contribute \$450,000 in capital sources. The full amount of DS4SI's contribution is not yet available. To the extent the organization is unable to raise the remaining amount of funds prior to closing, the Sponsor will bridge those funds. Once DS4SI occupies the bank hall and Glow Box, any delta

between \$450,000 and the amount of funds raised by DS4SI will be charged to DS4SI as rent.

4. **Artist Preference.** As part of the Sponsor's commitment to enhancing UCAID, twelve (12) of the total units at the Development will have an artists' preference. The City of Boston has approved this preference in concept and their approval will be memorialized in the Tenant Selection Plan ("TSP"). The City's Office of Arts and Culture will work with POAH-C to manage the selection process and the means by which an individual is deemed an artist. This process will be detailed in the TSP. The TSP and the artist certification process will be subject to MassHousing's review and approval. Six of the artist units will be in the 60% AMI tier and six will be in the 80% tier. To ensure a sufficient marketing window for the 80% tier, the Sponsor will offer those units at a starting rent roughly equal to 70% of AMI.
5. **Average Income Set-Aside.** The Sponsor proposes the use of the average income set-aside for this transaction. All 80% of AMI units are eligible for tax credits, and the unit mix provides an average income restriction of 56.67%, which is below the EOHLC maximum average income restriction of 59% of AMI. The use of this average income set-aside is subject to EOHLC's approval.
6. **Tenant Selection Plan.** The Sponsor has proposed using an alternative form of Tenant Selection Plan, requiring a waiver of the Agency's Tenant Selection Regulations. Consistent with other MassHousing conduit transactions in the City of Boston involving city-owned land or city subsidy, the Sponsor will use a TSP in a form approved by the City of Boston's Mayor's Office of Housing ("MOH"). The MOH form TSP will be required to meet all of the requirements of the Agency's enabling statute and will be subject to review and approval by the Agency's Director (or Senior Director) of Rental Management. This arrangement allows the owner and management agent to operate the Development under a single set of tenant selection instructions while ensuring compliance with core MassHousing requirements.
7. **Conduit Appraisal.** For this conduit transaction, MassHousing will rely on Citizens Bank's or MHP's appraisal as an intended user to determine value.

Underwriting Criteria and Loan Terms	Columbia Crossing	Underwriting Standards
1. DSCR	1.20x	Commercial Lender
2. Term/Amortization	20 y / 40 y	Up to 40 years, as determined by Commercial Lender
3. Loan to Value	TBD	Maximum of 90% based on third party "as-proposed" investment value
4. Underwriting Rents	Programmatic rent cap, with 5% - 10% marketing window on 50%-80% AMI units	Commercial Lender
5. Vacancy Allowance	5%	Commercial Lender
6. Affordability	40% at 60% AMI	Minimum of: • 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	\$350 unit / year	Commercial Lender
8. Operating Expenses	Approximately \$16,394 unit / year	Commercial Lender

12. Low-Income Housing Tax Credits

The Sponsor 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.

Columbia Crossing VOTES AND FINDINGS

PROPOSALS AND VOTES

OAS

RECOMMENDATION:

Staff has reviewed the development experience and creditworthiness of the mortgagor and sponsor and found them to be acceptable. Staff has also determined that the mortgagor, sponsor, or an affiliate under common control has demonstrated evidence of site control, that the proposed site is acceptable for the intended housing, and that there is a need for the proposed housing in the community where the site is located. Therefore, staff recommends the following votes for approval:

VOTED: To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as “Columbia Crossing” (the “Development”) at such time as it is submitted; (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 that such loan (a) be funded with proceeds of tax-exempt debt issued in the future and (b) reimburse, in accordance with Treasury Regulations Section 1.150-2, up to \$31,125,000 of costs of the Development paid prior to the issuance of such debt or the making of such loan; provided that this vote does not require the Agency to make any expenditure, incur any indebtedness or proceed with the Development.

Official Action Status Findings

In accordance with the vote of the Members of MassHousing dated October 10, 2023, staff makes the following Official Action Status findings for the Development:

1. The mortgagor or sponsor has acceptable multifamily housing development experience and acceptable credit history.
2. The mortgagor, sponsor or an affiliate under common control has demonstrated evidence of site control, which may include a deed, a ground lease, a purchase option, a contract of sale, or designation under a public land disposition process.

3. The site is acceptable for the proposed housing (if the loan would finance new construction).
4. There is a need for the proposed housing in the community where the site is located.

Commitment of a Conduit Loan

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 \$31,125,000 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, Chief Legal and Operating Officer, General Counsel, Chief Financial and Administrative Officer, Financial Director, Comptroller, Director (or Senior Director) of Finance, or Director (or Senior Director) of Capital Markets, 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 Columbia Crossing, LLC or another single-purpose entity controlled by Preservation of Affordable Housing, Inc. and Dorchester Bay Economic Development Corporation or an affiliate of either (the “Borrower”) as owner of the multifamily residential development known as “Columbia Crossing” (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:

4% Low-Income Housing Tax Credits

VOTED: That the amount of 4% Credits, as set by the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or

Senior 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 “Columbia Crossing” (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 Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, 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, the Chief Legal and Operating 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, including a taxable construction loan with Citizens Bank, N.A. or an affiliate thereof (the “Citizens Bank Loan”), provided that (1) any such mortgage loans, other than the Citizens Bank Loan, shall be subordinated to MassHousing’s first mortgage loan, and other MassHousing debt as determined by the Chief Executive Officer, the Chief Legal and Operating 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 their designee.

FURTHER VOTED: To authorize the Chief Executive Officer and the Vice President of Multifamily Programs, or their respective designees, each acting singly, to permit the owner and management agent of Columbia Crossing to use as its tenant selection plan a plan approved by MassHousing's Director (or 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:

All 48 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 May 30, 2025. 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 975 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 93.1 %, and range between 85% and 99%. None of the comparables were offering concessions.

Second Qtr. 2025 CoStar data for the subject's Roxbury/Dorchester Multi-Family Submarket (8,574 units) have an overall vacancy rate at 8.4% YTD, which is a decrease of 4.85% from one year ago. CoStar data for the Boston market (287,118 units) has an overall vacancy rate of 5.8% YTD, which is an increase of .33% from one year ago. The Roxbury/Dorchester Multi-Family Submarket vacancy rate is projected to decrease to 7.6% over the next five years, while the Boston market is projected to stay at 5.8%.

CoStar, submarket data for the 4-5 Star building type (2,718 units) indicates a 2nd Qtr. 2025 vacancy rate of 15.5% and an average asking rent of \$3,162, while the submarket data for the subject's 3 Star building type (3,097 units) indicates a 2nd Qtr. 2025 vacancy rate of 7.7% at an average asking rent of \$2,735 and 1-2 Star buildings (2,759 units) indicates a 2nd Qtr. 2025 vacancy rate of 2.1% at an average asking rent of \$2,122. 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 (EOHLC) Chapter 40B Subsidized Housing Inventory (06/29/23), 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 this time. The BHA also maintains a Public Housing Wait list with 28,703 applicants.

U.S. Census data from the 2019-2023 American Community Survey (ACS) indicates that of the 279,216 households in the City of Boston approximately 81.9% earned less than the HUD published 2025 AMI (\$160,900), approximately 45.6% earned less than 50% of 2025 AMI, approximately 53.3% earned less than 60% of the 2025 AMI, and approximately 68.6 %earned less than 80% of the 2025 AMI.

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:

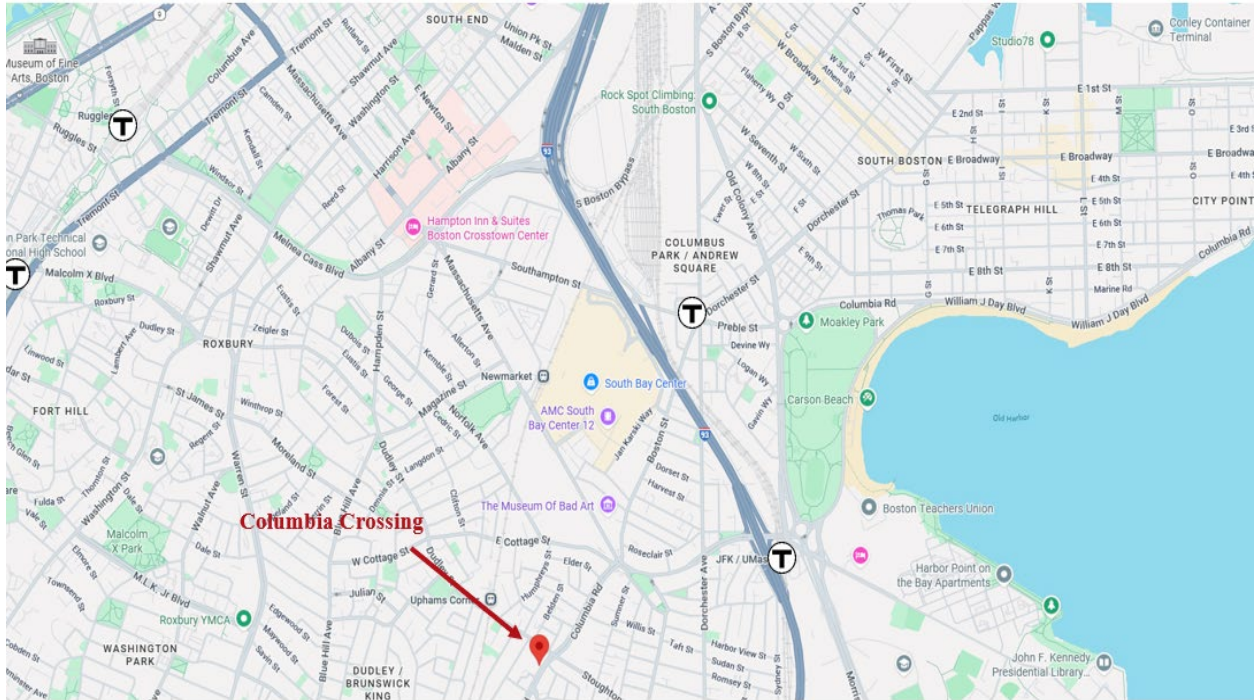
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	0	1	2	3
Number of Units	6	11	26	5
Net SF/Unit	535	737	856	1,200
Elev./Non-Elev.	E	E	E	E
Market Rate Rent (10% rate, 20 year term)	\$6,281	\$6,577	\$7,212	\$8,169
MHFA Below Market Rent (Cost-Based Rent)	\$4,012	\$4,308	\$4,943	\$5,899
MHFA Adjusted Rent	30% of 60% of AMI			
Underwriting Rents				
PB Section 8 – 30% and 50% AMI			\$3,076	\$3,725
MRVP – 30% and 50% AMI			\$3,076	\$3,725
LIHTC – 60% AMI	\$1,566	\$1,663	\$1,987	
LIHTC – 80% AMI (artist)		\$1,957	2,341	\$2,693
LIHTC – 80% AMI		\$2,252	\$2,694	\$3,268

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



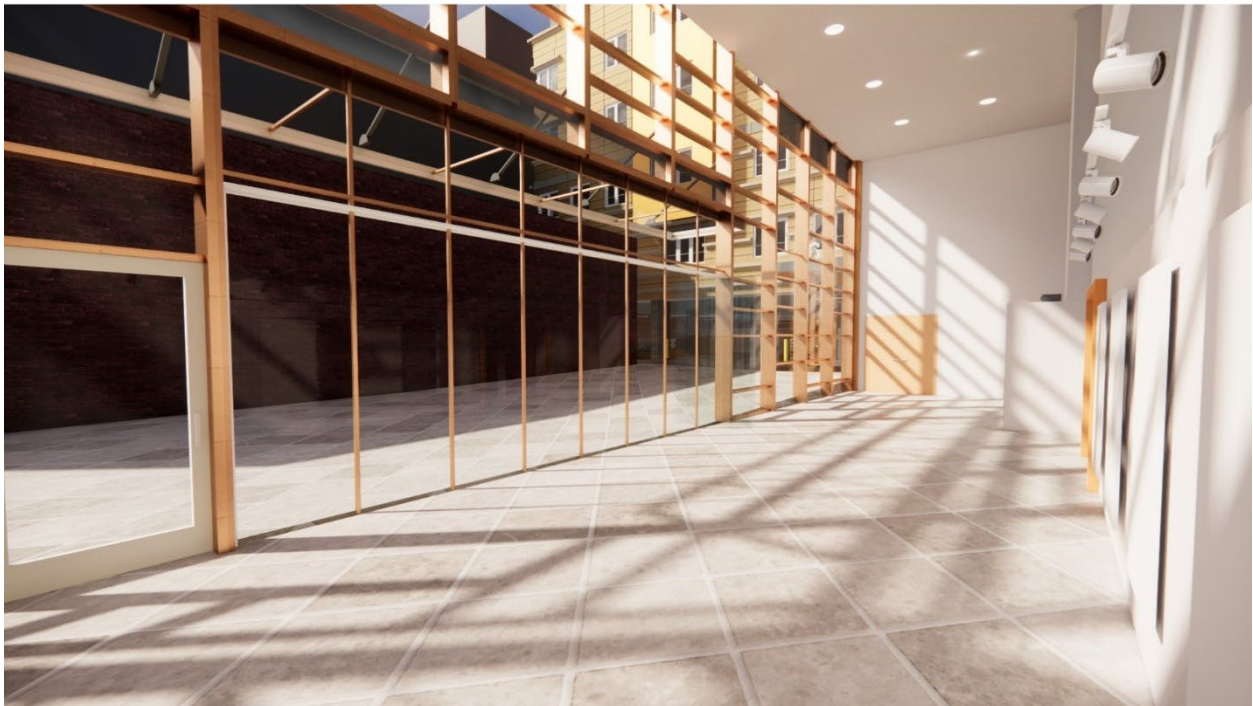
Existing Façade:



Proposed Façade:



Proposed Glow Box:



Proposed Bank Hall, First Floor:





