

**Minutes of the Regular Meeting of the
Members of MassHousing
held on
November 12, 2024**

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing – November 12, 2024 in accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended. No Members were physically present and the meetings were conducted remotely through a publicly accessible Zoom meeting.

Members:

Board Member	Present	Absent
Jeanne Pinado, Chair	X	
Carolina Avellaneda, Vice Chair	X	
Edward Augustus, ex officio	X	
Bran Shim*	X	
Herby Duverné	X	
Tom Flynn	X	
Patricia McArdle	X	
Carmen Panacopolous	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 indicated that the first order of business was the approval of the minutes of the October 8, 2024 meeting.

Upon a motion duly made and seconded, by roll call vote, by all Members present (Tom Flynn abstaining, Patricia McArdle not yet attending), it was:

VOTED: That the minutes of the Regular Meeting of the Members held on October 8, 2024 are hereby approved and placed on record.

(Patricia McArdle joined the meeting)

Chief Executive Officer’s Report

Chrystal Kornegay began her report by giving an update on the BILD (Bringing Innovation to Lending and Development) program. Brian Robinson, Senior Manager – Equity Programs, started

at MassHousing on October 21, 2024. MassHousing hosted two BILD Open House sessions. The session held on October 22, 2024 had 20 attendees and the session held on October 23, 2024 had 9 attendees. The submission period for BILD Preliminary Statement of Interest Questionnaires and pro formas opened on October 28, 2024 and 29 sponsors have either submitted a questionnaire or expressed interest since the submission period opened.

Ms. Kornegay next announced that MassHousing has been awarded the Bankers and Tradesman Award for Best Correspondent Banking. MassHousing was also honored by MassINC as a Gateway Cities Champion for outstanding leadership improving housing in Gateway Cities.

Board members Jeanne Pinado and Carmen Panacopoulos also recently received honors. Ms. Pinado was recognized by the Boston Business Journal as one of 50 leaders in the Boston area who are influencing their local communities for good. Ms. Panacopoulos was honored as an exceptional Latino leader who has made an impact in the respective fields and communities.

**Votes Relating to the MassHousing Annual Meeting
and
Terms of MassHousing Officers, Representatives, and Appointees**

Colin McNiece introduced votes regarding the Annual Meeting Schedule.

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

VOTED: That, pursuant to Section 3 of Article IV of the By-Laws, the Annual Meeting scheduled to be held at this meeting is postponed to a subsequent Meeting of the Board to be determined by the Chair; and

**FURTHER
VOTED:** That all officers, representatives, and appointees of the Agency appointed by the Board at the last Annual Meeting held on October 10, 2023, who still remain in such office, representation, or appointment as of the date hereof, shall continue in such capacity until such postponed Annual Meeting shall

Loan Committee

Loft 27 (f/k/a 27 Jackson Street), Lowell

Bill Dunn presented a Commitment of a Subordinate Loan and Resubordination of a MassHousing Priority Development Fund Loan for Loft 27 in Lowell.

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.

Singing Bridge Residences, Chicopee

Sarah Hall presented a Modification to Approval of Permanent Tax-Exempt Loan, Tax-Exempt Bridge Loan, and Middle Income (f/k/a Workforce) Housing Subordinate Loan for Singing Bridge Residences in Chicopee.

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 was none.

There being no other business to consider, the meeting adjourned at 2:20 p.m.

A true record.

Attest.



Colin M. McNiece
Secretary

Materials:

- Board Package, November 12, 2024



Massachusetts Housing Finance Agency
One Beacon Street Boston, MA 02108

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

Posted: November 7, 2024 @ 12:25 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, November 12, 2024**

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

Location: **See below**

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

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

The Zoom meeting link for this Meeting is: <https://masshousing.zoom.us/j/82900969546>
The Zoom meeting ID is: 829 0096 9546
The Zoom Passcode is: 705616

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 October 8, 2024
 - C. Chief Executive Officer's Report

D. Votes Regarding Annual Meeting Schedule

2. LOAN COMMITTEE

A. Loft 27 (f/k/a 27 Jackson Street), Lowell

- Commitment of a Subordinate Loan
- Resubordination of a MassHousing Priority Development Fund Loan

B. Singing Bridge Residences, Chicopee

- Modification to Approval of Permanent Tax-Exempt Loan, Tax-Exempt Bridge Loan, and Middle-Income (f/k/a Workforce) Housing 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

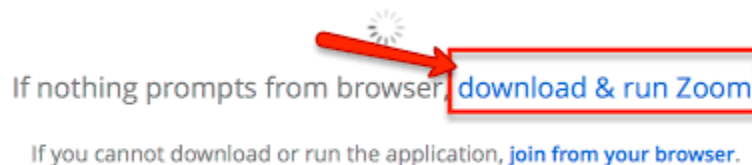
One tap mobile
+13126266799,,6881564212# US (Chicago)
+16465588656,,6881564212# US (New York)

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)



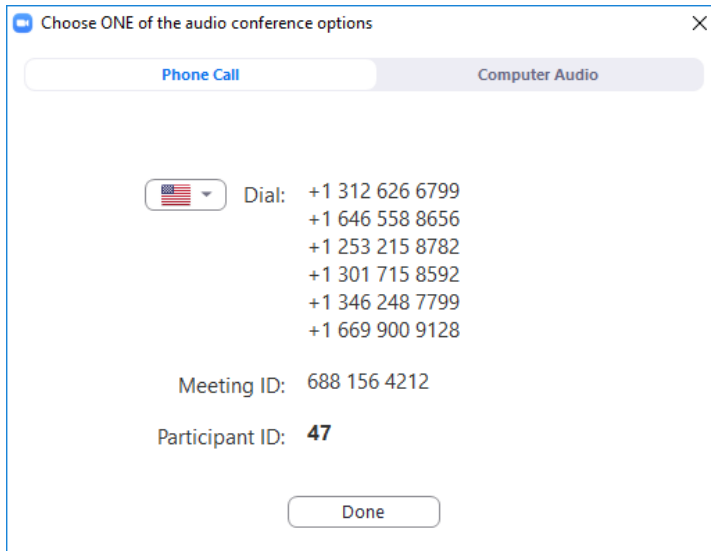
3. If Zoom does NOT automatically download and install. Click Download & run Zoom

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

Steps to Join a Zoom Meeting

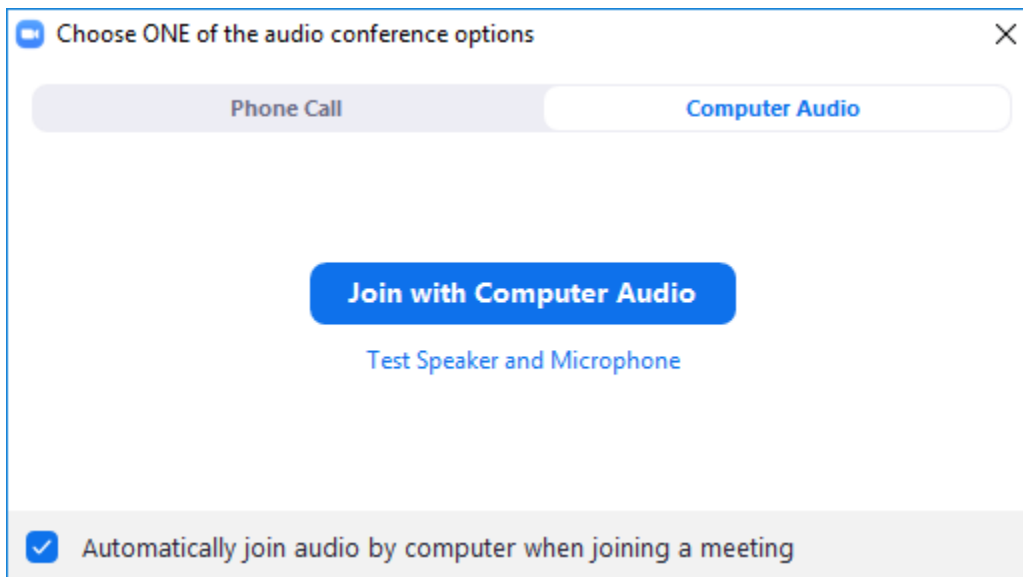
4. You will be provided with Audio Options.

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



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

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



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

**Minutes of the Annual Meetings of the
Members of MassHousing and its
Affiliates: the Property Acquisition and
Disposition Corporation (PADCO) and
the Center for Community Recovery
Innovations, Inc. (CCRI)
held on
October 8, 2024**

The annual meetings of the Massachusetts Housing Finance Agency – doing business as MassHousing – and its affiliates – the Property Acquisition and Disposition Corporation (PADCO) and the Center for Community Recovered Innovations, Inc. (CCRI) were held on October 8, 2024 at MassHousing’s offices located at One Beacon Street in Boston, Massachusetts. In attendance were:

Members:

Board Member	Present	Absent
Jeanne Pinado, Chair	X	
Carolina Avellaneda, Vice Chair	X	
Edward Augustus, ex officio	X	
Bran Shim*	X	
Herby Duverné	X	
Tom Flynn		X
Patricia McArdle	X	
Carmen Panacopolous	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 indicated that the first order of business was the approval of the minutes of the September 10, 2024 meeting.

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

VOTED: That the minutes of the Regular Meeting of the Members held on September 10, 2024 are hereby approved and placed on record.

Chair Pinado began the meeting by welcoming our newest board member, Michael Glover, Vice President and General Counsel of Real Estate & Strategic Operations at Northeastern University.

Chair Pinado also thanked Jerald Feldman for his many years of service to the Board and to the Loan Committee.

Bran Shim joined the meeting

Chief Executive Officer's Report

Chrystal Kornegay began her report by discussing MassHousing's agreement with MIT's Department of Urban Studies and Planning (DUSP) to support a research project about racially restrictive deed covenants in Massachusetts.

The pilot program will focus on the use of these now illegal ownership restrictions in two to three representative Massachusetts counties. MassHousing will provide \$150,000 in funding. If the pilot program produces meaningful findings, MassHousing believes other interested partners would join us to support a statewide research program.

Ms. Kornegay continued by discussing racially restrictive covenants and their history. MassHousing hopes that the research will contribute to broader public understanding of the historical causes of continuing disparities in rates of homeownership among different racial and ethnic groups here in Massachusetts. The research will also be useful to MassHousing when considering the creation of new programs for first-time homeownership and structuring the Agency's current homebuying and homeownership assistance programs.

There has only been very limited research into the use of restrictive covenants in Massachusetts – which is true for most other states. Nationally, Minnesota and Washington are leaders in this area.

Patricia McArdle stated that she has come across racially restrictive covenants in deeds in Massachusetts and she would be excited to help in any way. Carolina Avellaneda suggested looking into Boston University's Spark program.

Annual Meetings of MassHousing, PADCO and CCRI

Chair Pinado then turned her attention to the Annual Meetings of MassHousing and its affiliates.

