



Massachusetts Housing Finance Agency
One Beacon Street, Boston MA 02108
TEL 617.854.1000 | FAX 617.854.1091 | VP: 857.366.4157 | www.masshousing.com

Media Contacts

Paul McMorrow: 617.854.1141 | pmcmorrow@masshousing.com
Tom Farmer: 617.854.1843 | tfarmer@masshousing.com

MassHousing Closes on \$17.6 Million in Financing to Renovate and Extend Affordability at the 61-Unit Close Building in Cambridge

Just-A-Start Corporation will preserve affordability at the Close Building for at least 30 years

BOSTON – July 11, 2018 – MassHousing has closed on \$17.6 million in financing to [Just-A-Start Corporation](#) for the renovation and preservation of affordability at the Close Building in Cambridge. The MassHousing financing will allow Just-A-Start to preserve affordability at all 61 apartments at the Close Building for at least 30 years. Affordability restrictions at the property had expired in 2016, and Just-A-Start’s decision to pursue a preservation transaction will keep the Close Building affordable for the long term.

“With the maturation of the previous mortgage, these 61 affordable apartments could have converted to market rates in a very expensive community for rental housing. Just-A-Start showed commitment and dedication to preserving and modernizing this important affordable housing resource in Cambridge,” **said MassHousing Executive Director Chrystal Kornegay.** “The renovations planned for the Close Building will keep the property safe, modern, and affordable for lower- and moderate-income Cambridge residents for years to come.”

MassHousing provided Just-A-Start with a \$9.3 million construction and permanent loan, a \$6.5 million tax-exempt bridge loan and a \$1.8 million taxable bridge loan. The MassHousing financing generated \$10.7 million in Low-Income Housing Tax Credit equity for the project, and an allocation of state historic tax credits generated \$2.1 million in equity. The transaction also involved a \$7.7 million seller note.

“Housing is core to the stability and economic diversity of Cambridge and Just-A-Start is thrilled to be able to maintain and update this historic property and provide safe, affordable housing for the 61 residents of the Close Building,” **said Just-A-Start Executive Director Deborah Ruhe.**

The refinancing will allow Just-A-Start to make extensive property improvements, including exterior masonry repairs, the installation of new windows, plumbing upgrades, unit improvements, and the creation of additional fully-accessible units.

Of the 61 units at the Close Building, 58 are affordable for households earning at or below 60 percent of the Area Median Income (AMI) and 3 units are for households earning at or below 80 percent of AMI. The Area Median Income for Cambridge is \$107,800 for a family of four.

MassHousing Closes on \$17.6 Million in Financing to Renovate and Extend Affordability at the 61-Unit Close Building in Cambridge

In conjunction with the refinancing, Just-A-Start renewed a 20-year federal project-based Section 8 Housing Assistance Payment contract on the 61 units at the Close Building. The use of Low-Income Housing Tax Credits will preserve affordability at the property for at least 30 years.

The six-story, brick Close Building was built as a factory in 1910 and converted to housing with MassHousing financing in 1976. There are 6 studios, 49 one-bedroom apartments and 6 two-bedroom apartments.

The contractor will be [Delphi Construction, Inc.](#) The architect is [Davis Square Architects](#) and the management agent is [Maloney Properties](#).

MassHousing has financed or manages the rental subsidy on 14 rental housing communities in Cambridge involving 2,051 units and \$135.5 million in financing. The Agency has also provided home mortgage financing to 550 homeowners in Cambridge with \$68.5 million in financing.

About Just-A-Start Corporation

Just-A-Start is a community development corporation dedicated to building the housing security and economic stability of low- to moderate-income people in Cambridge and nearby communities. Through innovative, comprehensive, and integrated programs, JAS provides and preserves affordable housing, offers education and workforce training for youth and adults, and builds community engagement. JAS's vision is a better future for all of its constituents - a secure home, a sustaining career, and engagement in the community. For more information, visit their website at www.justastart.org.

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](#), subscribe to our [blog](#) and Like us on [Facebook](#).

###