Minutes of the Regular Meeting
of the Members of MassHousing
held on
May 12, 2026

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing - was held on May 12, 2025. In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, no Members were physically present and the meetings were conducted remotely through a publicly accessible Zoom meeting.

Participating remotely were the Members (by roll call):

Board Member	Present	Absent
Jeanne Pinado, Chair	X	
Michael Glover, Co-Vice Chair	X	
Jennifer Maddox*	X	
Bran Shim**	X	
Joel Barrera	X	
Herby Duverné	X	
Darnell Dunn	X	
Tom Flynn	X	
Carmen Panacopolous	X	

**Designee of Juana Matias, ex officio*

***Designee of Matthew Gorzkowicz, ex officio*

The Chair convened the meeting to order at 2:01 p.m.

The Chair indicated that the first order of business was the approval of the minutes of the previous meeting. Upon a motion duly made and seconded, by roll call vote, it was, by all Members present (Ms. Maddox and Mr. Duverné not yet attending):

VOTED: That the minutes of the Regular Meeting held on April 14, 2026 are hereby approved and placed on record.

Jennifer Maddox joined the meeting.

Chief Executive's Report

Colin McNiece indicated that Chrystal Kornegay would be delayed in her arrival, so the Chief Executive's Report will take place upon her arrival and the body took up the Loan Committee matters.

Loan Committee

Nuestra Comunidad Development Corporation Portfolio, Boston (Roxbury)

Piia DiMeco presented a request for Approval for Level One Transfer of Ownership of Nuestra Comunidad Development Corporation ("NCDC" or "Nuestra"), as presented in the attached Board package.

Ms. Pinado noted that folks know that Nuestra is winding down and Urban Edge taking over most of their properties, and a couple of other properties are being assumed by another non-profit. So they aren't continuing their relationship with OPCO. Ms. DiMeco further clarified by stating that Urban Edge will continue to fund OPCO for the next two years and is not severing ties immediately; but Urban Edge has effectively taken over all back office work from OPCO.

Joel Barrera asked if this is a transition sort of step? If Nuestra is winding down, in five years, does this look like exactly what we're voting on today, or is there some other iteration? Ms. DiMeco responded that this is it; Urban Edge is effectively taking over control of Nuestra, but Nuestra will continue to operate independently.

Ms. Pinado remarked that it is probably because of the way the deals are structured. But in essence, Urban Edge has acquired Nuestra and most of their properties, not all, but most.

Ms. Pinado asked if there were any other questions. Carmen Panacoupolos noted that this was extensively discussed at Loan Committee, including the strength of Urban Edge, Nuestra, and the OPCO back operation, and gave this a lot of thought. Ms. Panacoupolos then thanked Ms. DiMeco for doing a nice job with the presentation.

There being no further discussion, a motion was duly made and seconded, by roll call vote, it was, by all Members present (Mr. Duverné not yet attending):

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Bartlett Station F5, Boston, Boston (Roxbury)

Doug O'Brien presented a proposal for Approval of Change of Control of Sponsor and Borrower as presented in the attached Board package.

Ms. Pinado asked if Mr. O'Brien would address the construction costs, which seemed higher than what we typically see.

Mr. O'Brien responded, saying it's a small urban site and there were some issues with installation of their switch gear, which they had to get reinstalled, and which caused some cost overruns there. Mr. O'Brien said that the good news is that's all behind us now. The project is currently in the inspection phases and anticipate getting their temporary certificate of occupancy at the end of May.

Ms. Pinado replied that it was good to see that it's getting done.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present (Mr. Duverné not yet attending):

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Ms. Kornegay being available, the Chair asked for the CEO's report before continuing with the remaining Loan Committee matters.

Chief Executive's Report

Ms. Kornegay apologized for the delay and opened the CEO Report with a couple of program updates. In April, the Healey-Driscoll administration announced that they were going to provide support for a $25 million Down Payment Assistance Program to enhance our work, serving borrowers up to 135% AMI with a $25,000 zero percent deferred interest loan. That program opened at the end of April and to date, two weeks later, there are 248 new first-time homebuyers in that pipeline. We are excited about the program being launched because one of the lessons we learned with MassDreams was not to underestimate the pace at which this resource could be taken advantage of. And so, we opened it for a limited window from April 28th through the end of July. We expect to see further pickup because this is peak home buying season. We hope to hit 1,000 homeowners between now and the end of July.

Ms. Pinado remarked that is a terrific down payment assistance program.

Ms. Kornegay continued with an update regarding the Accessory Dwelling Unit loan program. The state, as part of the Affordable Homes Act, made accessory dwelling units by right zoning across the Commonwealth; but for a variety of reasons, there were no loan products that were easily accessible to low- and moderate-income homeowners. So, we created this program where they can get up to $250,000 for a detached ADU and up to $150,000 for an attached ADU. It's a combination of an amortizing and deferred repayment loan for the construction of an ADU. The program launched in early April and there are two loans in the pipeline, one in Great Barrington and one in Brockton. We are excited that this is getting traction across the Commonwealth, not just in Greater Boston.

Ms. Pinado asked if there was any kind of cap on the number of loans we can do under this program or is it included in the rental production numbers. Ms. Kornegay replied that these are loans that are we are doing under the homeownership initiatives approved under the Opportunity Votes last Fall.

Mr. Barrera asked about the ADU program details, and what success might look like here.

Ms. Kornegay responded that the specifics of the loan depend on the type of unit, attached or detached, and then the structure of the financing falls into two components an amortizing piece and a deferred payment piece. Noting that for the $250,000 loan available for a detached unit, you can borrow up to $150,000 as an amortizing loan and up to $100,000 as deferred repayment loan. And then for the attached unit, you can borrow up to $100,000 amortizing and then $50,000 deferred.

Ms. Kornegay noted that in terms of success, what we're trying to see under this pilot is what the demand might be. Once we get through the initial pilot and we'll assess see what else we might do and what resources might be required.

Ms. Panacoupolos asked if we are working with a construction company, or someone to facilitate these ADUs, or if there are manufacturers that can do this at low cost.

Ms. Kornegay responded that we are not working with construction companies. This happens through the banks through our participating lenders. This is like a rehab loan happening through the local banks and leveraging their processes for making this type of loan. We are engaged with others who are working in other areas. Ms. Kornegay noted that the Commonwealth just completed an ADU design challenge to make plans available that they recently put on the state's website. We are also building relationships with other rehab lending agencies.

Ms. Maddox responded, there were eight winners for the design challenge that was just announced two weeks ago that the Commonwealth is very excited about. Ms. Kornegay agreed.

Ms. Kornegay then presented an update the strategic frameworks initiative, saying that FY26 would be the end of our last strategic plan which had five broad business goals. Ms. Kornegay then summarized the progress against those goals detailed in the slides.

She continued to summarize the new strategic frameworks initiative, noting that the experience of COVID occurring shortly after the creation of the prior goals, prompted a rethinking about strategic planning and the new pace of change that isn't always within our control. Because change is happening much more quickly than it has in the past and we are really impacted by different kinds of changes, one of the things we can focus on and have some control of is how we adapt and address that change.

We decided that instead of doing a strategic plan, we were going to create a framework. A plan has these very detailed goals about what we're going to do. They tend to last over longer periods of time. It's just harder if something unexpected happens to go back and shift what those things are. What we decided to do is focus on a framework, which means that we are going to have a set of what we call guiding principles coupled with a set of annual priorities. We presented the four guiding principles at the April meeting. The guiding principles don't change, regardless of the external environment. Under those Guiding Principles a set of Annual Priorities will be set each year, taking into account what we know is going on externally, and how the things that matter fit into the guiding principles.

Ms. Kornegay then presented five annual priorities for FY2027. She noted that the finance team is

working to put these projects and initiatives into the FY27 budget that will be presented next month so that the budget is also a reflection of our priorities and our principles. We are talking in department level meetings about this now and are going to be developing metrics to facilitate reporting on a regular basis.

Ms. Pinado remarked that the framework makes a lot of sense and opened the floor for other questions or thoughts.

There was a brief discussion about the connections of the various annual priorities to the Guiding Principles. Ms. Kornegay noted that the intent is that there would be an annual priority aligning with each Guiding Principle but not that each priority would align with all of them. It was agreed that staff would build out a reporting mechanism that illustrates the connections between the respective priorities and guiding principles.

Ms. Pinado asked for any other questions on the strategic plan framework. There were none.

Ms. Pinado then resumed the Loan Committee matters.

Herby Duverne joined the meeting.

The Waterhouse 4%, Danvers
The Waterhouse 9%, Danvers

Emily Loomis presented a proposal for Official Action Status, Commitment of a Permanent Tax-Exempt Loan, Commitment of a Tax-Exempt Bridge Loan, and Approval for the Use of Low-Income Housing Tax Credits, as presented in the attached Board package for the 4% project; and a proposal for Commitment of a Permanent Tax-Exempt Loan, as presented in the attached Board package for the 9% project.

For this presentation to the Board, the 4% and 9% projects were presented in tandem.

Ms. Pinado noted that this was an interesting project and that it was good that they have all of that land to devote to the development. There was no further discussion.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached with respect to both the 4% project and the 9% project, and incorporated into the minutes of the meeting.

135 Dudley Street, Boston (Roxbury)

Jen Hudon Hatch presented a proposal for Official Action Status, Commitment of a Permanent Tax-Exempt Loan, Commitment of a Tax-Exempt Bridge Loan, and Approval for the Use of

Low-Income Housing Tax Credits, as presented in the attached Board package.

Ms. Pinado asked if the shared podium gets built with all of that, or is it phased? Ms. Hudon Hatch replied that it is part of the initial phase. Even though this first phase is being built, the MassWorks grant is going to cover some of the initial site work. The capital stack shows that though the full grant is $4 million, there is only a portion of that in the capital stack for sources for the rental building. That is part of the joint development agreement and the condominium structures, and how we are reviewing and underwriting the contracts, and the sources that are shared uses between the development for the rental units and for the home ownership building which is a separate entity.

Ms. Pinado remarked that per unit cost seemed high and Ms. Hudon Hatch replied that some of the extraordinary costs are relating to the initial site work and the general development costs of the proposal, since it is such a large and complex development and being built on a shared podium. Even though we are only assuming a portion of those initial costs, it does drive up the cost from the condominium structure and the work that goes along with that.

Ms. Pinado asked if there were any other questions on Dudley Street, and noted that the Loan Committee had a lot of fun with this one. Ms. Panacoupolos responded that it was a long meeting and staff was really very helpful and did a thorough job. They were really appreciative of the work done for the presentation.

There was no further discussion.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Bran Shim left the meeting.

Veterans Home Chelsea Phase I, Chelsea

Jeff Geller presented a proposal for Official Action Status, Commitment of a Permanent Tax-Exempt Loan, Commitment of a Tax-Exempt Bridge Loan, Commitment of a Workforce Housing Subordinate Loan, and Approval for the Use of Low-Income Housing Tax Credits, as presented in the attached Board package.

There was no discussion.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

There being no other business to consider, the meeting adjourned at 3:07 p.m.

A true record.

Attest.

Colin M. McNiece
Secretary

Materials:

- Minutes of the Meeting of April 14, 2026
- CEO's Report, May 12, 2026
- Board Package, May 12, 2026

Minutes of the Regular Meeting
of the Members of MassHousing
held on
April 14, 2026

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing - was held on April 14, 2026. In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, no Members were physically present and the meetings were conducted remotely through a publicly accessible Zoom meeting.

Participating remotely were the Members (by roll call):

Board Member	Present	Absent
Jeanne Pinado, Chair	x	
Michael Glover, Co-Vice Chair	X	
Juana Matias, *ex officio*	X	
Bran Shim*	X	
Joel Barrera	X	
Herby Duverné	X	
Darnell Dunn	X	
Tom Flynn	X	
Carmen Panacopolous	X	

**Designee of Matthew Gorzkowicz, ex officio*

The Chair convened the meeting to order at 2:00 p.m.

The Chair indicated that the first order of business was the approval of the minutes of the previous meeting. Upon a motion duly made and seconded, by roll call vote, it was, by all Members present (Juana Mattias and Herby Duverné not yet attending, and Carmen Panacopolous abstaining):

VOTED: That the minutes of the Regular Meeting held on March 10, 2026 are hereby approved and placed on record.

Juana Mattia and Herby Duverné joined the meeting.

Chief Executive's Report

Chrystal Kornegay gave a brief informational presentation regarding Chapter 40B. Ms. Kornegay began by giving some background for Chapter 40B, also referred to as the "Comprehensive Permit Law" or the "Anti-Snob Zoning Act." 40B allows a local zoning board of appeals (ZBA) to overrule zoning to approve affordable housing. 40B is applicable in every town in the Commonwealth except Boston. Eligible developers and communities must follow the 40B process

in communities that have not reached the Safe Harbor threshold.

Since 1969 almost all affordable housing has been created under 40B. Over 70,000+ units have been created, and over 35,000 are below 80% AMI. Most communities have not achieved the 10% threshold for affordable housing.

Four state agencies are authorized under 40B to exercise oversight, such as the Executive Office of Housing and Livable Communities and MassHousing. MassHousing as a quasi-public agency does most of the oversight due to its role as administrator of the NEF Program, a financing program organized by the Federal Home Loan Bank of Boston among its member banks.

There was a brief discussion about the 10% SHI thresholds, how frequently they are updated, and how multifamily and homeownership projects are counted in the analysis.

Ms. Kornegay continued her with an overview of MassHousing's roles sharing program oversight with the local Zoning Board of Appeals, where MassHousing ensures that proposals are following the statutory and regulatory requirements. She noted that 40B also generates legislator engagement as the Agency notifies legislators of project submitted in their districts. Since April 2024, the Agency has sent 149 notifications regarding 40B developments, and received a dozen legislative inquiries on 40B proposals last year.

Ms. Kornegay then summarized the 40B process overview. The initial Site Approval process takes 3-5 months on average and concludes with the issuance of a Project Eligibility Letter (PEL). Following the issuance of the PEL, the Developer applies to the local ZBA for a Comprehensive Permit. If the ZBA denies a project or approves it with conditions, then it moves to the Housing Appeals Committee (HAC). If a project is approved it comes back to MassHousing for a Final Approval under the statute and regulations before advancing into construction. Following construction MassHousing is responsible for the statutory Cost Certification for each project and manages ongoing monitoring with respect to the affordability requirements and limited dividend restrictions. The average time span for the entire 40B process from application to Final Approval is 4 years; MassHousing has overseen nearly 700 developments; there are 15 developments currently in pre-approval. The yearly average is 35 site approval applications and 18 final approvals and fluctuate with the real estate market. When rates were low, there were many proposals.

Ms. Kornegay shared a few examples of the projects that came through recently.

Ms. Panacopolous asked how the Agency's oversight role fit with it's role in financing programs like BILD. Ms. Kornegay replied that the statute is designed for the public agency providing financing to play the role of subsidizing agency for purposes of the statutory and regulatory compliance. At MassHousing, there is separation of the functions where different groups have separate responsibilities, the 40B team managements the regulatory process and our rental lending staff manages the financing elements.

Loan Committee

Newburyport Crossing Phase 3, Newburyport

Jeff Geller and Brian Robinson presented a proposal for Commitment of Momentum Equity and Commitment of a Subordinate Loan of the FORGE 1st Mortgage, as presented in the attached Loan Committee package.

Ms. Pinado noted that the project was seen at the BILD Advisory Committee and asked how close is Newburyport to the 10% SHI threshold? Mr. Robinson replied that it presently at 9.4%.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

20 Malcolm X Boulevard – Boston (Roxbury)

Mark Teden introduced the financing as the first project in collaboration with the City of Boston and its Accelerator Fund. He began with a brief overview of the BILD program and summarized the relationship with the City. Under the arrangement, the City is a co-investor with the Agency, where 80% of the equity contribution is funded by the City of Boston and 20% by MassHousing's Momentum Equity. We expect a fairly small but steady flow of deals.

Ms. Pinado asked about the source of funds. Mr. Teden responded that the City is funding its share from its Accelerator Fund and the Agency funds its share of the equity from the Momentum Equity funds provided by the Commonwealth, and it's subordinate FORGE loan form the funds approved from the Opportunity Fund. He noted that the City has designated the Boston Housing Authority (BHA) as the administrator of the Accelerator Fund, and that the City, through the Mayor's Office of Housing, the BHA, and the Agency executed a Memorandum of Agreement describing their roles.

Jeff Geller then presented a proposal for Commitment of Momentum Equity and Commitment of a Subordinate Loan of the FORGE 1st Mortgage, as presented in the attached Loan Committee package.

Ms. Matias asked what was the amount from the Accelerator Fund and if the Agency's portion was $2 million. Mr. Geller replied the City's share is $8,400,000 and the Agency's contribution is just over $2 million at $2.1 million, or 20% of the total $10.5 million equity investment.

Ms. Pinado noted that this deal had been reviewed by the BILD Advisory Committee.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

There being no other business to consider, the meeting adjourned at 2:57 p.m.

A true record.

Attest.

Colin M. McNiece
Secretary

Materials:

- Minutes of the Meeting of March 10, 2026
- CEO's Report, April 14, 2026
- Board Package, April 14, 2026

Minutes of the Regular Meeting of
the Members of MassHousing
March 10, 2026

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing - was held on March 10, 2026. In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, no Members were physically present and the meetings were conducted remotely through a publicly accessible Zoom meeting.

Participating remotely were the Members (by roll call):

Board Member	Present	Absent
Jeanne Pinado, Chair	X	
Michael Glover, Vice Chair	X	
Jennifer Maddox*	X	
Bran Shim**	X	
Joel Barerra	X	
Darnell Dunn	X	
Herby Duverné	X	
Tom Flynn	X	
Carmen Panacopolous		X

**Acting Secretary of The Executive Office of Housing and Livable Communities*
***Designee of Matthew Gorzkowicz, ex officio*

The Chair then convened the meeting to order at 2:02 p.m.

The Chair thanked Carolina Avellaneda for her service and commitment to the Board and welcomed new Board members Joel Barerra.

The Chair indicated that the first order of business was the approval of the minutes of the previous meeting.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present, with Jennifer Maddox and Joel Barera abstaining:

VOTED: That the minutes of the Regular Meeting held on February 10, 2026 are hereby approved and placed on record.

Chief Executive's Report

Chrystal Kornegay gave a brief overview of her participation in the CAP Collaborative, which has been in existence for several years. The CAP Collaborative is a twice-yearly program connecting

public sector leaders and private sector executives to foster trust, cross-sector understanding and innovative policy-making, and has a strong network of past members. The programs consists of 7 in-person meetings, shadowing another Executive Fellow, and a 2-day retreat with different curriculum sessions. MassHousing is part of the CAP Collaborative Spring Cohort, along with several notable officials and private companies.

Ms. Kornegay then discussed the Strategic Framework, describing the intent to build a framework for setting priorities and making strategic decisions as opposed to a more traditional strategic plan. The framework is intended to be adaptable to shifting circumstances and external conditions and will include a set of guiding principles that reinforce the Agency's mission and values along with a structure for setting annual priorities and a transparent decision-making process to evaluate and purse operational and programmatic opportunities.

Joel Barerra asked where we are with the process; Ms. Kornegay noted that a proposed set of guiding principles has been developed and that we are currently drafting the corresponding annual priorities and working to integrate into this year's budget process. We will come back in May with proposed numbers.

Ms. Kornegay continued by presenting the guiding principles and remaining timeline for the project, noting that staff expect to come back in May with details on the annual priorities.

Herby Duverne asked whether there is anything around technology included. Ms. Kornegay responded that because technology changes rapidly we did not address specifically in the guiding principles but are including the annual priorities, noting specifically that we are looking at how we may incorporate AI across the Agency.

Loan Committee

HSL Stoughton 4% – Stoughton

Matt Schoenberg presented a proposal for Official Action Status, Commitment of a Tax-Exempt Conduit Loan, and Approval for the Use of Low-Income Housing Tax Credits, as presented in the attached Loan Committee package.

Ms. Pinado asked to clarify that this is independent senior housing with resident services, not assisted living. Mr. Schoenberg said that is correct, this is a senior housing project with resident services.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Brooke House at Olmsted Village – Boston (Mattapan)

Mike Carthas presented a proposal for Commitment of a Permanent Tax-Exempt Loan, Commitment of a Tax-Exempt Bridge Loan, and Approval for the Use of Low-Income Housing Tax Credits, as presented in the attached Loan Committee package.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Loring Towers Apartments – Salem

Mike Carthas presented a proposal for Official Action Status, Commitment of a Construction to Permanent Tax-Exempt Loan, Commitment of a Taxable Construction Bridge Loan, and Approval for the Use of Low-Income Housing Tax Credits, as presented in the attached Loan Committee package.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

There being no other business to consider, the meeting adjourned at 2:32 p.m.

A true record.

Attest:

Colin M. McNiece
Secretary

Materials:

- Minutes of the Meeting of February 10, 2026
- CEO's Report, March 10, 2026
- Board Package, March 10, 2026

Minutes of the Regular Meeting
of the Members of MassHousing and
Center for Community Recovery Innovations, Inc.
held on
February 10, 2026

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing – and a special meeting of Center for Community Recovery Innovations, Inc. ("CCRI") was held on February 10, 2026. In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, no Members were physically present and the meetings were conducted remotely through a publicly accessible Zoom meeting.

Participating remotely were the Members (by roll call):

Board Member	Present	Absent
Jeanne Pinado, Chair	X	
Carolina Avellaneda, Co-Vice Chair	X	
Michael Glover, Co-Vice Chair	X	
Ed Augustus, *ex officio*	X	
Bran Shim*	X	
Darnell Dunn	X	
Herby Duverné	X	
Tom Flynn	X	
Carmen Panacopolous	X	

**Designee of Matthew Gorzkowicz, ex officio*

The Chair convened the meeting to order at 2:00 p.m.

The Chair indicated that the first order of business was the approval of the minutes of the previous meeting.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present (Bran Shim not yet attending):

VOTED: That the minutes of the Regular Meeting held on January 13, 2026 are hereby approved and placed on record.

Bran Shim joined the meeting.

Chief Executive Officer's Report

Chief Executive Officer Chrystal Kornegay began her report by stating the Governor a announced $25 million investment through Down Payment Assistance to Massachusetts families and has asked MassHousing to develop a program and administer it. The program is meant to focus on moderate income people up to 100% AMI because we have a such a strong program for people below 100% AMI. Activity since 2018 when we started doing DPA has been very robust. Last year, nine out of ten MassHousing homebuyers used down payment assistance to buy their first home - five years ago it was four out of ten. As prices continue to rise and available stock gets narrower, DPA becomes critical for modest income families to access homeownership opportunities in the Commonwealth. The program is currently in design with an expectation of launching in April.

Ms. Kornegay continued her report with a summary of the Homeownership Tax Credit - one of the new provisions of the Affordable Homes Act. There has been talk at the Federal level about creating a homeownership tax credit as well, many of us were hoping that would pass when they passed the tax bill last July, however, it has not advanced to date. There are two states that have homeownership tax credits, Vermont has a small program and Ohio has a fairly new program that is in its early implementation.

The program is funded with $50 million, $10 million in tax credits annually for five years. The statute requires MassHousing to create a Homeownership Qualified Allocation Plan (HQAP) to be reviewed and approved by Executive Office of Housing and Livable Communities, which we have done. We are intending to launch this program in early April. To help get the word out, we will be partnering with the Federal Home Loan Bank of Boston for a webinar for their bank members. We are also going to do some targeted outreach so that developers can hear about this as well and had held two open house information sessions in the Fall.

Credits will be awarded in a competitive process following the criteria set out the HQAP. We expect to publish a draft of the HQAP for comment next week. Applications will be evaluated on a series of criteria, with readiness to proceed, financial feasibility, and strength of the development team among the primary factors.

Jeanne Pinado asked what is the targeted AMI for the program? Ms. Kornegay responded that it is 120%.

Ms. Kornegay then informed the Board that MassHousing was named as a finalist for the 2026 Ivory Prize for housing affordability in the Finance category for the BILD program. The Ivory Prize is a national award that recognizes innovative, scalable solutions to address housing affordability. We are one of the 25 finalists, and currently going through their finalist evaluation process that includes submitting a video and meeting with their advisory panelists. Winners will be announced on May 12.

Fiscal Year 2026 Mid-Year Results

Rachel Madden presented the Agency's FY26 Mid-Year Results.

Ms. Madden began by announcing that we are projecting to be $4.5 million net income positive (6.3%) against budget. She then noted that the presentation is based on data as of 12/31/25.

Total Production is currently projected to be $105 million above budget, driven by multi-family. Multifamily income, is currently projected to be slightly below budget. Although multifamily Lending Income is higher by $1.5 million, and Multifamily Servicing Income is higher by $1.3 million, it is offset by Multifamily Net Interest Spread being lower by $4.6 million – primarily the result of a number of payoffs coming in earlier than anticipated.

Single Family income is projected to be slightly lower by $435,000. Although servicing and lending income is projected to be higher, it is offset by lower Net Interest Spread and higher Servicing Rights Premiums. Ms. Madden noted that interest rates being lower results in less income to the Agency but is a positive for our borrowers and that the higher spend on Servicing Rights Premiums should be viewed as an investment in long-term income to the Agency.

Following the single family trends, the Mortgage Insurance Fund's production is on budget and income is projected to be $830K higher. Investment Income is higher by $745,000 - as older investments have rolled off, we have re-invested more aggressively and getting higher returns.

Ms. Madden continued with a summary of corporate income and expenses, excluding grant activity, noting that total income is projected to be $500K above budget and corporate expenses are projected to be $4 million under budget.

Grant Income is projected to be $22 million over budget, primarily due to Capital Magnet Fund additional funding which is approved but not yet received and additional funding for several existing programs, and $5 million from the Commonwealth that was deployed to offset the costs of our DPA program. Grant Disbursements are projected to exceed the original budget as a result of increases in production in various programs and the conversion of some programs from rolling applications to competitive rounds.

Ms. Madden also noted that the presentation includes industry data in the Appendix.

Ms. Pinado remarked that it was a good result and bottom line, well put together presentation, and opened the floor for questions.

Carmen Panacopolous offered congratulations to Ms. Kornegay for the nomination for the Ivory Prize and then asked Ms. Madden whether any income from the Homeownership Tax Credit Program is reflected in the projections for the next six months. Ms. Madden responded that it is not part of our projections as of this moment.

Ms. Panacopoulous then asked that if there was derived income in May or June, that those would be reflected when we talk about it in six months?

Votes Delegating Authority to Issue Multifamily and Single-Family Bonds and/or Notes

Rachel Madden presented delegation votes of authority to issue (i) Multifamily bonds and/or notes to finance up to $1.0 billion using a mix of fixed rate and/or hedged or unhedged variable rate debt; and (ii) Single-Family bonds and/or notes to finance up to $800 million using a mix of fixed rate and/or hedged or unhedged variable rate debt. and the attached report and analysis from cfX Incorporated, one of the Agency's financial advisors, with respect to any potential derivative contracts associated with Agency financings.

Ms. Madden began by stating that this is something that is presented to the Board every year. This is authorization for an 'up-to' limit for our programs. We try to give adequate capacity in the authorization to be agile enough to capture market opportunities as they might arise and are asking for up to $1.0 billion in authority for the multifamily program and $800 million for single-family. That does not mean that we intend to issue that full amount, but it gives us enough room that should market conditions allow or new deals come into the mix, that we would have enough capacity under your authorization to respond and issue the debt to fund those projects in a timely manner.

Ms. Pinado remarked that these are big numbers and asked what the typical range of borrowing for the programs has been.

Ms. Madden responded that recent history the authorization requests have been more in the range of $800 million, but that she is adding $200 million because of the recent changes in the tax-credit landscape to the traditional 50% test. On the single-family side, program issuance has fluctuated more and has been as low as $600 million but $800 million is a more efficient threshold and with the LIHTC changes, additional volume will be available on the single-family side too. We had a banner year several years ago where we exceeded $800 million, and with interest rates coming down, and the new programs that may spur on additional borrowing in the moderate income, we wanted to give ourselves capacity to be responsive to the new program driven production.

Mr. Glover asked whether the issuances are traditionally multiple issuances to get the aggregate or do we do single issuances. Ms. Madden responded that we do multiple issuances throughout the year.

Ms. Pinado asked with interest rates projected to go down potentially, whether we are projecting more variable rate debt. Ms. Madden responded that there may be a little more on the single-family side, where we tend to engage variable rate debt more frequently and are expecting a higher issuance amount, however, we're not expecting any significant change in the proportion of variable rate debt. She noted that the investment advisor's report is heavily weighted to addressing variable rate debt but only because it is the focus of the State Finance and Governance Board. She noted the rating agencies general look at variable rate thresholds up to 25% and even we issued the maximum referenced in the advisor's report, which is not expected, it would still just take us from 6% to 11%.

Colin McNiece mentioned that the Board Members may not have had the opportunity to see a revision to the Multifamily Vote that was posted and circulated earlier this afternoon. It is fairly minor revision to use more precise language to modify section 9 of the Multifamily Vote to define

"authorized officer" in a manner that mirrors section 12 of the Single-Family Vote.

Upon a motion duly made and seconded, by roll call vote, it was, by all the Members present:

VOTED: to approve the votes and resolutions presented in the Board package that is attached and incorporated into the minutes of the meeting.

Upon a motion duly made and seconded, by roll call vote, it was, by all the Members present:

VOTED: to recess the MassHousing meeting at 2:38 PM

Center for Community Recovery Innovations, Inc. ("CCRI")

Chair Jeanne Pinado then called the Center for Community Recovery Innovations, Inc. ("CCRI"), meeting to order. Nicole Mikshenas presented recommendations and votes for FY2026.

Ms. Mikshenas summarized the applications, noting that two (2) complete applications were received for a total of $300,000 in funds requested. She explained the review process and summarized CCRI's past experience and history with each applicant. Ms. Mikshenas made recommendations for CCRI funds for the following organizations:

Gilly's House Inc.. Wrentham
Requests funding for acquisition of a property to create 10 units of affordable sober housing for men.

Recommendation: $150,000 **Commitment expires September 30, 2027**

Troubled Waters Inc. d/b/a The Bridge Club of Lowell, Lowell
Requests funding for acquisition of a property to create 29 units of affordable sober housing for veterans.

Recommendation: $150,000 **Commitment expires September 30, 2027**

Thomas Flynn remarked that this was fantastic work.

Ms. Panacoupolos asked whether there is a per unit maximum under the program. Ms. Mikshenas replied that it is not a per unit max per se, but a maximum per project and that it depends on what the expected use of the funds. For example, if an owner or organization is creating new housing we allow them to apply for up to $150,000 in the aggregate. If it is a renovation, the maximum threshold is $100,000. She noted there is also a 50% match requirement for each project. These two are well over that requirement with the matching funds.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: That the Center for Community Recovery Innovations, Inc. ("CCRI"), an affiliate of the Massachusetts Housing Finance Agency (the "Agency"), approve a grant in the amount of $150,000.00 to Gilly's House, Inc., in Wrentham, for the purposes described in the application, subject to the contingencies and requirements set forth in this recommendation.

FURTHER VOTED: That CCRI approve a grant in the amount of $150,000.00 to Troubled Waters Inc. d/b/a The Bridge Club of Lowell, in Lowell, for the purposes described in the application, subject to the contingencies and requirements set forth in this recommendation.

There being no other business, the CCRI meeting adjourned at 2:47 PM

Chair Pinado reconvened the MassHousing meeting at 2:48 PM.

Loan Committee

Woods at Wareham, Wareham

Tai Pope presented a proposal for Approval to Accept Assignment of a HUD-Issued Firm Commitment for FHA Insurance; Commitment of a First Mortgage Loan (the "New Loan"); Approval to Finance the New Loan through Issuance of a Ginnie Mae MBS, all as presented in the attached Board package.

Ms. Pinado remarked that it was great to see a property built in the 1970s still getting an "A" in physical condition, and that the renovation is probably long overdue.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

There being no other business to consider, the meeting adjourned at 2:52 p.m.

A true record.

Attest.

Colin M. McNiece
Secretary

Materials:

- Minutes of the Meeting of January 13, 2026
- CEO's Report, February 10, 2026
- Board Package, February 10, 2026

Minutes of the Regular Meeting of
the Members of MassHousing held
on
January 13, 2026

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing - was held on January 13, 2026. In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, no Members were physically present and the meetings were conducted remotely through a publicly accessible Zoom meeting.

Participating remotely were the Members (by roll call):

Board Member	Present	Absent
Jeanne Pinado, Chair		X
Carolina Avellaneda, Co-Vice Chair	X	
Michael Glover, Co-Vice Chair	X	
Ed Augustus, *ex officio*	X	
Bran Shim*	X	
Herby Duverné	X	
Darnell Dunn	X	
Tom Flynn	X	
Carmen Panacopolous	x	

**Designee of Matthew Gorzkowicz, ex officio*

Carolina Avellaneda, acting as Chair, convened the meeting to order at 2:01 p.m.

The Chair indicated that the first order of business was the approval of the minutes of the previous meeting.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: That the minutes of the Regular Meeting held on December 9, 2025 are hereby approved and placed on record.

Chief Executive's Report

Chrystal Kornegay began her brief report with a summary of the 2025 Fourth Quarter activity, saying that twelve (12) deals were committed, and twenty-one (21) deals were closed for a total of $435 million in debt. Ms. Kornegay stated that it was a big year for MassHousing; with a special shoutout to the Legal Department, as this was the most deals closed in December, and most of the

deals closed were at the end of December.

Ms. Kornegay then gave a brief status on the Third Floor Build Out; we needed more space for people and more space for meetings. There will be a large conference room space that can be divided into several smaller rooms; it is expected that the renovation will be completed in the Spring of 2026.

The next topic was announcing that MassHousing has its 60th birthday on September 8, 2026, with special events planned for the October Board Meeting, with different events planned to celebrate. Ms. Kornegay stated that as she gets more information she will let everyone know. There is also a planned update to the MassHousing website.

Accessory Dwelling Units ("ADU") Presentation

Mounzer Aylouche presented a new MassHousing program for Accessory Dwelling Units ("ADU") which will be coming soon, to address the housing shortage and rising housing costs. This program was made possible in August 2024 when Governor Healy signed legislation making ADUs a statewide solution to create critical rental stock and promote housing affordability. MassHousing is very well positioned to offer an ADU Mortgage Program, due to our relationships with community lenders and the ability to do loan servicing in-house.