Loan Commitment Proposal | July 8, 2025

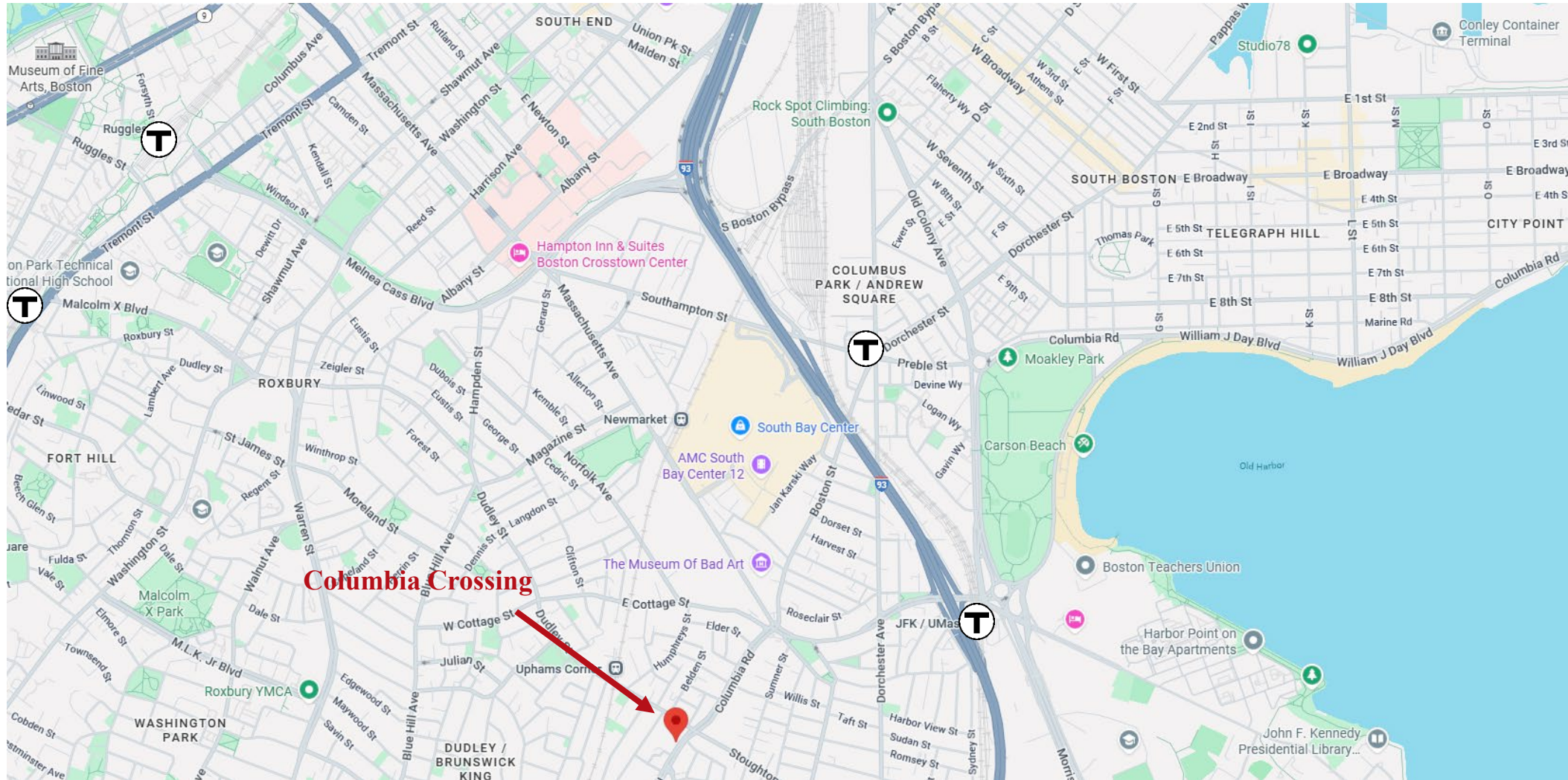
Columbia Crossing

Location	568-574 Columbia Road, Boston (Dorchester), MA
Sponsor	Preservation of Affordable Housing, Inc. and Dorchester Bay Economic Development Corporation
Transaction Type	Production 4%
Funding Type	Conduit Forward – Private Placement
Execution Type	Conduit (Tax-Exempt)
Credit Enhancement	None
Total Rental Units	48
Affordability Mix	48 Affordable

Deal Team Members

Origination	Sarah Hall, Patrick Schrantz
Underwriting	Mitch Printz, Dan Staring
Asset Management	Lee Ann Fiorenza, Serena Kay

Columbia Crossing | Boston (Dorchester)



Borrower Team

Mortgagor Entity	Columbia Crossing, LLC
Developer / Sponsor	Preservation of Affordable Housing, Inc. and Dorchester Bay Economic Development Corporation
General Partner / Managing Member	Columbia Crossing JV MM, LLC
Construction Lender	Citizens Bank, N.A.
Permanent Lender	Massachusetts Housing Partnership
Syndicator / Investor	Boston Financial Investment Management, LP (Federal) Clocktower Tax Credits, LLC (State)
Management Company	POAH Communities, LLC
Architect	Moody Nolan
General Contractor	NEI General Contracting, Inc.

Unit Mix

Unit Size	Total Units	LIHTC-Eligible									
		30-50% AMI – PB Section 8*		30-50% AMI – MRVP		60% of AMI – LIHTC*		80% of AMI – Artist*		80% of AMI	
		<i>Count</i>	<i>Rent</i>	<i>Count</i>	<i>Rent</i>	<i>Count</i>	<i>Rent</i>	<i>Count</i>	<i>Rent</i>	<i>Count</i>	<i>Rent</i>
0 BR	6	-	-	-	-	6	\$1,566	-	-	-	-
1 BR	11	-	-	1	\$2,377	7	\$1,663	1	\$1,957	2	\$2,252
2 BR	26	5	\$3,725	6	\$2,819	9	\$1,987	4	\$2,341	2	\$2,694
4 BR	5	3	\$3,725	1	\$3,399	-	-	1	\$2,693	-	-
Total	48	8		8		22		6		4	

* Rents are net of utility allowances.

Project Costs

Core Residential Costs	
Base	\$28,369,062
Extraordinary	\$9,535,596
Total	\$37,904,658
Commercial and Non-Residential Costs	
Commercial Costs	\$7,666,668
Site and Other Non-Residential Costs	\$3,945,268
Total	\$11,611,936
Total Development Cost	
Total	\$49,516,594

Project Construction Costs	
Total Construction Cost	\$34,596,200
Construction per Square Foot	\$457

Sources and Uses

Sources of Funds			Uses of Funds	
MHP Permanent Loan	\$6,000,000		Acquisition	\$1,082,536
Federal LIHTC	\$20,939,262		Construction	\$25,261,865
State LIHTC	\$9,396,000		Construction Contingency	\$1,768,330
EOHLC HSF/TOD	\$2,800,000		General Development	\$6,292,814
EOHLC AHTF	\$2,000,000		Capitalized Reserves	\$633,841
EOHLC HOME (ARPA)	\$1,500,000		Developer Overhead	\$1,430,077
City of Boston MOH	\$2,500,000		Developer Fee	\$1,430,077
City of Boston CPA	\$650,000		Commercial Uses*	\$7,665,739
MHP Workforce Housing	\$1,000,000		Site and Other Nonresidential Uses	\$3,945,315
MassWorks Site Readiness	\$1,415,332			
DS4SI Funds	\$450,000			
City of Boston Assumed Debt	\$740,000			
Accrued Soft Debt Interest	\$120,000			
Total Sources	\$49,510,594		Total Uses	\$49,510,594

**Includes applicable hard costs, contingency, soft costs, overhead and fee.*

Underwriting Notes

1. Financing Structure
2. Commercial, Civic, and Arts Spaces
3. DS4SI Funds
4. Artist Preference
5. Average Income Set-Aside
6. Tenant Selection Plan
7. Conduit Appraisal

Recommended Votes

- Official Action Status
- Commitment of the Tax-Exempt Conduit Loan
- Approval for the Use of Low-Income Housing Tax Credits

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95 Everett Street

1. General Project Information	
Project Name	95 Everett Street
Project ID	24-006
Associated Projects	N/A
Address(es)	95 Everett Street, Boston (Allston), MA 02134
Sponsor	Pennrose LLC
Transaction Type	Production (4%)
Funding Type	Forward Commitment of Permanent Loan
Execution Type	Portfolio (TE)
Credit Enhancement	HUD/FHA Risk-Sharing with 50% credit risk
Approval Type	Board
Total Rental Units	88
Affordability Mix	73 Affordable 15 Moderate Income

2. Recommended Actions

- Official Action Status
- Commitment of Permanent Tax-Exempt Loan
- Commitment of Tax-Exempt Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

The proposed financing will support the new construction of 95 Everett Street (the “Development”), a proposed 88-unit development located in Boston (Allston) (the “City”).

Braintree Street Realty LLC (“Braintree”) is the owner of two parcels of land in the City and plans to develop one of the parcels, 119 Braintree Street, into a lab space. In order to get the City approval to build this lab space Braintree needed to include some level of housing on the other parcel, 95 Everett Street. In 2021, Pennrose LLC (“Pennrose”) and Braintree entered into a Memorandum of Understanding (“MOU”) to allow Pennrose and First Atlantic LLC (“FA”) to develop the residential portion of the two parcels under a ground lease detailed in Section 3

3. MassHousing Financing

First Loan	
Type	Permanent First Mortgage Loan
Loan Amount	\$9,200,000
Interest Rate	30 Year MMD plus 237 basis points (bps) to be locked at Construction Loan Closing (processing rate of 7.27% assumed for underwriting)
Loan Term / Amortization	40 y / 40 y
Term of Fwd Commitment	30 mo
Year 1 DSCR	1.15 projected (1.10 minimum)
LTV	TBD (90% maximum)
Tax Exempt Equity Bridge Loan	
Type	Tax-Exempt Equity Bridge Mortgage Loan
Loan Amount	\$19,800,000
Interest Rate	5.44% projected
Loan Term/Amortization	12 mo / interest only

4. Development Plan

Description of Site. The Development is located on a 14,854 square foot parcel of land, steps away from the MBTA Boston Landing commuter rail station and bus routes running along Cambridge and Beacon Street, and the Harvard Avenue Station (MBTA Green Line). Walkable amenities include grocery stores, pharmacies, community health centers, a public library, as well as popular restaurants and retail.

Description of Existing or Proposed Building. The Development is on the corner of Everett Street and Braintree Street. The Development currently houses a surface parking lot and a 1950s automobile garage structure. The remainder of the site consists of paved parking and limited landscaping areas. The proposed seven-story structure will include a 1,615 square foot commercial space and will include post tensioned platform construction, wood framing, norman brick and cement fiber façade.

The Development is designed to Passive House sustainability standards. Energy reduction measures will also include occupancy sensors for common spaces, energy efficient HVAC and plumbing equipment, low flow kitchen and bathroom water fixtures, Energy Star compliant lighting and fixtures and a solar PV-ready roof.

Description of Affordability Mix. All units will be subject to income restrictions with set-asides ranging from 30% of Area Median Income (“AMI”) to 120% of AMI. 73 of the 88 units will be LIHTC eligible, the remaining 15 units will be restricted by the City through MassDocs. 18 units will benefit from project-based MRVP rental assistance.

Site Control. The Sponsor secured site control by a Lease Option Agreement with Braintree Realty LLC (“Agreement”). The Agreement stipulates a 99-year ground lease, with all lease payments made up-front at closing in the amount of \$490,000. The Agreement expiration date is December 31, 2025.

5. Borrower Team

Mortgagor Entity: 95 Everett Street LLC

95 Everett Street LLC is a sole-asset, single-purpose entity formed for the purposes of owning and operating the Development.

Developer / Sponsor: Pennrose, LLC

Pennrose, LLC (“Pennrose”) is an experienced national development firm, completing over 350 developments (27,000 units). While initially focused on the mid-Atlantic region, Pennrose has expanded its footprint over the years and now includes offices and developments in Boston, Atlanta, and Texas, as well as Philadelphia, New York, Ohio and Maryland/DC/Virginia. In addition to its development work, Pennrose includes an affiliated management company.

The Agency’s most recent experience with Pennrose was on Swifts Landing (Senior), Swifts Landing (Family), and Cape Cod Five Redevelopment.

General Partner / Managing Member: Pennrose Holdings, LLC

Construction Lender: Capital One National Association

Founded in 1994 and initially focused solely on credit cards, Capital One National Association (“Capital One”) thereafter expanded into retail banking in 2005 and is now one of the largest banks in the United States. Today, the bank provides a wide range of financial products and services to consumers, small businesses and commercial clients in the United States, Canada and the United Kingdom. It operates through the following business segments: Credit Cards, Checking & Savings, Auto Loans, Business, and Commercial.

Capital One is also one of the largest lenders in multifamily housing in the United States, managing a portfolio of over \$100 Billion across 49 states. While this will be the first MassHousing transaction in which Capital One is the construction lender, the bank has closed recent affordable housing deals of similar size and scope in New York, Texas, Louisiana, and Washington DC.

Syndicator / Investor: Hudson Housing Capital

Hudson Housing Capital (“Hudson”) is a Delaware limited liability company formed to directly acquire limited partnership interests in partnerships which own apartment complexes qualifying for low-income housing tax credits. Founded in 1998 as a low-income housing tax credit

syndicator, Hudson has syndicated more than \$6 billion in tax credit equity since its inception. Hudson continues to manage a portfolio with strong performance measures and consistently raises and closes over \$500 million annually.

The Agency's most recent experience with Hudson was on Swifts Landing (Senior), Swifts Landing (Family), and Cape Cod Five Redevelopment.

Management Company: Pennrose Management Company

Established in 1981, Pennrose Management Company is a provider of professional property management, consulting and auxiliary services to property owners including non-profit and public agencies as well as other private sector entities. With a staff of approximately 300 employees, the company manages a portfolio of over 130 properties (8,200 units) in six states.

The Agency's most recent experience with Pennrose Management was on Swifts Landing (Senior), Swifts Landing (Family), and Cape Cod Five Redevelopment.

Architect: DiMella Shaffer

Dimella Shaffer has designed more than 35,000 housing units across a range of project types. Dimella Shaffer works closely with residents, builders, developers, public agencies and neighborhoods, while using the latest sustainable materials and building technology.

The Agency's most recent experience with DiMella Shaffer was on Grace Apartments and Waterworks II.

