



Massachusetts Housing Finance Agency
One Beacon Street, Boston MA 02108
TEL 617.854.1000 | VP 866.758.1435 | FAX 617.854.1091 | www.masshousing.com

Contacts

Eric Gedstad: 617.854.1079 | egedstad@masshousing.com
Tom Farmer: 617.854.1843 | tfarmer@masshousing.com

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

Partnership between MassHousing, city of Brockton, Brockton Housing Partnership, and lenders will help create opportunities for buyers who buy properties in need of repair

BOSTON – June 1, 2010 – MassHousing announced a new initiative today in partnership with the city of Brockton, Brockton Housing Partnership, and area lenders to make grant funds available to first-time homebuyers who purchase foreclosed homes in Brockton.

Qualified homebuyers who obtain a MassHousing Mortgage through an approved lender 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 Brockton, the Brockton Housing Partnership, and a group of MassHousing-approved lenders have been proactively addressing the issue of abandoned and foreclosed homes for some time now and the NSP program is another important tool in helping to reclaim these distressed properties for new homeowners," 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 Building a Better Brockton, the city's designee. There are no limits to the NSP rehabilitation grants but the cost of renovation must be deemed reasonable by Building a Better Brockton.

"Brockton, with one of the highest foreclosure rates in the state, has a great inventory of properties just waiting for occupants and some tender loving care," said Brockton Mayor Linda M. Balzotti. "This program provides the best of both worlds as well as homeownership opportunities to those trying to fulfill their dreams. It is a win-win situation."

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.

Lenders participating in the NSP program are HarborOne Credit Union, Avon Cooperative Bank, Rockland Trust, Dedham Savings Bank, Crescent Credit Union and North Easton Savings Bank.

"Those of us involved in trying to prevent the blight caused by foreclosures in urban areas sincerely appreciate the combined efforts of the City and MassHousing to make this innovative program available for buyers of foreclosed property in Brockton," said Stephen T. Pike, Senior Vice President and Chief Lending Officer of North Easton Savings Bank. "Homebuyers purchasing eligible properties may benefit from an increase in value due to the rehabilitation grant while getting a great mortgage loan from MassHousing. This program benefits the City because properties that

are or might become blighted are renovated and inhabited by owner-occupants who are committed to Brockton as a place to live. Homebuyers benefit because they will be able to purchase a home for less and use the rehab grant to vastly improve their new home."

For more information about the NSP program please visit www.masshousing.com or contact MassHousing's Deanna Ramsden at 617-854-1822. Consumers interested in a MassHousing loan should contact a participating lender or Robert Jenkins at Building a Better Brockton at rjenkins@buildingabetterbrockton.org or 508-586-0021.

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 \$10.4 billion for affordable housing. For more information, visit the MassHousing website at www.masshousing.com.

###