Mr. Aylouche addressed some of the obstacles for homeowners seeking to build an ADU; such as owner preparedness and affordable financing. There is more need for homeowners to have information on building, permitting and financing ADUs. MassHousing's program anticipates that borrowers would come after doing online pre-development work, and have paperwork ready to apply.

Additionally, Mr. Aylouche said that there is not enough data regarding ADUs on appraisals. The solution is to collaborate with the Massachusetts Board of Appraisers and area realtors, for benchmarking samples, and for accurate evaluation.

Mr. Aylouche then addressed financing. He noted that for homeowners, building an ADU is an expensive transaction, coming in around $275 per square foot and that traditionally ADU financing relied on home equity lines of credit which are less available to low-moderate income owners. He then summarized the proposed criteria and guidelines for a new subordinate loan product in which part of the package would be structured as a 0% deferred loan. He noted that the Agency will use $5 million out of the $20 million designated in the Opportunity Fund to establish the program. Criteria will be as follows:

Mr. Aylouche concluded the presentation by saying that lender partner training will begin soon, with an intent to launch in late Spring followed by robust promotion in the summer. The program plans to start writing loans in Summer 2026.

The Chair commended Mr. Aylouche for the work, saying it was a good presentation, and asked if there were any questions.

Herby Duverné remarked that Mr. Aylouche did an excellent job and this presentation took 100% of his attention; he then asked regarding the costs of the loan and whether those costs could be folded into the loan. Mr. Aylouche responded, clarifying first, that the costs of the loan would include traditional loan costs such as the appraisal, closing costs, etc. The technical/pre-development expenses would not be included in the costs of the loan but it is expected that assistance for those costs or services with be available through other components of the Commonwealth's ADU initiative.

Ed Augustus added his appreciation for the ADU Program, he thought the MassHousing partnership with the technical assistance was excellent. He noted that there is a third leg to the Program, a design competition with Boston schools and local architects with cash prizes to the most acceptable plans, the most green design, with the intent of then making these designs free and downloadable so the Borrower can bring them to a contractor. This is going above and beyond to help the Borrower.

Loan Committee

900 Morrisey, Boston (Dorchester)

Mike Carthas presented a proposal for Commitment of a Tax-Exempt Supplemental Conduit Loan and Approval for the Use of Low-Income Housing Tax Credits, as presented in the attached Board package.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Residences at Quarry Hills, Milton

Brian Robinson presented a proposal for Commitment of Momentum Equity and Commitment of a Subordinate Loan, as presented in the attached Board package.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Devenscrest Village, Ayer

Tai Pope presented a proposal for Commitment of Workforce Housing Loan, as presented in the attached Board package.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

PAC-10 Lofts, Phase One, Lawrence

Dan Staring presented a proposal for First Mortgage Modification; Approval of Level One Transfer of Ownership to New Managing Member; and Commitment of Asset Protection Loan, as presented in the attached Board package.

The Chair remarked that this was a really complicated restructuring, and without the hard work and diligence of all involved, it wouldn't have gotten to this point. She noted that there was a lot of discussion regarding this matter at Loan Committee, and that the MassHousing staff recommends the proposed actions.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

The Chair asked if there was any other old or new business for the Members' consideration.

There was none.

There being no other business to consider, the meeting adjourned at 2:44 p.m.

A true record.

Attest,

Colin M. McNiece
Secretary

Materials:

- Minutes of the Meeting of December 9, 2025
- CEO's Report, January 13, 2026
- Board Package, January 13, 2026

Minutes of the Regular Meeting of
the Members of MassHousing held
on
December 9, 2025

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing - was held on December 9, 2025. In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, no Members were physically present and the meetings were conducted remotely through a publicly accessible Zoom meeting.

Participating remotely were the Members (by roll call):

Board Member	Present	Absent
Jeanne Pinado, Chair	X	
Carolina Avellaneda, Co-Vice Chair	X	
Michael Glover, Co-Vice Chair	X	
Ed Augustus, *ex officio*	X	
Bran Shim*	X	
Herby Duverné	X	
Darnell Dunn	X	
Tom Flynn	X	
Carmen Panacopolous	X	

**Designee of Matthew Gorzkowicz, ex officio*

The Chair convened the meeting to order at 2:02 p.m.

The Chair indicated that the first order of business was the approval of the minutes of the previous meeting.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present (Bran Shim abstaining, Ed Augustus not yet attending):

VOTED: That the minutes of the Regular Meeting held on November 12, 2025 are hereby approved and placed on record.

Ed Augustus joined the meeting.

Chief Executive's Report

Chrystal Kornegay began her brief report by discussing MassHousing's Pie in the Sky fundraiser. This year, MassHousing purchased 238 pies for staff members, an increase from last

year's total. Ms. Kornegay noted that the fundraiser was a great success, benefiting both MassHousing staff and Community Servings.

She then addressed MassHousing's recent rating action from Moody's. As a debt issuer, MassHousing is regularly reviewed by Moody's and S&P. The agency's rating with Moody's was revised from stable to a positive outlook based on several factors. Moody's may issue an updated issuer rating in the spring after completing its review of MassHousing's 2025 reports.

Chair Pinado asked whether the rating had changed. Ms. Kornegay responded that it had not, but that a change could be possible due to the positive outlook. Moody's report highlights factors that could influence the rating. Both Chair Pinado and Ms. Kornegay expressed confidence in the agency's current rating.

Volume Cap Report

Mark Teden and Rachel Madden presented a report on the 2026 Volume Cap and the impact of the 25% test. Mr. Teden outlined several projected benefits of the 25% test, including:

- Addressing a backlog of deals with HLC funding
- Enabling more expedient closings of deals awarded by EOHLC
- Increasing the number of units financed annually from approximately 1,300 to 3,000
- Expanding the use of volume cap to support first-time homebuyers
- Allowing preservation transactions without EOHLC subsidies to access volume cap

Mr. Teden acknowledged potential capacity challenges across the industry and among stakeholders but emphasized this represents an exciting opportunity for MassHousing and is expected to have a generally positive impact.

Chair Pinado asked about the difference between the projected total development cost for 2026 and the pipeline total development cost. Mr. Teden explained that MassHousing typically carries more deals in the pipeline to account for those that may fall out during the year. Chair Pinado followed up by asking whether the gap is tighter than usual. Mr. Teden responded that only three deals in the pipeline currently lack HLC awards, down from ten in 2025.

Chair Pinado then asked how this shift might affect staffing. Mr. Teden noted that as large, complex construction projects are completed, the nature of the work will shift toward new loan production. He added that while incremental staffing changes may be needed, a wholesale change is unlikely.

Carmen Panacopolous asked how rising construction costs might affect the volume cap and deals in the 2026 pipeline. Mr. Teden replied that every deal is subject to cost pressure and that MassHousing has identified which deals in the pipeline have funding gaps. He noted that stakeholders are aware of their inclusion in the 2026 pipeline and should have sufficient time to work with partners to identify additional resources to fill gaps.

Ms. Panacopolous followed up with a question about the shift from preservation to new production and its impact on staffing, specifically whether existing staff can handle both types of deals. Mr. Teden responded that MassHousing does not currently have specialists and that underwriters and originators are equipped to manage both deal types.

Rachel Madden continued the presentation by highlighting the benefits of the 25% test for MassHousing's single-family borrowers. She demonstrated its significant impact on individual borrowers and the single-family business line. The increased and recaptured volume cap will reduce mortgage interest rates by 0.55%, resulting in monthly savings of $118 and total savings of $42,365 over the life of the loan. Ms. Madden noted that these lower rates, combined with MassHousing's Mortgage Insurance Plus offering, positively support low- and moderate-income families in achieving homeownership.

Ms. Madden concluded by emphasizing the geographic, racial, and economic diversity of first-time homebuyers benefiting from these offerings in 2025. She noted that 51% of loans went to homeowners in Gateway Cities and 54% to BIPOC homeowners. Additionally, a significant number of loans were made to homebuyers with incomes under 60% of AMI.

Chair Pinado expressed her appreciation for the number of loans made to households under the 60% AMI threshold, noting that the general perception is that homeownership is out of reach for this group. Ms. Madden agreed and highlighted the role of the DPA program in supporting these borrowers.

Ms. Panacopolous then asked about the limits of the Mortgage Insurance Plus program, specifically whether it was a one-time use or could be used again. Ms. Madden explained that there is a six-month limit on MassHousing's coverage of the full mortgage and added that mortgage insurance premiums are covered by MassHousing for homebuyers under 60% AMI.

This concluded the report on Volume Cap.

Staffing Report

Jennifer Buss presented an update on the demographics of our staff. Ms. Buss highlighted that MassHousing was listed as an Energage Top Places to Work in the Financial Services Industry in 2025.

Ms. Buss reported that our gender distribution remains steady and the Agency has a balanced workforce with strong female representation, including in leadership roles. The Agency is ahead of external benchmarks on gender distribution which speaks to our ability to attract and retain women. Additionally, Ms. Buss reported that the level of ethnic diversity aligns with workforce trends and while leadership roles are less diverse, the Agency remains committed to creating a diverse leadership pipeline. Ms. Buss then reviewed the dispersion of age across the Agency, highlighting that MassHousing has a strong cohort of early and mid-career staff with a positive movement toward a more diverse workforce. The Agency has been seeing the expected retirement trends and is prioritizing training and succession planning to address the average tenure shift.

Ms. Buss concluded her presentation and opened the floor to questions.

Herby Duverné asked if the ethnicity breakdown was available for the departure data. Ms. Buss

responded that it could be sent to him separately.

Mr. Duverné followed up with a question about succession planning. Ms. Buss responded that they are working on agency-wide succession planning. Chair Pinado added that there had been active succession planning in finance and audit.

Mr. Duverné concluded his questioning and thanked Ms. Buss for the great data.

Chair Pinado then called for a motion to recess the MassHousing meeting to conduct Votes Committing CCRI (Center for Community Recovery Innovations, Inc.) Funds.

Upon a motion duly made and seconded, by roll call vote, by all Members present, it was:

VOTED: to recess the MassHousing meeting and convene a meeting of CCRI.

Vote Committing CCRI Funds

Chair Pinado called the CCRI meeting to order. Nichole Mikshenas presented recommendations and votes for CCRI funds.

This cycle there were twelve applications received: six for consideration, one applicant withdrew, and two were not recommended. Three applicants are still working through getting their deals together. These are worthwhile projects but the applicants needed additional support so MassHousing is working with them to get their applications together for another round.

Ms. Mikshenas made recommendations for CCRI funds for the following organizations:

- Lowell House, INC D.B.A. Riverbend, Lowell
  - Request: $100,000
  - City/Town: Lowell
  - Units Preserved: 10
  - Population: Women
  - Project scope includes: Exterior renovation, front porch update, kitchen renovation and roof repair

- Steppingstone, Inc., Fall River
  - Request: $76,155
  - City/Town: Fall River
  - Units Preserved: 23
  - Population: Men
  - Project scope includes: Reconstruction of a back staircase, bathroom updates, a front deck renovation and an ADA compliance ramp replacement.

- Victory Programs, Inc., Brookline
  - Request: $200,000
  - City/Town: Brookline

- Units Created: 10
- Population: Families, Women & children
- Project scope includes: Acquisition and renovation. Victory Programs has sought out additional funding from other stakeholders to help fund this project. Property will be very helpful in some addressing the needs of programs for children and families that were created with the closure of Long Island.

- GAAMHA, Inc., Gardner
  - Request: $100,000
  - City/Town: Gardner
  - Units Preserved: 7 Units Created: 1
  - Population: Men
  - Project scope includes: Adding 1 more room, roof replacement, window replacement, a new electrical panel, mini splits, a bathroom renovation, and a new front porch.

- Casa Esperanza Inc., Boston
  - Request: $100,000
  - City/Town: Boston
  - Units Preserved: 6
  - Population: Women & children
  - Project scope includes: Kitchen and bathroom renovations, HVAC updates, roof repairs and cosmetic upgrades

- Link House, Inc., Amesbury
  - Request: $62,933
  - City/Town: Amesbury
  - Units Preserved: 25
  - Population: Men
  - Project scope includes: Kitchen/bathroom renovations, exterior updates, and a full fire escape replacement

Ms. Mikshenas concluded her presentation and there were no questions.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: That the Center for Community Recovery Innovations, Inc. ("CCRI"), an affiliate of the Massachusetts Housing Finance Agency (the "Agency"), approve a grant in the amount of $100,000 to Lowell House, INC D.B.A. Riverbend in Lowell, for the purposes described in the application, subject to the contingencies and requirements set forth in this recommendation.

FURTHER VOTED: That CCRI approve a grant in the amount of $76,155 Steppingstone, Inc., in Fall River, for the purposes described in the application, subject to the contingencies

and requirements set forth in this recommendation.

FURTHER VOTED: That CCRI approve a grant in the amount of $200,000 Victory Programs, Inc., in Brookline, for the purposes described in the application, subject to the contingencies and requirements set forth in this recommendation

FURTHER VOTED: That CCRI approve a grant in the amount of $100,000 GAAMHA, Inc., in Gardner, for the purposes described in the application, subject to the contingencies and requirements set forth in this recommendation

FURTHER VOTED: That CCRI approve a grant in the amount of $100,000 Casa Esperanza Inc., in Boston, for the purposes described in the application, subject to the contingencies and requirements set forth in this recommendation

FURTHER VOTED: That CCRI approve a grant in the amount of $62,933 Link House, Inc., in Amsbury, for the purposes described in the application, subject to the contingencies and requirements set forth in this recommendation

Noting that there was no other business requiring action or discussion, Chair Pinado adjourned the Center for Community Recovery Innovations, Inc. (CCRI) meeting and reconvened the meeting of MassHousing.

Loan Committee

Exchange Salem Four, Salem

Michael Carthas presented a proposal for Official Action Status, Commitment of Permanent Tax-Exempt Loan, Commitment of a Tax-Exempt Bridge Loan, Commitment of Workforce House Subordinate Loan, and Approval for the Use of Low-Income Housing Tax Credits for Exchange Salem Four, in Salem.

No questions

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Exchange Salem Nine, Salem

Michael Carthas presented a proposal for Commitment of a Taxable Permanent Loan for Exchange Salem Nine, in Salem

No questions

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Cambridge Blanchard I, Cambridge

Jeffrey Geller presented a proposal for Official Action Status, Commitment of a Tax-Exempt Conduit Loan, and Approval for the Use of Low-Income Housing Tax Credits for Cambridge Blanchard I, in Cambridge.

No questions

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Ed August left the meeting.

Warren Hall, Boston (Brighton)

Jeffrey Geller presented a proposal for Official Action Status, Commitment of a Tax-Exempt Construction/Permanent Loan, Commitment of a Tax-Exempt Construction Equity Bridge Loan, Commitment of a Taxable Construction Equity Bridge Loan, Commitment of a Workforce Housing Loan, and Approval for the Use of Low-Income Housing Tax Credits for Warren Hall in Boston (Brighton).

Chair Pinado asked if the acquisition price include the commercial space?
Mr. Geller answered yes.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Bran Shim left the meeting.

Woodland Cove Phase III, Wareham

John Collins presented a proposal for Transfer of Interests for Woodland Cove Phase III in Wareham.

No Questions

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

There being no other business to consider, the meeting adjourned at 3:05 p.m.

A true record.

Attest:

Colin M. McNiece
Secretary

Materials:

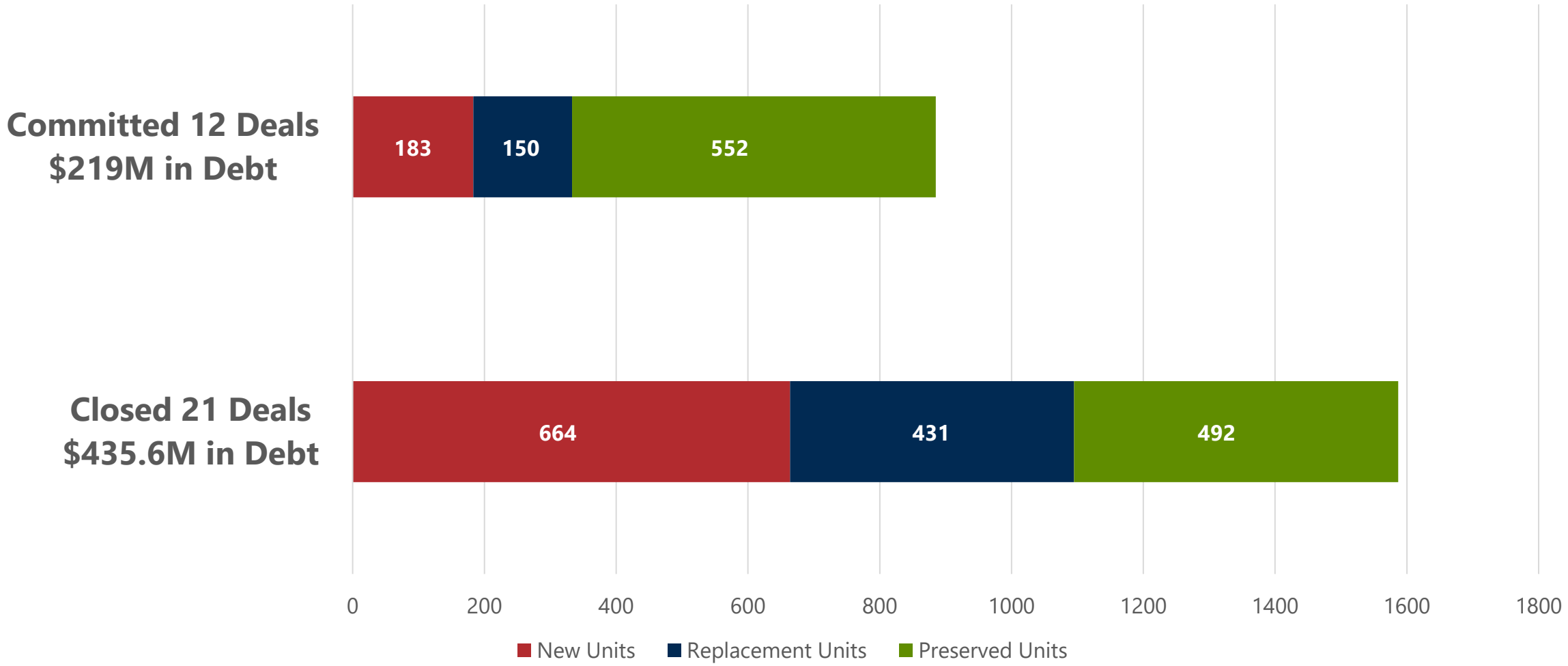
- Minutes of the Meeting of November 12, 2025
- Board Package, December 9, 2025

MassHousing

CEO Report

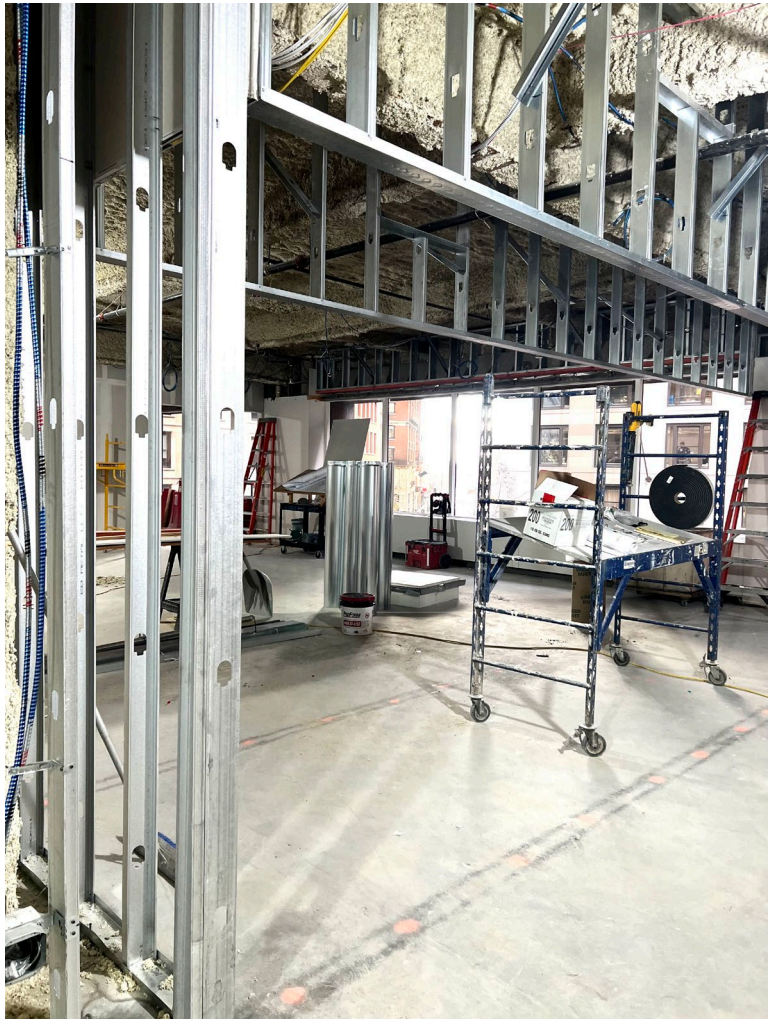
January 13, 2025

A Strong Q4 for Multifamily



MassHousing

3rd Floor Renovation Update



- Renovations on the 3rd floor space are **well underway**!
- The new 3rd floor will include a **large conference space** and **several meeting rooms**.
- The expected completion date is **late Spring 2026**.

MassHousing

60th Anniversary Celebrations

- MassHousing's official **60th birthday** is on **September 8, 2026.**
- To commemorate this milestone, we are planning a celebration for **Fall 2026**.
- More information will be shared as we approach the anniversary!

Thank You!

Questions? Comments?

MassHousing

Massachusetts Housing Finance Agency
One Beacon Street Boston, MA 02108

Tel: 617-854-1000
Fax: 617-854-1091

Relay 711
www.masshousing.com

Posted: January 8, 2026 @ 12:15 p.m.
Secretary of the Commonwealth, Regulations Division
Executive Office for Administration & Finance
masshousing.com

NOTICE
of a Meeting of the Members

The regular meeting of MassHousing will be held:

Date: **Tuesday, January 13, 2026**

Time: **2:00 p.m.**

Location: **See below**

In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, this Meeting will not be conducted in a publicly accessible physical location. This meeting will instead be conducted through remote audio and video participation by the Members of MassHousing.

The public will be able to observe the Meeting online through the Zoom video/audio conference program.

The Zoom meeting link for this Meeting is: https://masshousing.zoom.us/j/85853962853
The Zoom meeting ID is: Meeting ID: 858 5396 2853
The Zoom Passcode is: 151750

Additional instructions for observing the meeting though Zoom are attached to this Notice.

Attention will be given to the following matters:

1. EXECUTIVE ACTIONS

A. Call to Order

B. Vote Approving the Minutes

- Regular Meeting of December 9, 2025

C. Chief Executive Officer's Report

D. Accessory Dwelling Units ("ADU") Presentation

2. LOAN COMMITTEE

A. 900 Morrissey, Boston (Dorchester)

- Commitment of a Tax-Exempt Supplemental Conduit Loan
- Approval for the Use of Low-Income Housing Tax Credits

B. Residences at Quarry Hills, Milton

- Commitment of Momentum Equity
- Commitment of a Subordinate Loan

C. Devenscrest Village, Ayer

- Commitment of a Workforce Housing Loan

D. Pac-10 Lofts, Phase One, Lawrence

- First Mortgage Modification
- Approval of Level One Transfer of Ownership to New Managing Member
- Commitment of Asset Protection Loan

Meeting Notices

In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, this Meeting will not be conducted in a publicly accessible physical location. This meeting will instead be conducted through remote audio and video participation by the Members of MassHousing, and public observation will be available only through the Zoom audio/video conferencing program using the link and Meeting ID provided above. Instructions for joining the meeting through Zoom are attached.

Accessibility

If you need an accommodation to participate in a MassHousing meeting, event, or program, please call 617-854-1000 or email webinfo@masshousing.com. Please request accommodations as soon as possible but no later than 48 hours before a scheduled event so that we can have adequate time to accommodate your needs. Click here to view our Accessibility statement.

Steps to Join a Zoom Meeting

1. A Zoom meeting link will look like the following:

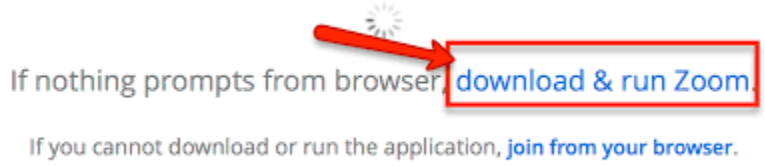
Join Zoom Meeting
https://zoom.us/j/6881564212

Meeting ID: 688 156 4212

One tap mobile
+13126266799,,6881564212# US (Chicago)
+16465588656,,6881564212# US (New York)

Dial by your location
+1 312 626 6799 US (Chicago)
+1 646 558 8656 US (New York)
+1 253 215 8782 US
+1 301 715 8592 US
+1 346 248 7799 US (Houston)
+1 669 900 9128 US (San Jose)
Meeting ID: 688 156 4212
Find your local number: https://zoom.us/u/acgfL1ziEv

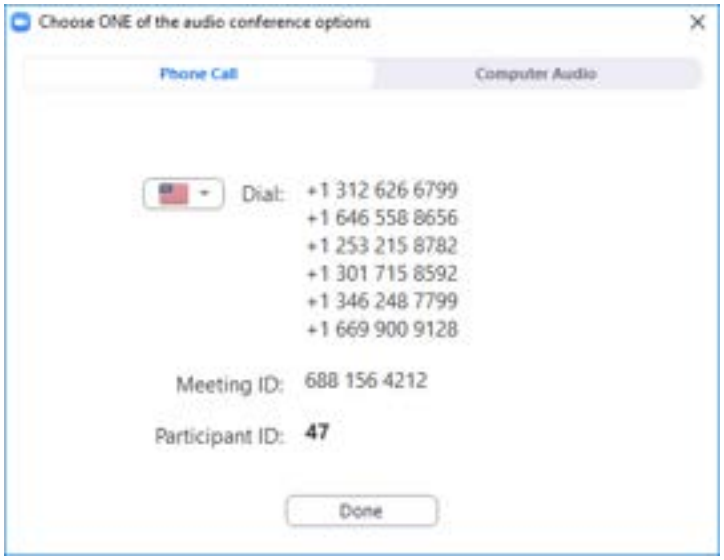
2. Click the link below 'Join Zoom Meeting'.
   NOTE: Simply calling a phone number without "joining the Zoom meeting" will not allow you to see the presentation. Clicking on the link will automatically download the Zoom program (Image below)



3. If Zoom does NOT automatically download and install. Click Download & run Zoom
   NOTE: to see a video about this: https://youtu.be/vFhAEoCF7jg

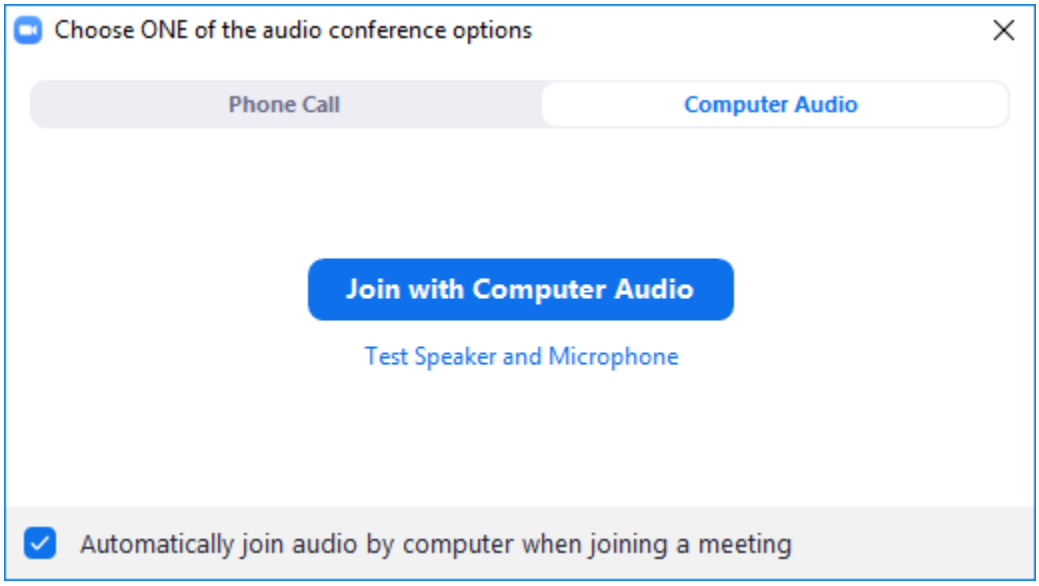
Steps to Join a Zoom Meeting

4. You will be provided with Audio Options.
   NOTE: The numbers for your meeting may be different than the ones in this example.



5. Call one of the numbers provided and enter your Meeting ID and Participant ID when prompted.
6. If you have a headset or would like to use your computer audio, select the Computer Audio tab and Join with Computer Audio.

   NOTE: Uncheck "Automatically join audio by computer" when joining a meeting.



7. All participants on the call will be muted. Please keep yourself on mute so that meeting can be as clear as possible.

Minutes of the Regular Meeting of
the Members of MassHousing held
on
December 9, 2025

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing - was held on December 9, 2025. In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, no Members were physically present and the meetings were conducted remotely through a publicly accessible Zoom meeting.

Participating remotely were the Members (by roll call):

Board Member	Present	Absent
Jeanne Pinado, Chair	X	
Carolina Avellaneda, Co-Vice Chair	X	
Michael Glover, Co-Vice Chair	X	
Ed Augustus, *ex officio*	X	
Bran Shim*	X	
Herby Duverné	X	
Darnell Dunn	X	
Tom Flynn	X	
Carmen Panacopolous	X	

**Designee of Matthew Gorzkowicz, ex officio*

The Chair convened the meeting to order at 2:02 p.m.

The Chair indicated that the first order of business was the approval of the minutes of the previous meeting.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present (Bran Shim abstaining, Ed Augustus not yet attending):

VOTED: That the minutes of the Regular Meeting held on November 12, 2025 are hereby approved and placed on record.

Ed Augustus joined the meeting.

Chief Executive's Report

Chrystal Kornegay began her brief report by discussing MassHousing's Pie in the Sky fundraiser. This year, MassHousing purchased 238 pies for staff members, an increase from last

year's total. Ms. Kornegay noted that the fundraiser was a great success, benefiting both MassHousing staff and Community Servings.

She then addressed MassHousing's recent rating action from Moody's. As a debt issuer, MassHousing is regularly reviewed by Moody's and S&P. The agency's rating with Moody's was revised from stable to a positive outlook based on several factors. Moody's may issue an updated issuer rating in the spring after completing its review of MassHousing's 2025 reports.

Chair Pinado asked whether the rating had changed. Ms. Kornegay responded that it had not, but that a change could be possible due to the positive outlook. Moody's report highlights factors that could influence the rating. Both Chair Pinado and Ms. Kornegay expressed confidence in the agency's current rating.

Volume Cap Report

Mark Teden and Rachel Madden presented a report on the 2026 Volume Cap and the impact of the 25% test. Mr. Teden outlined several projected benefits of the 25% test, including:

- Addressing a backlog of deals with HLC funding
- Enabling more expedient closings of deals awarded by EOHLC
- Increasing the number of units financed annually from approximately 1,300 to 3,000
- Expanding the use of volume cap to support first-time homebuyers
- Allowing preservation transactions without EOHLC subsidies to access volume cap

Mr. Teden acknowledged potential capacity challenges across the industry and among stakeholders but emphasized this represents an exciting opportunity for MassHousing and is expected to have a generally positive impact.

Chair Pinado asked about the difference between the projected total development cost for 2026 and the pipeline total development cost. Mr. Teden explained that MassHousing typically carries more deals in the pipeline to account for those that may fall out during the year. Chair Pinado followed up by asking whether the gap is tighter than usual. Mr. Teden responded that only three deals in the pipeline currently lack HLC awards, down from ten in 2025.

Chair Pinado then asked how this shift might affect staffing. Mr. Teden noted that as large, complex construction projects are completed, the nature of the work will shift toward new loan production. He added that while incremental staffing changes may be needed, a wholesale change is unlikely.

Carmen Panacopolous asked how rising construction costs might affect the volume cap and deals in the 2026 pipeline. Mr. Teden replied that every deal is subject to cost pressure and that MassHousing has identified which deals in the pipeline have funding gaps. He noted that stakeholders are aware of their inclusion in the 2026 pipeline and should have sufficient time to work with partners to identify additional resources to fill gaps.

Ms. Panacopolous followed up with a question about the shift from preservation to new production and its impact on staffing, specifically whether existing staff can handle both types of deals. Mr. Teden responded that MassHousing does not currently have specialists and that underwriters and originators are equipped to manage both deal types.

Rachel Madden continued the presentation by highlighting the benefits of the 25% test for MassHousing's single-family borrowers. She demonstrated its significant impact on individual borrowers and the single-family business line. The increased and recaptured volume cap will reduce mortgage interest rates by 0.55%, resulting in monthly savings of $118 and total savings of $42,365 over the life of the loan. Ms. Madden noted that these lower rates, combined with MassHousing's Mortgage Insurance Plus offering, positively support low- and moderate-income families in achieving homeownership.

Ms. Madden concluded by emphasizing the geographic, racial, and economic diversity of first-time homebuyers benefiting from these offerings in 2025. She noted that 51% of loans went to homeowners in Gateway Cities and 54% to BIPOC homeowners. Additionally, a significant number of loans were made to homebuyers with incomes under 60% of AMI.

Chair Pinado expressed her appreciation for the number of loans made to households under the 60% AMI threshold, noting that the general perception is that homeownership is out of reach for this group. Ms. Madden agreed and highlighted the role of the DPA program in supporting these borrowers.

Ms. Panacopolous then asked about the limits of the Mortgage Insurance Plus program, specifically whether it was a one-time use or could be used again. Ms. Madden explained that there is a six-month limit on MassHousing's coverage of the full mortgage and added that mortgage insurance premiums are covered by MassHousing for homebuyers under 60% AMI.

This concluded the report on Volume Cap.

Staffing Report

Jennifer Buss presented an update on the demographics of our staff. Ms. Buss highlighted that MassHousing was listed as an Energage Top Places to Work in the Financial Services Industry in 2025.