General Contractor: Dellbrook | JKS

Dellbrook | JKS is one of the largest construction companies in New England and has been in operation for over 30 years. The firm has extensive experience in overseeing the new construction of sustainable multi-family buildings throughout Massachusetts.

The Agency's most recent experience with Dellbrook | JKS was on West Newton Armory, Meshacket Commons, and Cape Cod Five Redevelopment.

6. Summary of MassHousing-Sponsor Relationship			
	<i>Recorded</i>	<i>Committed</i>	<i>Total</i>
Number of Projects with MassHousing Debt	1	3	4
Total Units with MassHousing Debt	65	155	220
Outstanding MassHousing Principal Debt	\$1,500,000	\$35,360,000	\$36,860,000
Number of Projects with MassHousing Conduit Financing	0		
MassHousing Conduit Loans are Compliant with Program Rules	N/A		
Adverse Actions Against the Borrower Team	No		
Current on Obligations with MassHousing	Yes		
Property Management Affiliate	Yes, Pennrose Management Company manages properties in the Sponsor's portfolio and offers management services outside the portfolio.		

MassHousing Staff	
Origination	Kyle Grenon, Originator Dan Maillet, Analyst
Underwriting	Adam Krings, Underwriter Caroline Dylag, Underwriter
Asset Management	Bob McCuish, Portfolio Manager Chinterna Vong, Asset Manager

7. Unit Mix

Unit Size	Total Units	LIHTC Eligible									
		30% of AMI - MRVP		50% of AMI - LIHTC*		60% of AMI - LIHTC*		80% of AMI - LIHTC*		120% of AMI - Moderate Income	
		Count	Rent	Count	Rent	Count	Rent	Count	Rent	Count	Rent
0 BR	25	5	\$2,263	3	\$1,216	8	\$1,491	4	\$1,670	5	\$2,640
1 BR	38	8	\$2,394	3	\$1,255	16	\$1,550	6	\$1,772	5	\$2,830
2 BR	15	3	\$2,837	2	\$1,489	5	\$1,842	3	\$2,109	2	\$3,395
3 BR	10	2	\$3,418	1	\$1,704	2	\$2,112	2	\$2,421	3	\$3,922
Total	88	18		9		31		15		15	

**All rents are net of utility allowance*

Project-Based Rental Subsidy	
Type	MRVP
Term	15 y
Administrator	Metro Housing Boston

8. Operating Overview

Underwritten Operating Expenses \$1,302,085 (approximately \$14,800 per unit)

Basis of Operating Costs. Operating expense assumptions were based on the review of comparable properties, borrower-proposed budget, and borrower supporting documentation.

9. Project Costs

Core Residential Costs	
Base	\$49,025,940
Extraordinary	\$4,735,836
Total	\$53,761,776
Commercial, Site and Other Non-Residential Costs	
Commercial Costs	\$951,854
Site and Other Non-Residential Costs	\$2,941,585
Total	\$3,893,439
Total Development Cost	
Total	\$57,655,215

Project Construction Costs	
Total Construction Cost	\$37,767,613
Construction per Square Foot	\$386

Background on Extraordinary Residential Costs. Extraordinary residential costs include price escalation in material costs from the initial development plans in 2021. These costs include the hard cost premiums associated with Passive House standards such as PHIUS-compliant windows, insulation and heat pumps. Additionally, the project has been awarded EOHLC HOME funds. This funding source is a trigger for Build America Buy America (“BABA”) requirements which have a direct impact on material costs and are captured in the Development budget.

Background on Commercial, Site and Other Non-Residential Costs. The site and non-residential costs in the development budget are largely driven by the congested urban location. The dense neighborhood results in higher insurance premiums during construction, while site constraints necessitate off-site coordination for material storage, transportation, and employee shuttling. Additionally, the zero-lot-line site limits laydown space, requiring just-in-time material deliveries.

Pennrose engaged in several cost saving methods to keep the total development cost in check including but not limited to the conversion of more than half of the originally proposed balconies to simpler Juliettes, reconfiguration of HVAC systems, reduction of the footprint of proposed roof terrace, removal of the proposed dog wash and dog run area from terrace and reduction in the scope of the commercial space from the originally proposed full kitchen to a vanilla box suitable for a coffee shop, retail or community use.

10. Sources and Uses

Sources of Funds	Total
MH Permanent Debt	\$9,200,000
Federal LIHTC	\$20,601,571
State LIHTC	\$14,748,750
EOHLC HOME	\$1,000,000
COB MOH CPA Funds	\$3,714,100
EOLHC AHTF/HSF/TOD/HOME- ARP/Other State Soft Funds	\$4,725,000
Boston NHT Housing Creation Funds	\$2,500,000
Deferred Developer Fee	\$1,165,751
Total Sources	\$57,655,215

LIHTC Pricing	
Federal LIHTC	\$0.980
State LIHTC	\$0.855

Core Residential Uses of Funds	Total	Per Unit
Acquisition	\$481,910	\$5,476
Construction	\$32,474,971	\$369,034
Construction Contingency	\$2,597,998	\$29,523
General Development	\$12,798,359	\$145,436
Capitalized Reserves	\$920,002	\$10,455
Overhead	\$2,243,972	\$25,500
Fee	\$2,243,972	\$25,500
Total Residential Uses	\$53,653,262	\$609,696

Base Costs	Extraordinary Costs
Per Unit	Per Unit
\$481,910	\$5,476
\$29,588,399	\$336,232
\$2,367,072	\$26,899
\$11,660,764	\$132,509
\$838,227	\$9,525
\$2,044,514	\$23,233
\$2,044,514	\$23,233
\$49,025,940	\$557,113
\$2,886,572	\$32,802
\$230,926	\$2,624
\$1,137,595	\$12,927
\$81,784	\$929
\$199,480	\$2,267
\$199,480	\$2,267
\$4,735,836	\$53,816

Commercial Uses*	\$951,854
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Site and Other Nonresidential Uses*	\$2,941,585
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Total Uses	\$57,655,215
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*Includes applicable hard costs, contingency, soft costs, overhead and fee

11. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		\$549,768
Rental Income – Non-Rental Subsidy		\$1,639,728
Gross Potential Residential Income		\$2,189,496
Vacancy – Project-Based Rental Subsidy	2.5%	(\$13,744)
Vacancy – Non-Rental Subsidy	3.63%	(\$59,484)
Gross Residential Income		\$2,116,268
Effective Gross Income		\$2,116,268

Expenses		
Residential Operating Expenses		\$1,302,085
Net Operating Income		\$814,183
Debt Service		(\$707,816)
Cash Flow		\$105,284

Debt Service Coverage 1.15

Residential Operating Expense Detail			<i>Per Unit</i>
Management Fee	6.0%	\$126,976	\$1,443
Administrative Costs		\$276,362	\$3,140
Maintenance Costs		\$210,126	\$2,388
Resident Services		\$61,292	\$697
Security		\$3,600	\$41
Utilities (water, sewer, and electricity)		\$154,703	\$1,758
Insurance		\$175,114	\$1,990
Taxes		\$235,712	\$2,679
Replacement Reserves		\$35,200	\$400
Mortgage Insurance Premium		\$23,000	\$261
Total		\$1,302,085	\$14,796

Operating Expenses as a Percent of EGI 61.5%

12. Underwriting

1. **Loan Sizing.** The Sources and Uses in this commitment proposal reflect a Projected Loan amount of \$9,200,000, and the Votes below allow for an “Up To” Loan amount of \$9,600,000. The final loan amount will be set when the interest rate is locked at construction closing, such that MassHousing’s debt service coverage ratio and loan to value benchmarks will be met.

To the extent that the final loan amount is greater or less than \$9,200,000, MassHousing will confirm that other sources will be adjusted as necessary to maintain a balanced sources and uses.

2. **Commercial Space.** The Development will have 1,615 square feet or 2.2% of net rentable SF of commercial space with no income being underwritten. The space will be a warm white box, or a minimally finished space, to allow for customization once a tenant is selected. The cost of operating the space is included in the current operating budget, however the Sponsor’s intention is that the tenant of the space will cover their electricity costs.
3. **Ground Lease.** The Sponsor has secured site control by a the Agreement. The Agreement stipulates a 99-year ground lease, with all lease payments made up-front at closing in the amount of \$490,000. The expiration date for the Agreement is December 31, 2025. MassHousing review and approval of the ground lease documents will be required prior to loan closing.
4. **Income Averaging.** The Sponsor proposes the use of the average income set-aside for this transaction. All 80% of AMI units are eligible for tax credits, and the unit mix provides an average income restriction of 55.48%, which is below the EOHLC maximum average income restriction of 59% of AMI. The use of this average income set-aside is subject to EOHLC’s approval.
5. **Utility Cost Estimate.** Utility expenses are based on estimates from the Sponsor’s comparable analysis. The sponsor has commissioned a third-party utility analysis and will provide it upon receipt. To the extent that the utility model increases projected utility costs, the loan size may be adjusted accordingly.
6. **Pending Approvals.** Final design approvals are pending from BPDA and the City of Boston, Mayor’s Office of Housing (“MOH”). The BPDA comment period expired on June 20th and the Sponsor did not receive any comments, anticipates final sign off on design and cooperation agreement shortly. The Sponsor anticipates obtaining official approval of the design and materials by late June or early July by MOH, consistent with the committee’s biweekly meeting schedule. No substantive comments are expected, as MOH has been engaged with the Development’s design since its early conceptual phases.

To the extent that recommended design changes impact the development budget, the loan size may be adjusted accordingly.

7. **Third-Party Reporting.** The MassHousing “as proposed” appraisal, inclusive of a land cost analysis, is currently being reviewed. To the extent the appraisal changes underwritten rents and/or loan-to-value, the loan amount may be adjusted accordingly.

Underwriting Criteria and Loan Terms	95 Everett	Underwriting Standards
1. DSCR	1.15	Minimum of 1.10
2. Term/Amortization	40 y / 40 y	30-40 y, fully-amortizing
3. Loan to Value	TBD	Maximum of 90% based on third party "as-proposed" investment value
4. Underwriting Rents	Lesser of Project-Based MRVP contract or market supported rents	Lesser of: • PB-Rental Subsidy contract or market supported rents • Programmatic rent cap or rents supported by MassHousing market review.
5. Vacancy Allowance	MRVP: 2.5% LIHTC: 3.0% 120% AMI: 5.0%	Minimum of: • 2.5% for PB – Rental Subsidy • 3.0% for LIHTC • 5.0% for Moderate Income units
6. Affordability	40% at 60% of AMI	Minimum of: • 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	\$400 unit / year	Minimum of: • \$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 \$14,809 unit / year	Typically, between \$11,000 and \$15,000 per unit.
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13. Low-Income Housing Tax Credits

The Sponsor 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.

95 Everett
VOTES AND FINDINGS

PROPOSALS AND VOTES

Official Action Status

RECOMMENDATION:

Staff has reviewed the development experience and creditworthiness of the mortgagor and sponsor and found them to be acceptable. Staff has also determined that the mortgagor, sponsor, or an affiliate under common control has demonstrated evidence of site control, that the proposed site is acceptable for the intended housing, and that there is a need for the proposed housing in the community where the site is located. Therefore, staff recommends the following votes for approval:

VOTED: To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as “95 Everett Street” (the “Development”) at such time as it is submitted; (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 that such loan (a) be funded with proceeds of tax-exempt debt issued in the future and (b) reimburse, in accordance with Treasury Regulations Section 1.150-2, up to \$36,250,000 of costs of the Development paid prior to the issuance of such debt or the making of such loan; provided that this vote does not require the Agency to make any expenditure, incur any indebtedness or proceed with the Development.

Official Action Status Findings

In accordance with the vote of the Members of MassHousing dated October 10, 2023, staff makes the following Official Action Status findings for the Development:

1. The mortgagor or sponsor has acceptable multifamily housing development experience and acceptable credit history.
2. The mortgagor, sponsor or an affiliate under common control has demonstrated evidence of site control, which may include a deed, a ground lease, a purchase option, a contract of sale, or designation under a public land disposition process.

3. The site is acceptable for the proposed housing (if the loan would finance new construction).
4. There is a need for the proposed housing in the community where the site is located.

First & Bridge Mortgage Loans

VOTED: To approve the findings and determinations set forth below and to authorize (a) a permanent first mortgage loan in a principal amount of up to \$9,600,000, such first loan to be insured under the HUD HFA Risk Sharing Program; and (b) a subordinate equity bridge mortgage loan in a principal amount of up to \$19,800,000, in each case to be made to 95 Everett Street LLC or another single-purpose entity controlled by Pennrose, LLC or an affiliated entity (the “Borrower”) as owner of the multifamily residential development known as “95 Everett Street” (the “Development”) and located in Boston – Allston Brighton, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, 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.

4% Low-Income Housing Tax Credits

VOTED: That the amount of 4% Credits, as set by the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior 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 – Allston Brighton, Massachusetts and known as “95 Everett Street” (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 Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, 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.

Third-Party Subordinate Mortgage Loans

VOTED:

To authorize the Chief Executive Officer, the Chief Legal and Operating 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, the Chief Legal and Operating 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 their designee.

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:

73 units (83%) 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 appraisal and marketing staff as of the date of collection May 15, 2025. 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 975 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 96.8 %, and range between 93% and 99%. None of the comparables were offering concessions.

2nd Qtr. 2025 CoStar data for the subject’s Allston Brighton Multi-Family Submarket (11,499 units) have an overall vacancy rate at 5.8% YTD, which is a decrease of .11% from one year ago. CoStar data for the Boston market (286,369 units) has an overall vacancy rate of 5.9% YTD, which is an increase of .35% from one year ago. The Allston Brighton Multi-Family Submarket vacancy rate is projected to increase to 6.4% over the next five years, while the Boston market is projected to decrease to 5.8%.

