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Families at Spring Gate Apartments in Rockland Will See Extensive Property Improvements with \$14.3 Million in MassHousing Financing

204-unit housing community had affordability extended in 2014 resulting from previous MassHousing financing

BOSTON – July 7, 2016 – Families living at the 204-unit Spring Gate Apartments in Rockland will see extensive property improvements as a result of \$14.3 million in MassHousing financing.

An affiliate of Connolly and Partners, LLC refinanced Spring Gate with MassHousing's loan program through the Federal Financing Bank (FFB), which will allow for the property improvements. In 2014, the property owner borrowed \$1.2 million from MassHousing to help pay off ("pre-pay") the remaining balance on the loan made when Spring Gate was built in 1973 under the federal subsidy program known as "Section 236." The 2014 loan resulted in the extension of affordability for residents.

"Connolly and Partners was committed to maintaining the Spring Gate Apartments as an affordable housing resource in Rockland and now that this second transaction has been completed the property will receive significant upgrades," said MassHousing Executive Director Timothy C. Sullivan.

Among the renovations planned for Spring Gate are accessibility improvements, apartment interior upgrades, exterior and common space renovations, site paving, and security improvements.

The 2014 transaction allowed the owner to participate in a new HUD initiative called the Rental Assistance Demonstration program, or RAD. By participating in RAD, the owner was able to continue to provide below-market subsidized rents to the residents because the apartments transitioned from an older and obsolete subsidy program (known as "Rent Supp") to a replacement subsidy known as "Project-Based Vouchers."

The owner committed to these Project-Based Vouchers for 15 years, meaning tenant rents will remain affordable and below-market for income-eligible residents.

The Spring Gate Apartments are comprised of 56 one-bedroom apartments, 93 two-bedroom apartments and 55 three-bedroom apartments in 33 three-story buildings at 52 Hannah Way in Rockland.

About MassHousing's FFB Loan Program

The FFB program resulted from a partnership established in 2015 with the U.S. Department of the Treasury, the U.S. Department of Housing and Urban Development (HUD), and state Housing Finance Agencies (HFAs) including MassHousing. That partnership, in which the FFB purchases a 100% participation interest in the loan that is 100% insured by HUD, provides lower interest rates on loans to owners of subsidized rental housing, giving them new incentives to refinance, make capital improvements and lock in long-term affordability for lower-income residents.

About Connolly and Partners, LLC

Connolly and Partners, LLC was formed in 2005 to develop mixed-income and affordable housing. It is a partnership between William Connolly, who has been involved in the management, development and redevelopment of real

estate since 1972, and Neil Ellis of the First Hartford Realty Corporation. Ellis has been a builder and developer of single-family homes, shopping centers and multi-family housing since 1950.

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 \$19 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](#), [watch us](#) on YouTube and [Like us](#) on Facebook.

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