Ms. Buss reported that our gender distribution remains steady and the Agency has a balanced workforce with strong female representation, including in leadership roles. The Agency is ahead of external benchmarks on gender distribution which speaks to our ability to attract and retain women. Additionally, Ms. Buss reported that the level of ethnic diversity aligns with workforce trends and while leadership roles are less diverse, the Agency remains committed to creating a diverse leadership pipeline. Ms. Buss then reviewed the dispersion of age across the Agency, highlighting that MassHousing has a strong cohort of early and mid-career staff with a positive movement toward a more diverse workforce. The Agency has been seeing the expected retirement trends and is prioritizing training and succession planning to address the average tenure shift.

Ms. Buss concluded her presentation and opened the floor to questions.

Herby Duverné asked if the ethnicity breakdown was available for the departure data. Ms. Buss

responded that it could be sent to him separately.

Mr. Duverné followed up with a question about succession planning. Ms. Buss responded that they are working on agency-wide succession planning. Chair Pinado added that there had been active succession planning in finance and audit.

Mr. Duverné concluded his questioning and thanked Ms. Buss for the great data.

Chair Pinado then called for a motion to recess the MassHousing meeting to conduct Votes Committing CCRI (Center for Community Recovery Innovations, Inc.) Funds.

Upon a motion duly made and seconded, by roll call vote, by all Members present, it was:

VOTED: to recess the MassHousing meeting and convene a meeting of CCRI.

Vote Committing CCRI Funds

Chair Pinado called the CCRI meeting to order. Nichole Mikshenas presented recommendations and votes for CCRI funds.

This cycle there were twelve applications received: six for consideration, one applicant withdrew, and two were not recommended. Three applicants are still working through getting their deals together. These are worthwhile projects but the applicants needed additional support so MassHousing is working with them to get their applications together for another round.

Ms. Mikshenas made recommendations for CCRI funds for the following organizations:

- Lowell House, INC D.B.A. Riverbend, Lowell
  - Request: $100,000
  - City/Town: Lowell
  - Units Preserved: 10
  - Population: Women
  - Project scope includes: Exterior renovation, front porch update, kitchen renovation and roof repair

- Steppingstone, Inc., Fall River
  - Request: $76,155
  - City/Town: Fall River
  - Units Preserved: 23
  - Population: Men
  - Project scope includes: Reconstruction of a back staircase, bathroom updates, a front deck renovation and an ADA compliance ramp replacement.

- Victory Programs, Inc., Brookline
  - Request: $200,000
  - City/Town: Brookline

- Units Created: 10
- Population: Families, Women & children
- Project scope includes: Acquisition and renovation. Victory Programs has sought out additional funding from other stakeholders to help fund this project. Property will be very helpful in some addressing the needs of programs for children and families that were created with the closure of Long Island.

- GAAMHA, Inc., Gardner
  - Request: $100,000
  - City/Town: Gardner
  - Units Preserved: 7 Units Created: 1
  - Population: Men
  - Project scope includes: Adding 1 more room, roof replacement, window replacement, a new electrical panel, mini splits, a bathroom renovation, and a new front porch.

- Casa Esperanza Inc., Boston
  - Request: $100,000
  - City/Town: Boston
  - Units Preserved: 6
  - Population: Women & children
  - Project scope includes: Kitchen and bathroom renovations, HVAC updates, roof repairs and cosmetic upgrades

- Link House, Inc., Amesbury
  - Request: $62,933
  - City/Town: Amesbury
  - Units Preserved: 25
  - Population: Men
  - Project scope includes: Kitchen/bathroom renovations, exterior updates, and a full fire escape replacement

Ms. Mikshenas concluded her presentation and there were no questions.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: That the Center for Community Recovery Innovations, Inc. ("CCRI"), an affiliate of the Massachusetts Housing Finance Agency (the "Agency"), approve a grant in the amount of $100,000 to Lowell House, INC D.B.A. Riverbend in Lowell, for the purposes described in the application, subject to the contingencies and requirements set forth in this recommendation.

FURTHER VOTED: That CCRI approve a grant in the amount of $76,155 Steppingstone, Inc., in Fall River, for the purposes described in the application, subject to the contingencies

and requirements set forth in this recommendation.

FURTHER VOTED: That CCRI approve a grant in the amount of $200,000 Victory Programs, Inc., in Brookline, for the purposes described in the application, subject to the contingencies and requirements set forth in this recommendation

FURTHER VOTED: That CCRI approve a grant in the amount of $100,000 GAAMHA, Inc., in Gardner, for the purposes described in the application, subject to the contingencies and requirements set forth in this recommendation

FURTHER VOTED: That CCRI approve a grant in the amount of $100,000 Casa Esperanza Inc., in Boston, for the purposes described in the application, subject to the contingencies and requirements set forth in this recommendation

FURTHER VOTED: That CCRI approve a grant in the amount of $62,933 Link House, Inc., in Amsbury, for the purposes described in the application, subject to the contingencies and requirements set forth in this recommendation

Noting that there was no other business requiring action or discussion, Chair Pinado adjourned the Center for Community Recovery Innovations, Inc. (CCRI) meeting and reconvened the meeting of MassHousing.

Loan Committee

Exchange Salem Four, Salem

Michael Carthas presented a proposal for Official Action Status, Commitment of Permanent Tax-Exempt Loan, Commitment of a Tax-Exempt Bridge Loan, Commitment of Workforce House Subordinate Loan, and Approval for the Use of Low-Income Housing Tax Credits for Exchange Salem Four, in Salem.

No questions

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Exchange Salem Nine, Salem

Michael Carthas presented a proposal for Commitment of a Taxable Permanent Loan for Exchange Salem Nine, in Salem

No questions

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Cambridge Blanchard I, Cambridge

Jeffrey Geller presented a proposal for Official Action Status, Commitment of a Tax-Exempt Conduit Loan, and Approval for the Use of Low-Income Housing Tax Credits for Cambridge Blanchard I, in Cambridge.

No questions

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Ed August left the meeting.

Warren Hall, Boston (Brighton)

Jeffrey Geller presented a proposal for Official Action Status, Commitment of a Tax-Exempt Construction/Permanent Loan, Commitment of a Tax-Exempt Construction Equity Bridge Loan, Commitment of a Taxable Construction Equity Bridge Loan, Commitment of a Workforce Housing Loan, and Approval for the Use of Low-Income Housing Tax Credits for Warren Hall in Boston (Brighton).

Chair Pinado asked if the acquisition price include the commercial space?
Mr. Geller answered yes.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Bran Shim left the meeting.

Woodland Cove Phase III, Wareham

John Collins presented a proposal for Transfer of Interests for Woodland Cove Phase III in Wareham.

No Questions

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

There being no other business to consider, the meeting adjourned at 3:05 p.m.

A true record.

Attest.

_____
Colin M. McNiece
Secretary

Materials:

- Minutes of the Meeting of November 12, 2025
- Board Package, December 9, 2025

MassHousing's Proposed ADU Loan Program

Mounzer Aylouche

Vice President of HomeOwnership Progams

MassHousing

A Key Piece to the Housing Puzzle

- To address the **housing shortage and rising costs**, Massachusetts needs homes that serve **all life stages and household types**
- In August 2024, the Affordable Homes Act (AHA) made Accessory Dwelling Units (ADUs) part of the statewide solution
- The **state projects that 8,000–10,000 new ADUs** will be created to add critical rental stock and promote affordability
- ADUs are shifting from primarily supporting **aging-in-place** to generating **rental income for existing homeowners**
- MassHousing is well positioned to deliver an ADU mortgage program by leveraging **existing expertise in programs**, with loans **originated by approved community lenders and serviced at MassHousing**

Obstacles in the Market & Solutions

Obstacle	Solution
Limited affordable financing options	A MassHousing ADU loan program that utilizes **layering of funding sources** will prove to be **more affordable for an LMI borrower** than a comparable HELOC loan.
Homeowners lack technical assistance and guidance.	• Create a **statewide resource page.** • Partner with local **nonprofits/municipalities** for training and predevelopment support. • Borrowers to complete the pre-development process **before submitting an application** to a MassHousing ADU Lender.
Limited data in marketplace	Collaborate with **EOHLC and partners** to build a **centralized database** that enhances policy and program development to deliver a seamless customer experience, modeled after the strong, borrower-focused resources already available on the EOHLC website.
Appraisal challenges	• **Expand ADU properties** to increase available **comparable data** amid limited supply. • Work with industry associations to provide **case studies** and **benchmarking samples.**
Cost per sq. Footage	**Two loan options** to meet the varied cost of construction between detached and attached ADUs.

The Time is Now

ADU activity is accelerating

- ✓ From January–July 2025, **844 ADU applications** were filed across **170 communities**, with **550+ approved**.*
- ✓ Municipalities are **streamlining the zoning and permitting process**.
- ✓ **Boston's ADU Program** has funded **25 projects** (12 more in the pipeline) and provided **$7,500 technical assistance grants**.**
- ✓ Other cities (Worcester, Boston) and agencies (EOHLC, CEDAC, MassCEC, Lower Cape Housing) are **creating homeowner resource pages** and expanding support.
- ⚠ Potential borrowers need access to **technical assistance and clear information** about ADUs. Expanding statewide funding for this support would **help accelerate ADU construction.**

MassHousing

**Data from Mass.gov*
***Data From City of Boston*

ADU Loan Program Term Sheet

Key Features

🏠 Up to 95% CLTV financing

💵 Closing Costs Rolled In

🖊️ Flexible Underwriting

✔️ 640 Minimum Credit Score

🛠️ MassHousing Services All ADU Loans

📋 Lender Manages Construction Disbursements and Oversight

ADU Loan Program	
Transaction Type	Subordinate Mortgage
ADU Type	Detached or Attached
Income Limits	Up to 135% of AMI
Loan Limits	Detached Units: Max of $150,000 Attached Units: Max $100,000
Loan Term	20 Years
Deferred Loan Match	Detached Unit: up to $100,000, 0% interest rate Attached Unit: up to $50,000, 0% interest rate
Occupancy / Eligibility	Existing property must be borrower's primary residence
Property Type	1 Unit
Max LTV/CLTV	95% / 95% of appraised value, “subject to” completion
Max DTI	50%
Minimum Credit Score	640
Closing Costs and Fees	Borrowers are responsible for all closing costs and fees which can be rolled into the loan amount not to exceed maximum CLTV

MassHousing

Next Steps

Lender Partner Training
January-March 2026

Community Partners Recruitment
Early Spring 2026

Program Launch
Late Spring 2026

Program Promotion
Summer 2026

Questions?
Comments?

Thank You!

MassHousing

Tax-Exempt Supplemental Conduit Loan Commitment Proposal | January 13, 2026

900 Morrissey

1. General Project Information	
Project Name	900 Morrissey
Project ID	23-137
Associated Projects	N/A
Address(es)	944 Morrissey Boulevard, Boston, MA 02122
Sponsor	The Community Builders, Inc.
Transaction Type	Production (4%)
Funding Type	Current – Conduit Private Placement
Execution Type	Conduit - Tax-Exempt
Credit Enhancement	None
Approval Type	Board
Total Rental Units	99
Affordability Mix	99 Affordable

2. Recommended Actions

- Commitment of Tax-Exempt Supplemental Conduit Loan
- Approval for the Use of Low-Income Housing Tax Credits

On May 14, 2024, the Agency approved a short-term conduit loan to The Community Builders, Inc. (the "Sponsor" or "TCB") to allow the Sponsor to access 4% LIHTC equity for the proposed financing of 900 Morrissey (the "Development"). The Development consists of the adaptive reuse of an existing hotel building located in Dorchester and will create 99 new affordable units.

Originally committed in the up to amount of $25,100,000, the tax-exempt bond proceeds were sized during the closing process to $24,400,000 to allow the Development to meet the minimum requirements of the Internal Revenue Code's 50% Test.

Since the start of rehabilitation in 2024, the Development scope was necessarily expanded to include the addition of firestopping measures, significant mold remediation, and roof replacement. As a result, total development costs have increased, and the approved amount of tax-exempt proceeds are insufficient to meet the 50% Test.

As such, the proposal seeks authority for an up to loan amount of $1,310,000, and corresponding volume cap increase with the final amount being the minimum necessary to meet the 50% test.

3. MassHousing Financing	
First Loan	
Type	Tax-Exempt Short-Term Conduit Loan
Loan Amount	Up to $1,310,000
Loan Term / Amortization	6 months / Interest Only

4. Updated Development Plan

Overall, the development plan is consistent with what was presented and approved in 2024 and has only been modified to include previously unforeseen items:

- During construction, the Sponsor learned that the building, constructed in 1985, did not include the code-required firestopping measures that were assumed to have been present during pre-construction and such measures were required to ensure safety and code compliance.
- Separately, mold growth was discovered behind vinyl wall coverings and paint, requiring mold remediation along with full window and sealant joint replacement.
- Lastly, it was determined the roof was compromised and needed a full replacement.

The above items resulted in a total of 41 additional construction contract days. The Development reached substantial completion in December 2025.

Permanent project sources have increased to cover the additional costs. The Development has been allocated additional State LIHTC, and will generate significant upward Federal LIHTC basis adjusters over the amount contemplated at construction closing. The Sponsor has also increased the amount of deferred fee and has secured additional soft debt.

At the closing of the additional tax-exempt proceeds, Eastern Bank, the construction lender, will draw down the entire amount of the tax-exempt bonds to pay for the construction costs or to reimburse costs already paid to meet the 50% Test. The bonds will remain outstanding for approximately six months and be repaid from Federal and State Tax Credit equity.

5. Borrower Team

The borrower team remains the same as originally presented and approved in May 2024.

Mortgagor Entity: Morrissey Boulevard 121A Limited Partnership

Developer / Sponsor: The Community Builders, Inc.

General Partner / Managing Member: TCB Morrissey Boulevard 121A GP LLC

Construction Lender: Eastern Bank, N.A.

Syndicator / Investor: Raymond James Affordable Housing Investments

Management Company: The Community Builders, Inc.

Architect: BWA Architecture, Inc.

General Contractor: Commodore Builders LLC

6. Summary of MassHousing-Sponsor Relationship

	Recorded	*Committed*	*Total*
Number of Projects with MassHousing Debt	20	3	23
Total Units with MassHousing Debt	1,974	472	2,446
Outstanding MassHousing Principal Debt	$247,234,044	$60,399,000	$307,633,044
Number of Projects with MassHousing Conduit Financing	1		
MassHousing Conduit Loans are Compliant with Program Rules	Yes		
Adverse Actions Against the Borrower Team	No		
Current on Obligations with MassHousing	Yes		
Property Management Affiliate	Yes, The Community Builders, Inc. manages properties in the Sponsor's portfolio and offers management services outside the portfolio.		

MassHousing Staff	
Origination	Mike Carthas, Originator
Underwriting	Dan Staring, Underwriter Amelia Cruz-McDonough, Analyst
Asset Management	Daniel Discenza, Portfolio Manager Greta Appleton, Asset Manager

7. Unit Mix

Unit Size	Total Units	LIHTC-Eligible PBV Contract Rents		Market Comparison
		Count	*Rent*	*Rent*
0 BR	99	99	$2,433	TBD
Total	**99**	**99**		

Table for informational purposes only, rents shown represent contract rents at the time of the 2024 commitment.

Project-Based Rental Subsidy	
Type	Section 8
Term	20 y
Administrator	Boston Housing Authority
Lesser of Market or Contract. NA	

8. Operating Overview

Underwritten OpEx	$2,185,400 (approximately $22,100 per unit)

Basis of Operating Costs. MassHousing reviewed the Borrower-submitted operating budget during the initial underwriting and compared it to 140 Clarendon and 41 LaGrange Street, two MassHousing developments that provide a comparable level of comprehensive supportive services. The operating costs are in line with the comparable developments.

Table for informational purposes only, operating expense overview represents expenses at the time of the 2024 commitment.

9. Project Costs

Core Residential Costs	
Base	$53,826,553
Extraordinary	$2,567,000
Total	$56,393,553
Total Development Cost	
Total	$56,393,553

Project Construction Costs	
Total Construction Cost	$19,171,542
Construction per Square Foot	$457

Background on Extraordinary Costs. The high development costs are driven by the acquisition cost, which accounts for 40% of Total Development Cost ("TDC"). This cost is the result of the Sponsor purchasing the property at market rate and converting it into an affordable housing development.

10. Sources and Uses

Permanent Sources	2024 Closing Budget	January 2026 Commitment	Difference
Federal LIHTC Equity	$15,518,448	$17,206,363	$1,687,915
State LIHTC Equity	$15,600,000	$16,185,000	$585,000
City of Boston Subsidy	$10,000,000	$10,000,000	-
EOHLC ARPA Supportive Housing	$3,750,000	$3,750,000	-
EOHLC-ARPA-1 Rental	$1,520,198	$1,520,198	-
EOHLC AHTF	$2,750,000	$2,750,000	-
EOHLC HSF	$2,500,000	$2500,000	-
Developer Cash Equity	$100	$100	-
Developer Fee Deferred	$41,947	$1,405,973	$1,364,027
TCB Loan/FHLB	-	$605,100	$605,100
TCB Loan/HPN Grant	-	$125,000	$125,000
Interim Income (T-Mobile)	-	$21,122	$21,122
Accrued Soft Interest	-	$324,597	$324,597
Total Sources	**$51,680,693**	**$56,393,553**	**$4,712,860**

Permanent Uses	2024 Closing Budget	January 2026 Commitment	Difference
Acquisition	$22,746,676	$22,724,394	($22,282)
Construction	$13,791,651	$19,171,542	$5,379,891
Construction Contingency	$1,379,165	$635,912	($743,253)
General Development	$7,186,255	$7,284,760	$98,505
Capitalized Reserves	$3,149,634	$3,149,634	-
Developer Overhead (paid)	$3,385,364	$2,021,338	(1,364,027)
Developer Fee	$41,947	$1,405,973	$1,364,027
Total Uses	**$51,680,693**	**$56,393,553**	**$4,712,860**

Core Residential Uses of Funds	Total		Base Costs		Extraordinary Costs	
		Per Unit		*Per Unit*		*Per Unit*
Acquisition	$22,724,394	$229,539	$20,157,394	$203,610	$2,567,000	$25,929
Construction	$19,171,542	$193,652	$19,171,542	$193,652		
Construction Contingency	$635,912	$6,423	$635,912	$6,423		
General Development	$7,284,760	$73,583	$7,284,760	$73,583		
Capitalized Reserves	$3,149,634	$31,814	$3,149,634	$31,814		
Overhead	$2,021,338	$20,418	$2,021,338	$20,418		
Fee	$1,405,973	$14,202	$1,405,973	$14,202		
Total Residential Uses	$56,393,553	$569,631	$53,826,553	$543,702	$2,567,000	$25,929

Total Uses	$56,393,553

11. Underwriting

1. **Volume Cap:** The amount of the Supplemental Bond issue and corresponding volume cap required will be the minimum amount necessary to pass the 50% test.

12. Low-Income Housing Tax Credits

The Developer has included in its financing proposal a request for the use of 4% Low-Income Housing Tax Credits (the "4% Credits"). The 4% Credits may be utilized as a result of the funding of the Loan with tax-exempt bonds or notes of MassHousing which are to be issued under Section 142 of the Internal Revenue Code of 1986, as amended (the "Code") and are subject to a volume capacity allocation under Section 146 of the Code.

Use of the 4% Credits must be approved by EOHLC as the "housing credit agency" under Section 42 of the Code who must make the determination required under Section 42(m)(1)(D) of the Code that the development and financing proposal meets the requirements of the Commonwealth's Qualified Allocation Plan. In addition, MassHousing, as the issuer of tax-exempt obligations which generate the 4% Credits must determine under Section 42(m)(2)(D) of the Code that the amount of 4% Credits does not exceed the amount necessary for the financial feasibility and long-term viability of the development. Such determination shall be made applying the standards set forth in the proposed Board vote herein, as required by Section 42(m)(2)(B) of the Code.

900 Morrissey

VOTES AND FINDINGS

PROPOSALS AND VOTES

Loan Commitment

Staff has reviewed the development proposal for conduit financing and recommends the following votes for approval by the Agency Members:

VOTED: To approve the findings and determinations set forth below and to authorize the issuance of multifamily tax-exempt obligations in an estimated principal amount of $1,310,000, in one or more series pursuant to one or more indentures and/or financing agreements with such terms, interest rates, redemption provisions and maturity schedules as shall be approved by any of the Chief Executive Officer, the Chief Legal and Operating Officer, General Counsel, Chief Financial and Administrative Officer, Financial Director, Comptroller, Director (or Senior Director) of Finance, or Director (or Senior Director) of Capital Markets, acting singly, and any officer or employee of MassHousing acting in such capacity or otherwise authorized to perform specific acts or duties by resolution of MassHousing (each an "Authorized Officer"), each Authorized Officer, acting singly, being authorized to execute and deliver such agreements and any other documents, instruments, and agreements necessary to effectuate the purposes of a conduit financing, with the proceeds of such issuance to be lent to Morrissey Boulevard 121A Limited Partnership or another single-purpose entity controlled by The Community Builders, Inc. or an affiliate (the "Borrower") as owner of the multifamily residential development known as "900 Morrissey" (the "Development") and located in Boston, Massachusetts, and in accordance with the applicable Conduit Loan Closing Standards approved by the Members of MassHousing on September 12, 2017 and delegations of authority previously approved by the Members of MassHousing, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None.

4% Low-Income Housing Tax Credits

VOTED: That the amount of 4% Credits, as set by the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the multifamily development located in Boston,

Massachusetts and known as "900 Morrissey" (the "Development") will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the credit period, having taken into consideration:

(a) the sources and uses of funds and the total financing planned for the Development;

(b) any proceeds or receipts expected to be generated by reason of tax benefits;

(c) the percentage of the tax credit amount used for Development costs other than the cost of intermediaries; and

(d) the reasonableness of the developmental and operational costs of the Development, provided, however, that such determination shall not be construed to be a representation or warranty as to the feasibility or viability of the Development.

FURTHER VOTED: To authorize the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, the General Counsel or the designee of any of the foregoing, each acting singly, to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding vote.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:
99 units (100%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area
The market needs data reflects the information available to A&M staff as of the date of collection April 3, 2024. Further, the reader is cautioned and reminded that any observations, comparisons, and/or conclusions are based on the data as of the indicated collection date.

In-house data for larger market and mixed-income complexes (approximately 1,858 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 94.2%, and range between 92% and 100%. One of the comparables reviewed was offering a rental concession of ½ months free rent to prospective tenants.

CoStar data for the subject's Roxbury/Dorchester Submarket (8,353 units) has an overall vacancy rate at 12.9% YTD, which is an increase of 6.66% from one year ago. CoStar data for the Boston market (273,522 units) has an overall vacancy rate of 5.6% YTD, which is an increase of .44% from one year ago. The Roxbury/Dorchester Submarket vacancy rate is projected to decrease to 12.2% over the next five years, while the Boston market is projected to decrease to 5.3%.

CoStar, submarket data for the 4-5 Star building type (2,643 units) indicates 2nd Qtr. 2024 vacancy rate of 20.0% and an average asking rent of $2,971, while submarket data for the subject's 3 Star building type (3,124 units) indicates a 2nd Qtr. 2024 vacancy rate of 6.6% at an average asking rent of $2,657 and 1-2 Star buildings(2,574 units) indicates a 2nd Qtr. 2024 vacancy rate of 13.3% at an average asking rent of $2,120. The development with its amenities more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Executive Office of Housing and Livable Communities Chapter 40B Subsidized Housing Inventory (6/29/23), the City of Boston 299,238 year-round housing units, 57,443 (19.2%) of which are subsidized for low/moderate income households.

Boston Housing Authority (BHA) owns and operates 27 family and 36 elderly/disabled developments with a total of 12,501 units. The BHA also administers 14,574 units of Leased Housing, consisting of 12,216 Housing Choice Vouchers, 1,441 Project Based and 198 Moderate

Rehab. In addition, the City of Boston's Annual Plan (FY2024) indicated that the BHA maintains the following wait lists: There are 7,724 households on the Leased Housing waiting list. This is broken down by families with children, families with disabilities and elderly families. The BHA also had Single applicants on the waiting list. There were also instances of families that fit into more than one category. This waiting list has been closed since November 2008 and there are no plans to reopen at his time. The BHA also maintains a Public Housing Wait list with 28,703 applicants.

U.S. Census data from the 2017-2021 American Community Survey (ACS) indicates that of the 271,250 households in the City of Boston approximately 78.6% earned less than the HUD published 2023 AMI ($149,300), approximately 46.8% earned less than 50% of 2023 AMI, approximately 53.1% earned less than 60% of the 2023AMI, and approximately 65.6 %earned less than 80% of the 2023AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed does not lead to the undue concentration of low-income households.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

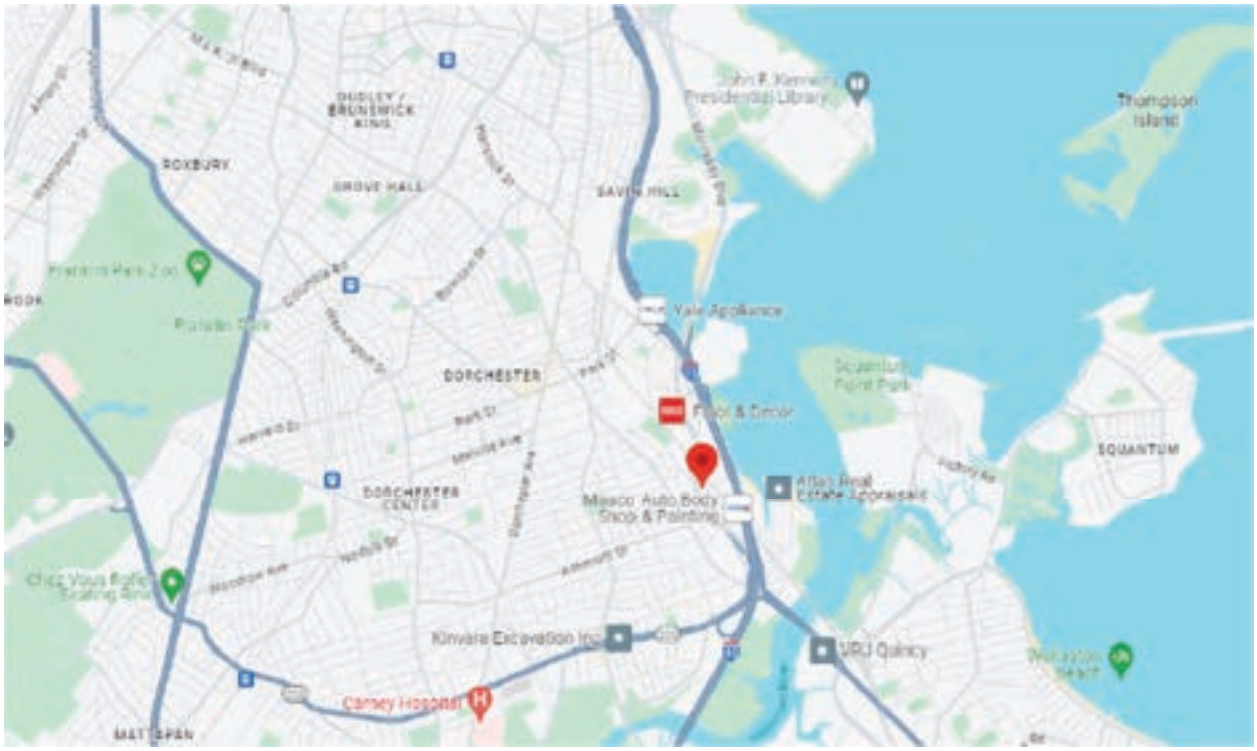
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms		0
Number of Units		99
Net SF/Unit		350
Elev./Non-Elev.		E
Market Rate Rent (10% Rate 20 Year Term)		$2,433
MHFA Below Market Rent (Cost-Based Rent)		$2,433
MHFA Adjusted Rent	30% of 60% of AMI	
Underwriting Rents PBV 30% AMI		$2,433

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

MAP AND PICTURES



Loan Commitment Proposal | January 13, 2026

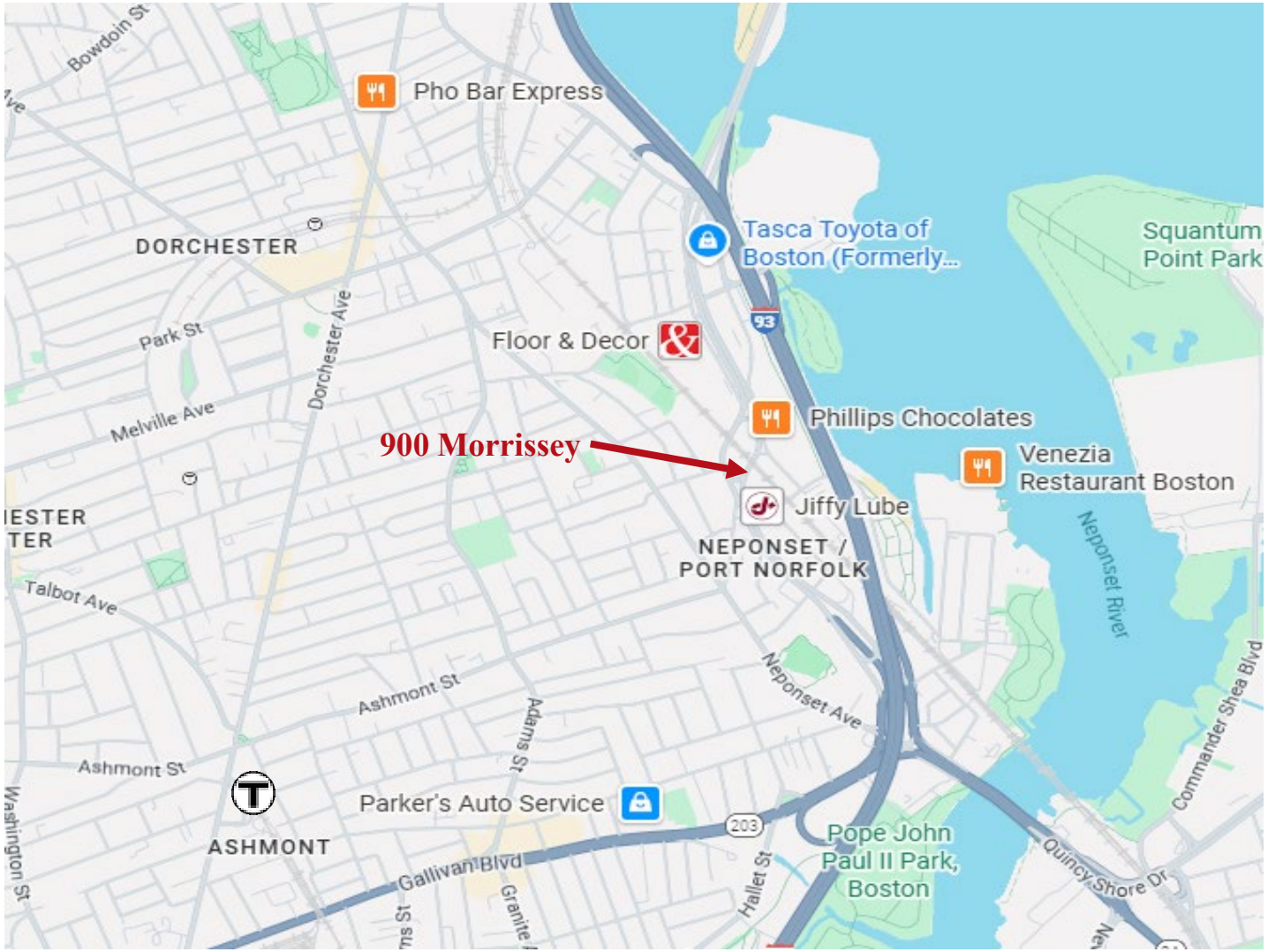
900 Morrissey

Location	944 Morrissey Boulevard, Boston, MA 02122
Sponsor	The Community Builders, Inc.
Transaction Type	Production (4%)
Funding Type	Current – Conduit Private Placement
Execution Type	Conduit Tax-Exempt
Credit Enhancement	None
Total Rental Units	99
Affordability Mix	99 Affordable

Deal Team Members	
Origination	Mike Carthas
Underwriting	Dan Staring, Amelia Cruz-McDonough
Asset Management	Dan Discenza, Greta Appleton

MassHousing

900 Morrissey | Boston



Borrower Team

Mortgagor Entity	Morrissey Boulevard 121A Limited Partnership
Developer / Sponsor	The Community Builders, Inc.
General Partner / Managing Member	TCB Morrissey Boulevard 121A GP LLC
Construction Lender	Eastern Bank, N.A.
Syndicator / Investor	Raymond James Affordable Housing Investments
Management Company	The Community Builders, Inc.
Architect	BWA Architecture, Inc.
General Contractor	Commodore Builders LLC

Unit Mix

Unit Size	Total Units	LIHTC-Eligible PBV Contract Rents *Count*	*Rent*	Market Comparison
0 BR	99	99	$2,433	TBD
Total	**99**	**99**		

Table for informational purposes only, rents shown represent contract rents at the time of the 2024 commitment.