Chrystal Kornegay noted that because of several pending reappointments and appointments, staff is recommending that the election of officers and appointment of committees of MassHousing be postponed.

Colin McNiece presented two proposed votes to postpone the Annual Meeting of MassHousing to its next regular meeting in November and continue the terms of any officers and appointments until that time.

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

VOTED: That, pursuant to Section 3 of Article IV of the By-Laws, the Annual Meeting scheduled to be held at this meeting is postponed to the next succeeding Regular Meeting of the Board; and

FURTHER VOTED: That all officers, representatives, and appointees of the Agency appointed by the Board at the last Annual Meeting held on October 10, 2023, who still remain in such office, representation, or appointment as of the date hereof, shall continue in such capacity until such postponed Annual Meeting for 2024 shall be held.

Chair Pinado then called for a motion to recess the MassHousing meeting to conduct the annual meetings of the MassHousing affiliates: The Center for Community Recovery Innovations, Inc. (CCRI) and the Property Acquisition and Disposition Corporation (PADCO).

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

VOTED: To recess the MassHousing meeting and convene the Annual Meeting of The Center for Community Recovery Innovations, Inc. to order.

CCRI Annual Meeting

Chair Pinado called the annual meeting of CCRI to order. Chair Pinado referred the Members to the proposed slate of officers.

Upon a motion duly made and seconded, it was

VOTED: That the Board of Directors of the Center for Community Recovery Innovation, Inc. shall consist of the Members of MassHousing.

FURTHER VOTED: That Jeanne Pinado is hereby elected to serve as Chairman of the Center for Community Recovery Innovations, Inc.

FURTHER VOTED: That Chrystal Kornegay is hereby elected to serve as President of the Center for Community Recovery Innovations, Inc.

FURTHER VOTED: That Kelly Condon is hereby elected to serve as Vice President of the Center for Community Recovery Innovations, Inc.

FURTHER VOTED: That Rachel C. Madden is hereby elected to serve as Treasurer of the Center for Community Recovery Innovations, Inc.

FURTHER

VOTED: That Paul Scola is hereby elected to serve as Assistant Treasurer of the Center for Community Recovery Innovations, Inc.

FURTHER

VOTED: That Amy Quimby is hereby elected to serve as Clerk of the Center for Community Recovery Innovations, Inc.

FURTHER

VOTED: That Carol G. McIver is hereby elected to serve as Assistant Clerk of the Center for Community Recovery Innovations, Inc.

Noting that there was no other business requiring action or discussion, Chair Pinado adjourned the Center for Community Recovery Innovations, Inc. (CCRI) Annual meeting.

PADCO Annual Meeting

Chair Pinado called the Annual Meeting of the Property Acquisition and Disposition Corporation (PADCO) to order. Chair Pinado referred Members to the proposed slate of officers.

Upon a motion duly made and seconded, it was

VOTED: That the Board of Directors of PADCO shall consist of the Members of MassHousing.

FURTHER

VOTED: That Jeanne Pinado is hereby elected to serve as Chairman of PADCO.

FURTHER

VOTED: That Chrystal Kornegay is hereby elected to serve as President of PADCO.

FURTHER

VOTED: That Kelly Condon is hereby elected to serve as Vice President of PADCO.

FURTHER

VOTED: That Rachel C. Madden is hereby elected to serve as Treasurer of PADCO.

FURTHER

VOTED: That Paul Scola is hereby elected to serve as Assistant Treasurer of PADCO.

FURTHER

VOTED: That Amy Quimby is hereby elected to serve as Clerk of PADCO.

FURTHER

VOTED: That Carol G. McIver is hereby elected to serve as Assistant Clerk of PADCO.

Noting that there was no other business requiring action or discussion, Chair Pinado adjourned the PADCO meeting and reconvened the MassHousing meeting.

Fiscal Year 2024 Financial Year End Results

Rachel Madden presented the Fiscal Year 2024 Financial Year End Results. Total production was \$169 million below budget. Single-family production was \$67 million below budget and multi-family was \$102 million below budget. Multi-family income is \$32 million above budget. Drivers behind this are multi-family net interest spread is higher by \$27.9 million; multi-family miscellaneous fee income is higher by \$2.1 million, multi-family servicing income is higher by \$1.5 million. This is offset by multi-family servicing fee income which is lower by \$1.2 million.

FY24 single-family income is \$8.9 million higher than the FY24 budget. Drivers are single-family net interest spread is higher by \$9.5 million, single-family servicing income is higher by \$82K. This was offset by single-family lending income which is lower by \$690K.

FY24 mortgage insurance fund is \$53 million below budget for production and \$2 million above budget for income. Investment income is higher by \$1.2 million, fee income is higher by \$825K, insurance volume is up and exits have slowed. Paid claims are lower by \$187K. Offset by IT and professional services expenses higher by \$309K.

FY24 Grant Income was \$168 million above budget and grant disbursements were \$37 million below budget. FY25 Net Grant Activity is \$205.7 higher than FY24 budget. Total Grant Income is \$219 million and Total Grant Disbursements are \$70 million.

FY24 Net Income (excluding Grants) is \$60.9 million higher than FY24 budget. IT expenses are lower by \$2.5 million, professional services are lower by \$2.2 million and operating costs are lower by \$345K. This is offset by payroll and payroll-related expenses which are higher by \$764K primarily due to the timing of hiring and retiree payouts.

Votes Approving an Annual Contribution to the Opportunity Fund and Other Deposits

Rachel Madden presented a proposal for the Annual Contribution to the Opportunity Fund and other deposits.

In March 2016, the Agency established the Opportunity Fund to support mission-driven initiatives (the "Opportunity Fund"). One of the funding concepts for the Opportunity Fund was the contribution of 50% of excess earnings after bond transfers from each fiscal year. The idea behind this concept was to use half of all excess earnings in the Working Capital Fund to build Agency capital while using the remaining half for mission-driven initiatives.

At this time, staff recommends that 50% of the excess earnings after bond transfers from Fiscal Year 2024 in the amount of \$24,625,000 be contributed to the Opportunity Fund.

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

VOTED: To contribute \$24,625,000 of the excess earnings after bond transfers from Fiscal Year 2024 to the Opportunity Fund established by the Members on March 8, 2016.

Workforce Housing Opportunity Fund Transfer

On May 20, 2024, the Agency entered into a contract with the Executive Office of Housing and Livable Communities (EOHLC) with a maximum obligation of \$100 million to administer the deployment of Workforce Housing Funds (WHF). The Agency has an existing WHF program within the Opportunity Fund and staff desires to move the funds received to date that are remaining, along with any future funds received under the contract with EOHLC, to the Opportunity Fund to facilitate a more efficient process for deploying the funds for the WHF initiative.

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

VOTED: To contribute existing funds held under the WHF contract with EOHLC and any funds to be received in the future under such contract to the Opportunity Fund

Loan Committee

Casas Borinquen, Boston (South End)

Kyle Grenon presented a proposal for Official Action Status, Commitment of a Tax-Exempt Construction and Permanent Loan, Commitment of Tax-Exempt Construction Equity Bridge Loan and Approval for the Use of Low-Income Housing Tax Credits.

Upon a motion duly made and seconded, 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.

375 Broadway (f/k/a 4th and Broadway), Chelsea

Mike Carthas presented a proposal for Commitment of a Taxable Permanent Loan and Commitment of a Middle-Income (f/k/a Workforce) Housing Subordinate Loan.

Upon a motion duly made and seconded, 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.

Spring Gate Apartments Transfer of Ownership, Rockland

Joe Hughes presented a proposal for an Update to Rental Management Proposal for Transfer of Ownership.

Carmen Panacopolous asked if the principal is familiar to the Agency, and Mr. Hughes confirmed that it is.

Upon a motion duly made and seconded, 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 Chair then asked if there was any other old or new business for the Members' consideration.

There was none.

There being no other business to consider, the meeting adjourned at 3:00 p.m.

A true record.

Attest.

Colin M. McNiece
Secretary

Materials:

- Board Package, October 8, 2024

CEO's Report

November 12, 2024

BILD Updates,
MassHousing
Awards and Board
Member Honors.

BILD Updates

1

Brian Robinson, **Senior Manager – Equity Programs**, started at MassHousing on 10/21

2

MassHousing hosted **two BILD Open House** sessions

- 10/22: 20 attendees
- 10/23: 9 attendees

3

Submission period for **BILD Preliminary Statement of Interest Questionnaire's** and **pro formas** opened on 10/28

- 17 sponsors have either submitted a questionnaire or expressed interest since the submission period opened

MassHousing Awards



Bankers and Tradesman Award
MassHousing's won the Gold Medal
for Best Correspondent Banking



Gateway Cities Champion Award
MassINC is honoring MassHousing
for outstanding leadership improving
housing in Gateway Cities.

Board Member Honors



Jeanne Pinado

Boston Business Journal's 2024 Power 50

Honors 50 leaders in the Boston area who are influencing their local communities for good.



Carmen Panacopoulos

Amplify LatinX

Honors 100 exceptional Latino leaders who have made an impact in their respective fields and communities.

Questions?
Comments?

Thank You!



Subordinate Loan Commitment Proposal | November 12, 2024

Loft 27 (fka 27 Jackson Street)

1. General Project Information	
Project Name	Loft 27
Project ID	07-002
Associated Projects	N/A
Address(es)	27 Jackson Street, Lowell, MA 01852
Sponsor	WinnDevelopment
Transaction Type	Preservation
Funding Type	Subordinate Loan
Execution Type	Taxable Uninsured
Credit Enhancement	None
Approval Type	Board
Total Rental Units	173
Affordability Mix	35 Affordable 138 Market

2. Recommended Actions

- Commitment of a Subordinate Loan
- Resubordination of MassHousing Priority Development Fund (“PDF”) Loan

The proposed financing will be part of the recapitalization of Loft 27 (fka as 27 Jackson Street, the “Development”) in the Hamilton Canal District of Lowell. In 2007, MassHousing provided taxable permanent financing and a subordinate PDF loan (the “PDF Loan”) to support the adaptive reuse of the former mill building into residential housing. The MassHousing permanent loan was repaid, and the PDF loan resubordinated as part of a 2013 transaction with Red Mortgage Capital, LLC providing permanent financing through a 223(f) FHA execution.

The Sponsor now seeks a taxable refinancing through the Agency’s arrangement with Berkadia Commercial Mortgage LLC (“Berkadia”). The financing contemplated herein is the first to be offered through this arrangement, which allows sponsors to access an integrated debt financing package through the Federal Home Loan Mortgage Corporation (“Freddie Mac”). Freddie Mac lending includes a risk sharing element, a concept which is also seen in HUD’s Federal Housing Administration (“FHA”) and Federal Financing Bank (“FFB”) Risk-Sharing Initiatives, in which MassHousing participates extensively. In the Freddie Mac structure, a lending partner purchases a 10% top loss tranche of the loan (generally referred to as the “B Piece”), allows Freddie Mac to structure bonds as Triple-A (“AAA”) securities and therefore to offer favorable interest rates to borrowers.

