



Massachusetts Housing Finance Agency
One Beacon Street, Boston MA 02108
TEL 617.854.1000 | VP 866.758.1435 | FAX 617.854.1091 | www.masshousing.com

Media Contacts

Eric Gedstad: 617.854.1079 | egedstad@masshousing.com
Tom Farmer: 617.854.1843 | tfarmer@masshousing.com

MassHousing Announces Largest Lending Year in Agency's 46-year History Shatters previous record amount by providing nearly \$1 billion for affordable housing

BOSTON – October 1, 2012 – MassHousing announced today that it provided nearly \$1 billion in financing for affordable housing in fiscal year 2012, setting a new one-year lending record.

"Creating affordable housing helps to generate jobs, grow local businesses and strengthen our communities," said Governor Deval Patrick. "Government's role is to help people help themselves, and investing in affordable housing will build a better Commonwealth for generations to come."

MassHousing's lending for the 12-month period ending June 30, 2012 was up 21% over last year. The new record also exceeded the previous best lending year (FY 2010) by 15%.

In total MassHousing provided \$965.3 million:

- \$570.6 million in loans to more than 2,600 low- and moderate-income borrowers for home purchases, refinancing or home improvement loans
- \$334.4 million in loans to limited-dividend real estate developers or apartment owners to build 6 new developments with 470 units and to preserve 22 existing affordable apartment communities with 2,698 units
- \$40.3 million from the Commonwealth's Affordable Housing Trust Fund for 2,076 units of housing -- both rental and home ownership -- for the elderly, families and special needs residents
- \$20 million from the Agency's mortgage insurance fund to insure an additional 93 affordable, non-MassHousing loans made through community banks

MassHousing is a self-sustaining agency that does not use taxpayer dollars. With the exception of the Affordable Housing Trust Fund, which the Agency administers on behalf of the Commonwealth, most of MassHousing's lendable proceeds are raised privately through the sale of bonds on Wall Street. MassHousing has an Issuer Credit Rating of A+ from Standard & Poor's.

A main driver of MassHousing's record lending year was a new loan program for homebuyers that does not require mortgage insurance, even for borrowers making downpayments as low as 3%.

"The no-mortgage insurance loan is the most popular loan we've ever offered, and has been a hit not only with homebuyers but also homeowners who can refinance at a lower rate, reduce their monthly payment and send additional money back into the economy," said MassHousing Executive Director Tom Gleason. "Since we first made it available in January, our weekly lending to homebuyers and homeowners has quadrupled and shows no sign of letting up."

MassHousing also provided multi-million dollar loans for several high-profile apartment communities. A \$28.9 million loan to The Community Builders, Inc. for the construction of 225 Centre Street will help to transform the Jackson Square neighborhood of Boston and provide a sizeable number of construction jobs. As a result of the Agency's loans new apartments are also going up in Boston's West Roxbury and Mission Hill neighborhoods as well as Tyngsboro, Marshfield and Lunenburg.

MassHousing is also financing the rehabilitation of a number of landmark apartment buildings while simultaneously locking-in long term affordable rents for their residents. Most notably, Preservation of Affordable Housing, Inc. used \$168 million in loans from MassHousing to acquire a portfolio of five apartment buildings with more than 800 units (mostly for seniors) which were being sold and which, because of their locations could have converted from affordable to market rate housing. Among those properties are Kenmore Abbey in Kenmore Square in Boston, and Franklin Square House in Boston's South End (which appeared in the opening credits of the 1980s TV series "St. Elsewhere"). Together these two properties alone provide nearly 400 units of housing for seniors.

About MassHousing

MassHousing (The Massachusetts Housing Finance Agency) is an independent, quasi-public agency created in 1966 and charged with providing financing for affordable housing in Massachusetts. The Agency raises capital by selling bonds and lends the proceeds to low- and moderate-income homebuyers and homeowners, and to developers who build or preserve affordable and/or mixed-income rental housing. MassHousing does not use taxpayer dollars to sustain its operations, although it administers some publicly funded programs on behalf of the Commonwealth. Since its inception, MassHousing has provided nearly \$14 billion for affordable housing. For more information, visit the MassHousing website at www.masshousing.com, follow us on Twitter [@MassHousing](https://twitter.com/MassHousing), subscribe to [our blog](#) and [Like us](#) on Facebook.

###