Project Costs

Core Residential Costs	
Base	$53,826,553
Extraordinary	$2,567,000
Total	$56,393,553
Total Development Cost	
Total	$56,393,553

Project Construction Costs	
Total Construction Cost	$19,171,542
Construction per Square Foot	$457

Sources and Uses

Permanent Sources	2024 Closing Budget	January 2026 Commitment	Difference
Federal LIHTC Equity	$15,518,448	$17,206,363	$1,687,915
State LIHTC Equity	$15,600,000	$16,185,000	$585,000
City of Boston Subsidy	$10,000,000	$10,000,000	-
EOHLC ARPA Supportive Housing	$3,750,000	$3,750,000	-
EOHLC-ARPA-1 Rental	$1,520,198	$1,520,198	-
EOHLC AHTF	$2,750,000	$2,750,000	-
EOHLC HSF	$2,500,000	$2500,000	-
Developer Cash Equity	$100	$100	-
Developer Fee Deferred	$41,947	$1,405,973	$1,364,027
TCB Loan/FHLB	-	$605,100	$605,100
TCB Loan/HPN Grant	-	$125,000	$125,000
Interim Income (T-Mobile)	-	$21,122	$21,122
Accrued Soft Interest	-	$324,597	$324,597
Total Sources	**$51,680,693**	**$56,393,553**	**$4,712,860**

Permanent Uses	2024 Closing Budget	January 2026 Commitment	Difference
Acquisition	$22,746,676	$22,724,394	($22,282)
Construction	$13,791,651	$19,171,542	$5,379,891
Construction Contingency	$1,379,165	$635,912	($743,253)
General Development	$7,186,255	$7,284,760	$98,505
Capitalized Reserves	$3,149,634	$3,149,634	-
Developer Overhead (paid)	$3,385,364	$2,021,338	(1,364,027)
Developer Fee	$41,947	$1,405,973	$1,364,027
Total Uses	**$51,680,693**	**$56,393,553**	**$4,712,860**

MASSHOUSING

Underwriting Notes

1. Volume Cap

Recommended Votes

- Commitment of Tax-Exempt Supplemental Conduit Loan
- Approval for the Use of Low-Income Housing Tax Credits

BILD Financing Commitment Proposal | January 13, 2026

Residences at Quarry Hills

1. General Project Information	
Project Name	Residences at Quarry Hills
Project ID	25-045
Associated Projects	N/A
Address(es)	728 Randolph Avenue, Milton
Sponsors	Falconi Properties, LLC HP Homes LLC Agora Properties LLC
Transaction Type	Production
Funding Type	Forward Commitment of an Equity Investment Forward Commitment of a Subordinate Loan
Execution Type	Momentum Equity Financing Options for Residential Growth and Expansion ("FORGE") Loan (Taxable)
Credit Enhancement	None
Approval Type	Board
Total Rental Units	40
Affordability Mix	10 Affordable 30 Market

2. Recommended Actions

- Commitment of Momentum Equity
- Commitment of a Subordinate Loan

3. Background

The proposed financing will support the development of Residences at Quarry Hills (the "Development"), a 40-unit mixed-income community located in the Town of Milton. A joint venture of Falconi Properties, LLC, HP Homes LLC, and Agora Properties LLC (the "Sponsor") will be the developer for the proposed transaction.

The financing will leverage the Agency's Bringing Innovation to Lending and Development ("BILD") program and will include both a Momentum Equity investment and permanent debt with a Financing Options for Residential Growth and Expansion ("FORGE") Loan. The proposed FORGE Loan financing will utilize MassHousing's arrangement with Berkadia Commercial Mortgage LLC ("Berkadia"), which allows sponsors to access an integrated debt financing package through the Federal Home Loan Mortgage Corporation ("Freddie Mac").

4. Financing

Momentum Equity	
Type	Preferred Equity
Equity Investment Amount	Up to $2,500,000
Preferred Equity Return	10 Year Treasury Rate + 200bps (currently 6.55%)
Funding Timing	Stabilization
FORGE Loan	
Combined Loan Amount	$14,110,000
Loan Term / Amortization	10 y / 40 y
Forward Term	Up to 36 months
Combined Year 1 DSCR	1.25 projected (1.25 minimum)
Combined LTV	57% projected (80% maximum)
Funding Timing	Stabilization
Freddie Mac Loan	
Type	Taxable Freddie Mac Loan
Loan Amount	$12,699,000
Interest Rate	6.55% projected, locked in advance of closing*
MassHousing Loan	
Type	Taxable MassHousing Loan
Loan Amount	$1,411,000
Interest Rate	6.55% projected, locked in advance of closing*

**Assumes spread of 200bps for underwriting. Projected spread from Berkadia is 180 bps.*

5. Development Timing

Estimated Project Timing	
Sitework Construction Start Date - commenced	11/19/2025
Vertical Construction Start Date	2/15/2026
Completion of Building	4/1/2027
Building Fully Occupied	9/1/2027
Disbursement of FORGE Loan & Momentum Equity	12/1/2027

6. Development Plan

Description of Site. The Development will be located on a 1.6-acre parcel along Route 28 in Milton (the "Site"). The surrounding area contains residential and light commercial uses with Granite Links golf course and Milton Academy located within one mile of the Site. Amenities such as grocery stores, restaurants, and Blue Hills reservation are within a 15-minute drive in East Milton and Quincy.

The Site is situated in proximity to Interstate 93, an MBTA bus stop, and the Blue Hills Reservation.

Description of Existing or Proposed Building. The development plan involves the new construction of a 40-unit, four-story building with a total of 67,000 gross square feet and 39,000 net rentable square feet. The building will be serviced by a single elevator. The Development will include 26 surface parking spaces available to residents free of charge in the rear of the property and 33 garage parking spaces available for $150 per month. Site amenities include a fitness room, community space, EV charging stations, tenant storage lockers, and bike storage area.

Description of Affordability Mix. Twenty-five percent of the units (10 units) will be income restricted for households earning up to approximately 80% of the Area Median Income ("AMI"). The remaining units will be unrestricted market rate apartments.

Zoning and Permitting. The Development received a Comprehensive Permit on July 12, 2023, through the process outlined in Chapter 40B of the Massachusetts General Laws and is subject to associated requirements. MassHousing is the 40B subsidizing agency for the Development.

Site Control. Fee simple. Falconi Properties LLC acquired the site in 2024 and will transfer it to the Borrower at cost.

Priority Screening Criterion. The project was screened for BILD eligibility on a wide range of factors (e.g. readiness and eligibility, project costs and investment efficiency, impact and additionality). Additional information about this criterion can be found in Exhibit B.

7. Development Team

Mortgagor Entity: The Residences at Quarry Hills LLC

A sole-asset, single-purpose entity formed for the purpose of owning and operating the Development.

Developer / Co-Sponsor: Falconi Properties, LLC

Falconi Properties, LLC ("Falconi") specializes in the development, leasing and management of residential, office and retail assets in addition to the construction of luxury homes. The firm presently owns and manages more than 1,200 residential and commercial properties across Massachusetts' South Shore. Falconi is a family-owned and operated firm that was founded in 1952 and is based in Milton, Massachusetts. Falconi is additionally part of the ownership structure of the Residences at East Milton, which received approval for BILD financing in April 2025.

Co-Sponsor: HP Homes LLC

HP Homes LLC has 50 years of combined experience in the design, construction, and development of luxury homes, residential communities, and commercial assets. Led by Kyle Harnish and Brian Pasquantonio, HP Homes has successfully developed over $30,000,000 of real estate in Milton, MA, including a recent 5-lot subdivision named "Pine Gardens". Additionally, the company was the general contractor for Derby Street Shops in Hingham, The Great American Beer Hall in Medford, and projects at Milton Academy.

Co-Sponsor: Agora Properties LLC

Agora Properties is a Boston-based real estate investment company formed in 2013 by Sean McReynolds and Justin Smith to utilize their investment and operating experience, broad network of industry relationships, and financial sophistication to invest in New England based real estate assets. Sean McReynolds also serves as President of Joseph J. Corcoran Company LLC ("JJC Company"), a co-sponsor of Residences at East Milton, which received approval for BILD financing in April 2025. In addition, Sean McReynolds and Joe Corcoran, principals of JJC Company, are among the LP investors in this transaction.

Falconi Properties, LLC acquired the Site in 2024 after the previous owner had received 40B approval but was unable to secure financing. This acquisition was completed with assistance from JJC Company.

Falconi Properties has an established partnership with HP Homes and the two companies, along with Agora Properties, formed a joint venture to build the Development. While this will be HP Homes's first multifamily building as general contractor, Falconi Properties and Sean McReynolds have a proven track record of selecting qualified contractors and overseeing successful developments to completion.

Construction Lender: Metro Credit Union

Metro Credit Union ("MCU") is a not-for-profit financial cooperative that is owned by and operated for its members. Based in Melrose, the organization offers a wide range of low-cost financial products and services and is the largest state-chartered credit union in Massachusetts, with more than 220,000 members. MCU is acting as the construction lender on Residences at East Milton.

Investor(s): Equity will be provided by the Sponsor and passive investors known to the Sponsor.

General Contractor: HP Homes LLC

HP Homes is currently under review by Design & Construction as this will be its first project with MassHousing. HP Homes will also serve as a Sponsor for this project.

Architect: The MZO Group – Andrew Zalewski AIA

The MZO Group has offered comprehensive design services since 1990, specializing in single-family homes, multi-family developments, and commercial and institution projects. The MZO Group is currently under review by Design & Construction as this will be its first project with MassHousing.

Management Company: Corcoran Management Co., Inc.

Corcoran Management Company, Inc. ("CMC") is a division of John M. Corcoran and Company, a developer and builder of high-quality real estate. CMC has extensive experience managing a diverse portfolio of urban and suburban luxury housing. The portfolio includes market-rate, mixed-income, and affordable housing. Affordable programs managed include LIHTC, 40B, Section 8, IDP, and state and federal public housing. The current team at CMC has overseen the lease-up of more than 3,176 apartments in 21 properties over the past 15 years. CMC will be a third-party manager of the Development and is unaffiliated with the Sponsor. CMC will also manage Residences at East Milton and will share staffing across the developments.

8. Summary of MassHousing-Sponsor Relationship			
	Recorded	*Committed*	*Total*
Number of Projects with MassHousing Debt	0	1	1
Total Units with MassHousing Debt	0	92	92
Outstanding MassHousing Principal Debt	$0	$2,982,000	$2,982,000
Number of Projects with MassHousing Conduit Financing	0		
MassHousing Conduit Loans are Compliant with Program Rules	N/A		
Adverse Actions Against the Borrower Team	None		
Current on Obligations with MassHousing	N/A		
Property Management Affiliate	No		

MassHousing Staff	
Origination	Brian Robinson, Equity Originator Jeff Geller, Debt Originator Josh Combs, Analyst
Underwriting	Dan Staring, Underwriter Joe Bertolino, Underwriter
Asset Management	Dan Discenza, Asset Manager

9. Unit Mix with Preliminary Rents

Unit Size	Average Size (SF)	Total Units	80% of AMI MassHousing Statutory*			Unrestricted Market Rate**		
			Count	*Rent/sf*	*Rent*	*Count*	*Rent/sf*	*Rent*
1 BR	700	4	2	$3.54	$2,298	2	$4.92	$3,200
2 BR	1,000	32	6	$2.34	$2,689	26	$3.39	$3,950
3 BR	1,263	4	2	$2.38	$3,048	2	$4.22	$5,400
Total	**987**	**40**	**10**			**30**		

** Net of utility allowances.*

*** Market rents represent projections based on review of materials provided by Sponsor as well as available market comparable information. Underwritten rents will be reviewed and finalized upon receipt of appraisal commissioned by Berkadia and reviewed by both Berkadia and MassHousing. At this stage, the projected gross rent net of vacancy allowance associated with these units is in line with comparable data. See Exhibit G for reference.*

10. Operating Overview

Underwritten Operating Expenses	$487,000 (approximately $12,200 per unit)

Basis of Operating Costs. Underwritten operating expenses are based on review of the Sponsor's proforma, Freddie Mac underwriting requirements, and review of available comparable data. Operating Expenses will be further refined through Berkadia's underwriting with Agency underwriting confirming the final operating expense budget in sizing of the MassHousing subordinate loan (the "Subordinate Loan") but appears to be reasonable based on staff review of comparable expense data.

All utilities at the Development will be sub-metered, including water usage, and will be paid for by tenants. All in-unit appliances and building systems will be electric. The operating expenses include $45,000 ($1,125 per unit) common area electrical, heat, water, and sewer costs.

11. Project Costs

Project Construction Costs	
Total Construction Cost	$14,250,000
Gross Square Footage	65,931
Construction per Gross Square Foot	$216
Construction per Unit	$356,250

12. Sources and Uses

Sources	Construction		Permanent		
		per unit		*per SF*	*per unit*
Construction Loan	$14,900,000	$372,500			
FORGE Loan			$14,110,000	$214	$352,750
Momentum Equity			$2,500,000	$38	$62,500
Common Equity	$6,220,756	$155,519	$4,510,756	$68	$112,769
Total	$21,120,756		$21,120,756	$320	$528,019

Uses		*per SF*	*per unit*
Acquisition	$2,700,000	$41	$67,500
Construction	$14,250,000	$216	$356,250
Contingency (5.5%)	$500,000	$8	$12,500
General Development	$3,005,938	$46	$75,148
Developer Overhead & Fee	$664,818	$10	$16,620
Total	$21,120,756	$320	$528,019

13. Construction Loan Detail

Sources	*Position*	*Rate*	*Term*	*Amort.*	*Funding*
Construction Loan	First	1-month CME SOFR + 2.75%	36 months	Interest Only	Construction

14. Equity Detail

Equity Breakdown	*Total*	*Percent of TDC*	*Percent of All Equity*
Total Equity	$7,010,756	33%	100%
Common Equity	$4,510,756	21%	64%
Momentum Equity (permanent only)	$2,500,000	12%	36%

Financial Assumptions	
Trending (annual)	3% revenue increase 3% expense increase
# of Units Pre-leased by 1st CO	5 Units
Monthly Absorption Rate	8 units per month
Sale or Exit Timeframe	120 Months after Project Stabilization
Key Performance Indicators*	
Sale or Exit Capitalization Rate	5.75%
Unlevered Return on Cost	5.85%
Operating Distributions to Paid-in-Capital	0.60x
Residual Value to Paid-in-Capital, net of investment	1.93x
Total Value to Paid-in-Capital	2.52x
Common Equity IRR	9.36%
Momentum Equity IRR	6.06%
Levered Average Project Cash-on-Cash	5.96%
Levered Average Sponsor Cash-on-Cash	5.66%
Break-Even Capitalization Rate	9.66%
Break-Even NOI	$1,159,932

15. Distribution Waterfall

Operating Cash Flow
1. To **MH Investor**, an LLC established as part of the Momentum Fund, and to the **Sponsor** in accordance with their respective Venture Capital Percentages until MH Investor has received the then outstanding cumulative Preferred Equity Preferred Return on the Preferred Equity Investment; (see section 15.1.b for commercial risk mitigant).
2. To the **Sponsor.**
Cash from Sale or Refinancing
1. To **MH Investor** until MH Investor has received the then outstanding cumulative Preferred Equity Preferred Return on the Preferred Equity Investment.
2.To **MH Investor**, until MH Investor has received the return of the then outstanding Preferred Equity Investment;
3.To the **Sponsor**, until the Sponsor has received (after taking into account any prior distributions made to the Sponsor under the Net Cash Flow Distribution Waterfall) an internal rate of return with respect to the Total Sponsor Equity equal to the Preferred Equity Preferred Return Rate plus an additional spread of up to 1,000 basis points as determined by MassHousing:
4. Thereafter, to **MH Investor** and the **Sponsor** in accordance with their respective Venture Capital Percentages unless otherwise agreed to.

16. Assessment of Equity Investment

Development Strengths

1. Experienced development team with a track record in this market.
2. Central location, immediately adjacent to the MBTA bus stop station and proximal to major arteries, highways, and regional employment centers.
3. Marketable unit features and high standard amenities that competitively position the Development within the submarket relative to existing properties.

Risks and Mitigants

Residential Rent Level Risk. The site is untested for multifamily rental developments. The nearest comparable property is adjacent to a major roadway and approximately 3 miles from the subject site.

Mitigants:

a. Occupancy levels for comparable properties range in this submarket range between 92-96% occupancy. The market rents are being underwritten at a 7.0% vacancy level, which is higher than historic vacancy levels at comparable properties in the subject market.

b. The subject property is one of the first market-rate, residential developments in this submarket in the last five years. The Development's desirable amenities create a market advantage over comparable properties, such as, a fitness center, secured parcel room, bicycle storage, resident storage units, outdoor patio, and electric vehicle charging stations.

c. The average unit size of the subject property is relatively large compared to the average in the submarket (971 square feet, compared to 808 square feet) and the Development offers amenities and services not available at comparable properties in the submarket.

17. Developer Fee Overview

This proposal includes a paid developer fee of $664,818, which the Sponsor proposes to disburse as follows:

First, 25% ($166,205) to be paid at construction closing;
Second, 50% ($332,409) to be paid in 14 equal installments throughout the 14-month construction period;
Third, 25% ($166,205) to be paid at construction completion.

The Sponsor has incurred approximately $4,500,000 in costs associated with land acquisition, design, permitting, carrying costs, and overhead over a 2-year period.

Common equity investors and the construction lenders under consideration by the Sponsor have all verbally consented to this agreement. This proposal recommends that MassHousing also consent to this developer fee structure.

18. Exit Strategy

The FORGE Loan has a balloon repayment. While the Sponsor intends to hold the Development as a long-term investment, MassHousing has conducted an exit analysis considering both a refinancing scenario, as well as a potential sale scenario.

In both scenarios projected proceeds are sufficient to fully repay the outstanding mortgage balance and return Momentum's invested equity.

Sale Scenario		
Net Operating Income – 2039		$1,610,833
Cap Rate		5.75%
Valuation		$28,014,495
Sale Cost	3.00%	($840,435)
Debt Repayment		($13,677,785)
Net Sale Proceeds		$13,496,275
Return of Initial Momentum Equity		$2,500,000
Net Proceeds Available to Investors		**$10,996,275**
Refinance Scenario		
Total Value		$28,014,495
Cap Rate		5.75%
Interest Rate		6.50%
Amortization		40
Loan Amount		$18,342,748
LTV		59%
DSCR		1.25
Refinance Cost	3.00%	($840,435)
Existing Debt		($13,677,785)
Net Refinance Proceeds		$3,824,528
Return of Initial Momentum Equity		($2,500,000)
Net Proceeds available to Investors		**$1,324,528**

**Both Sale and Refinance scenarios assume a 3% income and 3% expense trending.*

19. Estimated First Year Income and Expenses

Income	
Affordable Gross Potential Residential Income	$321,912
Affordable Vacancy (5.0%)	($16,096)
Market Gross Potential Residential Income	$1,438,800
Market Vacancy (7.0%)	($100,716)
Gross Residential Income	$1,643,900
Other Income – Parking, Fees, Solar	$90,180
Effective Gross Income	$1,734,080

Expenses	
Residential Operating Expenses (Annually)	$487,290
Net Operating Income	$1,246,790
Cash Flow	$250,716

Combined Debt Service Coverage 1.25

Residential Operating Expense Detail			*Per Unit*
Management Fee	3.5%	$62,051	$1,551
Administrative Costs		$50,000	$1,250
Maintenance Costs		$92,000	$2,300
Utilities: Electricity, gas, water & sewer		$45,000	$1,125
Real Estate Taxes		$189,126	$4,728
Insurance		$39,113	$978
Replacement Reserves		$10,000	$250
Total		$487,290	$12,182

Operating Expenses as a Percent of EGI 28%

20. Notes and Analysis

1. **Development Size.** While the BILD program guidelines include a 50-unit minimum size, agency staff propose waiving this guideline given the Development's location in a community that has limited affordable housing options.

2. **Equity Sizing**. The Sources and Uses in this commitment proposal reflects a projected Momentum Equity investment amount of up to $2,500,000. The final equity amount and preferred rate will be set after Freddie Mac issues their loan commitment and the interest rate on the Loans (as defined in Exhibit D below) is locked.

3. **Loan Sizing**. The Sources and Uses and MassHousing Financing Summary in this commitment proposal reflect a projected Subordinate Loan amount of $1,411,000. The Votes below allow for an "Up To" Loan amount of $1,905,000. The final loan amount will be set after Freddie Mac issues its loan commitment and the interest rate is locked, such that the combined debt service coverage ratio as well as loan to value benchmarks will be met and the Subordinate Loan will be no greater than 10% of the Loans (as defined in Exhibit D below).

   To the extent that the final Subordinate Loan amount is greater or less than $1,411,000 MassHousing will confirm that other sources will be adjusted as necessary to maintain a balanced sources and uses.

4. **Other Income.** Other income includes garage parking fees along with miscellaneous charges for pets, storage, and other costs, all of which are in line with fees charged at comparable market rate residential properties.

5. **Third Party Reports.** Under the Origination and Underwriting Agreement between Berkadia and MassHousing, Berkadia will commission all third-party reports as part of its diligence review. MassHousing will be an intended user of these reports and to the extent that any of the reports change the underwritten rents, loan-to-value, or replacement reserve deposits, the loan size may be adjusted accordingly.

Residences at Quarry Hills

VOTES AND FINDINGS

PROPOSALS AND VOTES

Mortgage Loan

Staff has reviewed the proposal for subordinate financing and proposes the following vote for approval by the Agency:

VOTED: To approve the findings and determinations set forth below and to authorize a permanent second mortgage loan in an approximate principal amount of $1,411,000, or such other amount as evidenced in the Freddie Mac loan commitment, subject to the limitation that the final amount of such loan shall not be more than $1,905,000 nor less than $917,150, to be made to The Residences at Quarry Hills LLC or another single-purpose entity controlled by Falconi Properties, LLC, HP Homes LLC and Agora Properties LLC (the "Borrower") as owner of the multifamily residential development known as "Residences at Quarry Hills" (the "Development") and located in Milton, Massachusetts, provided together with, and made subordinate to, a first mortgage loan to the Borrower by Freddie Mac, (1) to be funded from that portion of the Opportunity Fund approved by the Members of MassHousing on September 10, 2024, designated and reserved for MassHousing's Bringing Innovation to Lending and Development (BILD) strategies, including the Momentum Equity product and FORGE loan product, and (2) in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (a) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (b) the following special conditions: None.

Momentum Equity

Staff has reviewed the proposal for momentum equity financing and proposes the following vote for approval by the Agency:

VOTED: To approve and authorize an investment, and the creation of any entities necessary to effectuate such investment, of Momentum Equity in an approximate amount of up to $2,500,000, to be funded from the MHFA Massachusetts Residential Production Momentum Fund, designated and reserved for MassHousing's Bringing Innovation to Lending and Development (BILD) strategies, including the Momentum Equity product and FORGE loan product, to a to-be-determined single-purpose entity, jointly controlled by a MassHousing affiliate entity and an entity controlled by Falconi Properties, LLC, HP Homes LLC and Agora Properties LLC,

such that MassHousing will hold a preferred equity investment in the multifamily residential development known as "Residences at Quarry Hills" (the "Development") and located in Milton, Massachusetts, and in accordance with the requirements of the Momentum Equity program and any requirements related to such program (including such documentation as the General Counsel may require), the delegations of authority previously approved, and further subject to compliance with all applicable laws and all regulations and requirements of applicable financing programs.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:
Ten units (25%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area
The market needs data reflects the information available to A&M staff as of the date of collection December 11, 2025. Further, the reader is cautioned and reminded that any observations, comparisons, and/or conclusions are based on the data as of the indicated collection date.

In-house data for larger market and mixed-income complexes (approximately 712 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 94.2%, and range between 92% and 96%. Three of the comparables were offering rental concessions from one month free to two months free

Fourth Qtr. 2025 CoStar data for the subject's Quincy/Milton/Randolph Multi-Family Submarket (13,391 units) have an overall vacancy rate at 5.6% YTD, which is a decrease of .25 % from one year ago. CoStar data for the Boston market (297,371 units) has an overall vacancy rate of 6.8% YTD, which is an increase of 1.15% from one year ago. The Quincy/Milton/Randolph Multi-Family Submarket vacancy rate is projected to increase to 7.1% over the next five years, while the Boston market is projected to increase to 6.2%.

CoStar submarket data for the 4-5 Star building type (5,256 units) indicates a 4th Qtr. 2025 vacancy rate of 5.2% and an average asking rent of $2.861, while the submarket data for the subject's 3 Star building type (5,125 units) indicates a 4th Qtr. 2025 vacancy rate of 6.8% at an average asking rent of $2,525 and 1-2 Star buildings (3,010 units) indicates a 4th Qtr. 2025 vacancy rate of 4.3 % at an average asking rent of $2,093 The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Executive Office of Housing and Livable Communities (EOHLC) Chapter 40B Subsidized Housing Inventory (09/30/25), the City of Milton 9,801 year-round housing units, 723 (7.38%) of which are subsidized for low/moderate income households.

The Milton Housing Authority (MHA) owns and operates State subsidized 39 one-bedroom units of senior/disabled housing. In addition, the Milton Housing Authority owns and operates State subsidized 12 family apartments, 10 three-bedroom and 2 two-bedroom, at scattered site locations. The Milton Housing Authority also owns and leases out two group homes. Per the representative,

they participate in the CHAMP (Common Housing Application for Massachusetts Programs). The representative was unable to provide the wait list information.

MHA also administer 144 Section 8 Vouchers and MHA participates in the Centralized Section 8 waiting last and per the latest information available there are approximately 184,216 applicants are on the centralized waiting list.

U.S. Census data from the 2019-2023 American Community Survey (ACS) indicates that of the 9,139 households in the Town of Milton approximately 75.8% earned less than the HUD published 2025 AMI ($160,900), approximately 27.4% earned less than 50% of 2025 AMI, approximately 37.6% earned less than 60% of the 2025 AMI, and approximately 58.1% earned less than 80% of the 2025 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed does not lead to the undue concentration of low-income housing.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	**1 BR**	**2 BR**	**3BR**
Number of Units	4	32	4
Net SF/Unit	700	1,000	1,263
Elevator Y/N	Y	Y	Y
Market Rate Rent (10% Rate 20 Yr. Term)	$4,228	$5,192	$5,703
MHFA Below Market Rent (Cost-Based Rent)	$2,749	$3,714	$4,224
MHFA Adjusted Rent	30% of 80% of AMI		
Underwriting Rents			
Market	$3,200	$3,950	$5,400
80% of AMI	$2,298	$2,689	$3,048

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

EXHIBIT A

Map and Picture

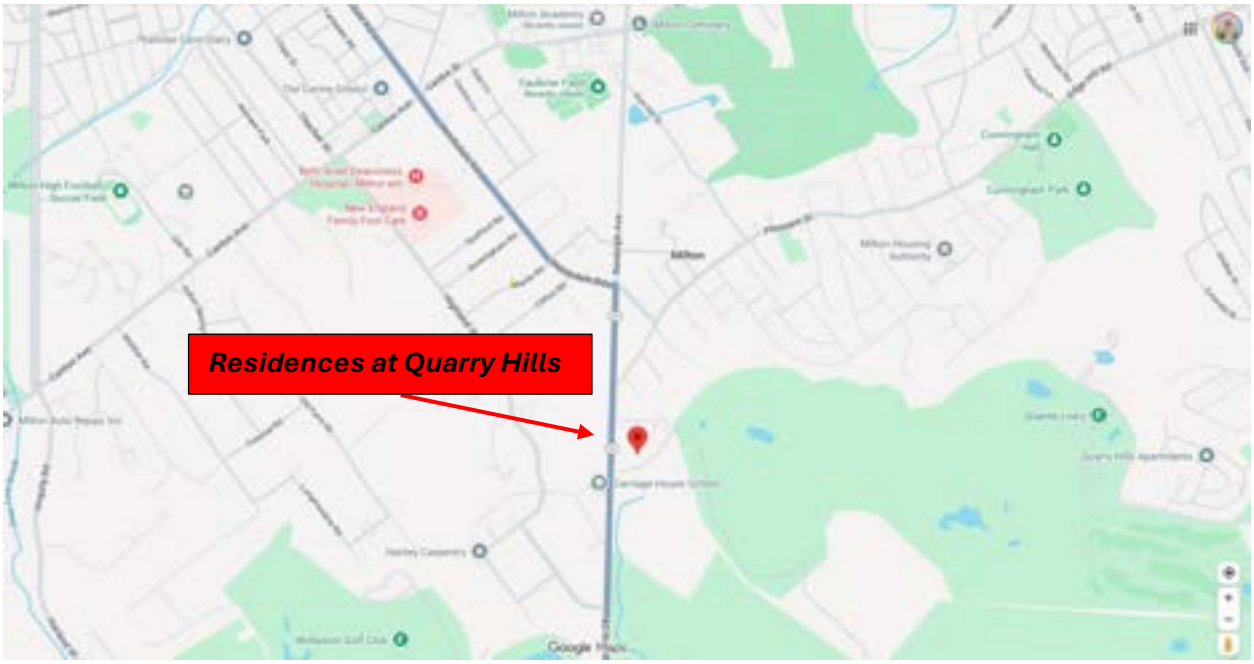


EXHIBIT B
Priority Screening Criteria

1. **Readiness and Eligibility**
   a. Project Readiness. The Developer has assembled the development team, identified construction period construction sources, secured the necessary local zoning and is in the process of securing the appropriate local permitting approvals. Final construction drawings will be completed by early 2026 and a firm bid proposal with the general contractor will be obtained by late January 2026.
   b. Completeness of Submission. The Developer has provided all requested preliminary due diligence materials related to project information, development plans and related reports, and sponsor/principal information.
   c. Affordability Level Eligibility. Twenty-five percent of the units (10 units) will be income restricted for households earning up to approximately 80% of the Area Median Income ("AMI").

2. **Project Costs & Investment Efficiency**
   a. Cost Efficiency (Units per Dollar). The total development cost is $21,120,756 which is approximately $528,019 per unit.
   b. Investment Efficiency (Size of Ask) The investment level of Momentum Equity in the project represents 36% of the project's total equity.

3. **Impact and Additionality**
   a. Local Impact on Housing Opportunity
   As of the 2020 census, the Town of Milton had 723 SHI (Subsidized Housing Inventory) units. With the addition of 10 affordable units from this development, the total number of affordable units in the community will increase by 1.3%.

   b. Additionality of Investment ("but for")
   The inclusion of the Momentum Equity investment in the transaction enables the achievement of several programmatic and financial advantages to the project:

   <u>Enhanced Construction Loan Sizing</u>
   The presence of Momentum Equity allows the construction lender to increase the project's construction loan by an amount equal to the equity contribution, resulting in 14% larger loan size ($12,600,000 vs. $14,900,000).

   <u>Permanent Loan Take-out option for Construction Lender via the FORGE Loan</u>
   Momentum Equity serves as a critical credit enhancement for the construction lender, providing assurance of a permanent loan take-out for the construction financing. This enhancement also mitigates risk and provides the necessary comfort for the lender to extend a construction loan commitment to the project.

Achievement of Project Investor's Key Investment Metrics

The Momentum Equity investment is essential for achieving the project's target performance metrics:

- *Internal Rate of Return (IRR)*: Without the Momentum investment, the projected Common Equity IRR is estimated to be 8.66% over a 13-year term. The inclusion of Momentum Equity raises the projected IRR by 70 basis points to 9.36% over a 13-year term.

c. Diversity & Inclusion

Two of the subcontractors of the project's construction team are senior principals/owners of diverse representation.

d. Climate Alignment

The project aligns with the State of Massachusetts' Opt-In Specialized Energy Code requirement, prioritizing the all-electric or zero pathway and incorporating EV charging stations.

EXHIBIT C
Glossary of Terms
Real Estate Investment Metrics

Capitalization Rate - potential rate of return on an income-producing property, calculated by dividing its annual net operating income (NOI) by its current market value.

Common Equity Investment – total equity invested from sponsor and equity investor third parties.

Multiple on Equity ("deal/project multiple") – number of times the common equity gets their equity returned, where a 1.0x multiple is breakeven.

IRR ("deal/project IRR") – the time-weighted average compounded annual rate at which the common equity investment grows.

Momentum Equity IRR – the time-weighted average compounded annual rate at which the Momentum Equity investment grows.

Project Cash-on-Cash – the rate of return that measures how much cash has been earned based on the initial cash investment.

Operating Distributions to Paid-in Capital - Operating cash flows to common equity.

Residual Value to Paid-in Capital - net sale proceeds after debt repayment cash flow to common equity.

Total Value to Paid-in Capital – The sum of the operating and residual distributions to paid-in capital.

EXHIBIT D

Forge Loan Structure

Freddie Mac lending includes a risk sharing element, a concept which is also seen in HUD's Federal Housing Administration ("FHA") and Federal Financing Bank ("FFB") Risk-Sharing Initiatives, in which MassHousing participates extensively. In the Freddie Mac structure, a lending partner purchases a 10% top loss tranche of the loan (generally referred to as the "B Piece"), allows Freddie Mac to structure bonds as Triple-A ("AAA") securities and therefore to offer favorable interest rates to borrowers.

Under the Agency's arrangement with Berkadia, MassHousing plays the role of the B Piece purchaser. However, rather than purchase a tranche of the Freddie Mac loan, the Agency will make a subordinate loan of up to 10% of the total supportable loan amount.

The resulting integrated permanent financing package will then consist of a Freddie Mac first mortgage loan ("First Mortgage Loan") and a coterminous subordinate second mortgage loan from MassHousing (the "Subordinate Loan") and together with the First Mortgage Loan, the "Loans"). The Loans will fund the senior debt obligations at no more than 80% combined Loan-to-Value ("LTV") and no less than a combined 1.25 Debt Service Coverage Ratio ("DSCR").

MassHousing and Berkadia have entered into an Origination and Underwriting Agreement defining the relationship between MassHousing and Berkadia regarding the origination, underwriting, and closing of an integrated debt financing package. The financing package will include the First Mortgage Loan underwritten by Berkadia and funded through Freddie Mac and the Subordinate Loan underwritten and funded by MassHousing.

The First Mortgage Loan will meet a minimum 1.35 DSCR. Together with the Subordinate Loan, the Loans will meet a minimum combined 1.25 DSCR. This structure allows MassHousing to access a low-cost taxable permanent financing execution by committing up to 10% of the overall financing package. Because the Agency's commitment is providing credit enhancement to Freddie Mac in the form of a first loss position, the Agency's involvement allows for more favorable lending terms than Berkadia can offer to borrowers outside of the program, including a more competitive interest rate, up to 80% LTV and a favorably priced 36-month forward commitment, reducing the overall cost of the financing and supporting the development of mixed-income housing.

Berkadia is responsible for ensuring that all applicable Freddie Mac requirements have been satisfied, and that Freddie Mac will determine the new First Mortgage Loan is an acceptable risk. MassHousing will independently underwrite the Subordinate Loan. With Sponsor's acceptance of commitment letters for the Loans, the financing package will advance to closing. There will be a single construction closing with coordination between MassHousing, Berkadia, the Sponsor, and the construction lender. Once the Development achieves stabilization, Freddie Mac and MassHousing will make the Loans to replace the construction loan.