Under the Agency's arrangement with Berkadia, MassHousing plays the role of the B Piece purchaser; however, rather than purchase a tranche of the Freddie Mac loan, the Agency has opted to make a subordinate loan up to 10% of the total supportable loan amount.

The resulting integrated financing package will then consist of a Freddie Mac first mortgage loan ("First Mortgage Loan") and a coterminous subordinate second mortgage loan from MassHousing (the "Subordinate Loan" and together with the First Mortgage Loan, the "Loans"). The Loans will fund the senior debt obligations at no more than 75% combined Loan-to-Value ("LTV") and no less than a combined 1.25 Debt Service Coverage Ratio ("DSCR").

While the arrangement with Berkadia is primarily intended to fund Financing Options for Residential Growth and Expansion ("FORGE") loans that while pair with MassHousing's Momentum Equity under the Bringing Innovations to Lending and Development ("BILD") strategy, this transaction serves as a pilot transaction outside of the FORGE structure. This transaction will allow MassHousing, Berkadia, and Freddie Mac an opportunity to work with a familiar and high-capacity sponsor to operationalize the arrangement in advance of originating, underwriting, and closing FORGE loans in 2025.

Proceeds from the refinancing will repay the existing first mortgage, fund immediate repairs, recapitalize replacement reserves, repay related party debt.

3. Financing	
First Mortgage Loan	
Type	Taxable Freddie Mac Loan
Loan Amount	\$28,930,000
Interest Rate	5.38%, locked in advance of closing.
Subordinate Loan	
Type	Taxable Subordinate Loan
Loan Amount	\$3,210,000
Interest Rate	3.00%*, locked in advance of closing.
Overall Financing Package	
Combined Loan Amount	\$32,140,000
Loan Term / Amortization	15 y / 40 y
Combined Year 1 DSCR	1.25 projected (1.25 minimum)
Combined LTV	57% projected (75% maximum)

*Subordinate Loan interest rate specific to this pilot transaction.

MassHousing and Berkadia have entered into an Origination and Underwriting Agreement defining the relationship between MassHousing and Berkadia regarding the origination, underwriting, and closing of an integrated debt financing package. The financing package will include the First Mortgage Loan underwritten by Berkadia and funded through Freddie Mac and the Subordinate Loan underwritten and funded by MassHousing.

The First Mortgage Loan will meet a minimum 1.35 DSCR; together with the Subordinate Loan, the Loans will meet a minimum combined 1.25 DSCR. This structure allows MassHousing to access a low-cost taxable permanent financing execution with committing up to 10% the overall financing package. Because the Agency's commitment is providing credit enhancement to Freddie Mac in the form of a first loss position, the Agency's involvement allows for more favorable lending terms than Berkadia can offer to borrowers outside of the program, including a more competitive interest rate, a 75% LTV and a favorably priced 36-month forward commitment, reducing the overall cost of the financing and supporting the development of mixed-income housing.

Berkadia is responsible for ensuring that all applicable Freddie Mac requirements have been satisfied and that Freddie Mac will determine the new First Mortgage Loan is an acceptable risk. MassHousing will independently underwrite the Subordinate Loan and seek approval of funding from the Agency's Members. With Sponsor's acceptance of commitment letters for the Loans, the financing package will advance to closing. There will be a single closing with coordination between MassHousing, Berkadia and the Sponsor.

4. Development Plan

Description of Site. The Development is constructed on a 3.9-acre portion of the Jackson Street Lofts campus (the “Site”), which also includes Counting House Lofts 109 and Counting House Lofts 71. The campus is centrally located in downtown Lowell and provides easy access to dining, shopping, recreation, government services, and healthcare facilities. The Lowell MBTA Commuter Rail station is within walking distance of the Development.

Description of Existing or Proposed Building. The four-story steel frame and red brick building includes nearly 700 feet of frontage on the Lower Pawtucket Canal and 360,000 gross square-feet of interior space. Originally built in two stages in 1911 and 1919, the building is listed on the National and State Registers of Historic Places through its inclusion in both the Lowell National Historical Park and Preservation District and the Lowell Locks and Canals Historic District.

The Sponsor received MassHousing financing, along with federal and state historic tax credits and other sources of financing, in 2007 and the building was redeveloped into 173 units of rental housing. Units have high ceilings, open floor plans, and spacious living areas averaging 1,600 square-feet per unit. In addition to the units, the Development contains a fitness center, media room, on-site management office, and surface parking for 250 cars.

Description of Affordability Mix. Of the 173 units, 20% of the units (35 units) are income restricted for households earning up to 80% of the Area Median Income (“AMI”). The remaining 138 units are unrestricted market rate units.

Site Control. The Borrower entity, 27 Jackson Limited Partnership, owns the Development as evidenced by a quitclaim deed.

5. Borrower Team

Mortgagor Entity: 27 Jackson Limited Partnership

A sole-asset, single-purpose entity formed for the purpose 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.

General Partner / Managing Member: 27 Jackson Winn LLC

Management Company: Winn Managed Properties, LLC

WinnCompanies’ property management firm 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.

6. Summary of MassHousing-Sponsor Relationship

Number of Projects with MassHousing Debt	32
Total Units with MassHousing Debt	4,796
Outstanding MassHousing Principal Debt	\$675,278,277
Adverse Actions Against the Borrower Team	No.
Current on Obligations with MassHousing	Yes.
Property Management Affiliate	Yes, Winn Managed Properties LLC; manages properties in Winn's portfolio and offers management services to properties outside of Winn's portfolio.

MassHousing Staff	
Origination	Bill Dunn, Originator Matt Deych, Analyst
Underwriting	Dan Staring, Underwriter, Joe Bertolino, Underwriter
Asset Management	Dan Discenza, Portfolio Manager

7. Unit Mix

Unit Size*	Total Units	80% of AMI		Market	
		Count	Rent	Count	Rent
1 BR	105	21	\$1,650	84	\$2,314
2 BR	68	14	\$1,850	54	\$2,583
Total	173	35		138	

*All units are loft-style with either one or two sleeping areas.

8. Operating Overview

Underwritten Operating Expenses	\$2,374,000 (approximately \$13,700 per unit)
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Basis of Operating Costs. Underwritten operating expenses are based on review of audited financials for the three previous years as well as trailing twelve months (June 2023 through May 2024) of actual operating expenses. The historical expenses were trended as appropriate with additional review of insurance expenses. The underwritten per unit operating expense is within the Agency's portfolio range of \$12,000 to \$15,000 per unit.

9. Project Costs

N/A

10. Sources and Uses

Sources	
First Mortgage Loan	\$28,930,000
Subordinate Mortgage Loan	\$3,210,000
Total:	\$32,140,000

Uses	
Existing Indebtedness – Including Prepayment Fee	\$19,000,000
Retirement of Related Party Debt	\$11,160,000
Repairs	\$310,000
General Development	\$1,340,000
Capitalized Reserves	\$330,000
Total:	\$32,140,000

11. First Year Income and Expenses

Income		
Rental Income – Non-Rental Subsidy		\$4,633,420
Gross Potential Residential Income		\$4,633,420
Vacancy – Non-Rental Subsidy	5.0%	(\$236,649)
Gross Residential Income		\$4,396,771
Other Income – Parking/Cable/Misc.		\$340,546
Effective Gross Income		\$4,737,317

Expenses		
Residential Operating Expenses		\$2,363,258
Net Operating Income		\$2,374,059
Combined Debt Service		(\$1,900,186)
Cash Flow		\$473,873

Combined Debt Service Coverage 1.25

Residential Operating Expense Detail			<i>Per Unit</i>
Management Fee	3.0%	\$142,120	\$822
Administrative Costs		\$473,160	\$2,735
Maintenance Costs		\$688,319	\$3,979
Resident Services		\$1,128	\$7
Security		\$45,466	\$263
Utilities (water and sewer, hot water)		\$340,512	\$1,968
Insurance		\$228,500	\$1,321
Taxes		\$392,153	\$2,267
Replacement Reserves		\$51,900	\$300
Total		\$2,363,258	\$13,660

Operating Expenses as a Percent of EGI 49.9%

12. Underwriting

1. **Loan Sizing.** The Sources and Uses and MassHousing Financing Summary in this commitment proposal reflect a Projected Subordinate Loan amount of \$3,210,000. The Votes below allow for an “Up To” Loan amount of \$3,960,000. The final loan amount will be set after 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 \$3,210,000, MassHousing will confirm that other sources will be adjusted as necessary to maintain a balanced sources and uses.

2. **Resubordination of the PDF Loan.** The PDF Loan was funded in 2007 with an original principal balance of \$4,000,000, a term of forty (40) years, and with the provision that 25% of excess cash flow at the Development be used to repay principal.

Cash flow payments have been ongoing, and the loan was amended as part of the 2013 refinancing mentioned above. Presently, the PDF Loan has an outstanding principal balance of \$2,470,000 and carries an interest rate of 0% until 2038, after which point the interest rate is schedule to adjust to 9.25%.

Earlier in 2024, MassHousing approached the Sponsor to seek a pilot transaction through which the Agency and its lending partners could operationalize the arrangement with Berkadia, and the Development was identified as a strong pilot opportunity.

To induce the Sponsor to take the Development through the refinancing transaction in this proposal, the Agency and the Sponsor negotiated certain terms related to the PDF Loan:

- a. Transaction proceeds will be used to repay related party debt prior to any repayment of the PDF Loan. The sources and uses contemplated herein show no repayment of the PDF Loan as part of this transaction.
- b. The term of the PDF Loan will be amended to make it coterminous with the Loans.
- c. The interest rate on the PDF Loan will be set at 0% for the full term.
- d. The Borrower will continue to make annual payments to MassHousing equal to 25% of excess cash flow to repay the outstanding principal balance. Projections show sufficient cash flow to achieve full repayment prior to the maturity date.

- 3. 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.

13. Low-Income Housing Tax Credits

N/A

Loft 27 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 a principal amount of up to \$3,960,000, to be made to 27 Jackson Limited Partnership or another single-purpose entity controlled by WinnDevelopment Company Limited Partnership (the “Borrower”) as owner of the multifamily residential development known as “Loft 27” (the “Development”) and located in Lowell, Massachusetts, provided together with, and made subordinate to, a first mortgage loan to the Borrower by Freddie Mac, 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 authorize the Chief Executive Officer or the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the modification of a Priority Development Fund loan, made May 16, 2008 in the original principal amount of \$4,000,000, as modified June 1, 2013, and its subordination to a first mortgage loan provided by Freddie Mac and a second mortgage loan provided by MassHousing, subject to such terms and conditions as approved by the Chief Executive Officer, Vice President of Multifamily Programs, or their respective designees, each acting singly,

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:

35 units (20.2%) 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 October 28, 2024. The data is not subject to unanticipated local, national, and international events that may occur after this date. Further, the reader is cautioned and reminded that any conclusions presented apply only as of the collection date.

