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MassHousing Closes on \$1.6 Million in Financing for New, Mixed-Income, Workforce Housing in Downtown Haverhill

Vacant, historic shoe manufacturing building at 98 Essex St. will be transformed into 62 new apartments for households with a range of incomes

BOSTON - April 4, 2018 – MassHousing has closed on \$1.6 million in financing to the non-profit [Affordable Housing and Services Collaborative, Inc.](#) and [Peabody Properties, Inc.](#), to support the construction of a new 62-unit, mixed-income development in downtown Haverhill.

98 Essex Street will involve the redevelopment of the vacant, historic Shoe and Leather Association Building into 62 new units of housing for low- and moderate-income households. The project will create 7 units for formerly homeless families and 6 workforce housing units.

“The transformation of the former Shoe and Leather Association Building will advance the revitalization of an important Gateway City downtown, while providing new housing options to working households,” **said MassHousing Executive Director Chrystal Kornegay.** “AHSC and Peabody Properties have the expertise and vision to turn this vacant, former mill property into attractive, affordable housing that will serve the region’s families for years to come.”

MassHousing is supporting the redevelopment of 98 Essex Street by providing AHSC and Peabody Properties a \$1 million permanent loan and \$600,000 from the Agency’s [\\$100 million Workforce Housing Initiative](#). The capital for the permanent loan is being provided through the [Federal Home Loan Bank of Boston’s Helping to House New England program](#).

The project is also receiving \$19.5 million in equity financing through allocations of federal and state Low-Income Housing Tax Credits (LIHTC), and state and federal historic tax credits. The federal tax credits were syndicated by the [Massachusetts Housing Investment Corporation](#), while the state tax credits were syndicated by [Clocktower Tax Credits LLC](#).

The [Massachusetts Department of Housing and Community Development](#) (DHCD) allocated the state and federal LIHTC, and contributed an additional \$2.5 million in direct affordable housing subsidy. The [Affordable Housing Trust Fund](#), which MassHousing manages on behalf of DHCD, contributed \$1 million to the project, while the City of Haverhill and the [North Shore Home Consortium](#) contributed an additional \$365,365. [Eastern Bank](#) is providing \$16.3 million in construction financing.

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Workforce Housing in Downtown Haverhill**

“We are very excited to have closed on 98 Essex in Haverhill. This adaptive reuse project will have multiple positive impacts for the families that will live there, as well as for downtown Haverhill. We are very fortunate and extremely grateful for all of the support that the project has been given from the City of Haverhill, the Baker-Polito Administration, as well as all of our investors and lenders, including MassHousing, which truly helped to make the project feasible with the use of the Federal Home Loan Bank of Boston’s Helping to House New England funds,” **said AHSC Executive Director Michael J. Mattos.**

“We are happy to be part of the effort to re-purpose this vacant mill building; continuing the revitalization efforts of this emerging Haverhill neighborhood and, we are so proud of the collaboration between state and community partners to bring about the project’s financing - creating critical housing that people can afford. We look forward to the opening when residents move into this beautiful new community,” **said Karen Fish-Will, CEO of Peabody Properties, Inc.**

“Our Helping to House New England (HHNE) program provides flexible funding for the region’s housing finance agencies to preserve or create affordable housing. We are pleased that 98 Essex Street has benefitted from HHNE and will contribute to the economic vitality of the community,” **said Edward A. Hjerpe III, president & CEO of the Federal Home Loan Bank of Boston.**

Seven of the project’s 62 units will be supported by a federal Section 8 Housing Assistance Payment subsidy for very low-income households earning at or below 30% of the Area Median Income (AMI). [New Lease for Homeless Families](#) will assist families with access to these units and to supportive services. Two units will be affordable for households earning 50% of AMI, 47 units will be affordable for households earning up to 60% of AMI, and 6 will be workforce housing units for households earning up to 80% of AMI. The median income for a family of four in Haverhill is \$87,600.

There will be 15 one-bedroom apartments, 41 two-bedroom apartments and 6 three-bedroom apartments. The historic building will also have commercial space.

98 Essex Street advances the Baker-Polito Administration’s goal of creating up to 1,000 new workforce housing units affordable to middle-income households through MassHousing’s \$100 million Workforce Housing Initiative. Since the inception of the initiative in 2016, MassHousing has committed or closed workforce housing financing totaling \$53.7 million to 24 projects, located in 13 cities and towns. To date, the Workforce Housing Initiative has advanced the development of 2,211 housing units across a range of incomes, including 578 workforce housing units.

The contractor for 98 Essex St. is [NEI General Contracting](#). The architect is [The Architectural Team](#) and the management agent is Peabody Properties.

MassHousing has financed or manages the rental subsidy on 6 rental housing communities in Haverhill involving 892 units of housing and \$10.6 million in total financing. The Agency has additionally provided \$181.9 million in financing to 1,483 Haverhill homebuyers or homeowners who have refinanced their homes.

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About Affordable Housing and Services Collaborative, Inc.

Affordable Housing and Services Collaborative, Inc. is a 501c3 non-profit organization founded in 2001. Its mission is to provide and preserve affordable housing for low-income families, youth, elders, persons with disabilities, as well as special populations. Fulfilling their mission is a collaborative effort and process that includes working with private and public partners to seek project financing, grant funding and other leveraged resources to acquire, develop, rehabilitate and create affordable housing opportunities, as well as to enhance and expand quality of life initiatives through funding wellness, educational, vocational, and social programming. AHSC has been involved in many complex affordable housing developments involving new construction, as well as historic and occupied rehabilitation. Through their involvement in more than 20 projects in various roles they have kept approximately 1,300 units affordable. For more information about AHSC please visit www.ahscinc.org.

About Peabody Properties

Peabody Properties traces its roots back to the 1890's when Ed Fish's grandfather, Manus Fish, started a construction business in Boston. Today, with its rich history and strong legacy, Peabody Properties is one of the largest and most respected management companies in the Northeast. The impact of Ed Fish's efforts on behalf of multi-family housing resonates strongly throughout the company and will live on through the personal commitment of his children, Karen Fish-Will, Principal & CEO and Melissa Fish Crane, Principal & COO and through the talented leadership team and staff. Their vision and core values directly impact the way they continue to do business, which directly impacts the lives of all those who call one of our managed communities home. For more information about Peabody Properties please visit www.peabodyproperties.com.

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 \$22 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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