EXHIBIT E

Ten-Year Cashflow – *see following page*

MASSHOUSING

Residences at Quarry Hill
728 Randolph Ave, Milton MA
HP Homes/ Agora / Falconi Companies

Momentum Equity Proforma

Summary

Project Name	Residences at Quarry Hill
Address	728 Randolph Ave, Milton MA
Sponsor	HP Homes/ Agora / Falconi Companies
Total Units	40
Affordable Units	10

Yr 10 Gross Sale Proceeds	$28,014,495
Transaction Costs	($840,435)
Net Sale Proceeds	$27,174,060
Net Proceeds after Debt Repayment	$13,496,275

General Assumptions

Exit Cap Rate	5.75%
Perm Loan Debt Service	$997,432
Beginning Loan Balance	$14,110,000
Yr 10 Loan Balance	$13,677,785
Total Development Cost	$21,120,756
Yr 10 Sale Costs	3.00%
Rent Trending	3.00%
Other Income Trending	3.00%
Expense Trending	3.00%
Stabilization/Perm Closing Date	1/1/2029
Residential Vacancy	6.50%
Other Income Vacancy	10.00%

Equity Assumptions

Total Equity at Stabilization	$7,010,756
Momentun Equity at Stabilization	$2,500,000
Common Equity at Stabilization	$4,510,756
Common Equity at Construction	$7,010,756
Momentum Equity Coupon	6.50%
Momentun Equity Percentage of Total Equi	35.66%

Equity Returns

Sale or Exit Capitalization Rate	5.75%
Unlevered Year 1 Return on Cost	5.85%
Distributions / Paid-in Capital, net of Investr	0.60
Residual Value to Paid-in-Capital, net of In	1.93
Total Value to Paid-in-Capital	2.52
Common Equity IRR	9.36%
Momentum Equity IRR	6.06%
Levered Average Sponsor Cash on Cash	5.66%
Levered Average Project Cash on Cash	5.96%

Period	C0	C1	C2	C3	1	2	3	4	5	6	7	8	9	10	Exit
	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039
Gross Potential Rent (Market + Affordable)	$1,745,112/yr	-	-	-	1,745,112	1,797,465	1,851,389	1,906,931	1,964,139	2,023,063	2,083,755	2,146,268	2,210,656	2,276,975	
Vacancy	6.50%	-	-	-	(113,432)	(116,835)	(120,340)	(123,951)	(127,669)	(131,499)	(135,444)	(139,507)	(143,693)	(148,003)	
Effective Rent					1,631,680	1,680,630	1,731,049	1,782,980	1,836,470	1,891,564	1,948,311	2,006,760	2,066,963	2,128,972	
Other Income	$100,200/yr	-	-	-	100,200	103,206	106,302	109,491	112,776	116,159	119,644	123,233	126,930	130,738	
Other Income Vacancy	10.00%	-	-	-	(10,020)	(10,321)	(10,630)	(10,949)	(11,278)	(11,616)	(11,964)	(12,323)	(12,693)	(13,074)	
Effective Gross Income		-	-	-	1,721,860	1,773,516	1,826,721	1,881,523	1,937,968	1,996,107	2,055,991	2,117,670	2,181,200	2,246,636	
Total Expenses	$487,290/yr	-	-	-	487,290	501,909	516,966	532,475	548,449	564,903	581,850	599,305	617,284	635,803	
OpEx as % of EGI	28.3%	-	-	-	28.3%	28.3%	28.3%	28.3%	28.3%	28.3%	28.3%	28.3%	28.3%	28.3%	
Net Operating Income		-	-	-	1,234,570	1,271,607	1,309,755	1,349,048	1,389,519	1,431,205	1,474,141	1,518,365	1,563,916	1,610,833	
Debt Service		-	-	-	(997,432)	(997,432)	(997,432)	(997,432)	(997,432)	(997,432)	(997,432)	(997,432)	(997,432)	(997,432)	
Cash Flow		-	-	-	237,138	274,175	312,323	351,616	392,087	433,773	476,709	520,933	566,484	613,401	
Momentum Equity Cash Flows		-	-	(2,500,000)	162,500	162,500	162,500	162,500	162,500	162,500	162,500	162,500	162,500	162,500	2,500,000
Common Equity Cash Flows		(3,505,378)	(3,505,378)	2,500,000	74,638	111,675	149,823	189,116	229,587	271,273	314,209	358,433	403,984	450,901	10,996,275

EXHIBIT F

Rental Market Comparables - *see following page*

	Subject	Comp Average	1	2	3	4
Property Name	Residences at Quarry Hills		Modera	Center and Stone	The Nines	Franklin at Hancock Village
Property Address	728 Randolph Avenue, Milton, MA 02186		Needham	Quincy	Wellesley	Brookline
		Comp Average				
# of Units	40	234	136	201	350	250
Year Built	2027	2022	2018	2024	2022	2024
Distance (miles)	0	12	15	5	18	9
	1x1	**1 Bed**	**1x1**	**1x1**	**1x1**	**1x1**
Avg. Rent	3200	$3,375	$3,300	$2,745	$3,420	$3,380
Square Feet	700	918	1,205	710	760	940
Avg. Rent/SF	$4.57	$3.78	$2.74	$3.87	$4.50	$3.60
	2x2	**2 Bed**	**2x2**	**2x2**	**2x2**	**2x2**
Avg. Rent	3950	$4,674	$4,470	$3,783	$4,730	$4,470
Square Feet	1000	1166	1,300	1,071	1,124	1,288
Avg. Rent/SF	$3.95	$4.05	$3.44	$3.53	$4.21	$3.47
	3x2	**3 Bed**	**3x2**	**3x2**	**3x2**	**3x2**
Avg. Rent	5400	$7,363	$6,865	N/A	$7,818	$8,133
Square Feet	1263	1637	1,780	N/A	1,399	1,890
Avg. Rent/SF	$4.28	$4.61	$3.86		$5.59	$4.30
Utilities	All resident-paid.		Trash included	Trash included	Trash included	Trash included
Parking	26 surface parking spaces available free of charge and 33 garage parking spaces available for $150		Garage Parking, Surface Parking, and Reserved Spaces	Garage Parking, Surface Parking, and Bike Storage	Garage and Surface Parking	Garage and Surface Parking
Notes			96% occupied, no concessions, Bike storage, fitness, cyber café, game room.	97% occupied, no concessions. Co-working area, skylounge, game room, indoor/outdoor dining & entertaining lounge	94% occupied, no concessions	89% occupied, 2 months free, fitness center, community room, putting green, pool & sundeck,and grill & picnic area.

Loan Commitment Proposal | January 13, 2026

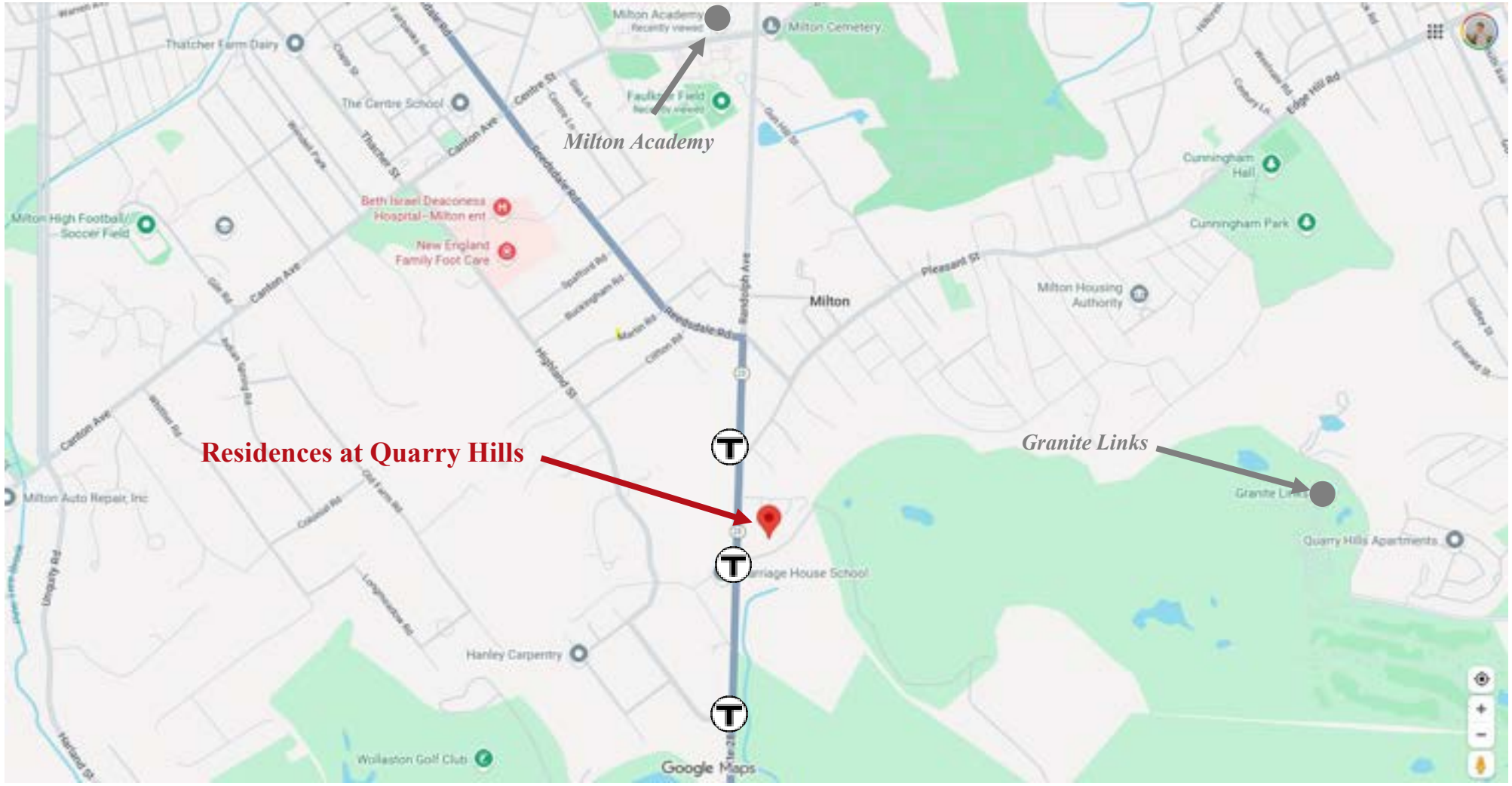
Residences at Quarry Hills

Location	728 Randolph Avenue, Milton
Sponsors	Falconi Properties, LLC HP Homes LLC Agora Properties LLC
Transaction Type	Production
Funding Type	Forward Commitment of an Equity Investment Forward Commitment of a Subordinate Loan
Execution Type	Momentum Equity Financing Options for Residential Growth and Expansion (“FORGE”) Loan (Taxable)
Credit Enhancement	None
Total Rental Units	40
Affordability Mix	10 Affordable 30 Market

Deal Team Members	
Origination	Brian Robinson, Jeff Geller, Josh Combs
Underwriting	Dan Staring, Joe Bertolino
Asset Management	Dan Discenza

MassHousing

Residences at Quarry Hills | Milton



Borrower Team

Mortgagor Entity	The Residences at Quarry Hills LLC
Developer / Sponsor	Falconi Properties, LLC HP Homes LLC Agora Properties LLC
General Partner / Managing Member	Quarry Hills Investor LLC
Construction Lender	Metro Credit Union
Investor	Limited Partner Investor(s)
Management Company	Corcoran Management Co., Inc.
Architect	The MZO Group – Andrew Zalewski AIA
General Contractor	HP Homes LLC

Unit Mix

Unit Size	Average Size (SF)	Total Units	80% of AMI MassHousing Statutory*			Unrestricted Market Rate**		
			Count	*Rent/sf*	*Rent*	*Count*	*Rent/sf*	*Rent*
1 BR	700	4	2	$3.54	$2,298	2	$4.92	$3,200
2 BR	1,000	32	6	$2.34	$2,689	26	$3.39	$3,950
3 BR	1,263	4	2	$2.38	$3,048	2	$4.22	$5,400
Total	**987**	**40**	**10**			**30**		

** Net of utility allowances*

*** Market rents represent projections based on review of materials provided by Sponsor as well as available market comparable information. Underwritten rents will be reviewed and finalized upon receipt of appraisal commissioned by Berkadia and reviewed by both Berkadia and MassHousing. At this stage, the projected gross rent net of vacancy allowance associated with these units is in line with comparable data. See Exhibit G for reference.*

Project Costs

Project Construction Costs	
Total Construction Cost	$14,250,000
Gross Square Footage	65,931
Construction per Gross Square Foot	$216
Construction per Unit	$356,250

Sources and Uses

Sources	Construction		Permanent		
		per unit		*per SF*	*per unit*
Construction Loan	$14,900,000	$372,500			
FORGE Loan			$14,110,000	$214	$352,750
Momentum Equity			$2,500,000	$38	$62,500
Common Equity	$6,220,756	$155,519	$4,510,756	$68	$112,769
Total	$21,120,756		$21,120,756	$320	$528,019

Uses		*per SF*	*per unit*
Acquisition	$2,700,000	$41	$67,500
Construction	$14,250,000	$216	$356,250
Contingency (5.5%)	$500,000	$8	$12,500
General Development	$3,005,938	$46	$75,148
Developer Overhead & Fee	$664,818	$10	$16,620
Total	$21,120,756	$320	$528,019

Underwriting Notes

1. Development Size
2. Equity Sizing
3. Loan Sizing
4. Other Income
5. Third party Reports

Momentum Equity Overview (Cont.)

Development Strengths

1. Experienced development team with a track record in this market.
2. Central location, immediately adjacent to MBTA bus stops and near major arteries, highways, and regional employment centers.
3. Marketable unit features and competitive standard amenities

Momentum Equity Overview

- **Risks**
  - The site is untested for a multifamily rental development. The nearest comparable property is approximately 4 miles from the subject site.

- **Mitigants**
  - Strong occupancy levels in submarket (92-96%)
  - Subject property is one of the submarket's first market-rate residential developments in five years.
  - Subject property has larger average unit sizes than submarket (971 square feet compared to 808 square feet)

Momentum Equity Impact

a) Local Impact on Housing Opportunity

a) As of the 2020 census, the Town of Milton had 723 SHI (Subsidized Housing Inventory) units. The Residences at Quarry Hills will increase the total number of affordable units in the community by 1.3%.

b) Additionality of Investment ("but for")

a) The inclusion of the Momentum Equity investment in the transaction enables the achievement of several programmatic and financial advantages to the project.

a) Enhanced Construction Loan Sizing

b) Permanent Loan Take-out option for Construction Lender via the FORGE Loan

c) Achievement of Project Investor's Key Investment Metrics

Recommended Votes

- Approval of Second Mortgage
- Approval of Momentum Equity

Loan Commitment Proposal | January 13, 2026

Devenscrest Village

1. General Project Information	
Project Name	Devenscrest Village
Project ID	25-114
Associated Projects	N/A
Address(es)	35 Littleton Road, Ayer, MA 01432
Sponsor	The Schochet Companies
Transaction Type	Preservation
Funding Type	Current (Workforce Only)
Execution Type	Workforce Housing
Credit Enhancement	None
Approval Type	Board
Total Rental Units	114
Affordability Mix	35 Affordable 79 Workforce

2. Recommended Actions

- Commitment of a Workforce Housing Loan

3. Background

The proposed financing will support the acquisition and preservation of Devenscrest Village (the "Development"), an existing 114-unit development in Ayer. The Schochet Companies ("Schochet" or the "Sponsor") signed a purchase and sale agreement for the Development, which was an unrestricted but so-called "naturally occurring affordable housing" or "NOAH" property, and preserve it as a long-term restricted affordable housing resource for the current residents and the community.

The Sponsor submitted a proposal to acquire, restrict, and improve the physical condition of the Development to the Executive Office of Housing and Livable Communities ("EOHLC") and the Agency. The proposed sources included permanent financing from Eastern Bank, investor equity, and subordinate resources from EOHLC and the Agency. However, given that the purchase and sale required that the acquisition transaction close by December 12, 2025, MassHousing funds were unavailable at the time of acquisition. Instead, the Sponsor closed on the acquisition and included a $3,000,000 sponsor loan in the capital stack.

The proposed financing would go to repay that sponsor loan, allowing the sponsor to use those funds to support predevelopment activities for other projects in the pipeline.

4. MassHousing Financing	
Junior Loan	
Type	Workforce Housing Loan ("WFH Loan")
Loan Amount	$3,000,000
Interest Rate	0%
Loan Term/Amortization	40 years, non-amortizing
Terms of Cash Flow Sharing	Proceeds from capital events or cash flow available during operations will be distributed according to the following schedule: • First, to repay the outstanding principal and accrued interest on the Managing Member Loan; • Second, to the Non-Managing Members up to 8% preferred cumulative return on investment; • Third, to the Non-Managing Members an amount equal to an internal rate of return on their equity of 12%, inclusive of the 8% preferred cumulative return; and 25% to the Managing Member, capped at $1,000,000. • Fourth, 37.5% to the Non-Managing Members; and 62.5% to EOHLC and MassHousing, split on a pari-passu basis.

5. Development Plan

Description of Site. The Development is located on a 11.17-acre parcel at 35 Littleton Road in Ayer (the "Site"). The Site is located off Route 110 with close proximity to both Route 2 and I-495, and the Ayer Commuter Rail. Downtown Ayer, 1.3 miles away, includes various retail shops, food chains, a museum and hiking trails.

Description of Existing or Proposed Building. The Development is an existing, occupied 114-unit rental housing development comprised of 36 buildings located on the Site.

There are both two- and three-bedroom layouts. Seventy-nine (79) of the 114 units have been renovated by the previous owner, and the Sponsor plans to renovate the remaining 35 units upon acquisition; two or three of the previously-renovated units will also be adapted to be ADA-compliant.

The Sponsor intends to complete the construction within eighteen months.

Description of Affordability Mix. All 114 units will be restricted with set-asides for households at 50%, 60%, and 80% of Area Median Income ("AMI").

Thirty-five (35) units will benefit from a project-based MRVP contract, and Seventy-nine (79) units are set-aside for households earning up to 80% of AMI under MassHousing's Workforce Housing Restriction.

Site Control. Fee simple through a quitclaim deed.

6. Borrower Team

Mortgagor Entity: Devenscrest Village Partners LLC

Devenscrest Village Partners LLC (the "Borrower") is a single-asset, sole-purpose limited liability company formed for the purposes of owning and operating the Development.

Developer / Sponsor: The Schochet Companies

The Schochet Companies is a full-service real estate development and management company that owns and/or manages more than 5,500 apartments and 125,000 square feet of commercial space throughout New England. The company employs close to 200 professionals and has developed, owned, and/or managed in excess of 7,000 apartments and 600,000 square feet of retail and commercial space throughout New England and on the West Coast since its formation by Jay R. Schochet in 1973.

Schochet's development and investment experience ranges from structuring complex affordable housing transactions to developing and managing market rate housing. Recent MassHousing-financed developments with Schochet as the Developer or the development consultant include Warren Hall, Hillcrest Acres, and Newcastle Saranac.

General Partner / Managing Member: Schochet Devenscrest LLC

Sole member and manager is Richard J. Henken.

Equity Investors:

Syndicated Non-Managing Member equity will be provided by a syndicate of accredited, high net worth investors.

Permanent Lender: Eastern Bank

Eastern Bank is a Massachusetts-based financial institution offering consumer, commercial, and business banking services. Eastern Bank has approximately $22 billion in total assets and employs approximately 2,100 people. Recent MassHousing-financed developments with Eastern Bank as the Construction Lender include 900 Morrissey, Brockton South T.O.D., and 775 Huntington Snow Lot.

Management Company: Federal Management Co., Inc.

Schochet Property Management, dba as Federal Management Co., Inc.("FMC"), was formed in 1973. It provides management services for numerous clients including Schochet Companies,

Retirement Housing Foundation, and the Jonathan Rose Companies. These services include complete responsibility for building operations, financial administration, leasing activities, and interfacing with local, state, and national agencies. Today, Schochet Property Management operates more than 5,300 apartments and 50,000 square feet of commercial space, which includes all types of housing including market rate apartments, LIHTC, and low- and moderate-income subsidized communities, new construction and rehabilitation, and a commercial portfolio comprised of offices, retail, and restaurants. Recent MassHousing-financed developments with FMC as the property manager include Warren Hall, Hillcrest Acres, and Newcastle Saranac.

Architect: Davis Square Architects, Inc.

Founded in 1984, Davis Square Architects is a medium-sized, award-winning architectural and planning studio organized into project-specific teams. DSA's values and decades of experience throughout the Northeast have led to a long-standing history of high-quality design, in collaboration with our clients, spanning a wide variety of project types, including affordable and multi-family housing, TOD design, renovation and historic preservation, adaptive reuse, feasibility and needs assessments, and community spaces.

General Contractor: Keith Construction

Keith Construction, Inc. is a general contractor and construction manager specializing in multifamily residential construction for clients throughout the Northeast and Mid-Atlantic United States. For over three decades, the company has gained extensive experience in residential rehabilitation, adaptive reuse, historic renovations, and new construction.

7. Summary of MassHousing-Sponsor Relationship			
	Recorded	*Committed*	*Total*
Number of Projects with MassHousing Debt	6	1	7
Total Units with MassHousing Debt	802	35	837
Outstanding MassHousing Principal Debt	$133,582,316	$16,873,599	$150,455,915
Number of Projects with MassHousing Conduit Financing	0		
MassHousing Conduit Loans are Compliant with Program Rules	N/A		
Adverse Actions Against the Borrower Team	No		
Current on Obligations with MassHousing	Yes		
Property Management Affiliate	Yes, FMC manages properties in the Schochet Companies portfolio and offers management services to properties outside of the Schochet Companies portfolio.		

MassHousing Staff	
Origination	Tai Pope, Originator Danielle Casavant, Analyst
Underwriting	Adam Krings, Underwriter
Asset Management	Natalia Gonchar, Portfolio Manager

8. Unit Mix

Unit Size	Total Units	PB-MRVP		PB-MRVP		Workforce	
		50% AMI		60% AMI		80% AMI	
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*
2 BR	97	5	$2,374	26	$2,374	66	$2,334
3 BR	17	1	$2,836	3	$2,836	13	$2,583
Total	**114**	**6**		**29**		**79**	

Project-Based Rental Subsidy	
Type	MRVP
Term	15 y
Administrator	EOHLC
Lesser of market or contract rents	

9. Operating Overview

See Section 12. First Year Income and Expenses.

10. Project Costs

Core Residential Costs	
Base	$43,179,445
Extraordinary	$0
Total	$43,179,445
Commercial, Site and Other Non-Residential Costs	
Commercial Costs	$0
Site and Other Non-Residential Costs	$0
Total	$0
Total Development Cost	
Total	$43,179,445

Project Construction Costs	
Total Construction Cost	$5,929,023
Construction per Square Foot	$490

11. Sources and Uses

Sources of Funds	Acquisition	*per unit*	Permanent	*per unit*
Eastern Bank Permanent Loan	$22,127,000	$194,096	$24,000,000	$210,526
MH Workforce Housing			$3,000,000	$26,316
EOHLC Subordinate Debt	$5,000,000	$43,860	$10,500,000	$92,105
Investor Equity	$2,687,994	$23,579	$3,170,430	$27,811
Construction Period Income			$2,509,015	$22,009
Managing Member Loan	$3,000,000	$26,316		
Total Sources	$32,814,994	$287,851	$43,179,445	$378,768

Uses	Permanent	*per unit*
Acquisition	$32,031,000	$280,974
Construction	$5,515,370	$48,380
Construction Contingency	$413,653	$3,629
General Development	$ 3,956,911	$34,710
Capitalized Reserves	$800,000	$7,018
Developer Fee	$ 237,161	$2,080
Developer Overhead	$225,350	$1,977
Total Uses	$43,179,445	$378,768

12. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		$1,019,256
Rental Income – Non-Rental Subsidy		$2,251,476
Gross Potential Residential Income		$3,270,732
Vacancy – Project-Based Rental Subsidy	2.5%	($25,481)
Vacancy – Non-Rental Subsidy	5.0%	($112,574)
Gross Residential Income		$3,132,677
Effective Gross Income		$3,132,677

Expenses	
Residential Operating Expenses	$1,150,868
Net Operating Income	$1,981,809
Debt Service	($1,710,076)
Cash Flow	$271,732

Residential Operating Expense Detail			*Per Unit*
Management Fee	4%	$97,182	$852
Administrative Costs		$205,068	$1,799
Maintenance Costs		$360,000	$3,158
Utilities (water and sewer, hot water)		$69,009	$605
Insurance		$125,000	$1,096
Taxes		$249,009	$2,184
Replacement Reserves		$46,600	$400
Total		$1,150,868	$10,095

Operating Expenses as a Percent of EGI	36.7%

13. Underwriting

1. **Permanent Financing:** The Sponsor has secured permanent first mortgage debt from Eastern Bank to acquire and rehabilitate the property. The permanent financing has a 10-year term which consists of a 2-year interest-only period followed by an 8-year permanent period with a 30-year amortization.

2. **Rental Subsidy:** The Sponsor's proforma includes 35 subsidized units through EOHLC's award of MRVPs.

3. **Third Party Reports:** The MassHousing-commissioned "as is" appraisal and market rents are currently underway. To the extent that either report changes the underwritten rents, loan-to-value, or replacement reserve deposit amounts, the loan size may be adjusted accordingly.

14. Low-Income Housing Tax Credits

N/A

Devenscrest Village

VOTES AND FINDINGS

PROPOSALS AND VOTES

Mortgage Loans

Staff has reviewed the proposal for subordinate workforce loan financing and proposes the following votes for approval:

VOTED: To approve the findings and determinations set forth below and to authorize a subordinate mortgage loan in a principal amount of up to $3,000,000 to be made to Devenscrest Village Partners LLC or another single-purpose entity controlled by The Schochet Companies or an affiliate (the "Borrower") as owner of the multifamily residential development known as "Devenscrest Village" (the "Development") and located in Ayer, Massachusetts (1) to be funded from that portion of the Opportunity Fund approved by the Members of MassHousing on March 8, 2016, designated and reserved for workforce housing programs, (2) subject to the terms and conditions of MassHousing's Workforce Program Guidelines adopted by the Members on July 12, 2016, as amended, and to any applicable delegations of authority previously approved by the Members of MassHousing and (3) the following special conditions:

> The subordinate workforce loan shall be permitted to be resubordinated to future permanent financing for the Development on terms and conditions acceptable to the Chief Executive Officer, the Chief Legal and Operating Officer and the Vice President of Multifamily Programs, and their respective designees, each acting singly, and in a manner acceptable to MassHousing's General Counsel or their designee.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:
114 units (100%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area
The market needs data reflects market conditions as of the date of collection on 12/22/25. The data is not subject to unanticipated local, national, and international events that may occur after this date. Further, the reader is cautioned and reminded that any conclusions presented apply only as of the collection date.

In-house data for larger market and mixed-income complexes (approximately 624 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 98.4%, and range between 96% and 100%. None of the comparables were offering rental concessions.

4th Qtr. 2025 CoStar data for the subject's Lowell/Dracut Submarket (7,466 units) have an overall vacancy rate at 4.0% YTD, which is an increase of .57% from one year ago. CoStar data for the Boston market (297,643 units) has an overall vacancy rate of 6.9 % YTD, which is an increase of 1.2% from one year ago. The Lowell/Dracut Submarket vacancy rate is projected to increase to 4.9% over the next five years, while the Boston market is projected to decrease to 6.3%.

CoStar, submarket data for the 4-5 Star building type (625 units) indicates a 4th Qtr. 2025 vacancy rate 9.9 % and an average asking rent of $3,070, while submarket data for the subject's 3 Star building type (3,179 units) indicates a 4th Qtr. 2025 vacancy rate of 3.5% at an average asking rent of $2,089 and 1-2 Star buildings (3,662 units) indicates a 4th Qtr. 2025 vacancy rate of 3.3% at an average asking rent of $1,903. The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Executive Office of Housing and Livable Communities' (EOHLC)- Chapter 40B Subsidized Housing Inventory (09/30/25), the Town of Ayer had 3,783 year-round housing units, 221 (5.84%) of which are subsidized for low/moderate income households.

The Ayer Housing Authority(AHA) owns and operates State subsidized 34 one-bedroom units of senior/disabled housing. In addition, the AHA owns and operates State subsidized 13 family units consisting of 2- and three-bedroom units. They also own and operate one property of Congregate housing that has 7 units. Per the representative, they participate in the CHAMP (Common Housing

Application for Massachusetts Programs). The representative was unable to provide me the wait list information, however the representative stated that the wait list for elderly is approximately 2 to 3 years and the wait list for the family units is approximately 3 to 5 years. They do not have any Section 8 Vouchers.

U.S. Census data from the 2019-2023 American Community Survey (ACS) indicates that of the 1,454 households in the Town of Ayer, approximately 84% earned less than the HUD published 2025 AMI (160,900), approximately 51.9% earned less than 50% of 2025 AMI, approximately 58.7% earned less than 60 % of the 2025 AMI and approximately 72.2% earned less than 80% of the 2025 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed will not lead to the undue concentration of low-income households.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

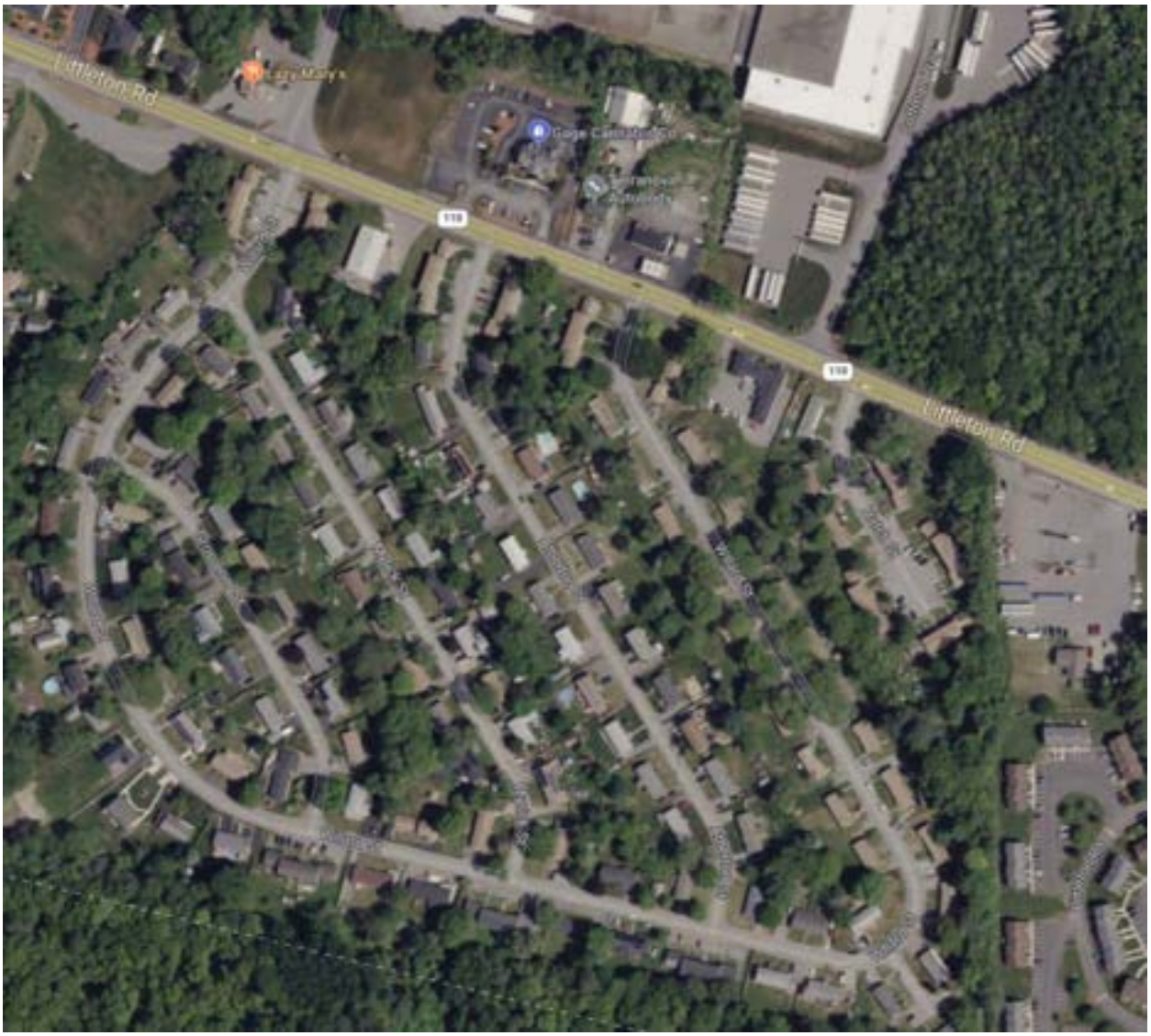
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	2	3
Number of Units	97	17
Net SF/Unit	750	900
Elev./Non-Elev.	N	N
Market Rate Rent	$3,129	$3,412
MHFA Below Market Rent (Cost-Based Rent)	$2,347	$2,630
MHFA Adjusted Rent	30% of 60% of AMI	
Underwriting Rents		
50% AMI	$2,374	$2,836
60% AMI	$2,374	$2,836
WFH	$2,334	$2,583

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

MAP AND PICTURES


Littleton Rd
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Loan Commitment Proposal | January 13, 2026

Devenscrest Village

Location	Ayer
Sponsor	The Schochet Companies
Transaction Type	Preservation
Funding Type	Current (Workforce Only)
Execution Type	Workforce Housing
Credit Enhancement	None
Total Rental Units	114
Affordability Mix	35 Affordable 79 Workforce

Deal Team Members	
Origination	Tai Pope, Danielle Casavant
Underwriting	Adam Krings
Asset Management	Natalia Gonchar

MassHousing

Devenscrest Village | Ayer

Borrower Team

Mortgagor Entity	Devenscrest Village Partners LLC
Developer / Sponsor	The Schochet Companies
General Partner / Managing Member	Schochet Devenscrest LLC
Permanent/Construction Lender	Eastern Bank
Syndicator / Investor	Private Investors
Management Company	Federal Management Co., Inc.
Architect	Davis Square Architects, Inc.
General Contractor	Keith Construction

Unit Mix

		PB-MRVPs		PB-MRVPs		WFH	
Unit Size	Total Units	50% AMI		60% AMI		80% AMI	
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*
2 BR	97	5	$2,374	26	$2,374	66	$2,334
3 BR	17	1	$2,836	3	$2,836	13	$2,583
Total	**114**	**6**		**29**		**79**	

Project Costs

Core Residential Costs1	
Base	$43,179,445
Extraordinary	$0
Total	$43,179,445
Commercial and Non-Residential Costs	
Commercial Costs	$0
Site and Other Non-Residential Costs	$0
Total	$0
Total Development Cost	
Total	$43,179,445

Project Construction Costs	
Total Construction Cost	$5,929,023
Construction per Square Foot	$490

Sources and Uses

Sources of Funds	Acquisition	Permanent		Uses of Funds	
Eastern Bank Permanent Loan	$22,127,000	$24,000,000		Acquisition	$32,031,000
MH Workforce Housing		$3,000,000		Construction	$5,515,370
EOHLC Subordinate Debt	$5,000,000	$10,500,000		Construction Contingency	$413,653
Investor Equity	$2,687,994	$3,170,430		General Development	$3,956,911
Construction Period Income		$2,509,015		Capitalized Reserves	$800,000
Managing Member Loan	$3,000,000			Fee	$237,161
				Overhead	$225,350
Total Sources	**$32,814,994**	**$43,179,445**		**Total Uses**	**$43,179,445**

Underwriting Notes

1. Permanent Financing
2. Rental Subsidy
3. Third Party Reports

Recommended Votes

- Commitment of a Workforce Housing Loan

Loan Workout Approval Request | January 13, 2026

Pac-10 Lofts, Phase One

1. General Project Information	
Project Name	Pac-10 Lofts, Phase One
Project ID	16-004
Associated Projects	Pac-10 Lofts, Phase Two
Address(es)	300 Methuen Street, Lawrence, MA 01840
Sponsor	WinnDevelopment Company Limited Partnership
Transaction Type	Workout (4%)
Funding Type	First Mortgage Workout and Asset Protection Loan
Execution Type	Balance Sheet
Credit Enhancement	None
Approval Type	Board
Total Rental Units	180
Affordability Mix	130 Affordable 19 Workforce 31 Market

2. Recommended Actions

- First Mortgage Modification
- Approval of Level One Transfer of Ownership to New Managing Member
- Commitment of Asset Protection Loan

The proposed restructuring and workout will support the financial stability of Pac-10 Lofts, Phase One (the "Development"), which includes 180 units in downtown Lawrence created through the adaptive reuse of a portion of the historic Pacific Mill building.

