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## **New MassHousing Loan Program for Owners of Rental Housing Communities Offers Low Interest Rates While Helping to Preserve Hundreds of Affordable Apartments for Low-Income Senior Citizens and Families**

***Agency's MAP/Ginnie Mae initiative has generated \$77.5 million in financing and extended affordability for 817 apartments in Fairhaven, Fall River, Lowell and New Bedford***

BOSTON – October 21, 2015 – MassHousing is offering a new loan program for the owners of rental housing communities that provides lower interest rates and a faster review process while preserving and extending affordability for hundreds of low-income senior citizens and families.

To date, MassHousing has closed four refinance loans through the U.S. Department of Housing and Urban Development's (HUD) Multifamily Accelerated Processing (MAP)/Ginnie Mae Mortgage Backed Securities (MBS) program.

The loans, totaling \$77.5 million in financing and involving 817 affordable housing units, were made to affiliates of EAF Associates, Inc. for affordable housing communities in Fairhaven, Fall River, Lowell and New Bedford. MassHousing has 12 additional MAP/Ginnie Mae loans in its lending pipeline worth more than \$179 million.

"This is exactly the type of loan product our multifamily property borrowers are looking for in this market," said MassHousing Executive Director Thomas R. Gleason. "Our MAP/Ginnie Mae product offers great interest rates and a faster closing process from a steady lending partner. We see the MAP/Ginnie Mae platform as being a great tool for us in preserving and extending housing affordability for Massachusetts residents in the years to come."

MassHousing has partnered with two well-known and experienced private-sector HUD-approved MAP lenders: CBRE and Rockport Mortgage Corporation. The MAP lenders prepare the submission of each transaction for HUD's approval. MassHousing then closes the new loan and issues the Ginnie Mae MBS, which has consistently provided the multifamily mortgage industry its most competitive long term, taxable interest rates. The average loan interest rate for these joint-venture transactions to date is 3.4% for a 35-year mortgage.

With each MAP/Ginnie Mae loan, MassHousing continues as the mortgagee of record and becomes a Ginnie Mae servicer. This ensures affordability, as each completed transaction will require the property owner to rent at least 20% of the units to those earning less than 80% of the area median income. Affordability at many properties could be at risk were MassHousing unable to offer this product, as owners could refinance with other lenders who do not require affordability restrictions.

The first four MAP/Ginnie Mae transactions were closed as a result of MassHousing's joint venture with Rockport Mortgage Corporation and the four housing communities where affordability for residents was preserved and extended are:

**Fairhaven Village:** Built in 1981, Fairhaven Village is a senior and family community of 169 apartment homes located on Main Street in Fairhaven and comprised of four buildings made up of a four-story building, a five-story

building, a townhome and a cottage. As a result of \$14.8 million in MassHousing financing, the owner is in the process of extending the HUD Section 8 Housing Assistance Payment contract on all 169 units for another 20 years.

**Borden Street Place East and West:** Built in 1981, Borden Place East and West is a community of 261 apartment homes located on Borden Street and South Main Street in Fall River and predominately designed for seniors over age 62 as well as persons with disabilities who are under age 62. As a result of \$25.8 million in MassHousing financing the owner has extended the HAP contract on all 261 apartments for 20 years.

**Market Mill:** Built in 1981, Market Mill is a senior and family community of 230 apartment homes located on Market Street in Lowell in two five-story buildings. As a result of \$24 million in MassHousing financing the owner has extended the HAP contract on all 230 units for 20 years.

**Bedford Towers:** Built in 1977, Bedford Towers is a senior and family community of 157 apartment homes located on Middle Street in New Bedford in a seven-story building with seven townhomes. As a result of \$12.9 million in MassHousing financing the owner has extended the HAP contract on 156 units for 20 years. One unit is occupied by a property manager.

"We are gratified to have the opportunity to use this new MassHousing MAP financing program to take advantage of these historically low interest rates to fund improvements and preserve these properties as affordable housing for the future," said EAF Associates, Inc. President James Sullivan.

#### ***About EAF Associates, Inc.***

EAF Associates, Inc. has developed high-quality and community sensitive residential, commercial, and mixed-use projects for more than 40 years. To date, EAF Associates has placed more than \$1.8 billion of completed projects, including 15,000 housing units, plus more than one million square feet of office and commercial developments, throughout the Northeast and Florida. They have long-standing strategic partnerships with general contracting affiliate, Dellbrook Construction LLC and property management affiliate Peabody Properties, Inc. Their integrated development process mitigates risk by providing seamless leadership and oversight of projects throughout the development life-cycle.

#### ***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 \$18.5 billion for affordable housing. For more information, visit the MassHousing website at [www.masshousing.com](http://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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