In-house data for larger market and mixed-income complexes (approximately 1,143 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 96%, and range between 96% and 100%. None of the comparables were offering rental concessions.

4th Qtr. 2024 CoStar data for the subject's Lowell/Dracut Submarket (7,076 units) has an overall vacancy rate at 3.1% YTD, which is an increase of .19% from one year ago. CoStar data for the Boston market (281,415 units) has an overall vacancy rate of 4.9 % YTD, which is a decrease of .47% from one year ago. The Lowell/Dracut Submarket vacancy rate is projected to decrease to 2.8% over the next five years, while the Boston market is projected to decrease to 4.7%.

CoStar, submarket data for the 4-5 Star building type (778 units) indicates a 4th Qtr. 2024 vacancy rate 2.7% and an average asking rent of \$2,387, while submarket data for the subject's 3 Star building type (2,805 units) indicates a 4th Qtr. 2024 vacancy rate of 3.2% at an average asking rent of \$2,053 and 1-2 Star buildings (3,151 units) indicates a 4th Qtr. 2024 vacancy rate of 3.0 % at an average asking rent of \$1,805. 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 Lowell had 43,370 year-round housing units, 5,127 (11.82%) of which are subsidized for low/moderate income households. The City of Lowell Consolidated Plan (2025-2029) the Lowell Housing Authority (LHA) owns/operates 1,699 units of Federal public housing (824 – family and 875 –elderly/disabled), and 198 units of state public housing. Per the LHA, they maintain 4,566 households on their public housing wait lists (1,061 – Disabled; 304 – Elderly; 2,788 – Family; 413 – Single).

They also administer a total of 1,396 Housing Choice Vouchers (HCV), 43 Massachusetts Rental Voucher Program Vouchers (MRVP), and 50 Lowell Rental Assistance Fund Program Vouchers (LRAP). Per the representative of Lowell Housing Authority there are 1,328 applicants on the HCV waiting list, 1,051 on the MRVP waiting list and 558 applicants on the LRAP waiting list.

U.S. Census data from the 2018-2022 American Community Survey (ACS) indicates that of the 42,343 households in the City of Lowell, approximately 73.8% earned less than the HUD published 2024 AMI (132,900), approximately 47.2% earned less than 50% of 2024 AMI, approximately 54.2% earned less than 60.2% of the 2024 AMI and approximately 60.2% earned less than 80% of the 2024 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:

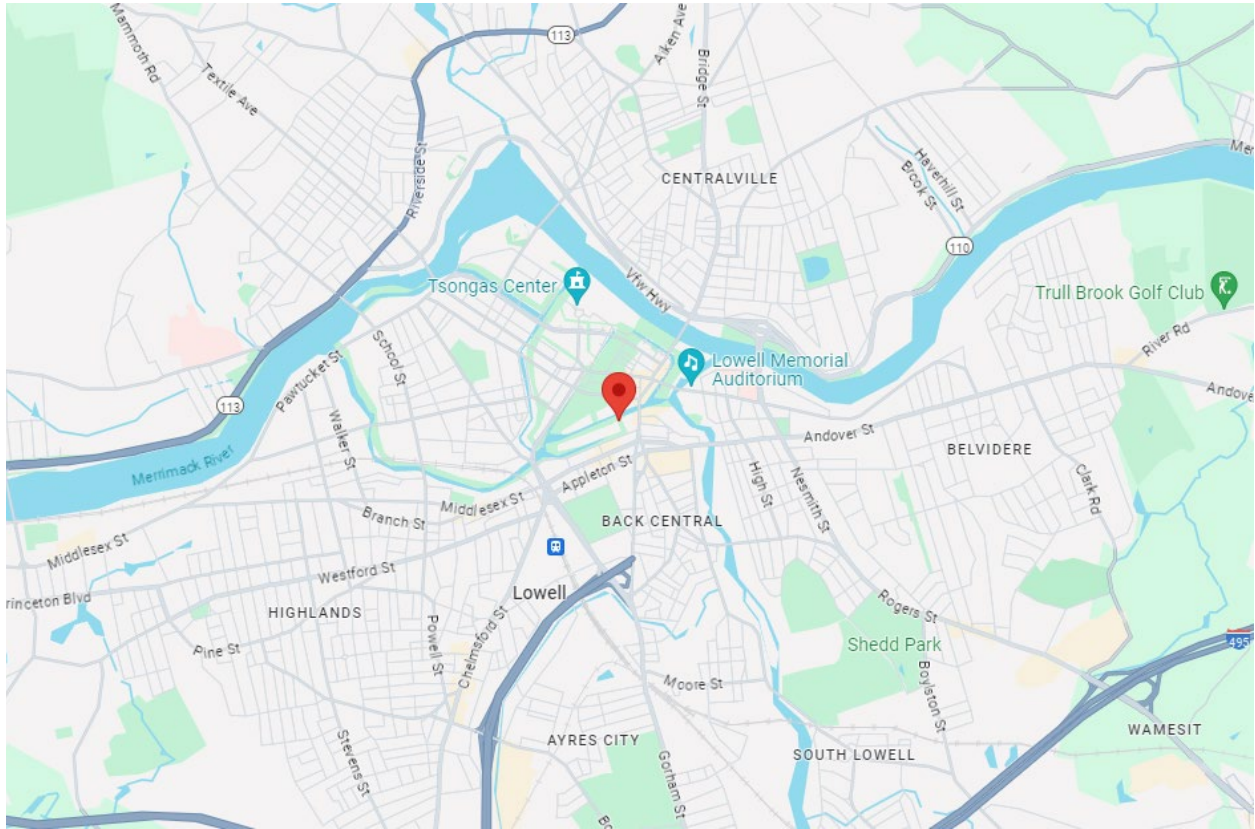
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	1BR	2BR
Number of Units	105	68
Net SF/Unit	1,350	1,850
Elev./Non-Elevator	Elev.	Elev.
Market Rate Rent (10% Rate 20 Year Term)	\$2,944	\$3,195
MHFA Below Market Rent (Cost-Based Rent)	\$2,181	\$2,432
MHFA Adjusted Rent	30% of Income	
Underwriting Rents		
Unrestricted Market	\$2,314	\$2,583
80% AMI	\$1,650	\$1,850

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 | November 12, 2024

Loft 27

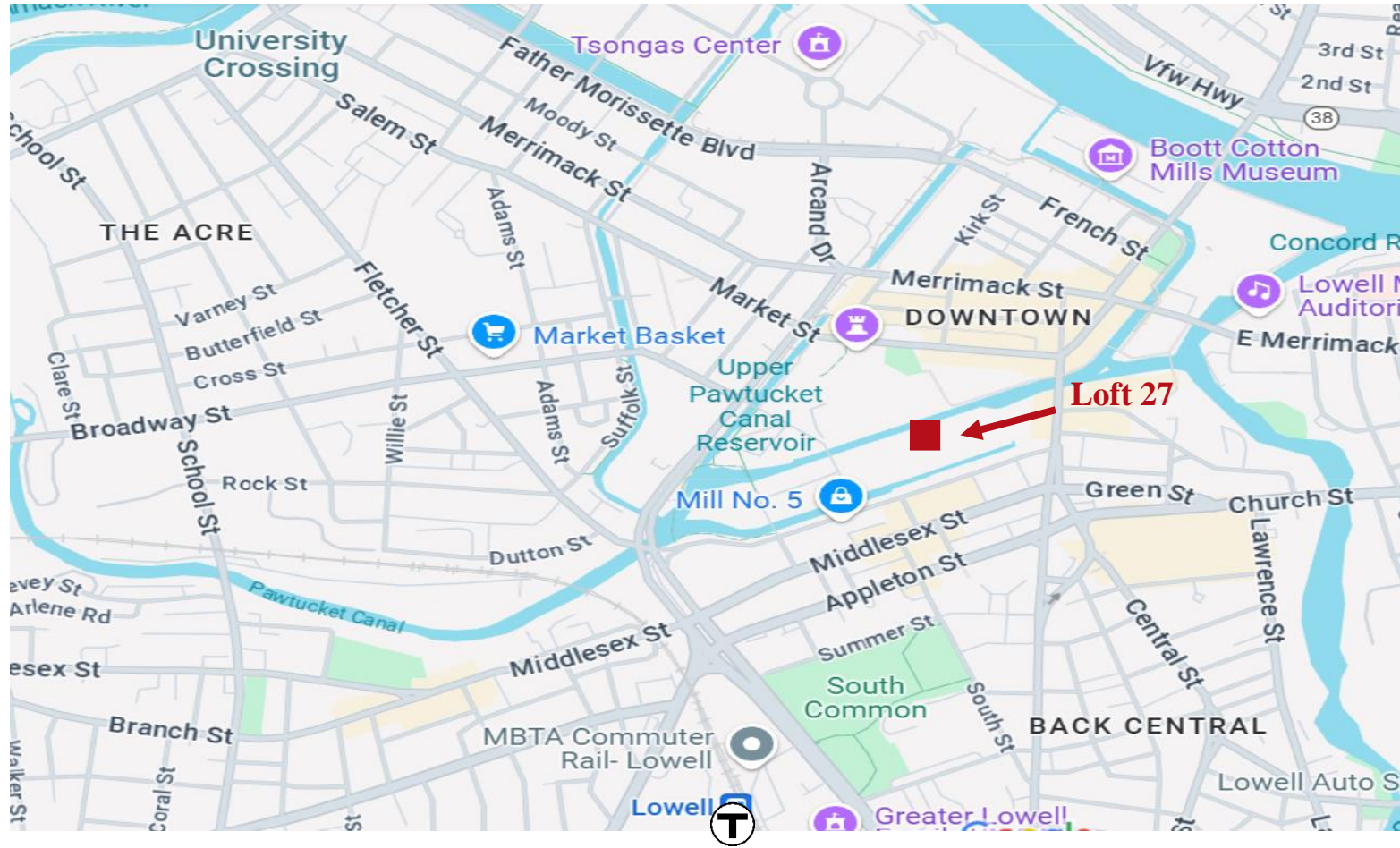


Location	Lowell
Sponsor	WinnDevelopment
Transaction Type	Preservation
Funding Type	Subordinate Loan
Execution Type	Taxable Uninsured
Credit Enhancement	None
Total Rental Units	173
Affordability Mix	35 Affordable 138 Market

Deal Team Members

Origination	Bill Dunn, Matt Deych
Underwriting	Dan Staring, Joe Bertolino
Asset Management	Dan Discenza

Loft 27 | Lowell



Borrower Team

Mortgagor Entity	27 Jackson Limited Partnership
Developer / Sponsor	WinnDevelopment Company Limited Partnership
General Partner / Managing Member	27 Jackson Winn LLC
Management Company	Winn Managed Properties, LLC

Unit Mix

Unit Size	Total Units	80% of AMI		Market	
		<i>Count</i>	<i>Rent</i>	<i>Count</i>	<i>Rent</i>
1 BR	105	21	\$1,650	84	\$2,314
2 BR	68	14	\$1,850	54	\$2,583
Total	173	35		138	

* All units are loft-style with either one or two sleeping areas.