Financing for the Development was originally committed in 2017 and restructured in 2022. The Development has faced a series of challenges both during the construction period and well into the Development's operations. The financing and transfer of ownership proposed herein is the latest in a series of actions and commitments related to the Development, each of which is summarized below.

The workout plan contemplated herein proposes a series of measures. First, a modification of the existing tax-exempt first mortgage loan, which is unsupportable; the loan will be split into a performing mortgage that is supportable based on a new proposed operating budget, and non-amortizing subordinate loan. Second, the commitment of new funding from MassHousing which, together with additional funds from the investor member in the Development, an entity of Affordable Housing Partners ("AHP" or the "Investor Member"), will finance both previously completed and immediate capital needs. The modification and additional commitment of funds will facilitate funding of the remaining Federal LIHTC capital contributions which will allow for repayment of MassHousing's equity Bridge Loan and a capital loan from the tax credit equity investor.

Background

On February 14, 2017, the Agency approved the forward commitment of a tax-exempt permanent loan, a tax-exempt equity bridge loan, and a Workforce Housing Loan. Construction began in March 2018 and was scheduled to be completed in September 2019. However, events outside of the Owner's control resulted in substantial delays, a cost increase of over $22,000,000 and the exit of the equity investor, US Bank (the "Original Investor Member").

On May 10, 2022, the Agency approved a proposal to restructure the tax-exempt permanent, tax-exempt equity bridge, and Workforce Housing loans, as well as the delegation to the Vice President of Multifamily Programs and General Counsel the authority to determine the structure and final details of the loans. As a condition of the final loan structure approved by the Vice President of Multifamily Programs and General Counsel, a new investor member, AHP Housing Fund 318, LLC (the "Investor Member"), was admitted to the ownership structure. The recommitment proposal is included as Exhibit A and outlines the delays, cost overruns, departure of the Original Investor Member, and the final loan structure as approved is included as Exhibit B to this proposal.

In June 2022, the Agency recorded and funded its loans to the Development. As a result of the admission of the new Investor Member, the Development also received an equity installment of approximately $12,860,000 and Reed Realty Advisors LLC (the "Original Sponsor") was able to complete construction. At that time, it was projected that the Development would be fully leased by December 31, 2022. Due to slow leasing activity, particularly in the 80% AMI moderate income units, and high turnover during the lease up period, the Development was only able to reach 79% occupancy by the end of 2022 and only reached 90% occupancy six months later. During this time, the Sponsor requested, and MassHousing approved, a modification to the Workforce Housing restrictions, converting twenty-one (21) of the original 80% AMI units to the market rate tier.

Throughout 2022 and 2023, MassHousing staff noted a marked decline in the communication, engagement, and reliability of the Original Sponsor and, as a result, began to engage directly with the Investor Member and representatives of the WinnCommunities ("Winn" or the "Management Agent").

During lease up and stabilization, MassHousing and the Management Agent also identified significant life and safety issues that were impacting marketability; these issues were not being addressed by the Original Sponsor. Both parties also measured operating costs significantly higher than projections and earlier underwriting.

In the first half of 2023, MassHousing and the Management Agent worked to address the life and safety issues identified and also completed work includes measures related to building access and security, fire alarm and suppression systems, historic windows, and common area improvements.

Between 2023-2025, the parties also initiated further study to identify and assess options and costs related to addressing larger physical deficiencies primarily related to the design, installation and operation of the HVAC system, as well as the need to install a planned second elevator that

was purchased but never installed. While these measures have increased operating efficiency and boosted occupancy to 93%, the Development is still unable to make full debt service payments.

MassHousing staff remain heavily engaged. Further detail on all capital improvements and necessary capital needs can be found in Section 12 of this proposal.

Finally, the Development is part of a planned two-phase effort to fully redevelopment the Pacific Mill building and was to be followed by Pac-10 Lofts, Phase Two under common ownership. Both phases are physically connected and related in a condominium ownership structure. Although Phase Two has not been developed, certain costs have been incurred and paid for by both the Investor Member and the Phase One Development to cover insurance, taxes, and emergency repairs in the absence of the current Phase Two Owner accepting responsibility.

3. MassHousing Financing	
Modified First Mortgage Loan	
Type	Tax-Exempt First Mortgage Loan
Loan Amount	$6,000,000
Interest Rate	4.67%
Loan Term/Amortization	40 y / 40 y
Second Mortgage Loan	
Type	Tax-Exempt Subordinate Second Mortgage Loan
Loan Amount	$11,768,000
Interest Rate	4.67% or AFR
Loan Term/Amortization	40 y / cashflow note
Cash Flow Sharing	30% funds available for distributions up to $185,000 and 50% for amount greater than $185,000
Third New Junior Mortgage Loan	
Type	Asset Protection Loan
Loan Amount	$5,200,000
Interest Rate	1.00%
Loan Term/Amortization	Coterminous with First Loan / cashflow note
Cashflow Sharing	30% funds available for distributions up to $185,000 and 50% for amounts greater than $185,000: only after repayment of Second Loan
Fourth New Mortgage Loan	
Type	Capital Magnet Fund Loan
Loan Amount	$2,000,000
Interest Rate	0.00%
Loan Term	Coterminous with First Loan / non-amortizing
Existing Junior Loan	
Type	Workforce Housing
Loan Amount	$5,000,000
Interest Rate	0.00%
Loan Term/Amortization	40 y / non-amortizing

New Junior Loan	
Type	Arrearage Note
Loan Amount	$4,036,754
Interest Rate	AFR
Loan Term/Amortization	Coterminous with First Loan
Cash Flow Sharing	30% funds available for distributions up to $185,000 and 50% for amounts greater than $185,000: only after repayment of Third Loan
Existing Subordinate Mortgage	
Type	Tax Exempt Bridge Loan
Loan Amount	$18,000,000 (partial payment received, balance outstanding $16,057,580)
Interest Rate	3.44% interest only
Loan Term/Amortization	12 months / currently past maturity (to be paid concurrently with closing of this proposed transaction)

4. Development Plan

Description of Site. The Development is located on a 1.6-acre parcel on Methuen Street running parallel to Essex Street (the "Site"), formerly Lawrence's primary commercial corridor. This portion of Essex Street remains densely populated with nearly 100 historic buildings ranging from one to twelve stories. There are multiple community groups dedicated to revitalizing this area.

Description of Existing or Proposed Building. The Development comprises one portion of the former Pacific Mills cotton complex. The Pacific Mills was incorporated in 1853 and the original mills and print works were built by the Essex Company, remodeled in 1882, and enlarged and expanded over the many years of its operation.

The redevelopment of the building as the Pac-10 Lofts was conceived in two phases, of which the subject Development is the first. Currently, the Development is complete. The second phase is owned by the principal of the Original Sponsor who had planned to have the second phase closed and completed immediately following the completion of the first phase. However, due to the complications encountered in the first phase, the loan underwriting and subsidy processing for second phase was halted.

Description of Affordability Mix. One hundred and forty-nine (149) of the 180 units in the Development are subject to affordability restrictions. Eighteen (18) units are income-restricted to households at or below 30% of area median income ("AMI") and 112 units are income-restricted for households at or below 60% of AMI. Nineteen (19) units are income-restricted for households at or below 80% of AMI under the Workforce Housing program. The remaining thirty-one (31) unrestricted units will be rented at market rates.

5. Borrower Team

Mortgagor Entity: Taom Pacific I LLC

A single-purpose limited liability company formed for the purpose of acquiring, developing, and owning Pac-10 Lofts, Phase One.

Proposed Developer / Sponsor: WinnDevelopment Company Limited Partnership

WinnDevelopment Company Limited Partnership, ("WinnDevelopment") is a Massachusetts limited partnership, the sole general partner of which is WDP Manager Corp., a Massachusetts corporation wholly owned by the partners of the company. Founded in 1971 and comprised of a staff of 3,000, WinnCompanies (the parent company of WinnDevelopment) is an owner, developer and manager of multifamily communities and mixed-income properties, owning more than 100 properties in 11 states, including 15,600 apartments. The company's development practice focuses on large-scale mixed-use and mixed-income multifamily properties, the acquisition and repositioning of properties, and the acquisition and adaptive reuse of historic structures.

Managing Member:

Original (removed by Investor Member): Taom Heritage LLC

Originally controlled by Reed Realty Advisors LLC, whose principal is Scott Reed. As of May 14, 2024, the Investor Member exercised its rights under the operating agreement to convert Scott Reed's interest to that of de minimus special member. As a result, that entity is no longer managing member. The Investor Member is the current controlling member and subject only to MassHousing's consent has the sole and absolute right to substitute a new Managing Member.

Proposed: Pac10 Phase One MM LLC ("New MM")

The proposed Managing Member will be an entity controlled by WDP Manager Corp, its Manager, whose principal is Gilbert Winn.

Investor Member: AHP Housing Fund 318, LLC

This entity is a Delaware limited liability company, as the investor member (the "Investor Member") set up by Affordable Housing Partners Inc, a Berkshire Hathaway Group affiliated company. AHP is a 501c3 Non-Profit Organization that collaborates with the National Community Stabilization Trust as well as other State and Federal programs. This is AHP's first investment with MassHousing and in Massachusetts.

6. Summary of MassHousing- Sponsor Relationship

	Recorded	*Committed*	*Total*
Number of Projects with MassHousing Debt	32	3	35
Total Units with MassHousing Debt	5,355	357	5,712
Outstanding MassHousing Principal Debt	$652,193,135	$42,050,400	$694,243,535
Number of Projects with MassHousing Conduit Financing	2		
MassHousing Conduit Loans are Compliant with Program Rules	Yes		
Adverse Actions Against the Borrower Team	No		
Current on Obligations with MassHousing	Yes		
Property Management Affiliate	Yes, Winn Managed Properties, LLC primarily manages properties in its Own portfolio and offers management services on occasion for properties outside its portfolio.		

MassHousing Staff	
Underwriting	Dan Staring, Underwriter
Origination	Josh Combs, Analyst
Asset Management	Kate Joyce, Portfolio Manager Maureen Carey, Asset Manager

7. Current Unit Mix & Rents

		LIHTC Eligible													
Unit Size	Total Units	30% AMI		30% AMI Voucher		60% AMI		60% AMI Voucher		80% AMI WFH		80% AMI Voucher		Market	
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*
1 BR	82	8	$581	-	-	31	$1,295	21	$1,310	13	$1,648	5	$1,344	4	$1,909
2 BR	10	1	$704	-	-	5	$1,679	1	$2,165	1	$2,291	-	-	2	$2,382
3 BR	88	8	$889	1	$1,900	37	$1,792	17	$1,906	-	-	-	-	25	$2,389
Total	**180**	**17**		**1**		**73**		**39**		**14**		**5**		**31**	

**All affordable rents are net of utility allowance*

8. Operating Overview

2026 OpEx Budget	$2,761,111 ($15,340 per unit)

Basis of Operating Costs. Based on an analysis of the actual expenses incurred over the last three years, the operating results of comparable properties in the MassHousing portfolio, and the Owner's and Management Agent's 2026 Budget.

9. Sources and Uses

Source of Funds	Total
MassHousing Subordinate Asset Protection Loan Debt	$5,186,600
MassHousing Capital Magnet Funds	$2,000,000
AHP Capital	$798,510
Existing Replacement Reserves	$41,451
Existing Operating Reserves	$750,777
Federal Tax Credit Equity	$16,127,151
Arrearage Note Bridge & Perm Loan Interest	$4,036,754
Total Sources	**$28,941,243**

Uses of Funds	Total
Repayment of MassHousing Bridge Loan	$16,057,580
Accrued Unpaid Bridge Loan Interest (through 03/31/26)	$1,307,301
Accrued Unpaid Perm Loan Interest (through 03/31/26)	$2,729,453
Reimbursements to AHP (Phase One)	$1,217,200
Reimbursements to AHP (Phase Two)	$182,820
Repair Escrow (Capital Expense – Elevator and Lobby)	$4,303,200
Repair Escrow (Capital Expense – HVAC)	$1,208,684
Replacement Reserve	$316,000
Operating Reserve	$1,000,000
Phase Two Operating Reserve (Taxes, Insurance, Electric)	$180,000
Accounts Payable (Consultants)	$439,005
Total Uses	**$28,941,243**

** The sources above represent new funds into the deal to address cost increases since the Development's original completion.*

10. Projected Income and Expenses

Income		2022 Permanent Closing		2026 Projected Budget
Rental Income – Affordable		$2,701,632		$2,660,640
Rental Income – Market		$192,648		$865,560
Gross Potential Residential Income		$2,894,280		$3,526,200
Vacancy – Market	5.1%	($159,985)	10.0%	($352,620)
Gross Residential Income		$2,734,295		$3,173,580
Other Income		$36,000		$5,614
Effective Gross Income		$2,770,295		$3,179,194

Expenses	2022 Permanent Closing	2026 Projected Budget
Residential Operating Expenses	($1,642,709)	($2,761,111)
Net Operating Income	$1,127,586	$418,083
Debt Service	($981,963)	($331,595)
Cash Flow	$145,623	$60,542
First Mortgage	$17,768,000	$6,000,000
First Mortgage Debt Service Coverage	1.15	1.25
Combined First & Second Debt Service Coverage	1.15	0.47

Residential Operating Expense Detail		2022 Permanent Closing	2026 Projected Budget
Management Fee	4.0%	$110,812	$127,168
Administrative Costs		$335,000	$518,667
Maintenance Costs		$311,000	$716,134
Resident Services		$0	$95,000
Security		$3,000	$82,820
Utilities (HVAC, water and sewer, hot water)		$452,000	$599,800
Insurance		$164,177	$400,522
Taxes		$150,000	$149,000
Replacement Reserves		$72,000	$72,000
Mortgage Insurance Premium		$44,420	-
Total		$1,642,709	$2,761,111
Operating Expenses as a Percent of EGI		60%	87%

11. Loan Modification Considerations

1. **First Loan Modification**. As mentioned, the existing First Loan is not supportable by the Development. The proposed size of the modified First Loan is based on a negotiated set of assumptions related to proposed capital improvements and the resulting changes to revenue and operating efficiency.

   While the property operations have not yet fully stabilized, the parties have mutually agreed on the operating budget to support the proposed loan with any cost overage being reasonably managed through the operating reserve.

   The subordinate Second Loan will share in available cashflow going forward with the new Managing Member. The parties expect improved operations over time as the remaining building systems are completed and tenancy along with the optimization of rental income improves. However, such improvement is difficult to predict and therefore was not considered when determining the amount of the supportable First Loan.

2. **Asset Protection Loan.** To complete critical repairs that will allow for maximum rental revenue and operating efficiency, the Development requires asset protection funding. The total amount of this financing shall not exceed the minimum amount necessary to address the immediate capital needs of the Development, increase reserve funding and approved transaction costs all subject to final confirmation by MassHousing based on the required scope and other available funding source(s). The first $2,000,000 of such an amount will be financed by a Capital Magnet Fund Loan; the balance will be financed by an Asset Protection Loan, currently estimated at $5,200,000.

3. **Equity Bridge Loan Repayment.** As typical with 4% LIHTC transactions, repayment of the Tax-Exempt Equity Bridge Loan relies on the receipt of the remaining Federal Tax Credit equity payments from the Investor Member. Since the Development has been unable to meet benchmarks that would trigger the final capital contribution, the repayment has been delayed.

   Modification of the First Loan to an amount that both MassHousing and the Investor Member deem supportable removes the default risk and allows the Investor Member to obtain approval for their remaining capital contribution; this will be a requirement of the closing of the financing outlined in this proposal.

4. **Investor Member Engagement.** The Investor Member has remained committed to the Development and has advanced over $1,200,000 in funds related to the Development and $182,820 for Phase Two to address emergency and routine capital costs not otherwise covered by the operations. Both parties must agree on a supportable First Loan resizing as a requirement of closing.

5. **Capital Needs**. As mentioned, the Investor Member, Management Agent, and MassHousing have worked to identify, quantify, and plan for necessary capital improvements – with particular attention on HVAC repairs and elevator installation.

   a. **HVAC.** During the 2022-23 winter season, inadequate heat delivery and retention led to tenant displacement and spurred inquiry into state of the HVAC system.

      Preliminary studies indicated that the existing roof-mounted HVAC system was improperly installed and inaccurately programmed. MassHousing directly engaged ICON Architects to perform an overall assessment of the existing system and building needs and recommend necessary actions to ensure sufficient heating and cooling for residents.

      In 2024, the review concluded that the existing HVAC system is sized and designed appropriately for the property, but improper installation is likely the cause of the system failures. Following this review, ICON was further engaged to develop an RFP to select a Mechanical Electrical and Plumbing ("MEP") contractor to review system installation, identify corrective actions to resolve system performance issues.

      An MEP was selected and, together with ICON and AHP, began work on corrections to the system in October 2025. Repairs on the first four roof-mounted HVAC units are now complete and undergoing a two-month testing period to ensure the repairs perform as expected. If the results of these tests are favorable, work will commence on the remaining thirteen (13) roof-mounted HVAC units.

      During 2024, wind shields were installed on the roof to protect the HVAC system from freezing.

      An investigation indicated the improper installation of large, historically-accurate windows resulted in significant drafts and thermal bridging, causing heat loss during the winter and overheating during the summer. All window repairs were completed in January 2024 and have resulted in significant improvements to unit livability.

   b. **Elevator.** While the building has 180 units – many of which are on higher floors and occupied by families – the Development is only serviced by one elevator. This is insufficient and the elevator requiring higher than normal maintenance expenditures.

      While work on the installation of a second elevator has begun, it has also uncovered that existing and unused elevators were not properly decommissioned. Proper decommissioning is now part of the scope for the installation of the new elevator.

c. Additional Repairs. Throughout 2024 and 2025, the parties undertook several capital projects necessary to address deficiencies in the property's overall condition including:

- Installation of additional security cameras and updated key fob system to address uncontrolled access between floors and from the garage and overall building management.
- Upgraded Fire Alarm System hardware and software to address deficiencies and performed sprinkler repairs.
- Completed common area amenities (community room and fitness center) furniture and equipment.
- Replaced common area carpeting and repainting of hallways which had extraordinary wear due to lack of a second elevator and contributed to marketability.
- Redesigned and replacement of large Garage Door to access structured parking prone to mechanical breakdown due to weight.
- Reinstalled Historic windows and with added weatherstripping to reduce air infiltration.

6. **Ownership.** As part of this restructuring transaction, the New Managing Member will become the Managing Member of the Borrower.

   Prior to the admission of the New Managing Member, MassHousing will require (a) the removal of the former managing member and Scott Reed from the ownership of the Development and (b) the resolution of all obligations to Scott Reed and the previous managing member.

7. **Capital Magnet Funds.** MassHousing is providing a $2,000,000 subordinate loan that will be funded with Capital Magnet Funds ("CMF"). This is a non-amortizing loan due upon sale or refinancing of the Development. Approval of CMF loans is delegated to the Staff level, and therefore no votes associated with this loan are included in this package.

Recommendations

Staff has reviewed the proposal for the transfer of ownership, the modification of the existing loan, and the request for a subordinate Asset Protection Loan and proposes the following votes for approval:

VOTED: That MassHousing approves the Level One Transfer of Ownership of the managing member interest in Taom Pacific I LLC (the "Borrower") to Pac10 Phase One MM LLC, or another sole-asset, single-purpose entity controlled by WDP Manger Corp. or Gilbert Winn (the "Proposed MM"), subject to the requirements of the Transfer of Ownership Policy approved by MassHousing on August 14, 2007, as applicable, and further subject to any additional conditions required by the Senior Director of Rental Management and the General Counsel.

FURTHER VOTED: To authorize a permanent subordinate mortgage loan in a principal amount of up to $5,200,000, to be made to the Borrower as owner of the multifamily residential development known as "Pac-10 Lofts, Phase One" (the "Development") and located in Lawrence, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, as applicable as determined by the General Counsel, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions, terms and requirements:

a) AHP Housing Fund 318, LLC (or an affiliate) shall contribute $798,510, or such other amount as approved by the Vice President of Multifamily Programs, toward costs incurred to date.
b) Funding of any remaining Federal LIHTC and HTC equity contributions (as they may have increased since the permanent closing) shall occur contemporaneously with the closing of the mortgage loan, all or a portion of which shall be used to fully repay the equity bridge loan.
c) The transfer of the managing member ownership interest to the Proposed MM must occur simultaneously with the making of the loan.

FURTHER VOTED: To authorize the restructuring and bifurcation of the existing first mortgage loan to the Borrower in such amounts, and on such terms and conditions as the Vice President of Multifamily Programs may require, and to authorize the modification of any related documentation on such terms and conditions as required by the General Counsel.

FURTHER VOTED: To authorize the Chief Executive Officer and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such

mortgage loans shall be subordinated to MassHousing's first mortgage loan, and other MassHousing debt as determined by the Chief Executive Officer or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing's requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel or his designee.

PICTURES AND MAP

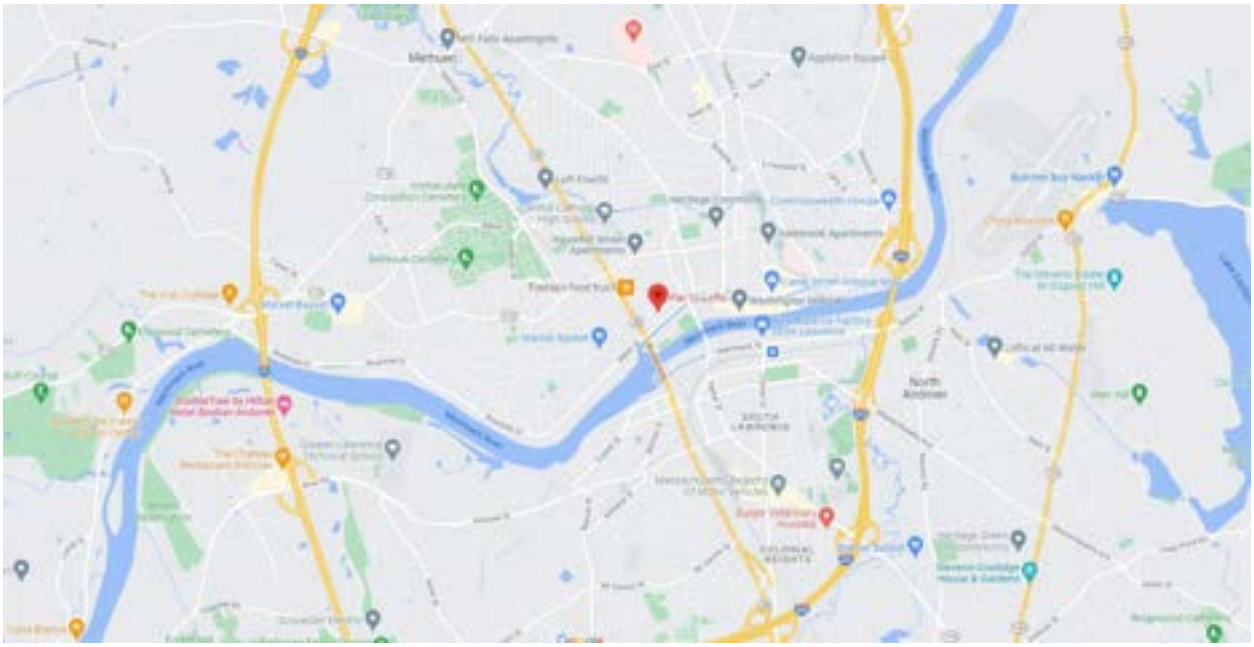


EXHIBIT A

2017 Rental Loan Commitment Proposal – see following page

RENTAL LOAN COMMITMENT PROPOSAL

PROJECT:	**Pac 10 Lofts** – Lawrence (#16-004)
PROPOSAL:	Official Action Status Commitment of Tax-Exempt Permanent Loan Commitment of Tax-Exempt Equity Bridge Loan Commitment of Subordinate Opportunity Fund Loan
PROGRAM:	Permanent Loan 50/50 HUD/HFA Risk Sharing Tier Opportunity Fund - Workforce Housing Program
ORIGINATOR:	Dan Staring
UNDERWRITER:	Dan Staring/Michael Carthas
BOARD REVIEW DATE:	February 14, 2017

Pac 10 Lofts ("Development") is an adaptive reuse of a historic mill building which will provide 170 new affordable units and 10 market units in downtown Lawrence. Reed Realty Advisors LLC ("Developer") is seeking permanent financing for the mixed-income development. The proposal presents a transaction that includes 4% LIHTC, a MassHousing permanent loan insured under the HUD/HFA Risk-Sharing Program, a tax-exempt equity bridge loan and a Workforce Housing subordinate loan. US Bank Corporation will be the construction lender in this transaction.

Financing Overview:

Tax-Exempt Permanent Loan Amount:	$14,000,000
Year 1 Pro forma DSCR:	1.17
Projected Interest Rate:	4.94% (30-year MMD plus 185bp)
Permanent Loan Term:	40 Years
Projected Loan Constant:	5.74%
Tax-Exempt Equity Bridge Loan Amount:	$8,804,946
Projected Interest Rate:	2-year MMD plus 200bp
Loan Term:	6 months
Workforce Housing Loan Amount:	$5,000,000
Projected Interest Rate:	TBD
Permanent Loan Term:	40 Years

Development Notes:

Pac 10 Lofts will rehabilitate part of the Pacific Mills cotton complex, which was constructed in the l890s. The rehabilitation fills a critical need for a well-designed, residential development project in the Gateway City of Lawrence. The project will serve as an important anchor for the neighborhood and provides an opportunity to restore and protect a critical historic resource in Lawrence. Designed as an adaptive reuse project, the rehabilitation of this building will encourage continued investment into the former industrial area.

Pac 10 Lofts will provide 170 new affordable units and ten new market units in downtown Lawrence. The building will be redeveloped in two phases, with Pac 10 Lofts being the first phase. The apartment units will include 40 workforce housing units that are affordable to households earning less than 80% of AMI, 112 tax-credit units that are affordable to households earning less than 60% of AMI, and 18 units that are affordable to households earning less than 30% of AMI. The developer does not anticipate that any of the units will receive project-based rental assistance. The development is 1.5 miles from Routes 495 and 93 and a commuter rail stop is located just one mile away. The first phase will include 160 covered, assigned secure parking spaces located beneath grade and on the first floor of the property. The property will have market finishes and amenities include a fitness center, event space, business/sports center and conference rooms on each level. The breakdown of units is as follows:

Unit Size	Units	TC at 30%	TC at 60%	Workforce	Market
		AMI	AMI	Housing	
1-BR	82	$409	$882	$1,139	$1,265
2-BR	10	$481	$1,049	$1,440	$1,600
3-BR	88	$549	$1,205	$1,665	$1,850
Total	180				

Elected officials, business leaders, and community activists are excited about the potential for this project to have a transformative effect on Essex Street, formerly Lawrence's primary downtown commercial street. This portion of Essex Street remains densely-packed with nearly 100 historic buildings ranging from one to twelve stories. There are multiple community groups dedicated to revitalizing this area. The addition of well over 500 new residents to the immediate vicinity will catalyze economic activity throughout this area and provide a much-needed mechanism to help make this revitalization self-sustaining.

Development Team:

Borrower:	Taom Heritage Lawrence I, LLC
Sponsor:	Reed Realty Advisors LLC*
Management Agent:	Winn Management
Architect:	AURALITH Architecture LLC*
General Contractor:	Rubicon Builders*/Jim DiGiorno
Attorney:	Holland and Knight/Robert Ruzzo
Development Consultant:	New Seasons Development/Wendy Cohen

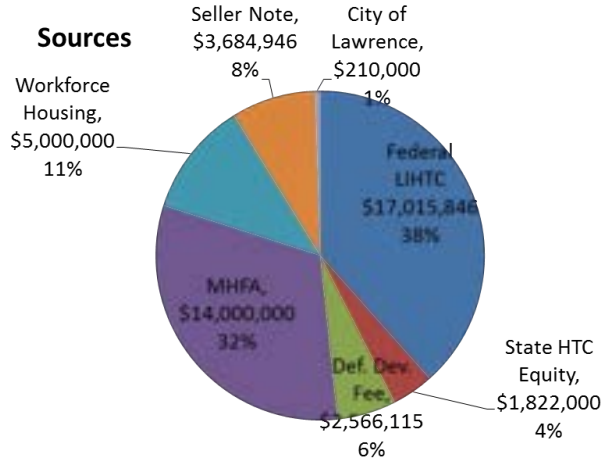
***New to MassHousing**

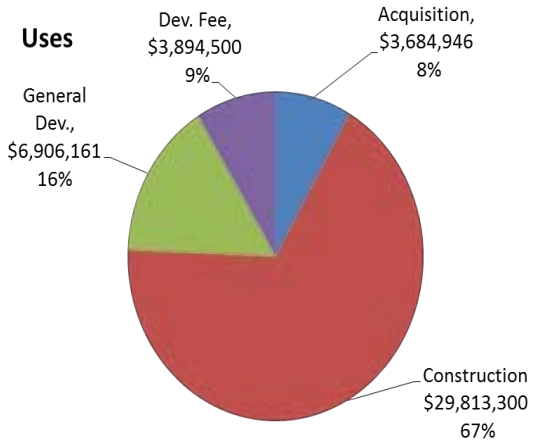
Although the borrower, architect and general contractor are new to MassHousing, they have surrounded themselves with a team of professionals that have extensive experience working on MassHousing transactions. In addition, the principal of Rubicon is Jim DiGiorno, a former executive with Consigli Construction, a firm that MassHousing has worked with in the past.

Financing Detail:

The amount of the MassHousing Permanent and Bridge Loans to be funded with tax-exempt bond proceeds shall be the minimum amount necessary to ensure that over 50% of the aggregate basis of the Development is funded with tax-exempt bond proceeds (the "50% Test"), as determined in accordance with applicable tax code provisions. These loans are scheduled to be funded following construction completion and satisfactory lease up. US Bank Corporation is expected to be both the construction lender and the equity provider. While MassHousing is not the construction lender, we shall fund a permanent loan provided that the Development has achieved 1.10 debt service coverage, calculated based on annualized net operating income divided by debt service where annualized net operating income is calculated utilizing the annualized rental income being achieved at the time minus the greater of: (a) actual annualized operating expenses, or (b) the operating budget included in this Board Package. The tax-exempt bonds will be issued at construction loan closing.

Sources and Uses:





Total Development Cost:	$44,298,907	TDC Per Unit:	$246,105
Total Construction w/ Contingency:	$29,813,300	Construction Per Unit	$165,629

NOTABLE UNDERWRITING ITEMS:

1.) ***Workforce Housing:*** The project is a strong candidate for MassHousing's Workforce Housing program as it plans for the production of 40 new Workforce units (22% of the development) in a transit and amenity-rich neighborhood, without the use of 9% LIHTCs or other DHCD soft debt, thus securing long-term middle-income affordability in downtown Lawrence.

Lawrence's housing stock contains many renovated mill buildings that are either 100% market or 100% affordable. Pac 10 Lofts is taking on the ambitious task of combining the affordable element with our Workforce Housing program, targeting households that don't qualify for most subsidized housing and are unable to afford market rents and home prices. The workforce housing rents are derived from a MassHousing-commissioned market study, and these underwritten rents represent a discount to market rents of 10% and will meet identified demand in the area. Workforce units rent increases will be capped at the lesser of the increase in AMI or 3%.

2.) ***Workforce Housing Units at $125,000/unit exceeds cap:*** MassHousing has determined that it is appropriate to waive the $100,000/unit cap on Workforce Housing funds for this transaction. This deal was originally proposed for 120 units, with 50 Workforce Housing units. When the decrease in tax credit pricing created a funding gap, we worked with the Borrower to put together this current proposal and redo the underwriting diligence with 40 Workforce units. While this proposal exceeds the Workforce Housing cap, we are producing 180 new, mostly affordable units in a Gateway City at a very reasonable total development cost.

LOW-INCOME HOUSING TAX CREDITS:

The Developer has included in its financing proposal a request for the use of 4% Low-Income Housing Tax Credits (the "4% Credits"). The 4% Credits may be utilized as a result of the funding of the Loan with tax-exempt bonds or notes of MassHousing which are to be issued under Section 142 of the Internal Revenue Code of 1986, as amended (the "Code") and are subject to a volume capacity allocation under Section 146 of the Code.

Use of the 4% Credits must be approved by DHCD as the "housing credit agency" under Section 42 of the Code who must make the determination required under Section 42(m)(1)(D) of the Code that the development and financing proposal meets the requirements of the Commonwealth's Qualified Allocation Plan. In addition, MassHousing, as the issuer of tax exempt obligations which generate the 4% Credits must determine under Section 42(m)(2)(D) of the Code that the amount of 4% Credits does not exceed the amount necessary for the financial feasibility and long term viability of the development. Such determination shall be made applying the standards set forth in the proposed Board vote herein, as required by Section 42(m) (2) (B) of the Code.

