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Boston Public Housing Community Will Undergo Extensive Renovation with \$38.7 Million in MassHousing Financing

Inquilinos Boricuas En Accion, Inc. will redevelop and preserve the 146-unit West Newton Apartments in the South End

BOSTON – February 25, 2019 – MassHousing has closed on \$38.7 million in affordable housing financing to the non-profit [Inquilinos Boricuas En Accion, Inc.](#) (IBA), for the rehabilitation and preservation of the West Newton Apartments, a 146-unit public housing community in Boston’s South End.

IBA’s redevelopment of West Newton Apartments, in partnership with the [Boston Housing Authority](#) (BHA), is part of the BHA’s ongoing effort to modernize public housing across Boston.

“Safe, modern public housing stabilizes families, while providing a platform for economic prosperity,” **said MassHousing Executive Director Chrystal Kornegay.** “The commitment to providing quality affordable housing by the many dedicated partners in this transaction will result in the revitalization of the West Newton Apartments and allow its residents to live and prosper in the South End for many years into the future.”

“Preserving Boston’s affordable housing stock is key to ensuring that everyone who wants to live here can afford to do so,” **said Mayor Martin J. Walsh.** “I’m proud that because of our partnership these affordable units will be preserved for hundreds of families in the South End for decades to come.”

“As living costs continue to rise across the city, we remain firmly committed to identifying new ways to expand affordable housing and empower low-income minority residents in Boston,” **said IBA CEO Dr. Vanessa Calderón-Rosado.** “We are grateful to the Boston Housing Authority for providing us with an opportunity to come full circle with this property, revitalize the West Newton/Rutland apartments and welcome its residents into our community.”

IBA is modernizing the West Newton Apartments under the US Department of Housing and Urban Development’s Rental Assistance Demonstration (RAD) program. RAD preserves federally-supported public housing communities by allowing local public housing authorities to enter into redevelopment partnerships with outside developers. RAD redevelopments leverage private investment for the benefit of public housing residents, while preserving the long-term affordability of public housing communities.

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IBA plans to undertake \$29.5 million in property renovations at the West Newton Apartments, including extensive exterior masonry and carpentry work, roofing repairs, installation of new interior and exterior doors, new HVAC systems, plumbing improvements, and unit upgrades.

MassHousing provided IBA with a \$7.7 million construction and permanent loan and a \$30.9 million tax-exempt bridge loan. The MassHousing financing also generated \$22.9 million in Low-Income Housing Tax Credit equity for the project. The tax credits were allocated by the [Massachusetts Department of Housing and Community Development](#) (DHCD) with Wells Fargo as the direct investor.

Other project financing includes approximately \$11.8 million in federal and state historic tax credit equity, a \$24 million seller note, a \$3.9 million sponsor contribution, and a \$977,000 deferred developer fee.

The West Newton Apartments are located on West Newton Street in the South End and feature 44 studio apartments, 58 one-bedroom apartments, 20 two-bedroom apartments, 11 three-bedroom apartments, 12 four-bedroom apartments and 1 five-bedroom apartment in 28 wood-framed, townhouse-style buildings.

Of the 146 units, 110 will be supported through HUD's Public Housing Rental Assistance Demonstration program and the remaining 36 units will be supported by a project-based Section 8 Housing Assistance Payment contract, both of which will be administered by the BHA.

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

MassHousing has financed or manages the rental subsidy for 36 rental housing communities in the South End with 4,217 total units and an original total loan amount of \$302.7 million. The Agency has also provided home mortgage financing to 8,356 Boston homeowners with an original principal loan amount of \$1.1 billion.

About Inquilinos Boricuas en Acción

Inquilinos Boricuas en Acción is a non-profit organization and a dynamic community development corporation that started in the South End neighborhood of Boston, to address displacement of low-income families due to urban development. IBA offers affordable housing and supportive programming to improve the knowledge, life skills and health of participants of all ages. One of the most important goals of IBA is providing safe and sustainable affordable housing. For 50 years, IBA has developed housing that is associated and financed by different supportive programs, while developing leaders who support and encourage themselves, their families and their neighbors. For more information about IBA please visit: www.ibaboston.org.

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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 \$22.8 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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