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More good news for the Massachusetts housing market: MassHousing's lending for affordable homeownership topped \$1 billion in 2012

State's affordable housing bank shattered its previous single year record by more than 50%

BOSTON – January 10, 2013 – On the heels of recent good news about fewer foreclosures, rising home prices and increased home sales comes another encouraging sign for the Massachusetts housing market. MassHousing reported today that it provided more than \$1 billion in home mortgage loans last year, exceeding by 52 percent the Agency's previous record for homeownership lending in a calendar year.

In 2012 MassHousing, the state's affordable housing bank, loaned \$1.060 billion to 4,710 low- or moderate-income Massachusetts residents who purchased or refinanced a home. The previous MassHousing record for homeownership lending in a calendar year was \$695.5 million in 2009 when the Agency helped 3,573 homeowners.

"We believe there is real strength in the Massachusetts housing market and this type of loan production shows there is significant demand for mortgage financing by consumers who have been waiting for the market to improve and who may have felt hamstrung by overly restrictive lending practices by conventional lenders," said MassHousing Executive Director Thomas R. Gleason. "The state's economy continues to grow stronger and that, matched with low interest rates, is giving prospective homeowners stronger buying power."

A main driver in MassHousing's record fiscal and calendar years was a new loan program that does not require mortgage insurance (MI), even for borrowers making down payments as low as 3%.

Gleason noted that the MassHousing Mortgage with No MI "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."

MassHousing fully underwrites all of its loans and first-time buyers are required to complete a homebuyer counseling course. Gleason also noted that MassHousing's mortgage portfolio "has performed very well in the past" and has significantly lower delinquency and foreclosure rates than the conventional mortgage market and FHA loans.

MassHousing works through a network of more than 150 lenders all across Massachusetts. Borrowers apply for MassHousing loans and close the loans with these lenders, after which MassHousing purchases the loans. Borrowers make their monthly payments to MassHousing.

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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.

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