PROPOSAL(S) & VOTES

Official Action Status

Staff has reviewed the development experience and credit-worthiness of the mortgagor and developer and found them to be acceptable. Staff has also determined that the mortgagor has demonstrated evidence of site control, that the proposed site is acceptable for the intended housing, and that there is a need for the proposed housing in the community. Therefore, staff recommends the following votes for approval by the MassHousing Board of Directors:

VOTED: (i) that the Agency grant Official Action Status and consider the application for a permanent loan commitment for the multifamily development known as Pac 10 Lofts (the "Development") at such time as it is submitted; (ii) that this vote serve as a declaration of official intent under Treasury Regulations Section 1.150-2 to fund all or a portion of costs paid or incurred after this date from the proceeds of a tax-exempt debt issue of the Agency if the Agency shall approve and fund the Development; (iii) that the issuance of debt by the Agency not be in excess of $22,804,946 in principal amount for the Development; (iv) that the issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Code or Treasury Regulations promulgated thereunder.

Mortgage Loans

Staff has reviewed the proposal for permanent and bridge financing and proposes the following vote for approval by the Board:

VOTED: To approve the findings and determinations contained in Attachment B hereto and to authorize (a) a permanent first mortgage loan in a principal amount of up to $14,000,000, with the permanent loan to be insured under the HUD HFA Risk Sharing Program and (b) a subordinate equity bridge mortgage loan in a principal amount of up to $8,804,946, in each case to be made to Taom Heritage Lawrence I, LLC or another single-purpose entity controlled by Reed Realty Advisors LLC (the "Borrower") as owner of the multifamily residential development known as "Pac 10 Lofts" (the "Development") and located in Lawrence, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved by the Board, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special condition:

While MassHousing's general closing standard is that it shall not be obligated to fund the Permanent Loan and the Bridge Loan until the Development reaches a level of stabilized occupancy of at least ninety percent (90%) and a debt service coverage ratio of 1.10 for ninety (90) days, if necessary to meet the 50% test at the appropriate time, MassHousing may fund the Permanent Loan and the Bridge Loan once the Development has reached stabilized occupancy of at least 80% and a debt service coverage ratio of 1.10 where debt service coverage is defined as actual annualized rental revenue plus a lease up deficit escrow in an amount and subject to conditions satisfactory to MassHousing less the greater of: 1) underwritten operating expenses or 2) actual annualized operating expenses.

FURTHER VOTED: To approve a subordinate mortgage loan to the Borrower for the Development in an amount not to exceed $5,000,000 (1) to be funded from that portion of the Opportunity Fund approved by the Board on March 8, 2016, designated and reserved for workforce housing programs and (2) subject to the terms and conditions of MassHousing's Workforce Program Guidelines adopted by the Board on July 12, 2016, and to any applicable delegations of authority previously approved by the Board.

FURTHER VOTED: That the amount of 4% Credits, as set by the Executive Director, the Deputy Director, the Director of Rental Lending, the Director of Rental Operations, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the multifamily development located in Lawrence, Massachusetts and known as Pac 10 Lofts (the "Development") will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the credit period, having taken into consideration:

(a) the sources and uses of funds and the total financing planned for the Development;
(b) any proceeds or receipts expected to be generated by reason of tax benefits;
(c) the percentage of the tax credit amount used for Development costs other than the cost of intermediaries; and
(d) the reasonableness of the developmental and operational costs of the Development, provided, however, that such determination shall not be construed to be a representation or warranty as to the feasibility or viability of the Development.

FURTHER VOTED: To authorize the Executive Director, the Deputy Director, the Director of Rental Lending, the Director of Rental Operations, the General Counsel or the designee of any of the foregoing to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding Board vote.

FURTHER VOTED: To authorize the Executive Director and Deputy Director, and their respective designees, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing's mortgage loans, and (2) such subordinate mortgage loans shall be subject to MassHousing's requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel or her designee.

ATTACHMENT A
OFFICIAL ACTION STATUS FINDINGS

In accordance with the vote of the Board dated June 11, 1996, staff makes the following Official Action Status findings for the proposed project:

1. The Mortgagor/Developer has acceptable multifamily housing development experience and acceptable credit history.

2. The Mortgagor/Developer has demonstrated an arms'-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site, and/or other legal evidence of site control, with the land price and/or ground lease rent evident.

3. The proposed site is acceptable for the intended housing.

4. There is a need for the proposed housing in the community.

ATTACHMENT B
STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:
The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

(1) Provision of Low-income Set-aside Units
170 units (94%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

(2) Shortage of Affordable Housing Units in the Market Area
In-house data for larger market and mixed-income complexes (approximately 1,305 units) in the area revealed a strong rental market. Current occupancy rates of the comparables reviewed averaged approximately 97.9 %, and range between 95.4% and 100%. My review of similar mixed income/subsidized portfolio properties (1,384+ units) demonstrated a weighted average vacancy rate of approximately 3.01%.

REIS, Inc. data (2nd Qt. 2016) for the subject's North Shore/Merrimack River Valley submarket have projected a vacancy rate at 3.3% YTD (5.2% Boston Metro). This rate is projected to increase to 3.7% over the next five years, while the Boston Metro is projected to increase to 6.4%. Vacancies in the North Shore/Merrimack River Valley submarket have averaged approximately 4.3% over the last five years, while the Boston Metro vacancy rate has averaged 4.4%.
Further, *REIS, Inc.* submarket data for the subject's Class B/C building type (19,202 units) indicates a 2nd Qt. 2016 vacancy rate of 2.0% and an average asking rent of $1,475. The existing development, along with the proposed updates/renovations, more closely reflects the Class B/C property type, and is reflected in both the vacancy rate and market rent potential.

None of the comparables reviewed offered concessions, however the use of concessions continues in the Boston Metro and the 2nd Qt. 2016 REIS, Inc. data indicates that the North Shore/Merrimack River Valley submarket is offering .44 months free rent.
According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/05/14), the City of Lawrence has 27,092 year round housing units, 3,907 (14.4%) of which are subsidized for low/moderate income households.

In addition the City of Lawrence's Comprehensive Housing Study (FY2015) indicated that Lawrence Housing Authority (LHA) manages 1,056 federally assisted units and 522 state assisted units. There are 2,818 applicants including 2,192 Lawrence residents on the federally assisted wait list and 3,000 applicants on state assisted wait list. The Lawrence Housing Authority also manages approximately 1,000 Section 8 Housing Choice Vouchers. Regarding Housing Choice vouchers, Lawrence participates in the Massachusetts Section 8 Housing Choice Voucher Centralized Waiting list.

U.S. Census data (per the 2010-2014 American Community Survey) indicates that approximately 73.8 of the households in the City of Lawrence earned less than the area median income (AMI) of $84,100, 57.1% earned less than 60% of the AMI, and 38.1% earned less than 30% of the AMI.

Based on the market data reviewed, a demand exists for the subject units, both the low-income and market rate units in the City of Lawrence.

(3) Inability of Private Enterprise Alone to Supply Affordable Housing
MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

(4) No Undue Concentration of Low-income Households
The financing herein proposed not lead to the undue concentration of low-income households. Although it is a low-income development, it is immediately adjacent to a new fully-market development and it is located in an area that includes a mix of residential and retail uses.

(5) Elimination of Unsafe or Unsanitary Dwelling Units
As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	1 BR	2 BR	3 BR
Number of Units	82	10	88
Net SF/Unit	700	1,100	1,380
Elev. (E) / Non-Elev. (N)	N	N	N
Market Rate Rent			
(10% Rate 20-year term)	$1,246	$1,452	$1,598
MHFA Below Market Rent			
(Cost-based Rent)	$871	$1,077	$1,403
MHFA Rent Adjusted		30% of income	
Underwriting Rents:			
Market Rents	$1,265	$1,600	$ 1,850
WFH at 90% of Market	$1,139	$1,440	$ 1,665
LIHTC <60% AMI	$882	$1,049	$ 1,205
Utility Allowance	$64	$86	$ 107

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

ATTACHMENT C
UNDERWRITING DETAIL

SOURCES AND USES:

Sources	Total	Per Unit
MH Tax-Exempt C/P Loan	$14,000,000	$77,778
Federal LIHTC Equity	$17,015,846	$94,532
MH Workforce	$5,000,000	$27,778
State HTC Equity	$1,822,000	$10,122
Seller's Note	$3,684,946	$20,472
Deferred Developer Fee	$2,566,115	$14,256
HOME Funds	$210,000	$1,167
Total Sources	**$44,298,907**	**$246,105**
Uses		
Acquisition	$3,684,946	$20,472
Construction	$29,813,300	$165,629
General Development	$6,906,161	$38,368
Developer Fee and Overhead	$3,894,500	$21,636
Total Uses	**$44,298,907**	**$246,105**

FIRST YEAR INCOME AND EXPENSES:

Income and Expense (Year 1)

Gross Potential Residential Income		$2,382,168
Vacancy	3%	($81,332)
Gross Residential Income:		$2,300,836
Other Inc: Commercial, Parking, Laundry		$176,466
Effective Gross Income		$2,477,302
Residential Operating Expenses		$1,539,597
Net Operating Income		$937,705
Debt Service		($803,426)
Cash Flow		$134,279
Debt Service Coverage		1.17

RESIDENTIAL OPERATING EXPENSE DETAIL:

	Total	Per Unit
Management Fee (4%)	$99,092	$551
Administrative Costs	$247,983	$1,378
Maintenance Costs	$354,488	$1,969
Resident Services	$2,500	$14
Security	$49,567	$275
Utilities (gas heat, electric, w/s)	$400,500	$2,225
Insurance	$95,000	$528
MIP	$35,000	$194
Operating Reser.	$11,927	$66
Taxes - Real Estate	$171,540	$953
Replacement Reserves	$72,000	$400
Total	$1,539,597	$8,553
Operating Expenses as a Percent of EGI:		62.1%

ATTACHMENT D
UNDERWRITING MATRIX

Project: Pac 10 Lofts
Loan Amount: $14,000,000
Financing Type: Tax-Exempt
Loan Program: Tax-Exempt Permanent Loan, 50/50 HUD/HFA Risk Sharing

Underwriting Criteria and Loan Terms	**Pac 10 Lofts**	**Underwriting Standards**
1. Debt Service Coverage ("DSC")	1.16x	Minimum of 1.10x
2. Term/Amortization	40 / 40	30- or 40-year fully amortizing
3. Loan to Value ("LTV")	TBD	Maximum of 90% based on third party "as-proposed" investment value
4. Tax Credit Rents (60% of AMI)	Market Supported Rents	Lesser of Project-Based Section 8 ("PBS8") contract or market supported rents; OR (b.) lesser of programmatic rent cap or rents supported by MassHousing market review.
Workforce Housing Rents (90% of Market)	Market Supported Rents	″
Market Rents	Market Supported Rents	″
5.Vacancy Allowance	3% LIHTC; 5% WFH 5% Market	Minimum of 2.5% for PBS8; 3% for LIHTC; and 5% for unrestricted or workforce housing units.
6. Affordability	40% at 60% of AMI	MassHousing Statute Minimum: 20% at 80% of AMI; Additional minimums for loans with FHA Insurance, HUD/FFB, Tax-Exempt Bond, and/or Federal LIHTC: 40% at 60% or 20% at 50% of AMI.
7. Annual Deposits to Replacement Reserves	$400 unit/year	Minimum ADRR of $325 unit/year (new construction) or $500 unit/year (rehab). Note: Additional initial deposit to reserves may be required by the 3rd party CNA to fund 20-year capital needs.
8.Operating Expenses/Unit	$8,553	Typically between $9,000 and $12,000/unit.

EXHIBIT B

2022 Loan Commitment Proposal – see following page

Loan Commitment Proposal | May 10, 2022

Pac-10 Lofts, Phase 1

1. General Project Information	
Project Name	Pac-10 Lofts, Phase 1
Project ID	16-004
Associated Projects	None
Address(es)	300 Methuen Street, Lawrence, MA 01840
Sponsor	Reed Realty Advisors LLC
Transaction Type	Production (4%)
Funding Type	Permanent and Conduit Private Placement
Execution Type	Tax-Exempt and Conduit Tax-Exempt
Credit Enhancement	None
Approval Type	Board
Total Rental Units	180
Affordability Mix	130 Affordable 40 Workforce 10 Market

2. Recommended Actions

- Recommitment of Tax-Exempt Permanent Loan with potential Sale of Participation Interest
- Commitment of Tax-Exempt Conduit Loans (Short-Term and Long-Term)
- Recommitment of Subordinate Workforce Housing Loan

The proposed financing of Pac-10 Lofts, Phase 1 (the "Development") will support the affordability in 170 of the 180 recently developed units in downtown Lawrence. On February 14, 2017, the Agency approved a forward commitment of a permanent loan and an equity bridge loan, for a total of $22,804,906 in tax-exempt financing, to support the adaptive reuse of a portion of the historic Pacific Mill building. Reed Realty Advisors LLC (the "Sponsor") also admitted U.S. Bancorp Community Development Corporation ("US Bank") and obtained a construction loan from Sterling Bank (the "Construction Lender").

Construction on the Development began in March 2018 and was scheduled to be complete in September 2019. The process faced substantial delays including those listed below:

- Natural gas explosions in the Merrimack Valley led to a citywide construction shutdown; this caused a two-month delay.
- Subcontractor error led to water damage in more than half of the units; coupled with a lengthy insurance claim process, this caused an eighteen-month delay.

- COVID-19 lockdowns and protocols also caused ongoing delays and complications.

In addition to delaying the construction timeline, these factors resulted in cost overruns of approximately $22,000,000 and, at the end of 2021, led US Bank to exercise its repurchase right and assign their 99.99% interest in the Company to the Sponsor.

Since that time, the Sponsor has marketed that interest to other parties and secured a Letter of Intent from Affordable Housing Partners Inc, a Berkshire Hathaway Group affiliated company with an anticipated closing in June 2022. With the increased project costs, in order for the project to receive the Low-Income Housing Tax Credits the project must be funded with additional volume cap to meet the so-called 50% test. Further, to allow for the Historic Tax Credit to be maintained a new investor must be admitted prior to completion. Therefore, MassHousing's approval for the additional volume cap is needed to help facilitate this action.

Despite significant delays, cost increases, and the departure of US Bank, the original tax credit partner, the Development remains viable due primarily to the following factors:

1. Significant cost increases are largely tax credit eligible.
2. The "4% LIHTC Fix" legislation, coupled with recently-issued IRS clarifications, create a path that will allow significant additional equity.
3. Lawrence remains an attractive market for multifamily rental housing and, while rent levels dipped during COVID, units at the Development are leasing at levels 15-20% higher than what was underwritten in 2017.
4. Management of occupied units is satisfactory, with strong income-to-expense ratios.

The original MassHousing Permanent Loan Agreement executed with the borrower and Construction Lender has expired, and the new structure, including the potential conduit private placement, presented herein are being considered to fund the deal in a sufficient amount to pass the 50% bond test and make possible the new investment of tax credit equity necessary for financial feasibility. While the Development has encountered numerous obstacles, it is an attractive building in an emerging market that is poised for strong performance over the long term.

3. MassHousing Financing	
First Mortgage Participation Loan	
Type	Permanent
Loan Amount	$11,100,000
Interest Rate	4.83%
Loan Term / Amortization	40 y / 40 y
Conduit Private Placement (Shared First) Loan	
Type	Permanent
Loan Amount	$6,668,000
Interest Rate	4.83%
Loan Term/Amortization	40/40
Combined Year 1 DSCR	1.11 projected (1.10 minimum)
Combined LTV	90% Projected, (90% maximum)
Note: Bonds in the amount of $11,100,000 supporting the Participation Loan were previously issued and are currently outstanding. MassHousing will make that loan and Construction Lender will purchase up to a 100% participation interest in the loan.	
Conduit Private Placement - Equity Bridge Loan	
Type	Tax-Exempt Equity Bridge
Loan Amount	$18,000,000
Interest Rate	4.37%
Loan Term/Amortization	12 mo / interest only
MassHousing Junior Loan	
Type	Workforce Housing
Loan Amount	$5,000,000
Interest Rate	0.0% projected
Loan Term/Amortization	40 y / na
Terms of Cash Flow Sharing	None

4. Development Plan

Description of Site. The Development is located on Methuen Street running parallel to Essex Street, formerly the Lawrence's primary commercial corridor. This portion of Essex Street remains densely-packed with nearly 100 historic buildings ranging from one to twelve stories. There are multiple community groups dedicated to revitalizing this area.

Description of Existing or Proposed Building. The Development is one portion of the former Pacific Mills cotton complex. The Pacific Mills was incorporated in 1853 and the original mills and print works were built by the Essex Company, remodeled in 1882, and enlarged and added to over the many years of its operation. Portions of the complex have been redeveloped as lofts and for other uses.

Pac-10 was conceived in two phases, of which the Development is the first. Currently, this phase is partially complete with 40% of the units occupied under Temporary Certificates of Occupancy. The Owner is working to complete the overall building and receive the Final Certification of Occupancy in the next few months.

Description of Affordability Mix. One-hundred and seventy (170) of the 180 units in the Development are subject to affordability restrictions. Eighteen (18) units will be income-restricted to households at or below 30% of area median income ("AMI") and 112 units will be income-restricted for households at or below 60% of AMI. Forty (40) units will be income-restricted for households at or below 80% of AMI under the Workforce Housing program. The remaining ten (10) units are unrestricted and will be rented at market rates.

Site Control. Site control is evidenced in the form of a deed.

5. Borrower Team

Mortgagor Entity: Taom Pacific I, LLC

A single-purpose limited liability company formed for the purpose of acquiring, developing, and owning Pac-10 Lofts, Phase 1.

Developer / Sponsor: Reed Realty Advisors LLC

Reed Realty Advisors LLC is an affordable housing developer specializing in historic preservation and mixed-use properties and located in Portland, Oregon. Pac-10 Lofts is the firm's 13th development. Since 2009, RRA has developed over 1 million square feet of historic, low income, and new markets tax credit developments. This is the firm's first project in Massachusetts.

General Partner / Managing Member: Taom Heritage LLC

Controlled by Reed Realty Advisors LLC, whose principal is Scott Reed.

Construction Lender: Sterling Bank & Trust

Sterling Bank & Trust provides a comprehensive choice of banking solutions, innovative loan products and personal service to individuals, professionals, businesses and commercial customers. Sterling is based in San Francisco, with branch offices in Los Angeles and New York.

Syndicator / Investor: Affordable Housing Partners, Inc.

Affordable Housing Partners ("AHP" or the "Investor") is a Berkshire Hathaway Group affiliated company. AHP is a 501(c)(3) Non-Profit Organization that collaborates with the National Community Stabilization Trust as well as other State and Federal programs.

Management Company: Winn Managed Properties LLC

WinnCompanies' property management firm is the fifth-largest multifamily property manager in the country and the largest manager of affordable housing. The organization manages more than 100,000 units in 580 properties throughout the United States. WinnResidential manages a total of 82 properties with over 9,900 units in MassHousing's portfolio.

Architect: Auralith Architecture LLC

Auralith Architecture is based in Portland, Oregon.

General Contractor: LaRosa Building Group

LaRosa is based in Lawrence and is committed to demonstrating the same core values: Safety, Professionalism, Integrity, Quality, and Dedication.

6. Summary of MassHousing-Sponsor Relationship	
Number of Projects with MassHousing Debt	-
Total Units with MassHousing Debt	-
Outstanding MassHousing Principal Debt	-
Adverse Actions Against the Borrower Team	No.
Current on Obligations with MassHousing	N/A.
Property Management Affiliate	No.

MassHousing Staff	
Origination	Kathleen Evans, Originator
Underwriting	Dan Staring, Underwriter Jenni Mickool, Analyst
Asset Management	Piia DiMeco, Portfolio Manager

7. Unit Mix

		LIHTC Eligible							
Unit Size	Total Units	LIHTC 30% AMI		LIHTC 60% AMI		Workforce 80% AMI		Market	
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*
1 BR	82	8	$580	52	$1,162	18	$1,248	4	$1,391
2 BR	10	1	$697	6	$1,394	2	$1,498	1	$1,670
3 BR	88	9	$806	54	$1,611	20	$1,648	5	$1,764
Total	**180**	**18**		**112**		**40**		**10**	

8. Operating Overview

Underwritten OpEx	$1,674,200 (approximately $9,300 per unit)

Basis of Operating Costs. Current property operations and budget provided by management agent.

9. Project Costs

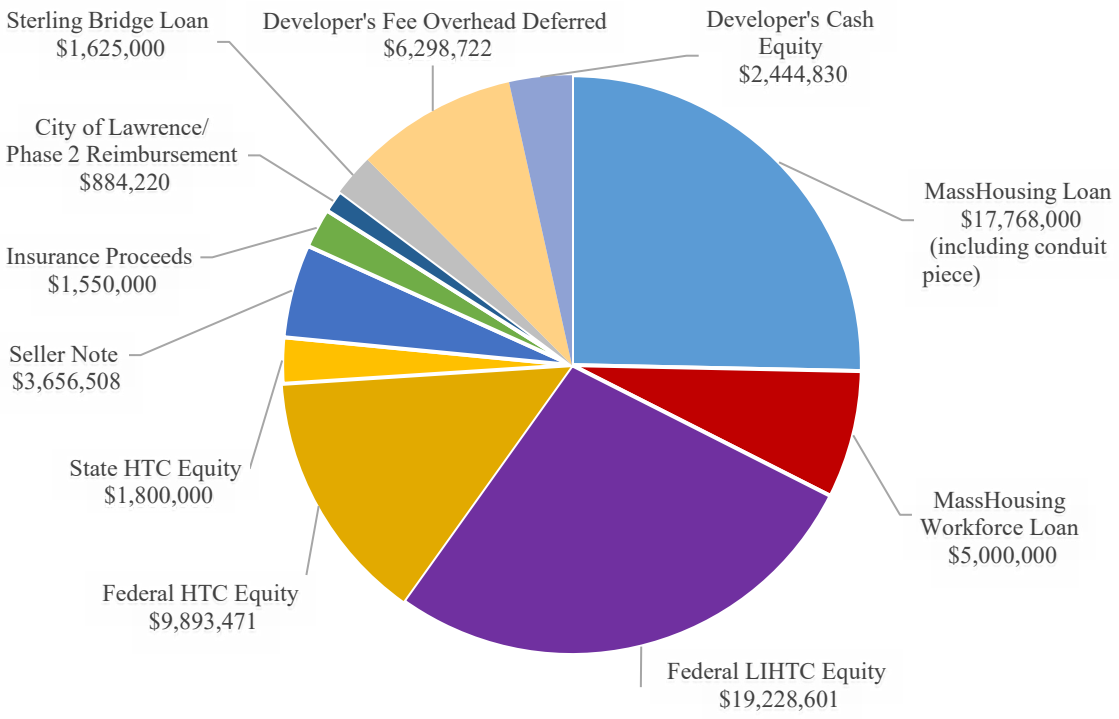
Residential Costs	
Base	$70,149,352
Extraordinary	-
Total	$70,149,352
Construction	$36,286,061
Construction per Square Foot	$195
Commercial Costs	
Total	-
Total Development Cost	
Total	$70,149,352

10. Sources and Uses – Comparison

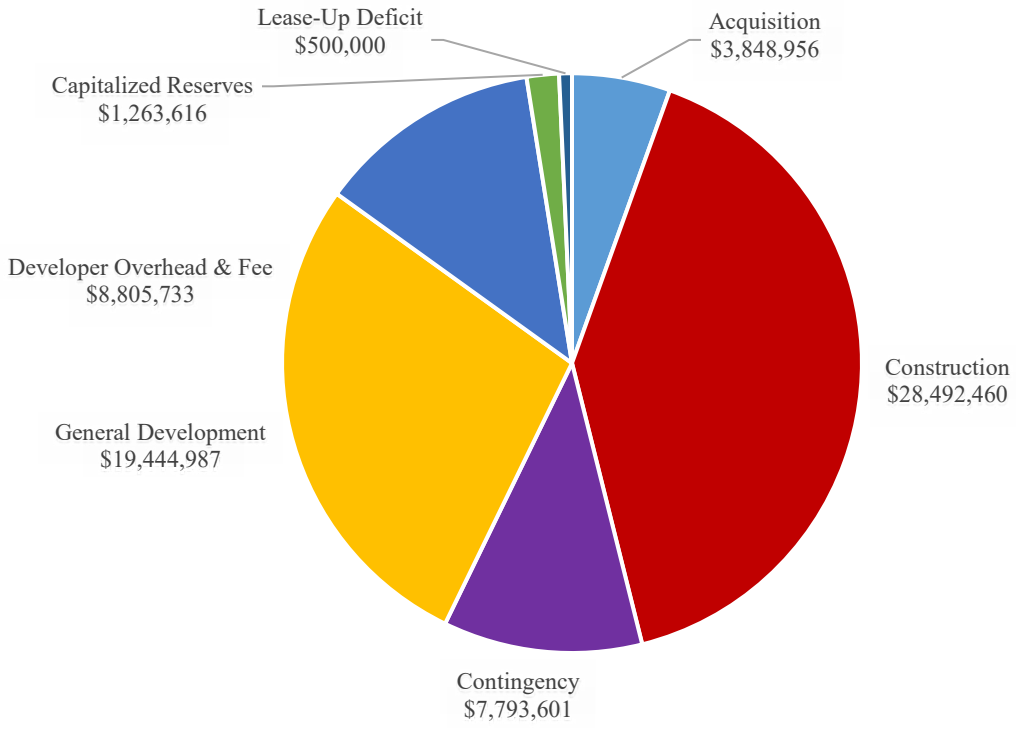
Sources of Funds	Initial Closing March 2018	Revised May 2022
MH Sterling Permanent Loan	$15,000,000	$17,768,000
MH Workforce Loan	$5,000,000	$5,000,000
Federal LIHTC Equity	$8,493,448	$19,223,601
Federal HTC Equity	$7,069,867	$9,893,471
State HTC Equity	$273,300	$1,800,000
Seller Note	$3,656,508	$3,656,508
Insurance Proceeds	$0	$1,550,000
City of Lawrence	$210,000	$210,000
Phase 2 Reimbursement	$674,220	$674,220
Sterling Bridge Loan	$1,625,000	$1,625,000
Deferred Fee and Overhead	$1,908,025	$6,298,722
Developer's Cash Equity	$548,803	$2,444,830
Mass CEC	$250,000	$0
Total Sources	$44,709,171	$70,149,352

Residential Uses of Funds	Initial Closing March 2018	*Per Unit*	Revised May 2022	*Per Unit*
Acquisition	$3,848,956	$21,383	$3,848,956	$21,383
Construction	$27,672,290	$153,735	$36,286,061	$201,589
Construction Loan Interest	$1,483,238	$8,240	$7,073,638	$39,298
MH Bond Carry Costs	-	-	$1,843,811	$10,243
Storage Lease (to Phase 2)	$674,220	$3,746	$1,039,020	$5,772
General Development	$6,019,551	$33,442	$9,488,517	$52,714
Developer Overhead & Fee	3,816,050	$21,200	$8,805,733	$48,921
Capitalized Reserves	$1,194,866	$6,638	$1,263,616	$7,020
Lease-Up Deficit	$0		$500,000	$2,778
Total Uses	$44,709,171	$248,384	$70,149,352	$389,719

Sources



Uses



11. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		$0
Rental Income – Non-Rental Subsidy		$2,914,164
Gross Potential Residential Income		$2,914,164
Vacancy – Project-Based Rental Subsidy		($0)
Vacancy – Non-Rental Subsidy	5.1%	($151,623)
Gross Residential Income		$2,762,541
Commercial Income		$0
Vacancy – Commercial		($0)
Other Income – Parking, Pet Income		$27,000
Effective Gross Income		$2,789,541

Expenses	
Residential Operating Expenses	$1,674,178
Commercial Operating Expenses	$0
Net Operating Income	$1,115,362
Debt Service	($1,004,231)
Cash Flow	$111,131

First Mortgage Debt Service Coverage 1.11

Residential Operating Expense Detail			*Per Unit*
Management Fee	4.0%	$111,582	$620
Administrative Costs		$356,660	$1,981
Maintenance Costs		$363,682	$2,020
Resident Services		$9,700	$54
Security		$6,500	$36
Utilities (water and sewer, hot water)		$452,955	$2,516
Insurance		$55,800	$310
Taxes		$200,880	$1,116
Replacement Reserves		$72,000	$400
Mortgage Insurance Premium		$44,420	$247
Total		$1,674,178	$9,301

Operating Expenses as a Percent of EGI 60.0%

12. Underwriting

1. **Loan Structure.** In 2018, MassHousing issued approximately $22,800,000 in tax-exempt bonds to support the Development. Because of timing issues relating to the bonds, the Agency repurposed approximately $11,700,000 of the aforementioned bonds to support other projects seeking 4% LIHTC; however, the balance of $11,100,000 in bonds are still outstanding.

   The financing detailed in the proposal contemplates two permanent first mortgage loans in the aggregate amount of $17,768,000. The proposal anticipates a First Mortgage Loan of $11,100,000 to be funded from existing tax-exempt bond proceeds; Sterling Bank will purchase a participation interest in this loan. The additional tax-exempt permanent financing needed of $6,678,000 will be provided by a new issue with MassHousing acting as nominal conduit lender with Sterling Bank as bond purchaser. While this structure is anticipated at this time, MassHousing may elect to finance the entire Development with additional tax-exempt proceeds; the votes allow for this change in structure.

   Currently, the $11,100,000 First Mortgage is anticipated to be sold as a 100% participation sale to Sterling. However, MassHousing Staff is evaluating and considering the potential to remain the lender for all or a portion of this First Mortgage Loan. Under this scenario, it will be necessary to waive the Agency's Standard permanent loan conversion requirements pertaining to stabilized operations and the underwriting will be updated to include a lease up deficit escrow in an amount sufficient to mitigate the lease up risk.

   Under either scenario the underwriting in this memo could change based upon Sterling Bank's final terms and conditions. Agency staff are evaluating structuring options in light of cost effectiveness and expediency. Further, the final details of the loans are subject to approval by the Vice President of Multifamily Programs and General Counsel and MassHousing's bond counsel.

2. **Tax-Exempt Bridge Loan:** An additional tax-exempt subordinate Bridge Loan of $18,000,000 is anticipated to be funded through a conduit loan with Sterling Bank as bond purchaser. Again, MassHousing is considering its options with respect to the Development, subject to approval of the Vice President of Multifamily Programs and the General Counsel.

3. **Workforce Housing.** On February 14, 2017, the Agency approved the commitment of a $5,000,000 subordinate Workforce Housing Loan to support the affordability restriction on forty units at the Development with $125,000 per unit. At that time, the financing proposal sought and received approval to exceed the programmatic per unit cap of $100,000. The recommitment of this subordinate loan requires the same approval.

Since that time, the Workforce Housing guidelines have been revised to impose a programmatic per project cap of $3,000,000. As such, this proposal seeks approval to exceed that cap.

4. **Interest Rate.** The loan's interest rates are based on terms provided by Sterling Bank with the interest rate on the $11,100,000 Participation Loan as originally contemplated in MassHousing's prior loan commitment.

Underwriting Criteria and Loan Terms	Pac 10 Lofts	Underwriting Standards
1. DSCR	1.11	Minimum of 1.10
2. Term/Amortization	40 y / 40 y	30-40 y, fully-amortizing
5. Loan to Value	90%	Maximum of 90% based on third party "as-proposed" investment value
6. Underwriting Rents	Programmatic rent cap or rents supporting by MassHousing market review.	Lesser of: • PB-Rental Subsidy contract or market supported rents • Programmatic rent cap or rents supported by MassHousing market review.
7. Vacancy Allowance	3.0% for 30% AMI 5.0% for 60% AMI 6.0% for unrestricted or Workforce	Minimum of: • 2.5% for PB – Rental Subsidy • 3.0% for LIHTC • 5.0% for unrestricted or Workforce housing
8. Affordability	40% at 60% AMI	Minimum of: • 20% at 80% of AMI for MassHousing Statute • 40% at 60% or 20% at 50% of AMI for loans with FHA Insurance, HUD/FFB, Tax-Exempt Bond, and/or Federal LIHTC
9. Annual Deposits to Replacement Reserves	$400 unit / year	Minimum of: • $360 unit / year (new construction) • $500 unit / year (rehab) Note: Additional initial deposit to reserves may be required by the third-party CNA to fund twenty-year capital needs.
10. Operating Expenses	Approximately $9,300 unit / year	Typically, between $9,000 and $12,000 per unit.

13. Low-Income Housing Tax Credits

The Developer has included in its financing proposal a request for the use of 4% Low-Income Housing Tax Credits (the "4% Credits"). The 4% Credits may be utilized as a result of the funding of the Loan with tax-exempt bonds or notes of MassHousing which are to be issued under Section 142 of the Internal Revenue Code of 1986, as amended (the "Code") and are subject to a volume capacity allocation under Section 146 of the Code.

Use of the 4% Credits must be approved by DHCD as the "housing credit agency" under Section 42 of the Code, which must make the determination required under Section 42(m)(1)(D) of the Code that the development and financing proposal meets the requirements of the Commonwealth's Qualified Allocation Plan. In addition, MassHousing, as the issuer of tax-exempt obligations which generate the 4% Credits must determine under Section 42(m)(2)(D) of the Code that the amount of 4% Credits does not exceed the amount necessary for the financial feasibility and long-term viability of the development. Such determination shall be made applying the standards set forth in the proposed Board vote herein, as required by Section 42(m)(2)(B) of the Code.

Pac-10 Lofts, Phase 1

VOTES AND FINDINGS

PROPOSALS AND VOTES

VOTED**:** To approve the findings and determinations set forth below and to authorize a permanent first mortgage loan in a principal amount of up to $11,100,000, to be made to Taom Pacific I, LLC or another single-purpose entity controlled by Reed Realty Advisors LLC (the "Borrower") as owner of the multifamily residential development known as "Pac-10 Lofts, Phase 1" (the "Development") and located in Lawrence, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions, terms and requirements:

(a) Agreement on terms and conditions related to the proposed participation sale between MassHousing and Sterling Bank & Trust, if applicable; (b) Approval by DHCD of the increased amount of tax credits and (c) approval by MassHousing bond counsel of the proposed structure of the transaction.