CoStar, submarket data for the 4-5 Star building type (3,695 units) indicates a 2nd Qtr. 2025 vacancy rate of 9.3% and an average asking rent of \$3,856, while the submarket data for the subject’s 3 Star building type (4,136 units) indicates a 2nd Qtr. 2025 vacancy rate of 5.6% at an average asking rent of \$2,633 and 1-2 Star buildings (3,668 units) indicates a 2nd Qtr. 2025 vacancy rate of 2.5 % at an average asking rent of \$2,445. 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 (EOHLC) Chapter 40B Subsidized Housing Inventory (06/29/23), 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 2019-2023 American Community Survey (ACS) indicates that of the 279,216 households in the City of Boston approximately 81.9% earned less than the HUD published 2025 AMI (\$160,900), approximately 45.6% earned less than 50% of 2025AMI, approximately 53.3% earned less than 60% of the 2025 AMI, and approximately 68.6 %earned less than 80% of the 2025 AMI.

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:

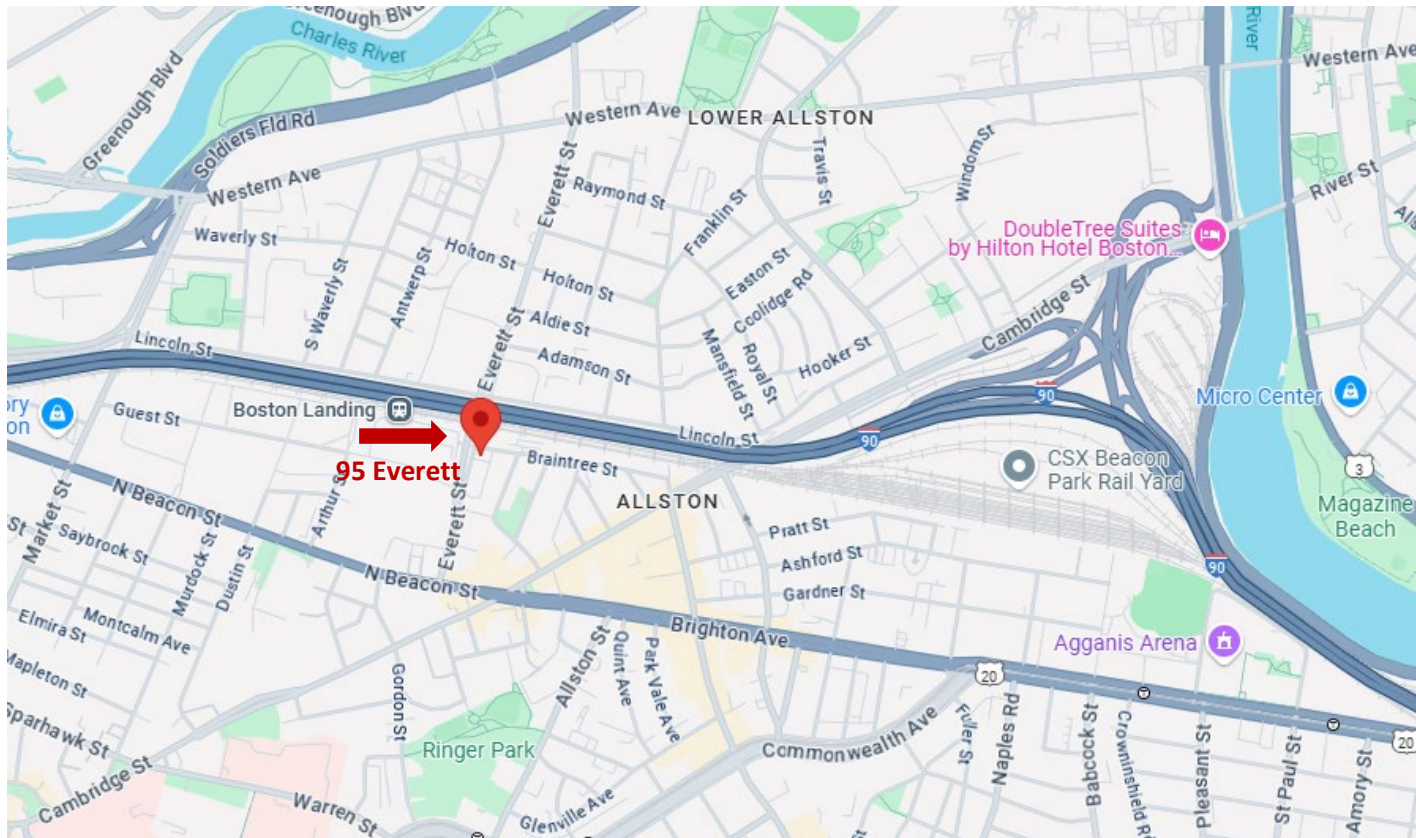
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	0	1	2	3
Number of Units	25	38	15	10
Net SF/Unit	498	720	868	1325
Elev./Non-Elev.	Y	Y	Y	Y
Market Rate Rent	\$2,209	\$2,246	\$2,593	\$3,276
MHFA Below Market Rent	\$1,871	\$1,908	\$2,254	\$2,937
MHFA Adjusted Rent	30% of 60% of AMI			
Underwriting Rents				
MRVP 30% of AMI	\$2,263	\$2,394	\$2,837	\$3,418
LIHTC – 50% of AMI	\$1,216	\$1,255	\$1,489	\$1,704
LIHTC – 60% of AMI	\$1,491	\$1,550	\$1,842	\$2,112
LIHTC – 80% of AMI	\$1,670	\$1,772	\$2,109	\$2,421
Moderate Income – 120% of AMI	\$2,640	\$2,830	\$3,395	\$3,922

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 | July 8, 2025

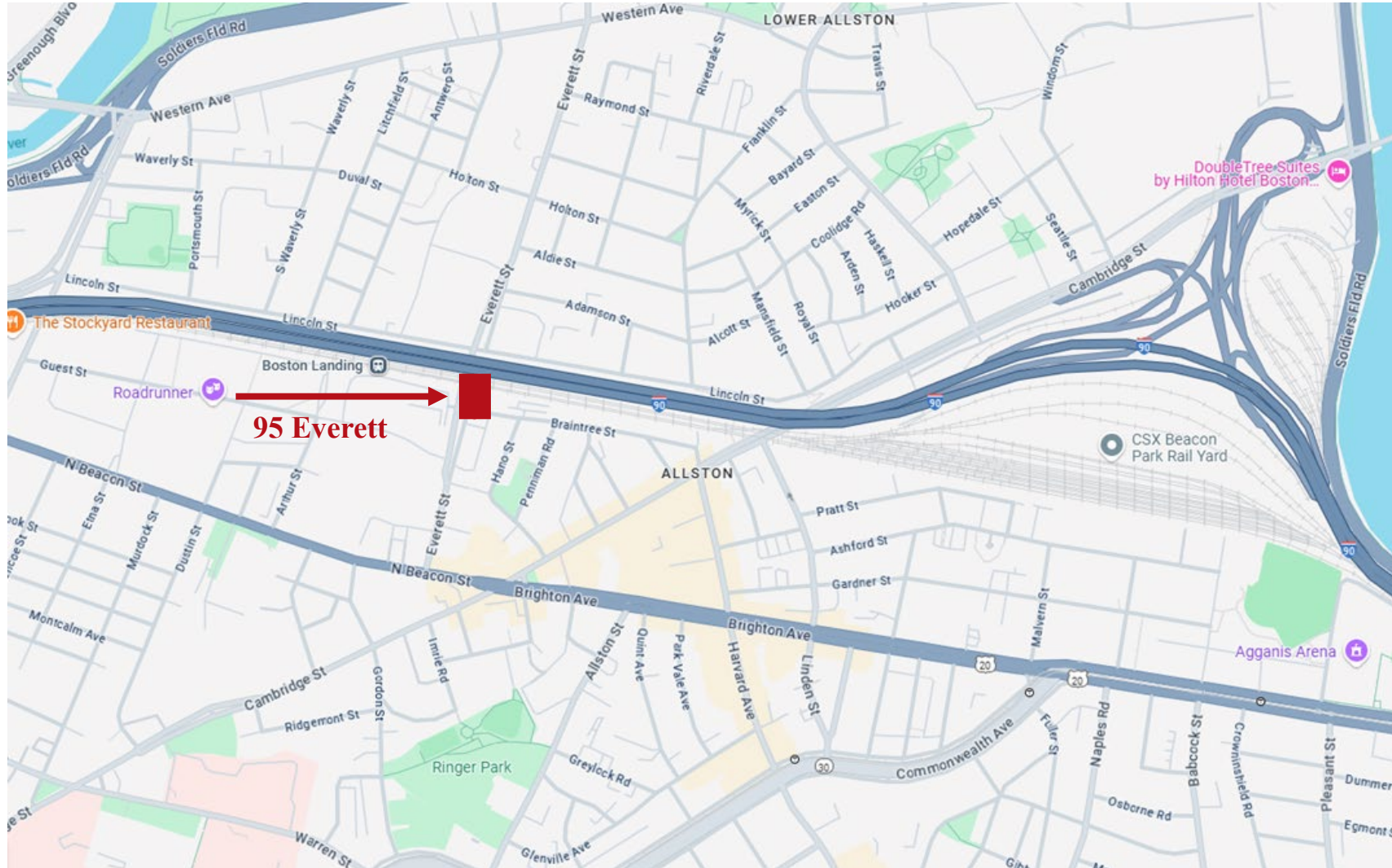
95 Everett

Location	95 Everett Street, Boston, MA (Allston-Brighton 02134)
Sponsor	Pennrose LLC
Transaction Type	Production (4%)
Funding Type	Forward Commitment of Permanent Loan
Execution Type	Portfolio (TE)
Credit Enhancement	HUD/FHA Risk-Sharing with 50% credit risk
Total Rental Units	88
Affordability Mix	73 Affordable 15 Market

Deal Team Members

Origination	Kyle Grenon, Dan Maillet
Underwriting	Adam Krings, Caroline Dylag
Asset Management	Bob McCuish, Chinterna Vong

95 Everett | Boston – Allston-Brighton



Borrower Team

Mortgagor Entity	95 Everett Street LLC
Developer / Sponsor	Pennrose LLC
General Partner / Managing Member	Pennrose Holdings, LLC
Construction Lender	Capital One National Association
Syndicator / Investor	Hudson Housing Capital
Management Company	Pennrose Management Company
Architect	DiMella Shaffer
General Contractor	Dellbrook JKS

Unit Mix

Unit Size	Total Units	LIHTC-Eligible									
		30% of AMI - MRVP		50% of AMI – LIHTC*		60% of AMI – LIHTC*		80% of AMI – LIHTC*		120% of AMI – Moderate Income	
		<i>Count</i>	<i>Rent</i>	<i>Count</i>	<i>Rent</i>	<i>Count</i>	<i>Rent</i>	<i>Count</i>	<i>Rent</i>	<i>Count</i>	<i>Rent</i>
0 BR	25	5	\$2,263	3	\$1,216	8	\$1,491	4	\$1,670	5	\$1,670
1 BR	38	8	\$2,394	3	\$1,255	16	\$1,550	6	\$1,772	5	\$1,772
2 BR	15	3	\$2,837	2	\$1,489	5	\$1,842	3	\$2,109	2	\$2,109
3 BR	10	2	\$3,418	1	\$1,704	2	\$2,112	2	\$2,421	3	\$2,421
Total	88	18		9		31		15		15	

** Rents are net of utility allowance*

Project Costs

Core Residential Costs	
Base	\$49,025,940
Extraordinary	\$4,735,836
Total	\$53,761,776
Commercial and Non-Residential Costs	
Commercial Costs	\$951,854
Site and Other Non-Residential Costs	\$2,941,585
Total	\$3,893,439
Total Development Cost	
Total	\$57,655,215

Project Construction Costs	
Total Construction Cost	\$37,767,613
Construction per Square Foot	\$386

Sources and Uses

Sources of Funds			Uses of Funds	
MH Permanent Debt	\$9,200,000		Acquisition	\$481,910
Federal LIHTC	\$20,601,571		Construction	\$32,474,971
State LIHTC	\$14,748,750		Construction Contingency	\$2,597,998
EOHLC HOME	\$1,000,000		General Development	\$12,798,359
COB MOH CPA Funds	\$3,714,100		Capitalized Reserves	\$920,002
EOLHC				
AHTF/HSF/TOD/HOME- ARP/Other State Soft Funds	\$4,725,000		Overhead	\$2,244,218
Boston NHT Housing Creation Funds	\$2,500,000		Fee	\$2,244,218
Deferred Developer Fee	\$1,165,751		Commercial Uses	\$951,854
			Site and Other Nonresidential Uses	\$2,941,585
Total Sources	\$57,655,215		Total Uses	\$57,655,215

Underwriting Notes

1. Loan Sizing
2. Commercial Space
3. Ground Lease
4. Income Averaging
5. Utility Cost Estimate
6. Pending Approval
7. Third-Party Reporting

Official Action Status (OAS) Findings

1. **Mortgagor:** The mortgagor or sponsor has acceptable multifamily housing development experience and acceptable credit history.
2. **Site Control:** The mortgagor, sponsor or an affiliate under common control has demonstrated evidence of site control, which may include a deed, a ground lease, a purchase option, a contract of sale, or designation under a public land disposition process.
3. **Acceptability of Site:** The site is acceptable for the proposed housing (if the loan would finance new construction).
4. **Need for Proposed Housing:** There is a need for the proposed housing in the community where the site is located.

Recommended Votes

- Official Action Status
- Commitment for Permanent Tax-Exempt Loan
- Commitment of Tax-Exempt Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

Modification to Loan Commitment Proposal | July 8, 2025

Woodland Cove Phase I

1. General Project Information	
Project Name	Woodland Cove Phase I
Project ID	20-141
Associated Projects	Woodland Cove Phase II, Woodland Cove Phase III
Address(es)	3102 Cranberry Highway, Wareham, MA 02538
Sponsor	Hunt Capital Partners
Transaction Type	Production (9%)
Funding Type	Forward Commitment of a Permanent Loan
Execution Type	Taxable (9% LIHTC)
Credit Enhancement	HUD/HFA Risk-Sharing with 50% credit risk
Approval Type	Board
Total Rental Units	63 Units
Affordability Mix	56 Affordable 7 Workforce

2. Recommended Actions

- Transfer of Interests

Dakota Partners, Inc. (the “Exiting Sponsor” or “Dakota”) is requesting to transfer its managing member interest in the owner (WC Owner, LLC) of Woodland Cove Phase I (the “Development”) to a third-party entity, an affiliate of Hunt Capital Partners (the “Sponsor” or “Hunt”). Dakota is exiting the development business with the principals retiring.

