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MassHousing Announces Loan Closing of \$18.1 Million to Preserve Affordable Housing for Low-Income Seniors at the 181-unit Leisure Tower in Lynn

Financing will also result in property improvements for the residents

BOSTON – June 19, 2014 – Affordability for low-income senior citizens living at the 181-unit Leisure Tower in Lynn will be preserved and property improvements will be made for the residents with the closing of an \$18.1 million MassHousing loan.

As a condition of the loan, Silver Street Development Corp., the property owner, will seek to extend for 20 years the Section 8 Housing Assistance Payment (HAP) contract and the affordability at Leisure Tower when the current HAP contract expires in 2018.

Leisure Tower was built at 10 Farrar St. in Lynn in 1972. The property is being refinanced through MassHousing's Section 8 Proactive Preservation Program, which seeks to extend affordability at developments where Section 8 HAP contracts are due to expire.

"Leisure Tower is an important affordable housing resource for senior citizens in Lynn and this financing will ensure that all the apartments remain so for the long term," said MassHousing Executive Director Thomas R. Gleason.

The 181 apartments, which include 26 studio apartments and 154 one-bedroom units, are contained in a 14-story building. One two-bedroom apartment is occupied by a property manager. As part of the refinancing, a number of improvements will be made to the property, including the installation of high-efficiency boilers and an energy-efficient cogeneration system, as well as apartment and common area floor replacement and painting and elevator upgrades.

"Leisure Tower is a centerpiece of the Silver Street portfolio in terms of our company mission for long term preservation of affordable housing and our continual effort to move the bar higher in the quality of our management, physical maintenance, and commitment to improved energy efficiency for our properties," said Chris Poulin, a founding principal at Silver Street Development. "Leisure Tower was on the cutting edge of Section 236 preservation in 1998 when we first partnered with MassHousing to preserve this housing opportunity for the residents of Lynn and this recent loan closing has strengthened the long term commitment between our two organizations. The Section 8 Proactive Preservation Program was a perfect platform to reach our goals together. The staff at MassHousing could not have been more accommodating in making this a reality and our hats are off to them for their dedication and support."

About the MassHousing Section 8 Proactive Preservation Program

The Section 8 Proactive Preservation Program targets a group of affordable rental developments that were originally financed by MassHousing and are eligible to convert to market rates when those mortgages mature. Each of these developments receives a subsidy from HUD that is used to help pay the tenants' rents each month. However, if the mortgage is paid off, there are no more affordability restrictions or any incentives from HUD to keep the properties affordable unless the owner agrees to renew the Section 8 contract. Through this program, MassHousing now provides those incentives.

About Silver Street Development Corp.

With offices located in Portland, Maine and Wilmington, North Carolina, Silver Street Development Corp. is an organization dedicated to the quality preservation, operation, and growth of affordable housing in the United States. The company is comprised of industry leaders with more than 20 years of experience in the multi-family housing market. Through its partnerships and relationships with some of the industry's top leaders Silver Street Development has pioneered the changing face of subsidized and affordable housing in the country. From implementing one of the first Section 236 decouplings to successfully crafting complex bond capitalization strategies to overcome obstacles arising from a difficult lending environment, they are constantly looking for ways to keep its portfolio in top condition. Silver Street Development strives to change the image of "low-income housing" in America by not only providing safe, healthy, and prideful communities, but also by providing the necessary tools and resources within its communities to empower its tenants to better themselves and their environment.

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 more than \$16 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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