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## **New Funds Now Available to First-Time Homebuyers Who Purchase and Rehabilitate Foreclosed Homes in Haverhill**

*Partnership between MassHousing, city of Haverhill and Haverhill Bank will help create opportunities for qualified buyers who purchase properties in need of repair*

BOSTON – April 15, 2010 – MassHousing, Haverhill Mayor James J. Fiorentini and Haverhill Bank announced a new initiative today to make grant funds available to first-time homebuyers who purchase foreclosed homes in Haverhill.

Qualified homebuyers who obtain a MassHousing Mortgage through Haverhill Bank will be eligible for a second loan to assist in rehabilitating the foreclosed property. The second loan will be funded through the Neighborhood Stabilization Program (NSP), which was created in federal economic recovery legislation.

The rehabilitation loan could be forgiven depending on how long the homebuyer lives in the home and the total amount of NSP funds used.

The city of Haverhill is the first city in Massachusetts to partner with MassHousing in the NSP program and Haverhill Bank is the first MassHousing-approved lender to participate in the program.

"I congratulate Mayor Fiorentini and Haverhill Bank for proactively addressing the issue of abandoned and foreclosed homes," said MassHousing Executive Director Thomas R. Gleason. "The NSP program will make money available to help homebuyers renovate foreclosed homes that are at risk of becoming blighted."

Homebuyers must be deemed eligible for the NSP program by the Haverhill Department of Community Development. There are no limits to the NSP rehabilitation grants but the cost of renovation must be deemed reasonable by the city.

"I'm pleased to be able to develop a way to leverage our federal funds to rehabilitate foreclosed housing across the city through private investors and first-time homebuyers," said Mayor Fiorentini. "Foreclosed, run-down and abandoned properties can destroy home values in a neighborhood. This innovative program can help eliminate this problem."

Homes eligible under the program must be foreclosed or abandoned one-, two- or three-family properties. Borrowers must be eligible for a MassHousing mortgage, meet income and purchase price guidelines, have a minimum 3% down payment for one- or two-family homes and 5% down payment for three-family homes, and complete a homebuyer education course.

"Haverhill Bank is proud to support a program which will benefit individual homeowners and the surrounding properties," said Haverhill Bank President and CEO Thomas L. Mortimer. "The deferred maintenance associated with many foreclosed and abandoned properties eliminates most first-time homebuyers from this market. The Neighborhood Stabilization Program expands the market of potential buyers to include the first-time homebuyer. This program will be a win-win for the homebuyer and neighborhoods."

For more information about the NSP program please visit [www.masshousing.com](http://www.masshousing.com) or contact MassHousing's Deanna Ramsden at 617-854-1822. Consumers interested in a MassHousing loan from Haverhill Bank should contact Anita Purcell at 978-556-4237 or [apurcell@haverhillbank.com](mailto:apurcell@haverhillbank.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 \$5.6 billion for rental housing and more than \$4.8 billion for homeownership. For more information, visit the MassHousing website at [www.masshousing.com](http://www.masshousing.com).

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