Sources and Uses

Sources of Funds		Uses of Funds	
First Mortgage Loan	\$28,930,000	Existing Indebtedness – Including Prepayment Fee	\$19,000,000
Subordinate Mortgage Loan	\$3,210,000	Retirement of Related Party Debt	\$11,160,000
		Repairs	\$310,000
		General Development	\$1,340,000
		Capitalized Reserves	\$330,000
Total Sources	\$32,140,000	Total Uses	\$32,140,000

Underwriting Notes

1. Loan Sizing
2. Resubordination of the PDF Loan
3. Third Party Reports

Recommended Votes

- Approval of a Subordinate Loan
- Modification of the Existing PDF Loan

Modification to Loan Commitment Proposal | November 12, 2024

Singing Bridge Residences

1. General Project Information	
Project Name	Singing Bridge Residences
Project ID	22-119
Associated Projects	N/A
Address(es)	75 Main Street, Tax Lot A, Chicopee, MA 01020
Sponsor	Brisa Builders Development LLC and Sydney Capital Group LLC
Transaction Type	Production (4%)
Funding Type	Forward Commitment of a Permanent Loan
Execution Type	Portfolio (TE)
Credit Enhancement	HUD/HFA Risk-Sharing with 50% credit risk
Approval Type	Board
Total Rental Units	105 Units
Affordability Mix	75 Affordable 30 Middle-Income (f/k/a Workforce Housing Program)

2. Recommended Actions

- Modification to Previous Member Approval

On September 10, 2024, the Agency Members approved a tax-exempt permanent first mortgage of \$7,200,000, a bridge loan of \$22,740,000, and a subordinate Middle-Income Loan of \$7,000,000 for Singing Bridge Residences (the “Development”), a proposed 105-unit affordable housing community in Chicopee. A \$1,000,000 Capital Magnet Fund Loan was approved under the Staff Delegation on October 10, 2024. The loan commitment proposal presented at that time and the votes approving the proposed loans described the sponsor solely as Brisa Builders Development LLC when in fact Sydney Capital Group LLC will be a co-sponsor with Brisa Builders Development LLC.

For a complete description of the Development and the proposed financing, please refer to Exhibit A, the September 10, 2024 Loan Commitment Proposal.

3. Updated Borrower Team

Sponsor: Brisa Builders Development LLC and Sydney Capital Group LLC

Brisa Builders Development LLC was founded by Ericka Keller. Brisa Builders Development LLC owns and operates several developments in New York. Development activity in recent years includes the three-phase Ebenezer Plaza, the first two phases of which are complete, and the last phase is currently under construction, along with Bishop Philius and Helene Nicolas

Senior Residences (89 units, completed 2023) and TLK Manor (83 units, completed 2022). Grace's Place Senior Residences (82 units) is currently under construction. All of these projects are affordable developments in either the Bronx or Brooklyn that utilized low-income housing tax credits.

Sydney Capital Group LLC is a single-member entity owned by Hammad Graham, an affordable housing professional with 17 years of industry experience. Sydney Capital Group is the co-sponsor with Brisa Builders Development on Grace's Place. Prior to establishing Sydney Capital Group, Graham was the Director of Development at Brisa Builders Development from 2017 to 2019.

Singing Bridge Residences will be the Sponsor's first project in Massachusetts. Staff review of the Sponsor's previous experience in New York shows that the two organizations have successfully completed affordable housing developments of similar size and scope.

For all other borrower team members, please refer to Exhibit A, the September 10, 2024 Loan Commitment Proposal.

**Singing Bridge Residences
VOTES AND FINDINGS**

PROPOSALS AND VOTES

Staff proposes the following votes to modify the approvals previous adopted by the Members at the September 10th meeting:

VOTED: To approve BD Singing Bridge LLC or another single-purpose entity controlled by Brisa Development LLC and Sydney Capital Group LLC as the borrower for the loans authorized by the Members on September 10, 2024 for the multifamily residential development known as “Singing Bridge Residences” (the “Development”) located in Chicopee, Massachusetts.

FURTHERVOTED: That the votes of the Members with respect to the Development approved on September 10, 2024 are otherwise ratified and confirmed.



EXHIBIT A

SEPTEMBER 10, 2024 LOAN COMMITMENT PROPOSAL

Loan Commitment Proposal | September 10, 2024

Singing Bridge Residences

1. General Project Information	
Project Name	Singing Bridge Residences
Project ID	22-119
Associated Projects	N/A
Address(es)	75 Main Street, Tax Lot A, Chicopee, MA 01020
Sponsor	Brisa Builders Development
Transaction Type	Production (4%)
Funding Type	Forward Commitment of a Permanent Loan
Execution Type	Portfolio (TE)
Credit Enhancement	HUD/HFA Risk-Sharing with 50% credit risk
Approval Type	Board
Total Rental Units	105 Units
Affordability Mix	75 Affordable 30 Middle-Income (f/k/a Workforce Housing Program)

2. Recommended Actions

- Official Action Status
- Commitment of a Tax-Exempt Permanent Loan
- Commitment of a Tax-Exempt Bridge Loan
- Commitment of a Middle-Income (f/k/a Workforce) Housing Subordinate Loan
- Approval for the Use of Low-Income Housing Tax Credits

Singing Bridge Residences (the “Development”) is a proposed 105-unit affordable housing community in Chicopee. In 2020, the City of Chicopee released a request for proposals (“RFP”) for the development of the so-called Facemate Property, a 4.05-acre site adjacent to the Chicopee River in a historically industrial area of the city, and an affiliate of Brisa Builders Development (“Brisa” or the “Sponsor”) was the successful respondent to the RFP. The Sponsor’s proposal was consistent with the City’s master redevelopment vision for the broader River Mills at Chicopee Falls initiative, which focuses on the transformation of the underutilized mill district with vibrant mixed-use development along the Chicopee River.

The Facemate Property will be subdivided at closing, and the Development will be constructed on a 1.78-acre portion of the parcel (the “Site”), which is currently a vacant lot. Following the completion of this residential portion of the development, the remaining portions of the Facemate Property will be developed with a sports complex, along with a brewery and an office building in an existing building adjacent to the Site.

3. MassHousing Financing	
First Loan	
Type	Tax-Exempt Permanent Loan
Loan Amount	\$7,200,000
Interest Rate	30-Year MMD plus 252 basis points (bps) to be locked at Construction Loan Closing (processing rate of 6.54% assumed for underwriting)
Loan Term / Amortization	40 y / 40 y
Term of Fwd Commitment	30 mo
Year 1 DSCR	1.14 projected (1.10 minimum)
LTV	TBD projected (90% maximum)
Equity Bridge Loan	
Type	Tax-Exempt Equity Bridge Loan
Loan Amount	\$22,740,000
Interest Rate	SOFR plus 222 bps to be locked at Construction Loan Closing (7.54% projected)
Loan Term/Amortization	12 mo / interest only
Junior Loan	
Type	Middle-Income (f/k/a Workforce) Housing Loan
Loan Amount	\$7,000,000
Interest Rate	0% projected
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 Middle-Income (f/k/a Workforce) Housing Loan.
Junior Loan	
Type	Capital Magnet Fund
Loan Amount	\$ 1,000,000
Interest Rate	0% projected
Loan Term/Amortization	40 y / non-amortizing

4. Development Plan

Description of Site. The Site is located in the historic Chicopee Falls neighborhood of Chicopee. Situated between the Chicopee River and the City’s new greenway to the west and moderate-scale apartment buildings to the east, the larger Facemate Property has just over four acres, and will be subdivided for the residential portion of the Development on 1.78 acres. The Site is two miles from Chicopee Center and has easy access to Route 33, Chicopee’s commercial corridor, along with interstates 291, 391, and 90. There will be parking for 87 cars on the Site, along with an additional 18 offsite parking spaces on the southern end of the Facemate Property designated for residents. There will also be parking for 105 bicycles, and the Pioneer Valley Transit Authority plans to relocate a nearby bus stop to be directly in front of the new building. In addition to the proposed residential development, the other portions of the Facemate Property will include a multi-sport community facility, and an existing mill building will be converted to a brew pub with office space above.

Once the full redevelopment is complete, there will also be open spaces and seating areas throughout the site to foster a sense of place for all the residents, visitors to the site, and patrons of the businesses.

Prior to the City of Chicopee initiating its RFP process, the Facemate Property had been under City ownership since 2010. It was part of a collection of parcels taken over by the municipality after the heavy industrial uses ceased in this area of the city. Upon acquiring the parcels, the City conducted thorough environmental assessments, followed by extensive remediation and demolition work. A Condition of No Significant Risk was achieved for the Site which relies on an Activity and Use Restriction (“AUL”). The AUL was recorded in 2020 and a Partial Permanent Solution with Conditions was filed with the MassDEP. Residential and recreational uses, as proposed by the sponsor, are consistent with activities permitted by the AUL. In accordance with the AUL and the Partial Permanent Solution with Conditions, construction activity will be monitored to ensure compliance with such conditions, and safety both during the construction period and for future residents of the Development. This monitoring will be memorialized in the construction documents, which are subject to MassHousing approval.

Description of Existing or Proposed Building. The Development will create 105 mixed-income studio to three-bedroom apartments for individuals and families. In addition to the residential units, the Development will include a community kitchen and lounge, an outdoor patio space overlooking the river, laundry facilities, and a small office to be leased, under a master lease structure, to a mental health professional.

The Development will be designed to Passive House standards and will approach net zero annual energy use as a fully-electric building.

Description of Affordability Mix. All 105 units will be subject to income restrictions with set-asides ranging from 30% of Area Median Income (“AMI”) to 80% of AMI. Sixteen units will benefit from a new project-based MRVP contract.

Site Control. The Sponsor currently has site control through a Land Disposition Agreement (the “LDA”), most recently extended through December 31, 2024. At closing, the City will transfer the site to the borrower, which will own it in fee simple.

5. Borrower Team

Mortgagor Entity: BD Singing Bridge LLC

BD Singing Bridge LLC (the “Borrower”) is a sole-asset, single-purpose entity formed for the purposes of owning and operating the Development.

Developer / Sponsor: Brisa Builders Development

Brisa Builders Development is a New York City-based family-owned development, construction management, and general construction firm founded by the late Lilly W. Keller and Thomas B. Keller in 1997. Together, the Kellers had a combined 70 years of experience in general contracting, construction management, real estate development consultation and property management. Ericka Keller now leads the organization, which owns and operates developments in New York. Development activity in recent years includes the three-phase Ebenezer Plaza, the first two phases of which are complete, and the last phase is currently under construction, along with Bishop Philius and Helene Nicolas Senior Residences (89 units, completed 2023) and TLK Manor (83 units, completed 2022). All of these projects are affordable developments in either the Bronx or Brooklyn that utilized low-income housing tax credits.

