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MassHousing Closes on \$66.1 Million in Financing for the Third Phase of the Redevelopment of the Anne M. Lynch Homes at Old Colony in South Boston

Obsolete public housing will be replaced with 135 new apartments for lower-income residents

BOSTON – September 26, 2019 – MassHousing has closed on \$66.1 million in affordable housing financing to affiliates of [Beacon Communities LLC](#), to advance the redevelopment of obsolete public housing at the Anne M. Lynch Homes at Old Colony in South Boston.

Originally constructed in 1940, Old Colony is one of the oldest federal public housing developments in the country and is one of the most distressed properties in the [Boston Housing Authority's](#) (BHA) federal portfolio. Beacon Communities and the BHA are redeveloping the 845-unit Old Colony development in multiple phases. The first two phases of the redevelopment have been completed, resulting in the replacement of distressed and blighted public housing with 245 new apartment units and town homes.

In this portion of the redevelopment's third phase, Phase 3A, Beacon will replace four additional distressed buildings with two new, modern four-story properties, containing a total of 135 affordable homes. Additional phases of construction will follow.

"The start of the third phase of the Old Colony redevelopment is another major milestone in transforming this obsolete public housing into a vibrant, modern community for its residents," **said MassHousing Executive Director Chrystal Kornegay.** "We are pleased to continue our partnership with Beacon Communities, the BHA and the city of Boston, and our state and federal partners, to completely remake the Old Colony neighborhood in South Boston."

"The Beacon team is appreciative of the BHA, the residents, our lending and investment partners, and the City and State, for the ongoing support in redeveloping the Old Colony community to create new, healthy homes for the residents, and for continued support for the programs and services provided at the Tierney Learning Center, **said Beacon Communities Sr. Development Director Darcy L Jameson.**

MassHousing supported Phase 3A of the Old Colony redevelopment by executing two related transactions with affiliates of Beacon Communities. MassHousing is providing Beacon Communities with

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a total of \$14.9 million in tax-exempt permanent financing, \$13.6 million in tax-exempt bridge financing, \$33.2 million in construction financing, and a \$4.5 million taxable construction and permanent loan.

Other funding sources include a total of \$32.8 million in federal and state Low-Income Housing Tax Credit equity, \$8.8 million in funding from the BHA, \$1 million in direct support from the [Massachusetts Department of Housing and Community Development](#) (DHCD), and \$2 million from the Affordable Housing Trust Fund, which MassHousing administers on behalf of DHCD.

The AFL-CIO Housing Investment Trust was the investor in \$43.4 million in housing bonds supporting the redevelopment work. US Bank was the tax credit investor.

MassHousing provided \$26.7 million in construction financing for Phase 1 of the project, which replaced seven distressed and blighted apartment buildings with 116 new apartments in one mid-rise building and four clusters of town homes. Phase One also included the construction of a new 10,000-square-foot community center.

MassHousing provided \$33.4 million in construction loan financing for Phases 2A and 2B of the redevelopment, which involved the demolition of 223 existing units and the construction of 95 new apartments in two mid-rise buildings, and the construction of 34 new townhomes.

The contractor is [Cranshaw Construction](#), the architect is [The Architectural Team, Inc.](#), and the management agent is Beacon Residential Management.

About Beacon Communities LLC

Beacon Communities LLC is a privately owned real estate firm that develops, acquires, invests in, and manages a wide range of multi-family housing. Their portfolio includes affordable housing, market rate housing and mixed income-housing. Their developments range from new construction, to historic adaptive reuse, to the renovation of existing housing. They take on challenging developments and make them succeed. Their driving passion is to create well-designed, healthy homes that improve the quality of life of their residents and enhance the neighborhoods in which they are located. For more information about Beacon Communities LLC please visit www.beaconcommunitiesllc.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 \$24.3 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](#).

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