Members of the Agency approved a forward commitment of a permanent loan at the July 2021 meeting of Agency Members. Beset by delays, the Development achieved stabilization earlier this year and is progressing towards funding of the take-out permanent financing later this year. Additional details on the transaction can be found below in Section 5. Background.

3. Updated Borrower Team

Sponsor: Hunt Capital Partners

Hunt Capital Partners (“HCP”), through its affiliates, is trusted by partners to successfully asset manage approximately 65,000 units for low-income households, which includes operating over 2,300 units where HCP is the General Partner. HCP has the 10th largest portfolio in the United States, according to 2024 National Multifamily Housing Council rankings.

In addition to their GP role, HCP also specializes in the syndication of Federal and State, Historic and Solar Tax credits. Since inception in 2010, HCP has raised over \$2.4 billion in equity.

Woodland Cove Phase I will be the Sponsor’s first transaction with MassHousing in the Sponsor capacity. The Sponsor intends to also complete the same execution on Woodland Cove Phase II. HCP is the syndicator for Phase I and Phase II.

Managing Member of Borrower: HCP-GP Woodland Cove I, LLC

HCP Property Holdings, LLC is the sole member of the Managing Member. It is controlled by an HCP related entity, HCP Holdings, LLC as the 72.5% Manager with the other 27.5% held by Ludere Durum, LLC.

Management Agent: Wingate Management

Wingate Management is an experienced property management agent with more than 16,000 units under management. The property management team seeks to enhance property value, as well as the quality of life for all residents.

For all other borrower team members, please refer to Exhibit A, the July 13, 2021 Loan Commitment Proposal.

4. Summary of MassHousing-Sponsor Relationship

Number of Projects with MassHousing Debt	N/A
Total Units with MassHousing Debt	N/A
Outstanding MassHousing Principal Debt	N/A
Adverse Actions Against the Borrower Team	N/A
Current on Obligations with MassHousing	N/A
Property Management Affiliate	N/A

MassHousing Staff

Origination	Kyle Grenon
Underwriting	John Collins
Asset Management	Stephanie Vicino and Dan Barbanell

5. Background

On July 13, 2021, the Agency Members approved a taxable permanent first mortgage of \$8,300,000, and a junior Workforce Housing Loan of \$700,000 for the Development, a proposed 63-unit affordable housing community. The Development is the first phase in the three-phase redevelopment of an eight-acre parcel in Wareham. Phase II includes 63 income-restricted units, of which seven units will be Workforce Housing, and Phase III includes 24 units, of which 18 will be Workforce Housing. The previous approval included Maloney Properties, Inc. as the Management Agent.

The Exiting Sponsor plans to sell its membership interest in all three phases. The membership interests of Phases I and II are to be purchased by an affiliate of Hunt Capital Partners. At this time the purchaser for Phase III is yet to be determined. The proposal herein is a request to approve Hunt Capital Partners as the successor Sponsor for the Development.

The Development closed on its construction loan in November 2021, and since that time has experienced extensive construction delays. The Development achieved sustaining occupancy as of March 2025, however there are insufficient sources to balance the development budget.

In addition to the transfer request, the Agency is reviewing a request for additional funds through the Capital Magnet Fund (“CMF”) program. This source, together with Hunt’s commitment to fill any funding gaps (as evidenced by an Interim Asset Management Agreement) would provide a balanced budget and allow for the permanent financing to close. Approval of the CMF funds is through a Board delegated process.

Also included in the July 2021 financing commitment approval package was Maloney Properties, Inc. (“Maloney”) as the Management Agent. In January 2024 the Exiting Sponsor submitted a request to replace Maloney with Wingate Management (“Wingate”). This request was approved by MassHousing’s Asset Management Department.

For a complete description of the Development and the proposed financing, please refer to Exhibit A, the July 13, 2021, Loan Commitment Proposal.

Woodland Cove Phase I VOTES AND FINDINGS

PROPOSALS AND VOTES

Staff proposes the following votes to modify the approvals previously adopted by the Members at the July 13, 2021 meeting:

VOTED: To approve HCP-GP Woodland Cove I, LLC (or an entity controlled by Hunt Capital Partners) to succeed WC Managing Member, LLC as the managing member of the borrower, WC Owner, LLC, simultaneously with or following the closing of the loans authorized by the Members on July 13, 2021 for the multifamily residential development known as “Woodland Cove Phase I” and located in Wareham, Massachusetts” (the “Development”).

FURTHERVOTED: That the votes of the Members with respect to the Development approved on July 13, 2021, are otherwise ratified and confirmed.

EXHIBIT A

JULY 13, 2021 LOAN COMMITMENT PROPOSAL

Loan Commitment Proposal | July 13, 2021

Woodland Cove Phase I

1. General Project Information	
Project Name	Woodland Cove Phase I
Project ID	20-141
Associated Projects	Woodland Cove Phase II, Woodland Cove Phase III
Address(es)	3102 Cranberry Highway, Wareham, MA 02538
Sponsor	Dakota Partners
Transaction Type	Production
Funding Type	Forward Commitment of Permanent Loan
Execution Type	Taxable with 9% credits
Credit Enhancement	HUD/FHA Risk-Sharing with 50% credit risk
Approval Type	Board
Projected MH Risk Rating	Financial: N/A Physical Condition: A Compliance: A
Total Rental Units	63
Affordability Mix	56 Affordable 7 Workforce

2. Recommended Actions

- Commitment of a Permanent Taxable Loan
- Commitment of a Workforce Housing Subordinate Loan

Woodland Cove Phase I is the first phase in the three-phase redevelopment of an eight-acre site in Wareham. There is currently a motel on the site, which will be demolished as part of the development plan. Woodland Cove Phase I will include 63 new construction income-restricted rental units, including seven Workforce Housing units, in one three-story building and one four-story building. Phase II will also include 63 income-restricted units, of which seven units will be Workforce Housing, and Phase III, will include 24 units, of which 18 will be Workforce Housing.

Woodland Cove Phase I will be built at approximately the same time as Phase III, and the Sponsor will request both permanent and Workforce Housing financing from MassHousing to support that development.

3. MassHousing Financing

First Loan	
Type	Permanent
Loan Amount	\$8,300,000
Interest Rate	10-Year U.S. Treasury plus 300 basis points (bps) to be locked at Construction Loan Closing (processing rate of 4.70%)
Loan Term / Amortization	40 y / 40 y
Term of Fwd Commitment	24 months
Year 1 DSCR	1.12 projected (1.10 minimum)
LTV	TBD projected (90% maximum)
Junior Loan	
Type	Workforce Housing Loan
Loan Amount	\$700,000
Interest Rate	0%
Loan Term/Amortization	40 y / non-amortizing
Terms of Cash Flow Sharing	50% to be split on a pari-passu basis with the other subordinate lenders, to service principal.

4. Development Plan

Description of Site. The Woodland Cove Phase I site is located on a two-acre portion of the 8.63-acre Woodland Cove Redevelopment site. The site is 1.5 miles from Cranberry Plaza, which contains amenities as well as transportation into Boston and the neighboring areas.

Description of Existing or Proposed Building. Woodland Cove Phase I will consist of 63 new construction rental units in one three-story elevator building and one four-story elevator building. The property will have 106 on-site surface parking spaces.

Description of Affordability Mix. Of the 63 units, eight units will be affordable to households earning up to 30% of AMI and will benefit from a new project-based Section 8 contract administered by NeighborWorks Housing Solutions (on behalf of DHCD). Forty-eight (48) units will be affordable to households earning up to 60% of AMI, and seven Workforce Housing units will be affordable to households earning up to 80% of AMI.

Site Control. The Sponsor has entered into a purchase and sale agreement with Boston Land Group, LLC to purchase the Phase I portion of the site for \$1,260,000.

5. Borrower Team

Mortgagor Entity: WC Owner, LLC

A sole-asset, single-purpose entity formed by the Developer/Sponsor for the purpose of owning and operating Woodland Cove Phase I.

Developer / Sponsor: Dakota Partners, Inc.

Founded in 2006, Dakota Partners is a Massachusetts-based real estate developer and builder. Dakota has acquired or constructed over 100 residential projects, bringing more than 1,000 units to market in New England and the mid-Atlantic.

General Partner / Managing Member: WC Managing Member, LLC

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

Construction Lender: Brookline Bank

Founded in 1871, Brookline Bank is a full-service financial institution headquartered in Brookline. Brookline Bank offers commercial real-estate loans for multifamily housing with loans ranging from \$1,000,000 to \$25,000,000.

Syndicator / Investor: Hunt Capital Partners

Hunt Capital Partners specializes in the syndication of federal and state housing, historic, and solar tax credits. Since its inception in 2010, Hunt Capital Partners has raised over \$2.4 billion in equity. Investment partners include banks, insurance companies, and technology companies.

Management Company: Maloney Properties, Inc.

Maloney Properties, Inc. is a women-owned firm established in 1981 that provides professional property management services throughout New England. Currently, Maloney Properties manages over 10,000 units of housing, including over 1,950 units in 20 properties in MassHousing's loan portfolio.

Architect: Ed Wojcik Architect, Ltd.

Established in 1998, Ed Wojcik Architect, Ltd. is a full-service architecture firm located in Providence, Rhode Island. The firm has experience with affordable housing developments and has been licensed in Massachusetts for twenty years.

General Contractor: Dakota Partners, Inc.

Dakota Partners manages construction of its development projects. As general contractor, Dakota has completed over 30 new construction projects in New England and Virginia. Dakota currently has five projects under construction.

6. Summary of MassHousing-Sponsor Relationship	
Number of Projects with MassHousing Debt	2
Total Units with MassHousing Debt	96
Outstanding MassHousing Principal Debt	\$4,891,714
Adverse Actions Against the Borrower Team	No
Current on Obligations with MassHousing	Yes
Property Management Affiliate	No

MassHousing Staff	
Origination	Sarah Hall, Originator Amanda Melick, Analyst
Underwriting	Doug O'Brien, Senior Underwriter John Collins, Underwriter,
Asset Management	Piia DiMeco, Portfolio Manager Jason Nelson, Asset Manager

7. Unit Mix

		LIHTC Eligible						
Unit Size	Total Units	Project Based Section 8*		60% AMI*		80% AMI Workforce		Market Comparison
		Count	Rent	Count	Rent	Count	Rent	Rent
1 BR	11			10	\$1,215	1	\$1,511	TBD
2 BR	45	6	\$1,880	34	\$1,449	5	\$1,874	TBD
3 BR	7	2	\$2,290	4	\$1,664	1	\$2,166	TBD
Total	63	8		48		7		
* Net of utility allowances.								

Project-Based Rental Subsidy	
Type	Section 8
Term	20 y
Administrator	NeighborWorks Housing Solutions
Lesser of Section 8 contract or market rent.	

8. Operating Overview

Underwritten OpEx	\$616,900 (approximately \$9,800 per unit)
-------------------	--

Basis of Operating Costs. Borrower proposed budget and comparable properties in the MassHousing portfolio.

9. Project Costs

Residential Costs	
Base	\$23,574,436
Extraordinary	-
Total	\$23,574,436
Construction	\$15,152,245
Construction per Square Foot	\$247
Commercial Costs	
Total	-
Total Development Cost	
Total	\$23,574,436

Background on Extraordinary Costs. N/A

10. Sources and Uses

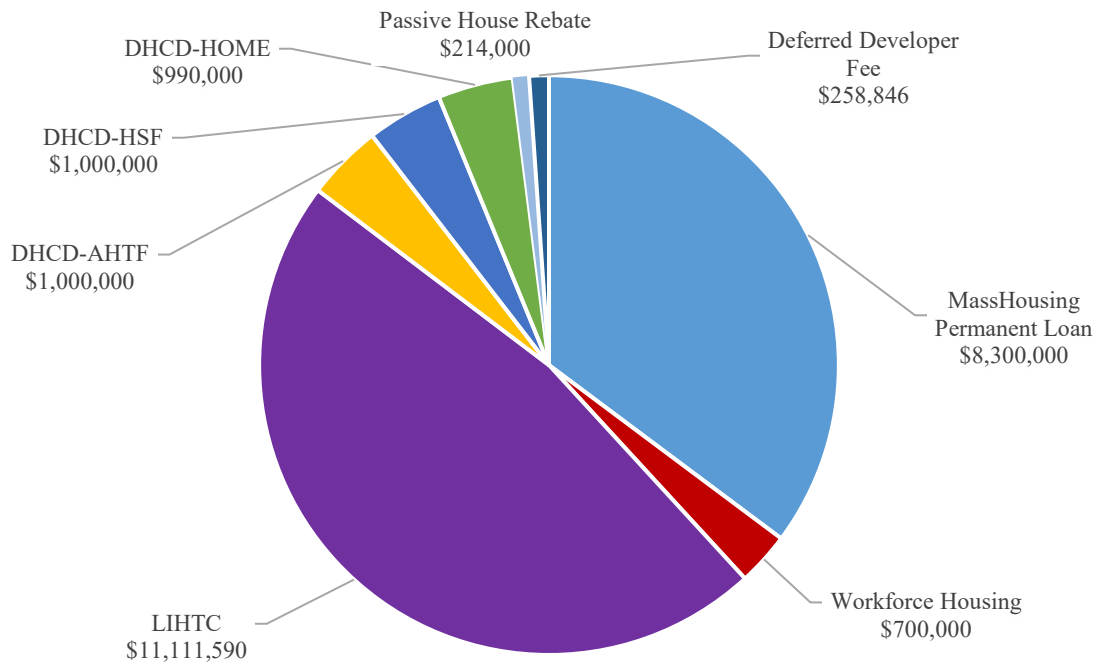
Sources of Funds	Total
MassHousing Permanent Loan	\$8,300,000
Workforce Housing Loan	\$700,000
LIHTC	\$11,111,590
DHCD-AHTF	\$1,000,000
DHCD-HSF	\$1,000,000
DHCD-HOME	\$990,000
Passive House Rebate	\$214,000
Deferred Developer Fee	\$258,846
Total Sources	\$23,574,436

