



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 provided nearly \$1 billion for affordable housing in fiscal year 2014

Strong demand for affordable home mortgage loans propels Agency to second-best lending year ever

BOSTON – September 4, 2014 – MassHousing provided \$985.2 million for affordable housing in Fiscal Year 2014, which ended June 30, 2014. It was the second-best lending year in the Agency's 48-year history.

"Once again, our lending was in large part driven by very strong demand for our affordable home mortgage loans," said MassHousing Executive Director Thomas R. Gleason. "Low- and moderate-income buyers and homeowners are drawn to our low-cost loans -- with options such as downpayments as low as 3%, no mortgage insurance and our unique job loss insurance policies – which they can't find in the conventional market."

MassHousing closed 3,456 loans (\$766 million) to low- and moderate- income borrowers who purchased or refinanced a home. For loans used to purchase a home, the average purchase price was \$237,576 and the average loan amount was \$225,777. The average household income was \$75,470.

MassHousing makes its home mortgage loans through a network of more than 150 community banks and other home mortgage lenders.

MassHousing has its own mortgage insurance fund, which, in addition to insuring MassHousing-financed loans, is often utilized by private sector lenders that provide their own affordable home loans. In fiscal year 2014 MassHousing insured 47 of these loans which are valued at \$10.6 million.

For affordable and mixed-income rental housing, MassHousing closed \$208.5 million in loans for 45 rental housing developments with 3,869 units in 26 different Massachusetts communities.

Of those 45 apartment communities, 24 are new-construction with 1,012 total units. Another 23 are existing rental housing communities with 2,857 units where affordable rents are being preserved and the properties are being renovated.

Developments that received loans from MassHousing ranged in size from 10 units (North Bellingham Veterans Home in Chelsea) – to 500 units (Colonial Estates in Springfield). Rental housing loans ranged in size from \$556,546 for the Brayton Hill Apartments in North Adams to \$33 million to preserve the affordable Historic South End Apartments in the South End of Boston.

Of the \$208.5 million in financing for rental housing, \$174.5 million (17 developments with 1,922 units) came from the sale of MassHousing bonds. The remaining \$33.9 million (28 developments with 1,947 units) came from the Affordable Housing Trust Fund, which is funded by the Commonwealth of Massachusetts and administered by MassHousing.

Rental properties that received loans from MassHousing in FY 2014 are located in Amherst, Barnstable, Boston, Brewster, Brockton, Cambridge, Chelsea, Easthampton, Fall River, Lawrence, Lowell, Ludlow, Lynn, Marion,

Middleborough, North Adams, Norton, Pittsfield , Revere, Springfield, Stow, Sudbury, Wareham, Webster, Westford and Winthrop.

Preservation transactions involved preserving affordable rents for a minimum of 20 years and in one case—Beacon House on Boston's Beacon Hill—affordability will be maintained in perpetuity.

"The housing market has rebounded strongly in Massachusetts and as a result, a growing number of families in the Commonwealth are increasingly rent-burdened," noted Timothy Sullivan, MassHousing's Deputy Director. "We applaud the many for-profit and non-profit developers that are working to meet this need and who have borrowed from MassHousing in order to increase and preserve our stock of affordable apartments."

In fiscal year 2014, MassHousing also adopted a new five-year strategic plan, which charts a course for the Agency to preserve and expand the supply of affordable rental housing; expand sustainable homeownership opportunities for underserved populations and communities; increase MassHousing's transparency and accountability; strengthen MassHousing's organizational capacity and broaden and strengthen MassHousing's partnerships.

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 \$17 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.

###