Singing Bridge Residences will be Brisa’s first project in Massachusetts. Staff review of the Sponsor’s previous experience in New York shows that Brisa has successfully completed affordable housing developments of similar size and scope.

General Partner / Managing Member: BD Singing Bridge MM LLC

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 Bank as the construction lender were on 37 Union Street in Attleboro, Bartlett Station Building A in Boston, and Rindge Commons in Cambridge.

Syndicator / Investor (Federal Credits): Enterprise Housing Credit Investments

Enterprise Housing Credit Investments (“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 Bancroft Dixwell Apartments in Boston.

Syndicator / Investor State Credits: Dorfman Capital

Dorfman Capital, founded in 1990 by Bob Dorfman, specializes in innovative financing for real estate developments. The company has facilitated over \$1 billion in financing for corporations and real estate developers. Dorfman Capital focuses on transforming communities through brownfields development, affordable housing, and historic reuse. The firm offers expertise in brownfields tax credit finance and facilitates investments for Federal and State Tax Credits for various initiatives, including Historic reuse, Low Income Housing, Housing Development Incentive Program, Film, Energy, and New Market Tax Credits.

Dorfman was the state LIHTC syndicator on Salem Schools in Salem and Van Der Heyden Apartments in Springfield.

Management Company: Appleton Corporation

Founded over 50 years ago, Appleton Corporation (“Appleton”) is a wholly owned subsidiary of The O’Connell Companies and is based in Holyoke. The company currently manages nearly 1,700 units of affordable housing in western Massachusetts, including several developments in MassHousing’s loan and Contract Administration portfolios.

Architect: Paul A. Castrucci Architects

The Paul A. Castrucci Architects (“Castrucchi Architects”) team has more than a decade of Passive House experience in New York City and are leaders in using the methodology as a springboard for Net Zero Energy and Net Zero Carbon buildings. They designed New York City’s first completed building to be certified both Passive House and Net Zero and are currently working on more than a dozen Passive House and renewable energy buildings throughout the city. They provide services in affordable housing, multifamily housing, single family housing, cultural spaces and institutions, adaptive reuse, commercial, institutional, and landscape.

This will be the Agency’s first experience with Castrucci Architects. As such the Design and Construction team has reviewed and determined Castrucci Architects has sufficient experience and capacity to serve as architect for the Development.

General Contractor: Western Builders

Western Builders (a subsidiary of The O’Connell Companies) is headquartered in Granby, MA and has been in operation since 1975. The firm has extensive experience in new construction of affordable housing in Massachusetts, including two recent Passive House developments, one in Amherst, and one in Pelham. Western Builders has 25 full-time employees and currently has eight projects underway.

Recent MassHousing developments with Western Builders as the general contractor were 35 Village Hill in Northampton and North 116 Flats in Sunderland.

6. Summary of MassHousing-Sponsor Relationship	
Number of Projects with MassHousing Debt	0
Total Units with MassHousing Debt	0
Outstanding MassHousing Principal Debt	N/A
Adverse Actions Against the Borrower Team	No
Current on Obligations with MassHousing	N/A
Property Management Affiliate	No

MassHousing Staff	
Origination	Sarah Hall, Originator Dan Maillet, Analyst
Underwriting	Kelly Johnson, Underwriter, Adam Krings, Analyst
Asset Management	Susan Lynch, Portfolio Manager Maureen McAllister, Asset Manager

7. Unit Mix

Unit Size	Total Units	LIHTC Eligible								Market Comparison Rent
		30% of AMI - MRVP		50% of AMI - LIHTC		60% of AMI - LIHTC		80% of AMI - Middle Income		
		Count	Rent	Count	Rent	Count	Rent	Count	Rent	
0 BR	16	6	\$ 934	10	\$ 938					\$ 1,600
1 BR	21	7	\$ 1,115	2	\$ 1,000	12	\$ 1,206			\$ 1,800
2 BR	57			9	\$ 1,181	23	\$ 1,428	25	\$ 1,676	\$ 2,200
3 BR	11	3	\$ 1,631	2	\$ 1,346	1	\$ 1,631	5	\$ 1,936	\$ 2,400
Total	105	16		23		36		30		

All rents are net of utility allowances.

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

8. Operating Overview

Underwritten Operating Expenses	\$1,118,200 (approximately \$10,600 per unit)
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Basis of Operating Costs. Operating expense assumptions were based on the review of comparable properties, borrower-proposed budget, and borrower supporting documentation, including an initial review of an insurance quote. Operating expenses of \$10,600 are slightly lower than the typical MassHousing portfolio range of \$11,000 to \$15,000 per unit. This is due in part to utility savings as a result of the energy efficient design of the fully electric building. A review of portfolio expense levels on a regional basis indicates that operating expenses in the western part of the state—including the Development—are consistently lower than in other regions.

9. Project Costs

Core Residential Costs	
Base	\$51,265,712
Extraordinary	\$7,396,308
Total	\$58,662,020
Total Development Cost	
Total	\$58,785,770

Project Construction Costs	
Total Construction Cost	\$40,774,688
Construction per Square Foot	\$345

Background on Extraordinary Residential Costs. Extraordinary residential costs are primarily attributable to the capital costs associated with the proposed energy efficient approach to building operations. The capital costs to construct a building to Passive House standards and the costs of HVAC equipment associated with a fully electric building, while adding to the construction scope of work, ultimately allow for enhanced building performance.

10. Sources and Uses

Sources of Funds	Total
MassHousing Permanent Loan	\$6,850,000
MassHousing Middle-Income Loan	\$7,000,000
MassHousing Capital Magnet Fund	\$1,000,000
Federal LIHTC Equity	\$24,929,578
State Tax Credit Loan	\$5,961,904
EOHLC HOME/TOD/AHTF	\$3,200,000
EOHLC - ARPA	\$5,090,954
City of Chicopee HOME	\$900,000
Deferred Developer Fee	\$1,036,266
Accrued Interest	\$817,068
Additional Sources	\$2,000,000
Total Sources	\$58,785,770

LIHTC Pricing	
Federal LIHTC	\$0.88
State LIHTC	\$0.80

Core Residential Uses of Funds	Total	
		Per Unit
Acquisition	\$544,849	\$5,189
Construction	\$38,715,179	\$368,716
Construction Contingency	\$1,935,759	\$18,436
General Development	\$10,344,041	\$98,515
Replacement Reserves	\$37,800	\$360
Operating Reserves	\$797,186	\$7,593
Overhead	\$3,143,603	\$29,940
Fee	\$3,143,603	\$29,940
Total Residential Uses	\$58,662,020	\$558,686

Base Costs		Extraordinary Costs	
	Per Unit		Per Unit
\$544,849	\$5,189	-	-
\$34,037,067	\$324,163	\$4,678,112	\$44,553
\$1,467,948	\$13,980	\$467,811	\$4,455
\$8,915,011	\$84,905	\$1,429,030	\$13,610
\$33,642	\$320	\$4,158	\$40
\$712,101	\$6,782	\$85,085	\$810
\$2,777,547	\$26,453	\$366,056	\$3,486
\$2,777,547	\$26,453	\$366,056	\$3,486
\$51,265,712	\$488,245	\$7,396,308	\$70,441

Commercial Uses*	\$123,750
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Site and Other Nonresidential Uses*	-
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Total Uses	\$58,785,770
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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	\$ 219,624
Rental Income - Non-Rental Subsidy	\$ 1,482,894
Gross Potential Residential Income	\$ 1,702,518
Vacancy - Project-Based Rental Subsidy (3%)	\$ (6,589)
Vacancy - Non-Rental Subsidy (3.7%)	\$ (56,479)
Gross Residential Income	\$ 1,639,450
Commercial Income	\$ 12,800
Vacancy - Commercial (30%)	\$ (3,840)
Other Income - Laundry	\$ 24,948
Effective Gross Income	\$ 1,673,358
Expenses	
Residential Operating Expenses	\$ 1,118,186
Commercial Operating Expenses	\$ -
Net Operating Income	\$ 555,172
Debt Service	\$ 485,351
Cash Flow	\$ 69,821
Debt Service Coverage	1.14

Residential Operating Expense Detail	<i>Per Unit</i>	
Management Fee (6%)	\$ 100,402	\$ 956
Administrative Costs	\$ 206,799	\$ 1,970
Maintenance Costs	\$ 345,979	\$ 3,295
Security	\$ 1,749	\$ 17
Utilities (water and sewer, hot water)	\$ 133,332	\$ 1,270
Insurance	\$ 145,000	\$ 1,381
Taxes	\$ 130,000	\$ 1,238
Replacement Reserves	\$ 37,800	\$ 360
Mortgage Insurance Premium	\$ 17,125	\$ 163
Total	\$ 1,118,186	\$ 10,649
OPEX as a % of EGI	66.80%	

12. Underwriting

1. **Loan Sizing.** The Sources and Uses in this commitment proposal reflect a Projected Loan amount of \$6,850,000. The MassHousing Financing Summary in Section 3 above and the Votes below allow for an “Up To” Loan amount of \$7,200,000. 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 \$6,850,000, MassHousing will confirm that other sources will be adjusted as necessary to maintain a balanced sources and uses.

2. **Middle-Income Housing.** Thirty (30) units at the Development are subject to both Middle-Income Housing and LIHTC restrictions. The underwritten rents for these units are within program limits, offer a discount of approximately \$300 to market rents, and allow for a sufficient marketing window for lease-up purposes.

The proposed Middle-Income Housing Loan of \$7,000,000 exceeds the limit of \$100,000 per middle-income housing unit per the MassHousing Workforce Housing Loan Guidelines. Given the high mission and transformative nature of this Development, Staff recommends approval of this higher loan amount, which equates to \$233,333 per Middle-Income Housing unit.

3. **Capital Magnet Fund.** MassHousing is providing a \$1,000,000 subordinate loan that will be funded with Capital Magnet Funds (“CMF”). This is a non-amortizing loan due upon sale or refinancing of the Development. Approval of CMF loans is delegated to the Staff level, and therefore no votes associates with this loan are included in this package.
4. **Income Averaging.** The Sponsor proposes the use of the average income set-aside for this transaction. All middle-income units are eligible for tax credits, and the unit mix provides an average income restriction of 58.95%, 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. **Commercial Income.** The Sponsor intends to construct a ground floor commercial space with 660 square feet and will use a master lease structure. The underwriting reflected herein assumes commercial income of 0.7% of EGI and 30% vacancy loss on the commercial income. This is \$19 per square foot in commercial income, a rate that will be analyzed as part of MassHousing’s third-party market study. The Sponsor anticipates renting the space to a mental health professional and plans to market accordingly. The proposed approach to commercial income underwriting is permitted under MassHousing’s Commercial Income Policy effective April 2019.