Residential Uses of Funds	Total	<i>Per Unit</i>
Acquisition	\$1,260,000	\$20,000
Construction	\$15,152,245	\$240,512
Construction Contingency	\$757,612	\$12,026
General Development	\$3,464,579	\$54,993
Capitalized Reserves	\$795,000	\$12,619
Developer Overhead and Fee	\$2,145,000	\$34,048
Total Residential Uses	\$23,574,436	\$374,197

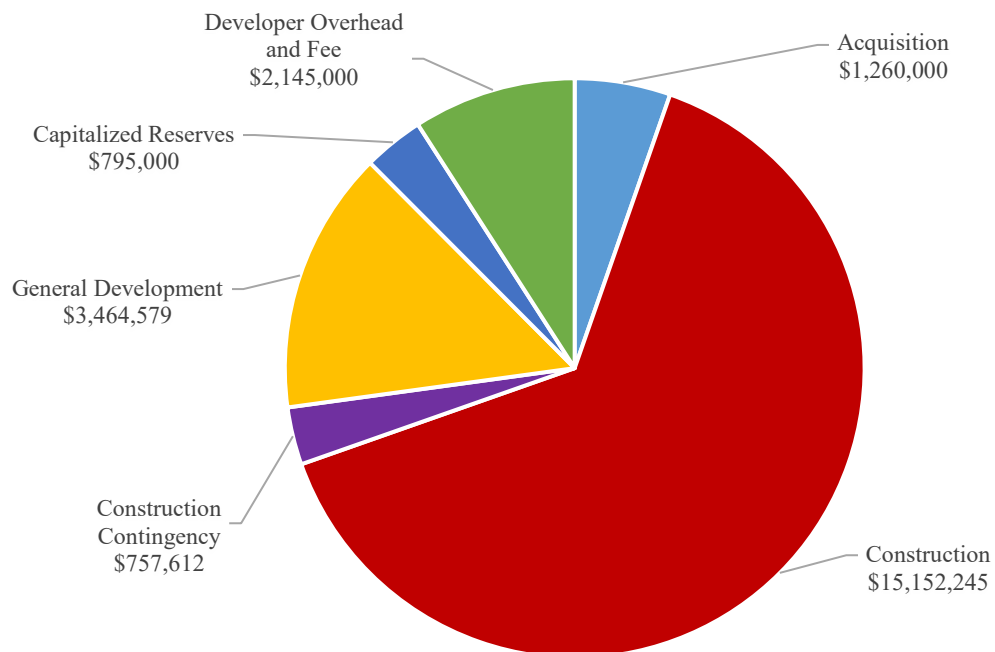
Commercial Uses	-
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Total Uses	\$23,574,436
-------------------	---------------------

Sources



Uses



11. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		\$190,320
Rental Income – Non-Rental Subsidy		\$973,428
Gross Potential Residential Income		\$1,163,748
Vacancy – Project-Based Rental Subsidy / LIHTC	3.0%	(\$30,216)
Vacancy – Workforce Housing	5.0%	(\$7,828)
Gross Residential Income		\$38,044
Other Income – Laundry (net 25% vacancy)		\$5,400
Effective Gross Income		\$1,131,104

Expenses		
Residential Operating Expenses		\$616,866
Net Operating Income		\$514,238
Debt Service		(\$460,649)
Cash Flow		\$53,589

First Mortgage Debt Service Coverage 1.12x

Residential Operating Expense Detail			<i>Per Unit</i>
Management Fee	5.0%	\$56,555	\$898
Administrative Costs		\$162,292	\$2,576
Maintenance Costs		\$163,213	\$2,591
Resident Services		\$10,000	\$159
Security		\$0	\$0
Utilities (water and sewer, hot water)		\$64,826	\$1,029
Insurance		\$34,650	\$550
Taxes		\$81,900	\$1,300
Replacement Reserves		\$22,680	\$360
Mortgage Insurance Premium		\$20,750	\$329
Total		\$616,866	\$9,792

Operating Expenses as a Percent of EGI 54.5%

12. Underwriting

1. **Workforce Housing Units.** The seven Workforce Housing units are restricted to households at incomes below 80% of AMI, with rents underwritten at levels affordable to households at approximately 65% of AMI. These underwritten rents are based on a borrower-commissioned market study and will be confirmed by a MassHousing-commissioned third-party report. The underwritten rents support marketability and absorption of the Workforce Housing units, offer a discount to actual market rents, and further local efforts to create housing options affordable to moderate-income households.

Twenty-five additional Workforce Housing and market units will be built as part of Phases II and III, and the addition of these units has been taken into consideration regarding marketing and absorption for all three phases of the redevelopment. Further analysis and updates to the relevant third-party reports will be completed as part of the underwriting for Phases II and III.

2. **Third Party Reports.** The MassHousing third-party appraisal is currently underway. To the extent the appraisal changes the underwritten rents and/or loan-to-value, the loan amount will be adjusted accordingly.

Underwriting Criteria and Loan Terms	Woodland Cove Phase I	Underwriting Standards
1. DSCR	1.12	Minimum of 1.10
2. Term/Amortization	40 y / 40 y	30-40 y, fully-amortizing
3. Loan to Value	TBD	Maximum of 90% based on third party "as-proposed" investment value
3. Underwriting Rents	Lesser of programmatic rent cap or rents supported by MassHousing market review.	Lesser of: • PB-Rental Subsidy contract or market supported rents • Programmatic rent cap or rents supported by MassHousing market review.
4. Vacancy Allowance	PB-Section 8/LIHTC: 3.0% Non-PBS8: 5.0%	Minimum of: • 2.5% for PB – Rental Subsidy • 3.0% for LIHTC • 5.0% for unrestricted or workforce housing
5. Affordability	40% at 60% AMI	Minimum of: • 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
6. Annual Deposits to Replacement Reserves	\$360 unit / year	Minimum of: • \$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.
7. Operating Expenses	Approximately \$9,800 unit / year	Typically, between \$9,000 and \$12,000 per unit.

13. Low-Income Housing Tax Credits

This transaction uses 9% low-income housing tax credits, which do not require MassHousing approval.

Woodland Cove Phase I VOTES AND FINDINGS

PROPOSALS AND VOTES

Mortgage Loan

Staff has reviewed the proposal for permanent and subordinate loan financing and proposes the following vote for approval:

VOTED: To approve the findings and determinations set forth below and to authorize a permanent first mortgage loan in a principal amount of up to \$8,300,000, such first loan to be insured under the HUD HFA Risk Sharing Program, to be made to WC Owner, LLC or another single-purpose, sole-asset entity controlled by Dakota Partners, Inc. (the “Borrower”) as owner of the multifamily residential development known as “Woodland Cove Phase I” and located in Wareham, Massachusetts (the “Development”), and in accordance with the applicable general closing standards and delegations of authority previously approved, 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: To approve a subordinate mortgage loan to the Borrower for the Development in an amount not to exceed \$700,000 (1) to be funded from that portion of the Opportunity Fund approved by the Members of MassHousing on March 8, 2016, designated and reserved for workforce housing programs and (2) subject to the terms and conditions of MassHousing’s Workforce Program Guidelines adopted by the Members on July 12, 2016, as amended, and to any applicable delegations of authority previously approved by the Members of MassHousing.

FURTHER VOTED: To authorize the Executive Director 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 Executive Director 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.

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:

Sixty-three 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 June 22, 2021 and may not fully incorporate the potentially adverse impact(s) that the COVID-19 virus has had on the overall economy or on the local housing markets, since being declared a pandemic by the World Health Organization (WHO) in March 2020. Further, the reader is cautioned and reminded that any observations, comparisons, and/or conclusions are based on the data as of the aforementioned collection date.

In-house data for larger market and mixed-income complexes (737 approximate units in the area revealed a strong market, with increasing rental and occupancy rates over the past three years. Current occupancy rates of the six developments reviewed averaged approximately 97.5% and ranged between 85% and 100%.

2nd Qtr. 2021 CoStar data for the subject's [South Plymouth County](#) (7,800 units) has an overall vacancy rate at 4.0% YTD, which is a decrease of .05 % from one year ago. CoStar data for the Boston market (238,221 units) has an overall vacancy rate of 6.71% YTD, which is an increase of .55% from one year ago. The South Plymouth county submarket vacancy rate is projected to decrease to 2.2% over the next five years, while the Boston market is projected to decrease to 6%.

CoStar, submarket data for the 4-5 Star building type (1,858 units) indicates a 2nd Qtr. 2021 vacancy rate of 3.2% and an average asking rent of \$2,525, while submarket data for the subject's 3 Star building type (2,723 units) indicates a 2nd Qtr. 2021 vacancy rate of 7.6% at an average asking rent of \$2,083, and 1-2 Star buildings (3,219 units) indicates a 2nd Qtr. 2021 vacancy rate of 1.2% at an average asking rent of \$1,513. 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 Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/21/20), the town of Wareham has 9,880 year-round housing units, 745 (7.5%) of which are subsidized for low/moderate income households.

The Wareham Housing Authority (WHA) owns/operates 143 units of State public housing (39 family and 104 elderly/disabled). Per the Wareham Housing Authority, they maintain 756

households on their public housing wait lists (427 families, 211 elderly and 180 non-elderly/disabled). At the time of this report, WHA is not accepting any new applications for the State Elderly one-bedroom units. Per the Wareham Housing Authority, they do not administer a tenant-based assistance programs (e.g. Housing Choice Vouchers).

U.S. Census data from the 2015-2019 American Community Survey (ACS) indicates that of the 9,497 households in the Town of Wareham, approximately 72% earned less than the HUD published 2021 AMI (\$120,800), approximately 50.4% earned less than 50% of 2021 AMI, approximately 57.7% earned less than 60% of the 2021 AMI and approximately 65.0% earned less than 80% of the 2021 AMI.

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	1	2	3
Number of Units	11	47	7
Net SF/Unit	717	1,007	1,260
Elev./Non-Elev.	E	E	E
Market Rate Rent (10% Rate 20 Year Term)	\$1,904	\$2,216	\$2,577
MHFA Below Market Rent (Cost-Based Rent)	\$1,242	\$1,554	\$1,915
MHFA Adjusted Rent	30% of 80% of AMI		
Underwriting Rents			
Project-based Section 8		\$1,880	\$2,290
LIHTC at 60% AMI	\$1,215	\$1,449	\$1,664
Workforce Housing 80% AMI	\$1,511	\$1,874	\$2,166

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



Modification to Loan Commitment Proposal | July 8, 2025

Woodland Cove Phase II

1. General Project Information	
Project Name	Woodland Cove Phase II
Project ID	21-131
Associated Projects	Woodland Cove Phase I, Woodland Cove Phase III
Address(es)	3102 Cranberry Highway, Wareham, MA 02538
Sponsor	Hunt Capital Partners
Transaction Type	Production (9%)
Funding Type	Forward Commitment of a Permanent Loan
Execution Type	Taxable (9% LIHTC)
Credit Enhancement	HUD/HFA Risk-Sharing with 50% credit risk
Approval Type	Board
Total Rental Units	63 Units
Affordability Mix	56 Affordable 7 Workforce

2. Recommended Actions

- Transfer of Interests

Dakota Partners, Inc. (the “Exiting Sponsor” or “Dakota”) is requesting to transfer its interest as managing member of the owner (WC2 Owner, LLC) of Woodland Cove Phase II (the “Development”) to a third-party entity, an affiliate of Hunt Capital Partners (the “Sponsor” or “Hunt”). Dakota is exiting the development business with the principals retiring.

Members of the Agency approved a forward commitment of a permanent loan at the April 2022 meeting of Agency Members. Beset by delays, the Development is targeting substantial completion and certificates of occupancy by July 2025. MassHousing is currently working on issuing a permanent loan closing extension. Additional details on the transaction can be found below in Section 5. Background.

3. Updated Borrower Team

Sponsor: Hunt Capital Partners

Hunt Capital Partners (“HCP”), through its affiliates, is trusted by partners to successfully asset manage approximately 65,000 units for low-income households, which includes operating over 2,300 units where HCP is the General Partner. HCP has the 10th largest portfolio in the United States, according to 2024 National Multifamily Housing Council rankings.

In addition to their GP role, HCP also specializes in the syndication of Federal and State, Historic and Solar Tax credits. Since inception in 2010, HCP has raised over \$2.4 billion in equity.

Woodland Cove Phase II will be the Sponsor’s first transaction with MassHousing in the Sponsor capacity and they are also looking to complete the same execution on Woodland Cove Phase I. HCP is the syndicator for Phase I and Phase II.

Managing Member of Borrower: HCP-GP Woodland Cove II, LLC

HCP Property Holdings, LLC is the sole member of the Managing Member. It is controlled by an HCP related entity, HCP Holdings, LLC as the 72.5% Manager with the other 27.5% held by Ludere Durum, LLC.

Management Agent: Wingate Management

Wingate Management is an experienced property management agent with more than 16,000 units under management. The property management team seeks to enhance property value, as well as the quality of life for all residents.

For all other borrower team members, please refer to Exhibit A, the April 12, 2022 Loan Commitment Proposal.

4. Summary of MassHousing-Sponsor Relationship

Number of Projects with MassHousing Debt	N/A
Total Units with MassHousing Debt	N/A
Outstanding MassHousing Principal Debt	N/A
Adverse Actions Against the Borrower Team	N/A
Current on Obligations with MassHousing	N/A
Property Management Affiliate	N/A

MassHousing Staff

Origination	Kyle Grenon
Underwriting	John Collins
Asset Management	Stephanie Vicino and Dan Barbanell

5. Background

On April 12, 2022, the Agency Members approved a taxable permanent first mortgage of \$7,820,000, and a junior Workforce Housing Loan of \$700,000 for the Development, a proposed 63-unit affordable housing community. The Development is the second phase in the three-phase redevelopment of an eight-acre parcel in Wareham. Phase I includes 63 income-restricted units, of which seven units will be Workforce Housing, and Phase III includes 24 units, of which 18 will be Workforce Housing. The previous approval included Maloney Properties, Inc. as the Management Agent.

The Exiting Sponsor plans to sell its membership interest in all three phases. The membership interests of Phases I and II are to be purchased by an affiliate of Hunt Capital Partners. At this time the purchaser for Phase III is yet to be determined. The proposal herein is a request to approve Hunt Capital Partners as the successor Sponsor for the Development.

The Development closed on its construction loan in June 2022, and since that time has experienced extensive construction delays and cost overruns. The Development is 99% complete and interior punch list work is underway. The Development is projected to achieve substantial completion and certificate of occupancy in July 2025.

In addition to the transfer request, the Agency is reviewing a request for additional funds through the Capital Magnet Fund (“CMF”) program. This source, together with Hunt’s commitment to fill any funding gaps (as evidenced by an Interim Asset Management Agreement), would provide

a balanced budget and allow for the permanent financing to close. Approval of the CMF funds is through a Board delegated process.

Also included in the April 2022 financing commitment approval package was Maloney Properties, Inc. (“Maloney”) as the Management Agent. In January 2024 the Exiting Sponsor submitted a request to replace Maloney with Wingate Management (“Wingate”). This request was approved by MassHousing’s Asset Management Department.

For a complete description of the Development and the proposed financing, please refer to Exhibit A, the July 13, 2021, Loan Commitment Proposal.

Woodland Cove Phase II VOTES AND FINDINGS

PROPOSALS AND VOTES

Staff proposes the following votes to modify the approvals previously adopted by the Members at the April 12, 2022 meeting:

VOTED: To approve HCP-GP Woodland Cove II, LLC (or an affiliate thereof controlled by Hunt Capital Partners) to succeed WC2 Managing Member, LLC as the managing member of the borrower, WC2 Owner, LLC, simultaneously with or following the closing of the loans authorized by the Members on April 12, 2022 for the multifamily residential development known as “Woodland Cove Phase I” and located in Wareham, Massachusetts” (the “Development”).

FURTHERVOTED: That the votes of the Members with respect to the Development approved on April 12, 2022, are otherwise ratified and confirmed.

EXHIBIT A

April 12, 2021 LOAN COMMITMENT PROPOSAL

Loan Commitment Proposal | April 12, 2022

Woodland Cove Phase II

1. General Project Information	
Project Name	Woodland Cove Phase II
Project ID	21-131
Associated Projects	Woodland Cove Phase I, Woodland Cove Phase III
Address(es)	3102 Cranberry Highway, Wareham, MA 02538
Sponsor	Dakota Partners
Transaction Type	Production
Funding Type	Forward Commitment of Permanent Loan
Execution Type	Taxable with 9% credits
Credit Enhancement	HUD/FHA Risk-Sharing with 50% credit risk
Approval Type	Board
Total Rental Units	63
Affordability Mix	56 Affordable 7 Workforce

2. Recommended Actions

- Commitment of a Permanent Taxable Loan
- Commitment of a Workforce Housing Subordinate Loan

Woodland Cove Phase II (the “Development”) is one of three phases of new construction to be completed on an eight-acre site in Wareham. The Development will consist of 63 income-restricted rental units, including 7 Workforce Housing units, in one three-story building and one four-story building. Phases I and III, both of which will also be financed in part with MassHousing permanent and workforce debt, are currently under construction. When complete, the site will have a total of 150 affordable rental units and a community center, which is currently under construction as part of Phase I.

3. MassHousing Financing

First Loan

Type	Permanent
Loan Amount	\$7,820,000
Interest Rate	10-Year U.S. Treasury plus 300 basis points (bps) to be locked at Construction Loan Closing (processing rate of 5.70%)
Loan Term / Amortization	40 y / 40 y
Term of Fwd Commitment	24 mo
Year 1 DSCR	1.13 projected (1.10 minimum)
LTV	TBD (90% maximum)

Junior Loan

Type	Workforce Housing Loan
Loan Amount	\$700,000
Interest Rate	0%
Loan Term/Amortization	40 y / non-amortizing
Terms of Cash Flow Sharing	To the extent there is cashflow during operations, 50% will be split between MassHousing and the other subordinate lenders on a pari-passu basis, with MassHousing's share being used to service principal on the Workforce Housing Loan.

4. Development Plan

Description of Site. The Woodland Cove Phase II site is located on a 2-acre portion of the 8.63-acre Woodland Cove Redevelopment site. The Starlight Motel currently sits on the site and is set to be demolished as part of the scope of work for the Phase II transaction. The site is 1.5 miles from Cranberry Plaza, which contains amenities as well as transportation into Boston and the neighboring areas.

Description of Existing or Proposed Building. Woodland Cove Phase II will consist of 63 new construction rental units in one three-story elevator building and one four-story elevator building. The property will have 106 on-site surface parking spaces.

Description of Affordability Mix. Of the 63 units, nine will be affordable to households earning up to 30% of AMI, eight of which will benefit from project-based Section 8 vouchers, and one unit will benefit from a project-based MRVP voucher. Both the Section 8 contract and the MRVP contract will be administered by NeighborWorks Housing Solutions (on behalf of DHCD). Forty-seven (47) units will be affordable to households earning up to 60% AMI, and seven Workforce Housing units will be affordable to households earning up to 80% of AMI.

Site Control. The Sponsor has entered into a purchase and sale agreement with the Boston Land Group, LLC to purchase the Phase II portion of the site for \$1,235,000.

5. Borrower Team

Mortgagor Entity: WC2 Owner, LLC

A sole-asset, single-purpose entity formed by the Developer/Sponsor for the purpose of owning and operating Woodland Cove Phase II.

Developer / Sponsor: Dakota Partners, Inc.

Founded in 2006, Dakota Partners is a Massachusetts-based real estate developer and builder. Dakota has acquired or constructed over 100 residential projects, bringing more than 1,000 units to market in New England and the mid-Atlantic.

General Partner / Managing Member: WC2 Managing Member, LLC

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

Construction Lender: East West Bank

East West Bank is a full-service commercial bank with over 120 locations in major cities in the United States and China, with their corporate headquarters located in Pasadena, CA. East West Bank has been an affordable housing lender for almost 20 years. During this time, the bank has funded over \$1.0 billion in approximately 100 affordable housing projects totaling over 15,000 individual units.

Syndicator / Investor: Hunt Capital Partners

Hunt Capital Partners specializes in the syndication of federal and state housing, historic, and solar tax credits. Since its inception in 2010, Hunt Capital Partners has raised over \$2.4 billion in equity. Investment partners include banks, insurance companies, and technology companies.

Management Company: Maloney Properties, Inc.

Maloney Properties, Inc. is a woman-owned firm established in 1981 that provides professional property management services throughout New England. Currently, Maloney Properties manages over 10,000 units of housing, including over 1,950 units in 20 properties in MassHousing's loan portfolio.

Architect: Ed Wojcik, Ltd.

Established in 1998, Ed Wojcik, Ltd. is a full-service architecture firm located in Providence, Rhode Island. The firm has experience with affordable housing developments and has been licensed in Massachusetts for twenty years.

General Contractor: Dakota Partners, Inc.

Dakota Partners manages construction of its development projects. As general contractor, Dakota has completed over 30 new construction projects in New England and Virginia. Dakota currently has six projects under construction.

6. Summary of MassHousing-Sponsor Relationship	
Number of Projects with MassHousing Debt	2
Total Units with MassHousing Debt	96
Outstanding MassHousing Principal Debt	\$4,857,401
Adverse Actions Against the Borrower Team	No.
Current on Obligations with MassHousing	Yes.
Property Management Affiliate	No.

MassHousing Staff	
Origination	Sarah Hall, Originator Amanda Melick, Analyst
Underwriting	John Collins, Underwriter Ryan Setzko, Analyst
Asset Management	Piia DiMeco, Portfolio Manager Megan Delsignor, Asset Manager

7. Unit Mix

		LIHTC Eligible								
Unit Size	Total Units	Project-Based Section 8 (30% AMI)*		MRVP (30% AMI)		LIHTC (60% AMI)*		Workforce Housing (80% AMI**)		Market Comparison
		Count	Rent	Count	Rent	Count	Rent	Count	Rent	Rent
1 BR	11			1	\$1,826	9	\$1,379	1	\$1,500	\$2,000
2 BR	45	6	\$2,219			34	\$1,645	5	\$1,800	\$2,250
3 BR	7	2	\$2,868			4	\$1,869	1	\$2,100	\$2,900
Total	63	8		1		47		7		

*Rents are net of utility allowances.

** For purposes of loan sizing, the Workforce Housing rents have been underwritten at approximately 60% AMI. Please see Section 12 – Underwriting Notes.

Project-Based Rental Subsidy	
Type	Section 8
Term	20 y
Administrator	Neighborworks Housing Solutions
Lesser of Section 8 contract or market rent.	
Type	MRVP
Term	20 y
Administrator	Neighborworks Housing Solutions
Lesser of programmatic rent cap or rents supported by MassHousing market review.	

8. Operating Overview

Underwritten OpEx	\$697,000 (approximately \$11,000 per unit)
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Basis of Operating Costs. Borrower proposed budget and comparable properties in the MassHousing portfolio.

9. Project Costs	
Residential Costs	
Base	\$23,090,900
Extraordinary	-
Total	\$23,090,900
Construction	\$14,505,883
Construction per Square Foot	\$196
Commercial Costs	
Total	-
Total Development Cost	
Total	\$23,090,900

Background on Extraordinary Costs. N/A

10. Sources and Uses

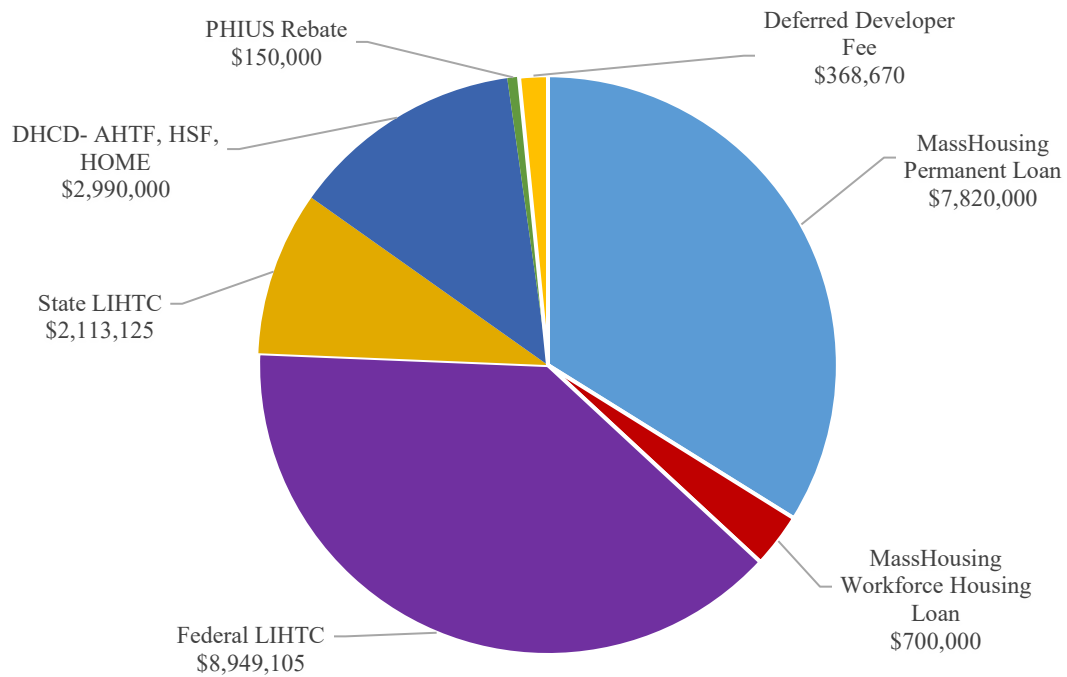
Sources of Funds	Total
MassHousing Permanent Loan	\$7,820,000
MassHousing Workforce Housing Loan	\$700,000
Federal LIHTC	\$8,949,105
State LIHTC	\$2,113,125
DHCD AHTF	\$1,000,000
DHCD HSF	\$1,000,000
DHCD HOME	\$990,000
PHIUS Rebate	\$150,000
Deferred Developer Fee	\$368,670
Total Sources	\$23,090,900

Residential Uses of Funds	Total	<i>Per Unit</i>
Acquisition	\$1,235,000	\$19,603
Construction	\$14,505,883	\$230,252
Construction Contingency	\$725,294	\$11,513
General Development	\$3,562,044	\$56,540
Capitalized Reserves	\$955,779	\$15,171
Developer Overhead & Fee	\$2,106,900	\$33,443
Total Residential Uses	\$23,090,900	\$366,522

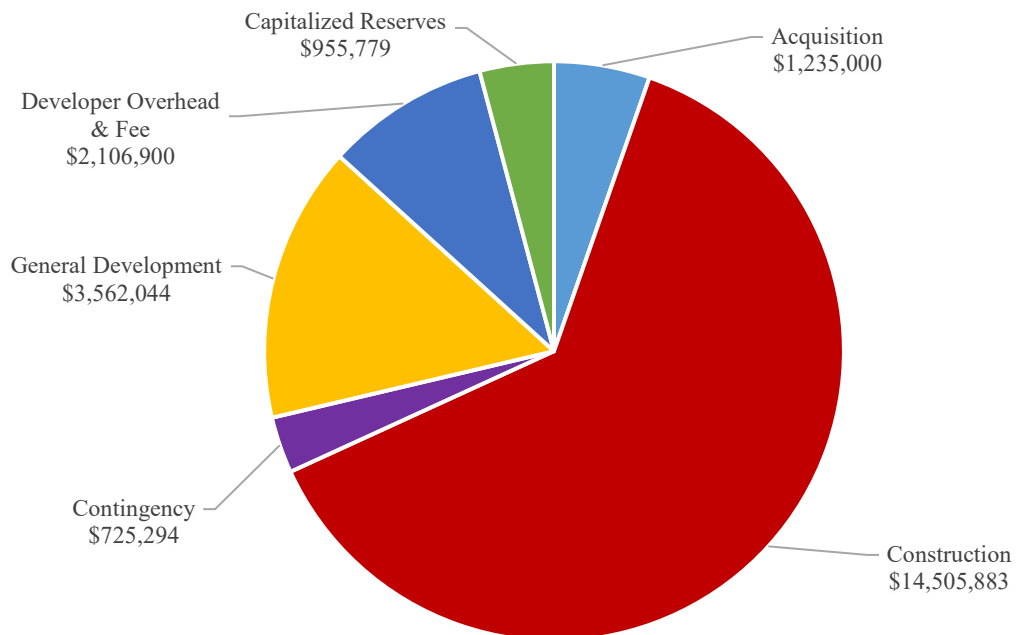
Commercial Uses	-
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Total Uses	\$23,090,900
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Sources



Uses



11. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		\$250,512
Rental Income – Non-Rental Subsidy		\$1,061,964
Gross Potential Residential Income		\$1,312,476
Vacancy – Project-Based Rental Subsidy	3.0%	(\$6,372)
Vacancy – Non-Rental Subsidy	5.0%	(\$53,098)
Gross Residential Income		\$1,253,005
Other Income – Laundry		\$5,400
Effective Gross Income		\$1,258,405

Expenses		
Residential Operating Expenses		\$697,242
Net Operating Income		\$561,163
Debt Service		(\$464,993)
Cash Flow		\$96,170

First Mortgage Debt Service Coverage 1.13

Residential Operating Expense Detail			<i>Per Unit</i>
Management Fee	5.0%	\$62,920	\$999
Administrative Costs		\$159,870	\$2,538
Maintenance Costs		\$190,292	\$3,021
Resident Services		\$15,000	\$238
Utilities (water and sewer, gas, electric)		\$110,380	\$1,752
Insurance		\$34,650	\$550
Taxes		\$81,900	\$1,300
Replacement Reserves		\$22,680	\$360
Mortgage Insurance Premium		\$19,550	\$310
Total		\$697,242	\$11,067

Operating Expenses as a Percent of EGI 55.4%

12. Underwriting

1. **Workforce Housing Units.** The seven Workforce Housing units are restricted to households at incomes below 80% of AMI, with rents underwritten at levels affordable to households at approximately 60% of AMI. These underwritten rents are based on a borrower-commissioned market study and will be confirmed by a MassHousing-commissioned third-party report. The underwritten rents support marketability and absorption of the Workforce Housing units, offer a discount to actual market rents, and further local efforts to create housing options affordable to moderate-income households.