6. **Parking.** The Developer expects to locate some parking on site and may include some off-site parking as well. Prior to closing, the Sponsor will ensure that there are enough parking spaces to meet zoning requirements and the needs of the Development and that an easement or other arrangement related to any offsite spaces meets MassHousing requirements.
7. **Additional Sources.** The Sponsor is pursuing sources in the amount of approximately \$2,000,000 from EOHLC to fill a funding gap. Receipt of commitment letters for these sources will be a requirement for closing.
8. **Initial Equity Contribution.** MassHousing's Multifamily Loan Closing Standards require 15% of LIHTC equity to be delivered at construction closing unless otherwise approved by MassHousing. In order to maximize the equity pricing and the total amount of federal tax credit equity in the transaction, the Sponsor has negotiated for 10% of equity at closing, resulting in approximately \$1,000,000 more in total equity raise than if the initial contribution were 15%. The Investor will be required to deliver a minimum of 50% of total equity (\$12,479,623) prior to or simultaneous with the closing and funding of MassHousing's permanent loan. This departure from the Closing Standards is appropriate given the high mission nature of the Development and the significant commitment of public resources in the transaction.
9. **Third-Party Reports.** The MassHousing-commissioned appraisal and market study are currently underway. To the extent that either report changes the underwritten rents or loan-to-value, the loan size may be adjusted accordingly.

Underwriting Criteria and Loan Terms	Singing Bridge Residences	Underwriting Standards
1. DSCR	1.14	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 Programmatic rent cap or rents supported by MassHousing market review	Lesser of: <ul style="list-style-type: none"> • PB-Rental Subsidy contract or market supported rents • Programmatic rent cap or rents supported by MassHousing market review.
5. Vacancy Allowance	MRVP, 50% AMI and 60% AMI – 3% 80% AMI – 5%	Minimum of: <ul style="list-style-type: none"> • 2.5% for PB – Rental Subsidy • 3.0% for LIHTC • 5.0% for unrestricted or workforce housing
6. Affordability	40% at 60% of AMI	Minimum of: <ul style="list-style-type: none"> • 20% at 80% of AMI for MassHousing Statute • 40% at 60% or 20% at 50% of AMI for loans with FHA Insurance, HUD/FFB, Tax-Exempt Bond, and/or Federal LIHTC
7. Annual Deposits to Replacement Reserves	\$360 unit / year	Minimum of: <ul style="list-style-type: none"> • \$360 unit / year (new construction) • \$500 unit / year (rehab) Note: Additional initial deposit to reserves may be required by the third-party CNA to fund twenty-year capital needs.
8. Operating Expenses	Approximately \$10,600 unit / year	Typically, between \$11,000 and \$15,000 per unit.

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 EOHLIC 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.

Singing Bridge Residences 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 “Singing Bridge Residences” (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 \$37,425,000 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.

Mortgage Loans

Staff has reviewed the proposal for (i) permanent, bridge, and subordinate loan 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 \$7,200,000, 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 \$22,740,000, in each case to be made to BD Singing Bridge LLC or another single-purpose entity controlled by Brisa Builders Development (the “Borrower”) as owner of the multifamily residential development known as “Singing Bridge Residences” (the “Development”) and located in Chicopee, 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.

FURTHERVOTED: To approve a subordinate mortgage loan to the Borrower for the Development in an amount not to exceed \$7,000,000 (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, or from funds appropriated or awarded to MassHousing by the Commonwealth of Massachusetts for workforce or middle-income 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: 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 Chicopee,

Massachusetts and known as “Singing Bridge Residences” (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, 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:

All 105 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 28, 2024. Further, the reader is cautioned and reminded that any observations, comparisons, and/or conclusions are based on the data as of the indicated collection date.

In-house data for larger market and mixed-income complexes (approximately 785 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 99%, and range between 94% and 100%. None of the comparables reviewed were offering rental concessions.

CoStar data for the subject's East Hampden Submarket (3,028 units) has an overall vacancy rate at 3.6% YTD, which is an increase of .19% from one year ago. CoStar data for the Springfield market (23,759 units) has an overall vacancy rate of 2.6% YTD, which is an increase of .24% from one year ago. The East Hampden Submarket vacancy rate is projected to stay at 3.6% over the next five years, while the Springfield market is projected to decrease to 2.5%.

CoStar submarket data for the 4-5 Star building type (72 units) indicates 2nd Qtr. 2024 vacancy rate of 8.4% and an average asking rent of \$1,286 while submarket data for the subject's 3 Star building type (706 units) indicates a 2nd Qtr. 2024 vacancy rate of 2.8% at an average asking rent of \$1,397 and 1-2 star buildings (2,250 units) indicates a 2nd Qtr. 2024 vacancy rate of 3.7% at an average asking rent of \$1,171. The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Executive Office of Housing and Livable Communities Chapter 40B Subsidized Housing Inventory (6/29/23), the City of Chicopee has 25,481 year-round housing units, 2623 (10.29%) of which are subsidized for low/moderate income households.

Per the representative of the Chicopee Housing Authority (CHA), the authority owns/operates 2 state funded family public housing developments consisting of 126 two-bedroom units, and 100

three-bedroom units. Per the representative of CHA, there are 27,131 applicants on the waiting list. They also own/operate 9 State subsidized elderly/disabled developments consisting of 590 one-bedroom units and per the representative there are 6,081 applicants on the waiting list, 2,347 elderly applicants and 3732 elderly/disabled applicants.

CHA also owns/operates 815 units of Federally subsidized housing consisting of studios, one bedroom, two-bedroom, three bedroom and 4 bedrooms. The waitlist is broken down as follows- Studios 3-Elderly /Non elderly / Disabled, 1 bedroom, 3315-Elderly / Disabled / Non elderly applicants, 2 bedroom,3,045-family, 3 bedroom 1,636-family and 4 bedroom-211-family applicants.

CHA also administers 561 Section 8 Vouchers and CHA participates in the Centralized Section 8 waiting list and per the latest information available there are approximately 184,216 applicants are on the centralized waiting list.

U.S. Census data from the 2017-2021 American Community Survey (ACS) indicates that of the 23,732 households in the City of Chicopee approximately 65.1% earned less than the HUD published 2024 AMI (\$97,800), approximately 43.37% earned less than 50% of 2024 AMI, approximately 51.2% earned less than 60% of the 2024 AMI, and approximately 61.9 %earned less than 80% of the 2024 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:

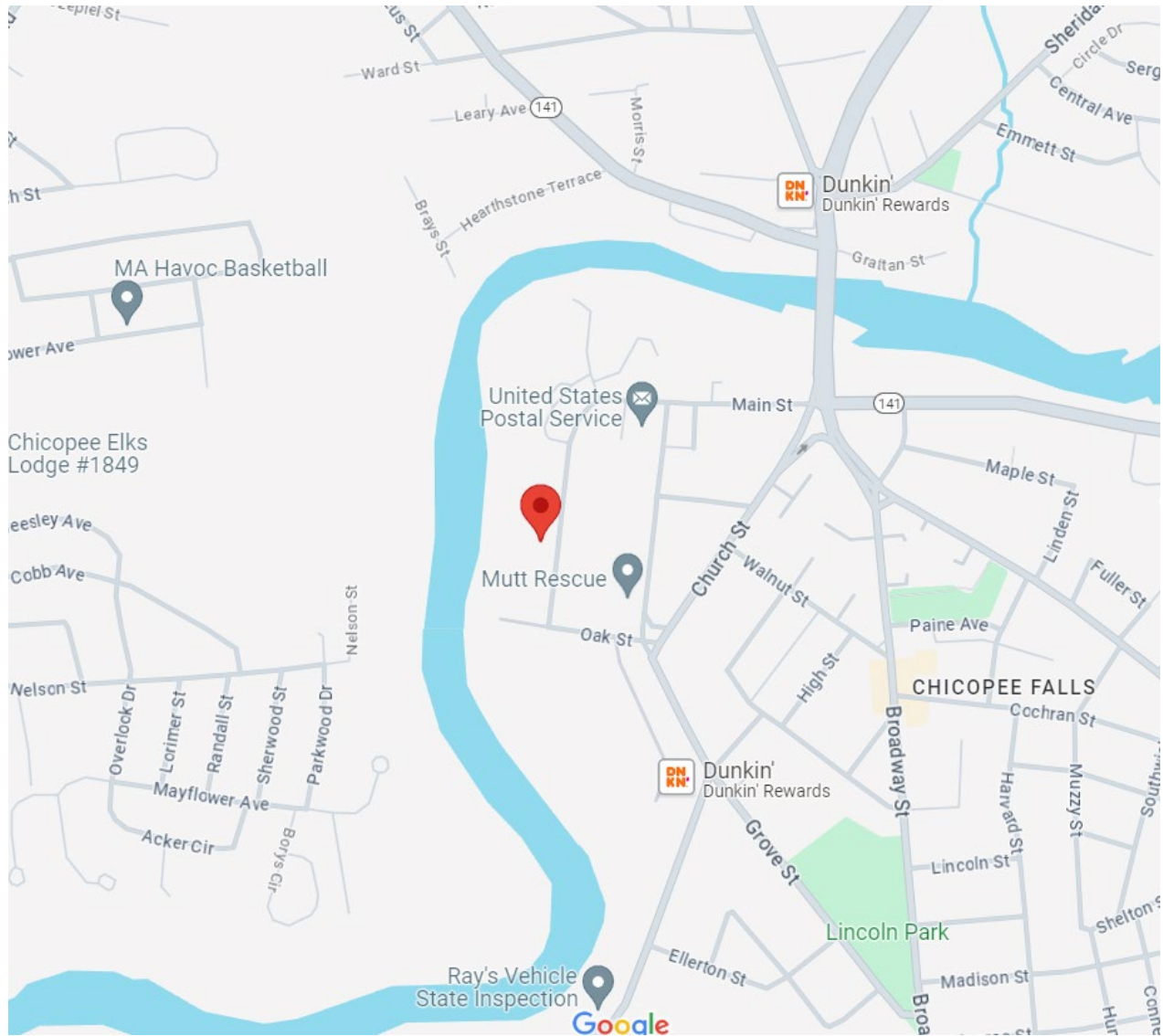
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