Twenty-five additional Workforce Housing units will be built as part of Phases I and III, and the addition of these units has been taken into consideration regarding marketing and absorption for all three phases of the redevelopment.

2. **Third Party Reports.** The MassHousing third-party appraisal is currently underway. To the extent the appraisal changes the underwritten rents and/or loan-to-value, the loan amount will be adjusted accordingly.
3. **Geotechnical Testing.** Excavation for Phase I included mining for “structurally appropriate fill” on that portion of the site with the expectation that such fill would be located at depths of three feet. Much of the mining, however, ultimately required digging to a depth of six feet, resulting in additional costs to the Phase I development. This issue was not identified in the Geotechnical Report completed for Phase I and has raised questions about the suitability of the soil for Phases II and III. The Sponsor is conducting additional geotechnical surveys for the Phase II portion of the site to determine if they’ll need to take the same approach to mining for appropriate fill. Prior to construction loan closing, the additional geotechnical testing must be complete, and any additional digging will be incorporated into the proposed scope of work.

Underwriting Criteria and Loan Terms	Woodland Cove Phase II	Underwriting Standards
1. DSCR	1.13	Minimum of 1.10
2. Term/Amortization	40 y / 40 y	30-40 , fully-amortizing
3. Loan to Value	TBD	Maximum of 90% based on third party "as-proposed" investment value
4. Underwriting Rents	For PBV units, lesser of PB-Rental Subsidy contract or market supported rents; All other units based on lesser of programmatic rent cap or rents supported by MH market review.	Lesser of: • PB-Rental Subsidy contract or market supported rents • Programmatic rent cap or rents supported by MassHousing market review.
5. Vacancy Allowance	PB-Section 8: 2.5% MRVP: 3.0% LIHTC/WFH: 5.0%	Minimum of: • 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: • 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	\$360 unit / year	Minimum of: • \$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 \$11,000 unit / year	Typically, between \$9,000 and \$12,000 per unit.

13. Low-Income Housing Tax Credits

This transaction uses 9% low-income housing tax credits, which do not require MassHousing approval.

Woodland Cove Phase II VOTES AND FINDINGS

PROPOSALS AND VOTES

Mortgage Loan

Staff has reviewed the proposal for permanent and subordinate loan financing and proposes the following vote for approval:

VOTED: To approve the findings and determinations set forth below and to authorize a permanent first mortgage loan in a principal amount of up to \$7,820,000, such first loan to be insured under the HUD HFA Risk Sharing Program, to be made to WC2 Owner, LLC or another single-purpose, sole asset entity controlled by Dakota Partners, Inc. (the “Borrower”) as owner of the multifamily residential development known as “Woodland Cove Phase II” (the “Development”) and located in Wareham, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, 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:

1. Additional geotechnical testing of the soils must be completed, and if the findings from these tests result in additional development costs, the Borrower will provide a plan to address any increase in development costs.

FURTHER VOTED: To approve a subordinate mortgage loan to the Borrower for the Development in an amount not to exceed \$700,000 (1) to be funded from that portion of the Opportunity Fund approved by the Members of MassHousing on March 8, 2016, designated and reserved for workforce housing programs and (2) subject to the terms and conditions of MassHousing’s Workforce Program Guidelines adopted by the Members on July 12, 2016, as amended, and to any applicable delegations of authority previously approved by the Members of MassHousing.

FURTHER VOTED: To authorize the Executive Director 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 Executive Director 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.

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:

Sixty-three 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 March 18, 2022 and may not fully incorporate the potentially adverse impact(s) that the COVID-19 virus has had on the overall economy or on the local housing markets, since being declared a pandemic by the World Health Organization (WHO) in March 2020. Further, the reader is cautioned and reminded that any observations, comparisons, and/or conclusions are based on the data as of the aforementioned collection date.

In-house data for larger market and mixed-income complexes (737 approximate units in the area revealed a strong market, with increasing rental and occupancy rates over the past three years. Current occupancy rates of the six developments reviewed averaged approximately 97.5% and ranged between 85% and 100%.

1st Qtr. 2022 CoStar data for the subject's [South Plymouth County](#) (7,875 units) has an overall vacancy rate at 1.8% YTD, which is a decrease of 1.97% from one year ago. CoStar data for the Boston market (247,420 units) has an overall vacancy rate of 4.0% YTD, which is a decrease of 3.21 % from one year ago. The South Plymouth county submarket vacancy rate is projected to increase to 4.0% over the next five years, while the Boston market is projected to increase to 4.8%.

CoStar, submarket data for the 4-5 Star building type (1, 858 units) indicates a 1st Qtr. 2022 vacancy rate of 3.1% and an average asking rent of \$2,644, while submarket data for the subject's 3 Star building type (2,734 units) indicates a 1st Qtr. 2022 vacancy rate of 2.0% at an average asking rent of \$2,011 and 1-2 Star buildings (3,283 units) indicates a 1st Qtr. 2022 vacancy rate of .9% at an average asking rent of \$1,637. 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 Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/21/20), the town of Wareham has 9,880 year-round housing units, 745 (7.5%) of which are subsidized for low/moderate income households.

The Wareham Housing Authority (WHA) owns/operates 143 units of State public housing (39 family and 104 elderly/disabled). Per the Wareham Housing Authority, they maintain 756 households on their public housing wait lists (427 families, 211 elderly and 180 non-elderly/disabled). At the time of this report, WHA is not accepting any new applications for the State Elderly one-bedroom units. Per the Wareham Housing Authority, they do not administer a tenant-based assistance programs (e.g. Housing Choice Vouchers).

U.S. Census data from the 2016-2020 American Community Survey (ACS) indicates that of the 10,070 households in the Town of Wareham, approximately 71.4% earned less than the HUD published 2021 AMI (\$120,800), approximately 49% earned less than 50% of 2021 AMI, approximately 56.8% earned less than 60% of the 2021 AMI and approximately 64.3% earned less than 80% of the 2021 AMI.

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	1	2	3
Number of Units	11	45	7
Net SF/Unit	594	971	1,220
Elev./Non-Elev.	E	E	E
Market Rate Rent (10% Rate 20 Year Term)	\$3,708	\$4,016	\$4,476
MHFA Below Market Rent (Cost-Based Rent)	\$2,301	\$2,609	\$3,069
MHFA Adjusted Rent	30% of 80% of AMI		
Underwriting Rents			
Project-Based Section 8	\$2,000	\$2,219	\$2,868
MRVP 30% AMI	\$1,826	-	-
LIHTC 60% AMI	\$1,379	\$1,645	\$1,869
Workforce Housing 80% AMI	\$1,500	\$1,800	\$2,100

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



Modification to Loan Commitment Proposal | July 8, 2025

Woodland Cove Phase I



Location	3102 Cranberry Highway, Wareham, MA 02538
Sponsor	Hunt Capital Partners
Transaction Type	Production (9%)
Funding Type	Forward Commitment of Permanent Loan
Execution Type	Taxable (9% LIHTC)
Credit Enhancement	HUD/FHA Risk-Sharing with 50% credit risk
Total Rental Units	63
Affordability Mix	56 Affordable 7 Workforce

Borrower Team

Mortgagor Entity	WC Owner, LLC
Developer / Sponsor	Hunt Capital Partners
General Partner / Managing Member	HCP-GP Woodland Cove I, LLC
Construction Lender	Brookline Bank
Syndicator / Investor	Hunt Capital Partners
Management Company	Wingate Management
Architect	Ed Wojcik Architect, Ltd.
General Contractor	Dakota Partners, Inc.

Recommended Votes

- Transfer of Interests
- Ratification and confirmation of July 13, 2021 votes



Modification to Loan Commitment Proposal | July 8, 2025

Woodland Cove Phase II

Location	3102 Cranberry Highway, Wareham, MA 02538
Sponsor	Hunt Capital Partners
Transaction Type	Production (9%)
Funding Type	Forward Commitment of Permanent Loan
Execution Type	Taxable (9% LIHTC)
Credit Enhancement	HUD/FHA Risk-Sharing with 50% credit risk
Total Rental Units	63
Affordability Mix	56 Affordable 7 Workforce

Borrower Team

Mortgagor Entity	WC Owner, LLC
Developer / Sponsor	Hunt Capital Partners
General Partner / Managing Member	HCP-GP Woodland Cove II, LLC
Construction Lender	Brookline Bank
Syndicator / Investor	Hunt Capital Partners
Management Company	Wingate Management
Architect	Ed Wojcik Architect, Ltd.
General Contractor	Dakota Partners, Inc.

Recommended Votes

- Transfer of Interests
- Ratification and confirmation of April 12, 2022 votes

Delinquency Summary Report



Jun 30, 2025

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
40B	NEF - 40B	1	\$8,196,458	0	\$0	0.00%	0.00%
40B - Total		1	\$8,196,458	0	\$0	0.00%	0.00%
INDEP	Options for Independence	17	\$295,362	0	\$0	0.00%	0.00%
INDEP - Total		17	\$295,362	0	\$0	0.00%	0.00%
OTHER	Other Subordinate Only	1	\$973,627	0	\$0	0.00%	0.00%
OTHER - Total		1	\$973,627	0	\$0	0.00%	0.00%
SECT8NONP	Project Based Section 8 - Not PBCA	4	\$27,616,776	0	\$0	0.00%	0.00%
SECT8NONP - Total		4	\$27,616,776	0	\$0	0.00%	0.00%
SECT8PBCA	Project Based Section 8	172	\$3,057,246,667	0	\$0	0.00%	0.00%
SECT8PBCA - Total		172	\$3,057,246,667	0	\$0	0.00%	0.00%
SECT8VOUCH	Project Based Section 8 Vouchers	30	\$422,737,508	0	\$0	0.00%	0.00%
SECT8VOUCH - Total		30	\$422,737,508	0	\$0	0.00%	0.00%
SHARP	SHARP/ RDAL	3	\$43,397,497	0	\$0	0.00%	0.00%
SHARP - Total		3	\$43,397,497	0	\$0	0.00%	0.00%
TAXCREDIT	Tax Credit (4% and/or 9%)	166	\$1,473,420,942	1	\$33,773,980	2.29%	0.60%
TAXCREDIT - Total		166	\$1,473,420,942	1	\$33,773,980	2.29%	0.60%
UNSUB	Un-Subsidized	22	\$318,820,581	0	\$0	0.00%	0.00%
UNSUB - Total		22	\$318,820,581	0	\$0	0.00%	0.00%
WORKFORCE	Workforce Housing	9	\$83,014,761	0	\$0	0.00%	0.00%
WORKFORCE - Total		9	\$83,014,761	0	\$0	0.00%	0.00%
		5	\$148,336,994	0	\$0	0.00%	0.00%
- Total		5	\$148,336,994	0	\$0	0.00%	0.00%
Overall - Total		430	\$5,584,057,175	1	\$33,773,980	0.60%	0.23%

Delinquency Detail

Jun 30, 2025
Delinquencies in Excess of: \$1,000



Tax Credit (4% and/or 9%)

Principal Program Code	Project Id - Development Name	City/ Town	Total Rental Units	Project Outstanding Loan Amount	Total Due & Uncollected	Past Due Installments
TAXCREDIT	16-004 Pac 10 Lofts, Phase One	Lawrence	180	\$33,773,980	\$19,021,123	30
Overall - Total			180	\$33,773,980	\$19,021,123	

Delinquency Detail by Investor



Jun 30, 2025

Delinquencies in Excess of: \$1,000

Investor Segment	Segment Code	Investor Segment	Investor Pool	Loan Nbr	Project Id - Development Name	Total Rental Units	Original Loan Amt	Outstanding Loan Amt	Total Due & Uncollected - Delinquent	Past Due Installments
Escrow Division/Working Capital Fund	W001	Working Capital Fund	WCF Corporate	16-004-02	16-004 Pac 10 Lofts, Phase One	180	\$18,000,000	\$16,005,980	\$16,057,580	1
Housing Bond Resolution	B001	Housing Bond Resolution	HOUSING BOND RES 2017D	16-004-01	16-004 Pac 10 Lofts, Phase One	180	\$11,100,000	\$11,100,000	\$1,851,381	30
			HOUSING BOND RES 2022A-1	16-004-01	16-004 Pac 10 Lofts, Phase One	180	\$6,668,000	\$6,668,000	\$1,112,163	30
Overall - Total						180	\$35,768,000	\$33,773,980	\$19,021,123	