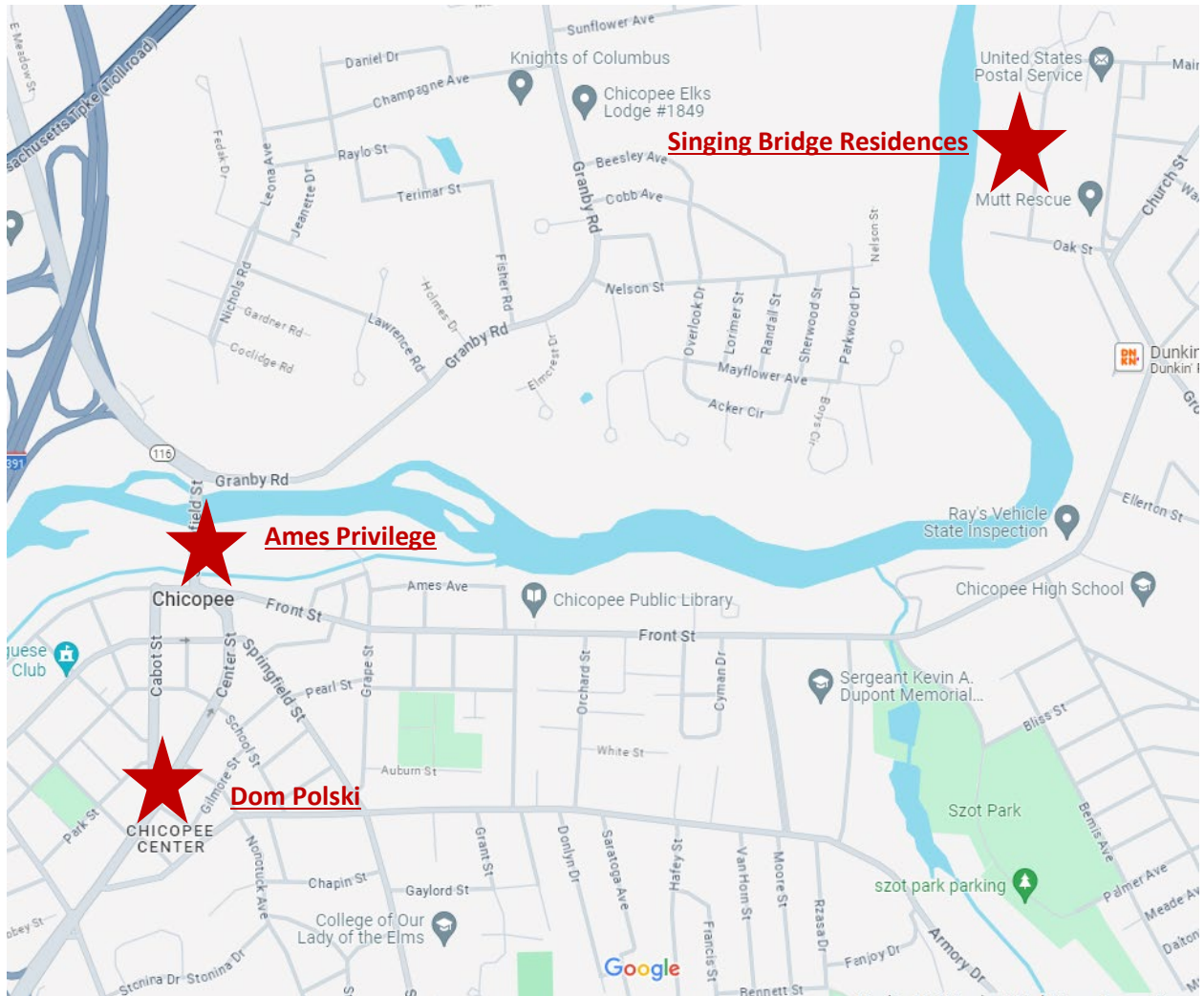
Rent Schedule:

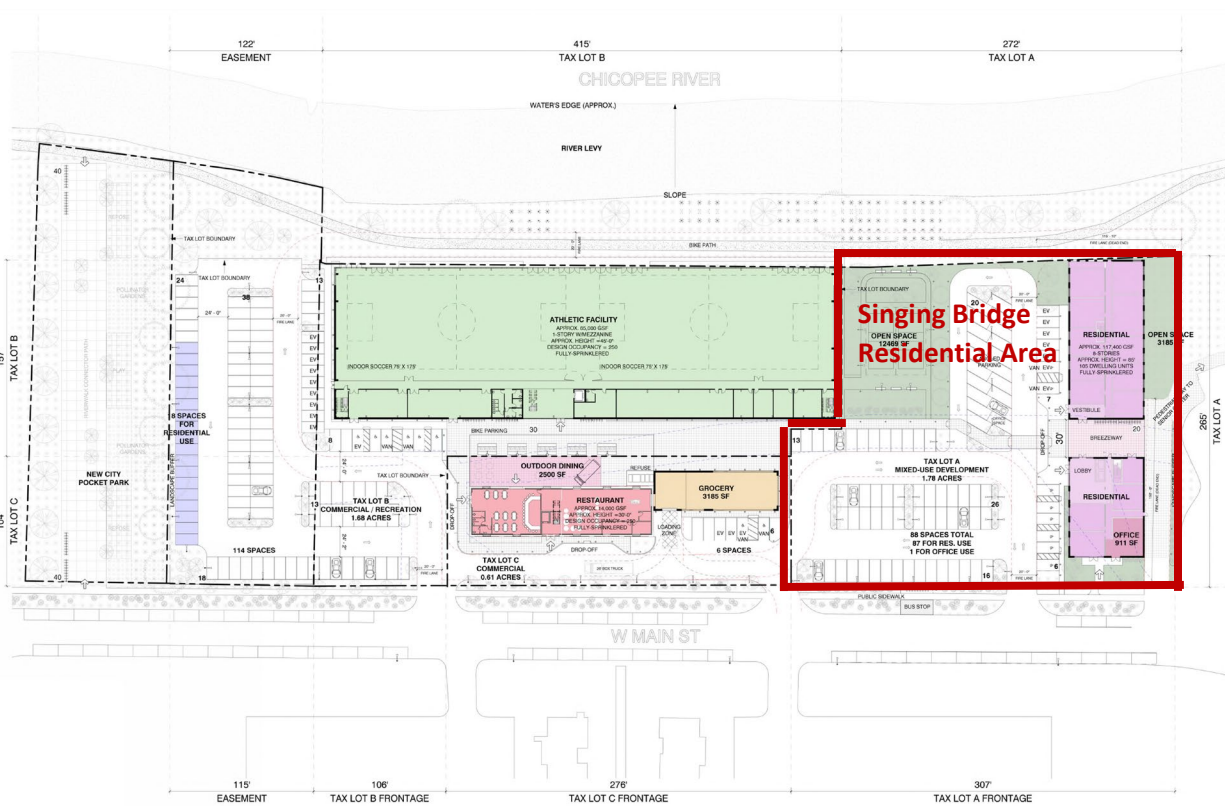
Number of Bedrooms	0	1	2	3
Number of Units	16	21	57	11
Net SF/Unit	500	700	900	1,200
Elev./Non-Elev.	E	E	E	E
Market Rate Rent (insert)	\$3,533	\$3,772	\$4,089	\$4,305
MHFA Below Market Rent (Cost-Based Rent)	\$2,393	\$2,632	\$2,949	\$3,165
MHFA Adjusted Rent	30% of Income			
Underwriting Rents				
MRVP	\$934	\$1,115	-	\$1,631
50% AMI	\$938	1,000	\$1,181	\$1,346
60% AMI	\$1,130	\$1,206	\$1,428	\$1,631
80% AMI	-	-	\$1,676	\$1,859

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







Delinquency Summary Report



Oct 31, 2024

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

Program Type	Principal Program Detail	Number of Developments	Project Outstanding Loan Amount	Developments Delinquent	Delinq Outstanding Loan Amount	Pct \$ Delinq Loans	Pct # Delinquent Loans
Other	Elder CHOICE	3	\$11,994,209	0	\$0	0.00%	0.00%
	Mixed Income	38	\$674,763,630	0	\$0	0.00%	0.00%
	Options for Independence	17	\$443,008	0	\$0	0.00%	0.00%
	RDAL Only	1	\$18,868,528	0	\$0	0.00%	0.00%
Other - Total		59	\$706,069,375	0	\$0	0.00%	0.00%
Section 8	Loan Mgmt Set Aside	27	\$761,229,115	0	\$0	0.00%	0.00%
	New Construction	84	\$1,394,739,771	0	\$0	0.00%	0.00%
	Sec 8 Project-Based	6	\$144,711,697	0	\$0	0.00%	0.00%
	Substantial Rehab	63	\$906,909,799	0	\$0	0.00%	0.00%
Section 8 - Total		180	\$3,207,590,381	0	\$0	0.00%	0.00%
SHARP - RDAL	SHARP and RDAL	2	\$35,535,680	0	\$0	0.00%	0.00%
	SHARP Only	4	\$24,149,971	1	\$5,220,556	21.62%	25.00%
SHARP - RDAL - Total		6	\$59,685,651	1	\$5,220,556	8.75%	16.67%
Mixed Financing	4% Credits	61	\$607,367,285	1	\$33,825,580	5.57%	1.64%
	9% Credits	54	\$180,061,466	0	\$0	0.00%	0.00%
	Internally Subsidized	16	\$316,181,773	0	\$0	0.00%	0.00%
	Miscellaneous	49	\$545,281,202	0	\$0	0.00%	0.00%
	Other Soft Debt	1	\$752,707	0	\$0	0.00%	0.00%
Mixed Financing - Total		181	\$1,649,644,432	1	\$33,825,580	2.05%	0.55%
Overall - Total		426	\$5,622,989,840	2	\$39,046,136	0.69%	0.47%

Delinquency Detail



Oct 31, 2024
Delinquencies in Excess of: \$1,000

4% Tax Credits

Principal Program Code	Project Id - Development Name	City/Town	Total Rental Units	Project Outstanding Loan Amount	Total Due & Uncollected	Past Due Installments
TCRED4	16-004 PACIFIC MILLS PHASE I	Lawrence	180	\$33,825,580	\$18,154,881	22

SHARP Only

Principal Program Code	Project Id - Development Name	City/Town	Total Rental Units	Project Outstanding Loan Amount	Total Due & Uncollected	Past Due Installments
SHARP	87-038 BROOKS SCHOOL-BOSTON	Boston - Dorchester	56	\$5,220,556	\$290,761	9
Overall - Total			236	\$39,046,136	\$18,445,643	

Delinquency Detail by Investor



Oct 31, 2024

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 PACIFIC MILLS PHASE I	180	\$18,000,000	\$16,057,580	\$16,005,980	1
				87-038-02	87-038 BROOKS SCHOOL-BOSTON	56	\$5,507,177	\$5,220,556	\$290,761	9
Housing Bond Resolution	B001	Housing Bond Resolution	HOUSING BOND RES 2017D	16-004-01	16-004 PACIFIC MILLS PHASE I	180	\$11,100,000	\$11,100,000	\$1,342,459	22
			HOUSING BOND RES 2022A-1	16-004-01	16-004 PACIFIC MILLS PHASE I	180	\$6,668,000	\$6,668,000	\$806,443	22
Overall - Total						236	\$41,275,177	\$39,046,136	\$18,445,643	