FURTHER VOTED: To approve the findings and determinations set forth below and to authorize the issuance of multifamily tax-exempt obligations in an estimated principal amount of $24,668,000, in one or more series pursuant to one or more indentures and/or financing agreements with such terms, interest rates, redemption provisions and maturity schedules as shall be approved by any of the Executive Director, General Counsel, Financial Director, Comptroller, or Manager of Finance and Bond Compliance, acting singly, and any officer or employee of MassHousing acting in such capacity or otherwise authorized to perform specific acts or duties by resolution of MassHousing (each an "Authorized Officer"), each Authorized Officer, acting singly, being authorized to execute and deliver such agreements and any other documents, instruments, and agreements necessary to effectuate the purposes of a conduit financing, with the proceeds of such issuance to be lent to Taom Pacific I, LLC or another single-purpose entity controlled by Reed Realty Advisors LLC (the "Borrower") as owner of the multifamily residential development known as "Pac 10 Lofts" (the "Development") and

located in Lawrence, Massachusetts, and in accordance with the applicable Conduit Loan Closing Standards approved by the Members of MassHousing on September 12, 2017 and delegations of authority previously approved by the Members of MassHousing, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions:

(a) Receipt of Sterling Bank's Commitment for the loans contemplated

FURTHER VOTED: To delegate to the Vice President of Multifamily Programs and the General Counsel, jointly, the ability to approve a modification of the structure of the transaction, including, without limitation, a potential increase in the first mortgage loan up to $17,668,000 and a bridge loan of up to $18,000,000; all subject to review of final underwriting, and such terms, conditions, and other diligence as may be required by the Vice President of Multifamily Programs and the General Counsel.

FURTHER VOTED**:** To approve a subordinate mortgage loan to the Borrower for the Development in an amount not to exceed $5,000,000 (1) to be funded from that portion of the Opportunity Fund approved by the Members of MassHousing on March 8, 2016, designated and reserved for workforce housing programs and (2) subject to the terms and conditions of MassHousing's Workforce Program Guidelines adopted by the Members on July 12, 2016, as amended, and to any applicable delegations of authority previously approved by the Members of MassHousing, except that the per unit amount and the total cap of $3,000,000 shall be waived.

FURTHER VOTED**:** That the amount of 4% Credits, as set by the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the multifamily development located in Lawrence, Massachusetts and known as "Pac 10 Lofts" (the "Development") will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the credit period, having taken into consideration:

(a) the sources and uses of funds and the total financing planned for the Development;
(b) any proceeds or receipts expected to be generated by reason of tax benefits;
(c) the percentage of the tax credit amount used for Development costs other than the cost of intermediaries; and
(d) the reasonableness of the developmental and operational costs of the Development, provided, however, that such determination shall not be construed to be a representation or warranty as to the feasibility or viability of the Development.

FURTHER VOTED**:** To authorize the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Lending, the Director of Rental Operations, the General Counsel or the designee of any of the foregoing, each acting singly, to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding vote.

FURTHER VOTED**:** To authorize the Executive Director and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing's first mortgage loan, and other MassHousing debt as determined by the Executive Director or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing's requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel or his designee.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:
170 units (94%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area
The market needs data reflects the information available to A&M staff as of the date of collection May 3, 2022, and may not fully incorporate the potentially adverse impact(s) that the COVID-19 virus has had on the overall economy or on the local housing markets, since being declared a pandemic by the World Health Organization (WHO) in March 2020. Further, the reader is cautioned and reminded that any observations, comparisons, and/or conclusions are based on the data as of the aforementioned collection date.

In-house data for larger market and mixed-income complexes (approximately 1,222 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 98.6%, and range between 97% and 100%. None of the comparables were offering concessions.

2nd Qtr. 2022 CoStar data for the subject's Lawrence/Haverhill submarket (9,292 units) has an overall vacancy rate at 4.2% YTD, which is an decrease of .36 % from one year ago. CoStar data for the Boston market 248,755 units) has an overall vacancy rate of 4.0% YTD, which is a decrease of 2.52% from one year ago. The Lawrence/Haverhill submarket vacancy rate is projected to increase to 5.2% over the next five years, while the Boston market is projected to increase to 5.0%.

CoStar, submarket data for the 4-5 Star building type (3,099 units) indicates a 3rd Qtr. 2022 vacancy rate of 3.1% and an average asking rent of $2,052, while submarket data for the subject's 3 Star building type (2,8026 units) indicates a 2nd Qtr. 2022 vacancy rate of 6.5% at an average asking rent of $1,805- and 1-2-Star buildings (3,391 units) indicates a 2nd Qtr. 2022 vacancy rate of 2.0% at an average asking rent of $1,518. The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/21/20), the City of Lawrence has 27,092 year-round housing units, 4,017 (14.8%) of which are subsidized for low/moderate income households.

In addition, the Lawrence Housing Authority (LHA) manages 1,056 Federally assisted units comprised of 546 family units and 510 elderly/disabled units. The family units are broken does as follows; 111- one-bedroom units, 266- two- bedroom units, 137 -three-bedroom units and 32-four-bedroom units. Per the representative of LHA the wait list for the family units is as follows, 213 applicants for one-bedroom, 363 applicants for the two bedroom units 213 applicants, for the three bedroom 78 applicants for the four- bedroom. Regarding the federally assisted elderly/disabled units, the units are broken down as follow; 81 studios, 504- one-bedroom, and 36-two-bedroom units. Per the representative of LHA the wait list is as follows;1,526 studios and one bedroom units and 29 applicants for the two-bedrooms.

LHA also manages 522 State assisted units comprised of 451 family units and 71 elderly/disabled units. The family units are broken does as follows; 24- one-bedroom units, 247 - two- bedroom units, 170- three-bedroom units and 10-four- bedroom units. Per the representative from LHA, the wait list for the state-assisted family units are as follows; 902 applicants for one - bedroom, 1,525 applicants for two bedrooms, 980 applicants for three bedrooms and 247 applicants for four- bedrooms. Lastly, LHA manages 71 state-assisted elderly/disabled one-bedroom units, per LHA, there are 1,909 applicants on the wait list.

Regarding Section 8 Housing Choice Vouchers, the Lawrence Housing Authority is authorized to administer 998 Section 8 vouchers. Per the representative of LHA, they participate in the Massachusetts Section 8 Housing Choice Voucher Centralized Waiting list and the anticipated wait time is from 5 to 10 years.

U.S. Census data from the 2016-2020 American Community Survey (ACS) indicates that of the 26,551 households in the City of Lawrence, approximately 78.5% earned less than the HUD published 2021 AMI $105,400), 55.7% earned less than 50% of 2021 AMI, approximately 62.7% earned less than 60% of the 2021 AMI and approximately 72.7% earned less than 80% of the 2021 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed will not lead to the undue concentration of low-income households. Although it is a low-income development, it is located in a neighborhood experiencing rapidly rising market rents.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require

demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	82	10	88	N/A
Number of Units	82	10	88	N/A
Net SF/Unit	685	1075	1350	N/A
Elev./Non-Elev.	Elevator	Elevator	Elevator	N/A
Market Rate Rent (insert)	$1,623	$1,860	$2,033	N/A
MHFA Below Market Rent (Cost-Based Rent)	$ 1,135	$1,373	$1,546	N/A
MHFA Adjusted Rent	30% of Income			
Underwriting Rents				
30% of AMI	$580	$697	$806	N/A
60% of AMI	$1,162	$1,394	$1,611	N/A
80% of AMI - WFH	$1,248	$1,498	$1,648	N/A
Market	$1,391	$1,670	$1,764	N/A

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

MAP AND PICTURES

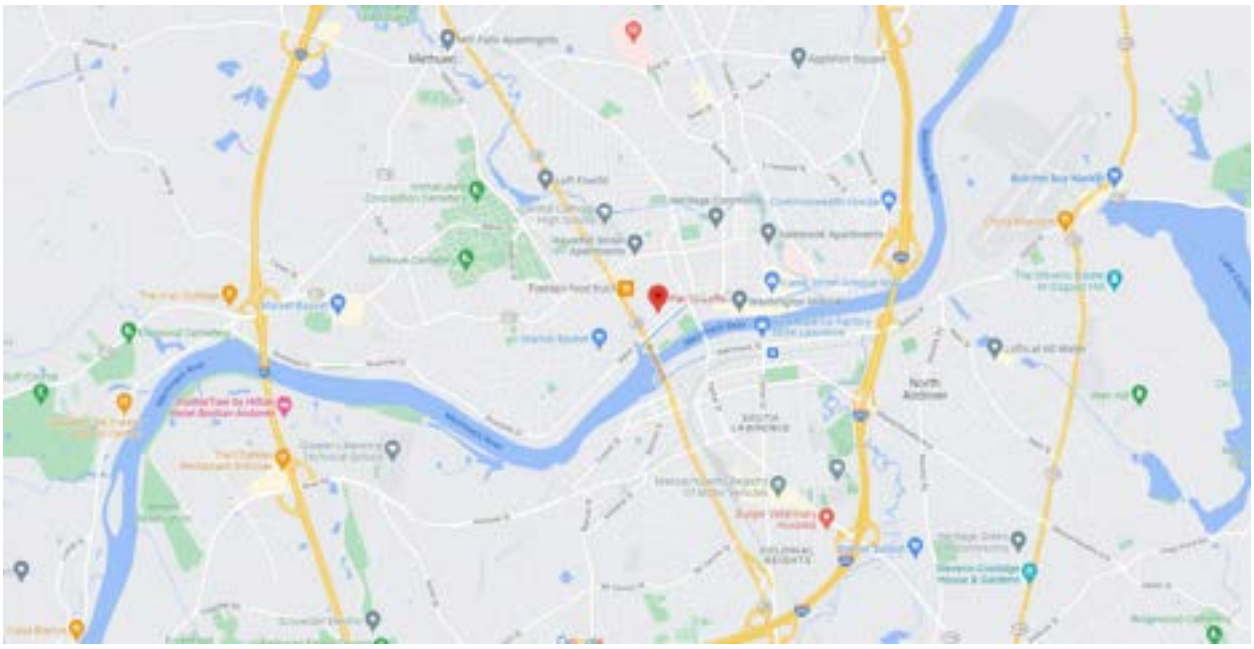


EXHIBIT C

2022 Recommitment and Loan Increase Memo – see following page

M E M O R A N D U M

TO: Colin McNiece, General Counsel
Mark Teden, Vice President of Multifamily Programs

FROM: Daniel C. Staring

DATE: May 12, 2022

RE: **PAC 10 Lofts Phase I (MH#16-004)**
Recommitment and Loan Increase – Delegated Approval

BORROWER: Taom Pacific I, LLC

SPONSOR: Reed Realty Advisors LLC

Background

On May 10, 2022 MassHousing (the "Agency") by vote of Agency Members approved a recommitment and increase of loans, at the request of the Sponsor, for PAC 10 Lofts – Phase I, a 180 unit affordable housing development in downtown Lawrence (the "Development").

This approval identified various potential financing executions being considered to allow for the best approach to be determined based on cost effectiveness and expediency to ensure a successful closing by the end of June 2022. As a result, the ability to approve the final loan structure was delegated as indicated below.

FURTHER VOTED: To delegate to the Vice President of Multifamily Programs and the General Counsel, jointly, the ability to approve a modification of the structure of the transaction, including, without limitation, a potential increase in the first mortgage loan up to $17,668,000 and a bridge loan of up to $18,000,000; all subject to review of final underwriting, and such terms, conditions, and other diligence as may be required by the Vice President of Multifamily Programs and the General Counsel.

Recommendation:

Subsequent to the Board meeting, based on a review of the options available and the underlying constraints, Agency staff have concluded the loans to the Borrower be provided as stipulated directly above such that is not necessary to pursue the other options proposed in the Board votes.

As indicated in the Loan Commitment Proposal presented to the Board this approach requires the following special conditions:

1) Waiver of the Agency's standard permanent loan conversion requirements pertaining to stabilized operations to allow for funding of the MassHousing Loans upon receipt of satisfactory diligence indicating the property has achieved completion.
2) Funding by the Borrower of a lease up deficit escrow in an amount sufficient to mitigate the lease up risk.
3) Admittance of a new tax credit Investor Member with 99% ownership of the Borrower on terms and conditions acceptable to MassHousing.
4) Borrower to pay for all costs incurred on previously issued tax exempt bonds allocated to the project including interest carry costs from August 31, 2019 to the Closing Date.

This memorandum is to request your approval, as delegated by the Board, to provide the increase in the first mortgage loan up to $17,668,000 and a bridge loan of up to $18,000,000; all subject to review of final underwriting and special conditions as indicated.

Recommended: Daniel Staring
Daniel Staring, Manager of Production Planning & Strategic Initiatives

Approved: _____
Mark Teden, Vice President of Multifamily Programs

Approved: _____
Colin McNiece, General Counsel

Loan Commitment Proposal | January 13, 2026

Pac-10 Lofts, Phase One

Location	300 Methuen Street, Lawrence, MA 01840
Sponsor	WinnDevelopment Company Limited Partnership
Transaction Type	Workout (4%)
Funding Type	First Mortgage Workout and Asset Protection Loan
Execution Type	Balance Sheet
Credit Enhancement	None
MH Risk Rating	Financial: D Physical Condition: D Compliance: D
Total Rental Units	180
Affordability Mix	130 Affordable 19 Workforce 31 Market

MassHousing

Pac-10 Lofts Phase One | Lawrence

Workout Plan

- Modification of Existing Tax-Exempt First Mortgage Loan
  - $6m amortizing First Mortgage
  - $11.8m subordinate cash flow note
- Commitment of new funding from MassHousing
  - $5.2m Asset Protection Loan
  - $2m Capital Magnet Fund Loan
- $800k funding from Investor Member
- Repayment of MassHousing Bridge Loan from tax credit contributions.

Sources and Uses

Source of Funds	Total
MassHousing Subordinate Asset Protection Loan Debt	$5,186,600
MassHousing Capital Magnet Funds	$2,000,000
AHP Capital	$798,510
Existing Replacement Reserves	$41,451
Existing Operating Reserves	$750,777
Federal Tax Credit Equity	$16,127,151
Arrearage Note Bridge & Perm Loan Interest	$4,036,754
Total Sources	**$28,941,243**

Uses of Funds	Total
Repayment of MassHousing Bridge Loan	$16,057,580
Accrued Unpaid Bridge Loan Interest (through 03/31/26)	$1,307,301
Accrued Unpaid Perm Loan Interest (through 03/31/26)	$2,729,453
Reimbursements to AHP (Phase One)	$1,217,200
Reimbursements to AHP (Phase Two)	$182,820
Repair Escrow (Capital Expense – Elevator and Lobby)	$4,303,200
Repair Escrow (Capital Expense – HVAC)	$1,208,684
Replacement Reserve	$316,000
Operating Reserve	$1,000,000
Phase Two Operating Reserve (Taxes, Insurance, Electric)	$180,000
Accounts Payable (Consultants)	$439,005
Total Uses	**$28,941,243**

Borrower Team

Mortgagor Entity	Taom Pacific I LLC
Developer / Sponsor	WinnDevelopment Company Limited Partnership
New General Partner / Managing Member	Pac10 Phase One MM LLC (Winn-controlled entity)
Investor	AHP Housing Fund 318 LLC
Management Company	Winn Managed Properties LLC

Underwriting Notes

1. First Loan Modification
2. Asset Protection Loan
3. Equity Bridge Loan Repayment
4. Investor Member Engagement
5. Capital Needs
6. Ownership

Recommended Votes

- Approval of Level One Transfer of Ownership of the managing member interest in Toam Pacific I LLC to Pac10 Phase One MM LLC.
- Approval of permanent subordinate mortgage loan.
- Authorization to restructure and bifurcate the existing first mortgage loan.
- Authorization of Chief Executive Officer and Vice President of Multifamily Programs to permit the Borrower to enter into, or assume, third party mortgages.

Delinquency Summary Report

Dec 31, 2025

Delinquencies in Excess of: $1,000
Monthly Billed Loans

Program Type	Principal Program Detail	Number of Developments	Project Outstanding Loan Amount	Developments Delinquent	Delinq Outstanding Loan Amount	Pct $ Delinq Loans	Pct # Delinquent Loans
INDEP	Options for Independence	12	$187,255	0	$0	0.00%	0.00%
INDEP - Total		**12**	**$187,255**	**0**	**$0**	**0.00%**	**0.00%**
OTHER	Other Subordinate Only	1	$962,518	0	$0	0.00%	0.00%
OTHER - Total		**1**	**$962,518**	**0**	**$0**	**0.00%**	**0.00%**
SECT8PBCA	Project Based Section 8	178	$3,090,000,087	0	$0	0.00%	0.00%
SECT8PBCA - Total		**178**	**$3,090,000,087**	**0**	**$0**	**0.00%**	**0.00%**
SECT8VOUCH	Project Based Section 8 Vouchers	31	$461,453,110	0	$0	0.00%	0.00%
SECT8VOUCH - Total		**31**	**$461,453,110**	**0**	**$0**	**0.00%**	**0.00%**
SHARP	SHARP/ RDAL	3	$43,022,782	0	$0	0.00%	0.00%
SHARP - Total		**3**	**$43,022,782**	**0**	**$0**	**0.00%**	**0.00%**
TAXCREDIT	Tax Credit (4% and/or 9%)	170	$1,546,751,513	1	$33,825,580	2.19%	0.59%
TAXCREDIT - Total		**170**	**$1,546,751,513**	**1**	**$33,825,580**	**2.19%**	**0.59%**
UNSUB	Un-Subsidized	24	$346,078,230	0	$0	0.00%	0.00%
UNSUB - Total		**24**	**$346,078,230**	**0**	**$0**	**0.00%**	**0.00%**
WORKFORCE	Workforce Housing	10	$142,435,675	0	$0	0.00%	0.00%
WORKFORCE - Total		**10**	**$142,435,675**	**0**	**$0**	**0.00%**	**0.00%**
		4	$98,591,252	0	$0	0.00%	0.00%
- Total		**4**	**$98,591,252**	**0**	**$0**	**0.00%**	**0.00%**
Overall - Total		**433**	**$5,729,482,422**	**1**	**$33,825,580**	**0.59%**	**0.23%**

Delinquency Detail

Dec 31, 2025
Delinquencies in Excess of: $1,000

Tax Credit (4% and/or 9%)

Principal Program Code	Project Id - Development Name	City/ Town	Total Rental Units	Project Outstanding Loan Amount	Total Due & Uncollected	Past Due Installments
TAXCREDIT	16-004 Pac 10 Lofts, Phase One	Lawrence	180	$33,825,580	$19,679,571	36
Overall - Total			**180**	**$33,825,580**	**$19,679,571**	

Delinquency Detail by Investor

Dec 31, 2025
Delinquencies in Excess of: $1,000

Investor Segment	Segment Code	Investor Segment	Investor Pool	Loan Nbr	Project Id - Development Name	Total Rental Units	Original Loan Amt	Outstanding Loan Amt	Total Due & Uncollected - Delinquent	Past Due Installments
Escrow Division/Working Capital Fund	W001	Working Capital Fund	WCF Corporate	16-004-02	16-004 Pac 10 Lofts, Phase One	180	$18,000,000	$16,057,580	$16,105,146	1
Housing Bond Resolution	B001	Housing Bond Resolution	HOUSING BOND RES 2017D	16-004-01	16-004 Pac 10 Lofts, Phase One	180	$11,100,000	$11,100,000	$2,233,010	36
			HOUSING BOND RES 2022A-1	16-004-01	16-004 Pac 10 Lofts, Phase One	180	$6,668,000	$6,668,000	$1,341,415	36
Overall - Total						**180**	**$35,768,000**	**$33,825,580**	**$19,679,571**	

MassHousing

CEO Report

February 10, 2026

Healey-Driscoll Administration Announces $25M Investment in MassHousing Programs

DPA Activity Since 2018	
14,803	Total 1st loans
9,259	DPA loans
62%	Received DPA
80%	Below 80% AMI
56%	Borrowers in GWC

At the State of the Commonwealth address, Governor Healey announced a new commitment of **$25 million** to help **expand homebuyer assistance** at MassHousing.

Funds will enhance our **Down Payment Assistance** program – a vital tool for empowering **first-time homebuyers** and expanding access.

Last year **nine of every ten** MassHousing homebuyers utilized down payment assistance – five years ago, it was just **four in ten**.

Over the past five years, MassHousing has provided **$122 million** in DPA to **6,300** new first-time homebuyers.

The Homeownership Tax Credit

In 2024, Governor Healey's **Affordable Homes Act (AHA)** created a new **homeownership tax credit**. This innovative program will support the **development of affordable homeownership units** throughout Massachusetts.

This is an important part of the Healey/Driscoll administration's plan to expand homeownership opportunities for **low- and moderate-income individuals and families**.

This program is funded with **$10 million in tax credits** annually for five years, through CY2029 up to a total of **$50 million**. The utilization of the credits will be governed by a **Homeownership Qualified Allocation Plan (HQAP)** issued by MassHousing.

Program Progress and Next Steps

In December, we held **two open house information sessions** to introduce the program to potential partners.

A **Homeownership Qualified Allocation Plan (HQAP)** will be released shortly, outlining the program's requirements, criteria, timeline, and awards process.

Tax credits will be allocated through a **competitive process** administered by MassHousing.

Applications for tax credits will be evaluated according to a series of criteria in the HQAP, with **readiness to proceed**, **financial feasibility**, and **strength of the development team** among the primary factors.

MassHousing Honored to be Named a 2026 Ivory Prize Finalist

IVORYPRIZE

FOR HOUSING AFFORDABILITY

The **BILD Program** has been selected as one of 25 finalists for the **2026 Ivory Prize for Housing Affordability.**

The Ivory Prize is a prestigious national award recognizing **innovative, feasible, and scalable solutions to advance housing affordability**.

Winners will be announced on **May 12**. One winner each from **Construction & Design**, **Policy & Regulatory Reform** and **Finance** (our category) will be awarded **$100,000 in unrestricted grants**.

Thank You!

Questions? Comments?

MassHousing

Massachusetts Housing Finance Agency
One Beacon Street Boston, MA 02108

Tel: 617-854-1000
Fax: 617-854-1091

Relay 711
www.masshousing.com

Posted: February 5, 2026 @ 3:20 p.m.
Secretary of the Commonwealth, Regulations Division
Executive Office for Administration & Finance
masshousing.com

NOTICE
of a Meeting of the Members

The regular meeting of MassHousing and a special meeting of Center for Community Recovery Innovations, Inc. ("CCRI") will be held:

Date: **Tuesday, February 10, 2026**

Time: **2:00 p.m.**

Location: **See below**

In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, this Meeting will not be conducted in a publicly accessible physical location. This meeting will instead be conducted through remote audio and video participation by the Members of MassHousing.

The public will be able to observe the Meeting online through the Zoom video/audio conference program.

The Zoom meeting link for this Meeting is: https://masshousing.zoom.us/j/85274326632
The Zoom meeting ID is: Meeting ID: 852 7432 6632
The Zoom Passcode is: 502421

Additional instructions for observing the meeting though Zoom are attached to this Notice.

Attention will be given to the following matters:

1. EXECUTIVE ACTIONS

A. Call to Order

B. Vote Approving the Minutes

- Regular Meeting of January 13, 2026

C. Chief Executive Officer's Report

D. Fiscal Year 2026 Mid-Year Results

E. Votes Delegating Authority to Issue Multifamily Bonds and/or Notes and Votes Delegating Authority to Issue Single Family Bonds and/or Notes

F. Votes Committing CCRI Funds

- Gilly's House, Inc., Wrentham
- Troubled Waters, Inc., d/b/a The Bridge Club of Lowell

2. <u>LOAN COMMITTEE</u>

A. Woods at Wareham, Wareham

- Approval to Accept Assignment of a HUD-Issued Firm Commitment for FHA Insurance
- Commitment of a First Mortgage Loan (the "New Loan")
- Approval to Finance the New Loan through Issuance of a Ginnie Mae MBS

Meeting Notices

In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, this Meeting will not be conducted in a publicly accessible physical location. This meeting will instead be conducted through remote audio and video participation by the Members of MassHousing, and public observation will be available only through the Zoom audio/video conferencing program using the link and Meeting ID provided above. Instructions for joining the meeting through Zoom are attached.

Accessibility

If you need an accommodation to participate in a MassHousing meeting, event, or program, please call 617-854-1000 or email <u>webinfo@masshousing.com</u>. Please request accommodations as soon as possible but no later than 48 hours before a scheduled event so that we can have adequate time to accommodate your needs. <u>Click here to view our Accessibility statement.</u>

Steps to Join a Zoom Meeting

1. A Zoom meeting link will look like the following:

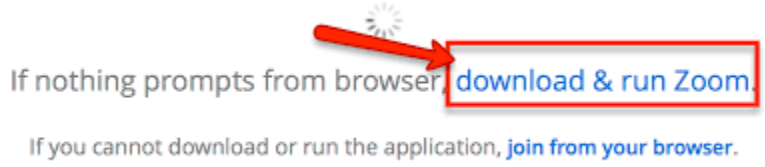
Join Zoom Meeting
https://zoom.us/j/6881564212

Meeting ID: 688 156 4212

One tap mobile
+13126266799,,6881564212# US (Chicago)
+16465588656,,6881564212# US (New York)

Dial by your location
+1 312 626 6799 US (Chicago)
+1 646 558 8656 US (New York)
+1 253 215 8782 US
+1 301 715 8592 US
+1 346 248 7799 US (Houston)
+1 669 900 9128 US (San Jose)
Meeting ID: 688 156 4212
Find your local number: https://zoom.us/u/acgfL1ziEv

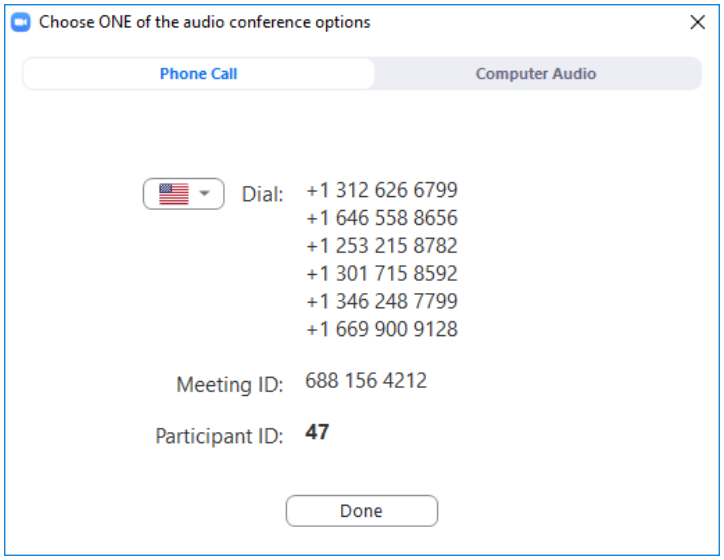
2. Click the link below 'Join Zoom Meeting'.
   NOTE: Simply calling a phone number without "joining the Zoom meeting" will not allow you to see the presentation. Clicking on the link will automatically download the Zoom program (Image below)



3. If Zoom does NOT automatically download and install. Click Download & run Zoom
   NOTE: to see a video about this: https://youtu.be/vFhAEoCF7jg

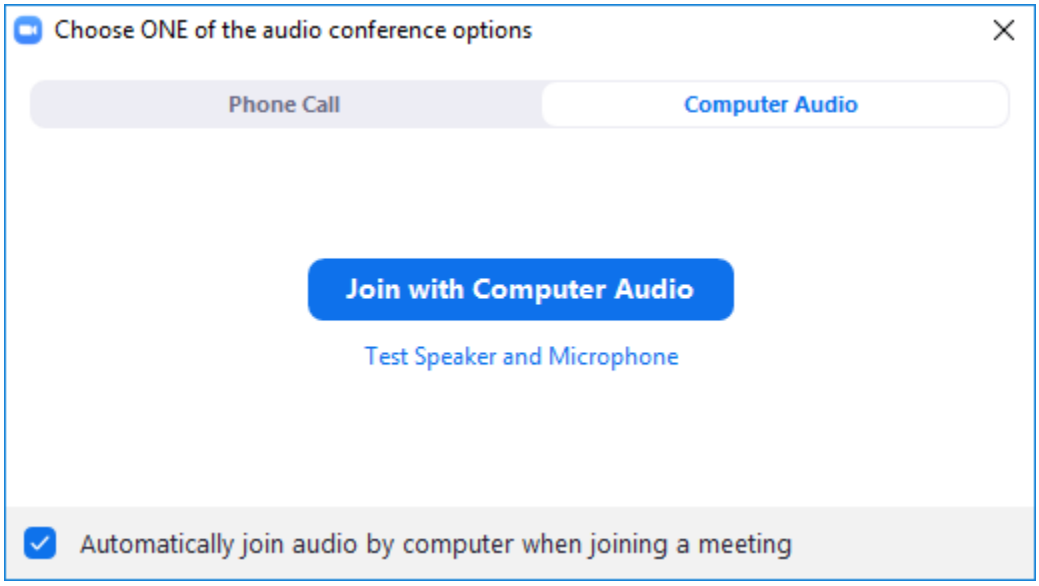
Steps to Join a Zoom Meeting

4. You will be provided with Audio Options.
   NOTE: The numbers for your meeting may be different than the ones in this example.



5. Call one of the numbers provided and enter your Meeting ID and Participant ID when prompted.
6. If you have a headset or would like to use your computer audio, select the Computer Audio tab and Join with Computer Audio.

   NOTE: Uncheck "Automatically join audio by computer" when joining a meeting.



7. All participants on the call will be muted. Please keep yourself on mute so that meeting can be as clear as possible.

Minutes of the Regular Meeting of
the Members of MassHousing held
on
January 13, 2026

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing - was held on January 13, 2026. In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, no Members were physically present and the meetings were conducted remotely through a publicly accessible Zoom meeting.

Participating remotely were the Members (by roll call):

Board Member	Present	Absent
Jeanne Pinado, Chair		X
Carolina Avellaneda, Co-Vice Chair	X	
Michael Glover, Co-Vice Chair	X	
Ed Augustus, *ex officio*	X	
Bran Shim*	X	
Herby Duverné	X	
Darnell Dunn	X	
Tom Flynn	X	
Carmen Panacopolous	x	

**Designee of Matthew Gorzkowicz, ex officio*

Carolina Avellaneda, acting as Chair, convened the meeting to order at 2:01 p.m.

The Chair indicated that the first order of business was the approval of the minutes of the previous meeting.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: That the minutes of the Regular Meeting held on December 9, 2025 are hereby approved and placed on record.

Chief Executive's Report

Chrystal Kornegay began her brief report with a summary of the 2025 Fourth Quarter activity, saying that twelve (12) deals were committed, and twenty-one (21) deals were closed for a total of $435 million in debt. Ms. Kornegay stated that it was a big year for MassHousing; with a special shoutout to the Legal Department, as this was the most deals closed in December, and most of the

deals closed were at the end of December.

Ms. Kornegay then gave a brief status on the Third Floor Build Out; we needed more space for people and more space for meetings. There will be a large conference room space that can be divided into several smaller rooms; it is expected that the renovation will be completed in the Spring of 2026.

The next topic was announcing that MassHousing has its 60th birthday on September 8, 2026, with special events planned for the October Board Meeting, with different events planned to celebrate. Ms. Kornegay stated that as she gets more information she will let everyone know. There is also a planned update to the MassHousing website.

Accessory Dwelling Units ("ADU") Presentation

Mounzer Aylouche presented a new MassHousing program for Accessory Dwelling Units ("ADU") which will be coming soon, to address the housing shortage and rising housing costs. This program was made possible in August 2024 when Governor Healy signed legislation making ADUs a statewide solution to create critical rental stock and promote housing affordability. MassHousing is very well positioned to offer an ADU Mortgage Program, due to our relationships with community lenders and the ability to do loan servicing in-house.

Mr. Aylouche addressed some of the obstacles for homeowners seeking to build an ADU; such as owner preparedness and affordable financing. There is more need for homeowners to have information on building, permitting and financing ADUs. MassHousing's program anticipates that borrowers would come after doing online pre-development work, and have paperwork ready to apply.

Additionally, Mr. Aylouche said that there is not enough data regarding ADUs on appraisals. The solution is to collaborate with the Massachusetts Board of Appraisers and area realtors, for benchmarking samples, and for accurate evaluation.

Mr. Aylouche then addressed financing. He noted that for homeowners, building an ADU is an expensive transaction, coming in around $275 per square foot and that traditionally ADU financing relied on home equity lines of credit which are less available to low-moderate income owners. He then summarized the proposed criteria and guidelines for a new subordinate loan product in which part of the package would be structured as a 0% deferred loan. He noted that the Agency will use $5 million out of the $20 million designated in the Opportunity Fund to establish the program. Criteria will be as follows:

Mr. Aylouche concluded the presentation by saying that lender partner training will begin soon, with an intent to launch in late Spring followed by robust promotion in the summer. The program plans to start writing loans in Summer 2026.

The Chair commended Mr. Aylouche for the work, saying it was a good presentation, and asked if there were any questions.

Herby Duverné remarked that Mr. Aylouche did an excellent job and this presentation took 100% of his attention; he then asked regarding the costs of the loan and whether those costs could be folded into the loan. Mr. Aylouche responded, clarifying first, that the costs of the loan would include traditional loan costs such as the appraisal, closing costs, etc. The technical/pre-development expenses would not be included in the costs of the loan but it is expected that assistance for those costs or services with be available through other components of the Commonwealth's ADU initiative.

Ed Augustus added his appreciation for the ADU Program, he thought the MassHousing partnership with the technical assistance was excellent. He noted that there is a third leg to the Program, a design competition with Boston schools and local architects with cash prizes to the most acceptable plans, the most green design, with the intent of then making these designs free and downloadable so the Borrower can bring them to a contractor. This is going above and beyond to help the Borrower.

Loan Committee

900 Morrisey, Boston (Dorchester)

Mike Carthas presented a proposal for Commitment of a Tax-Exempt Supplemental Conduit Loan and Approval for the Use of Low-Income Housing Tax Credits, as presented in the attached Board package.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Residences at Quarry Hills, Milton

Brian Robinson presented a proposal for Commitment of Momentum Equity and Commitment of a Subordinate Loan, as presented in the attached Board package.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Devenscrest Village, Ayer

Tai Pope presented a proposal for Commitment of Workforce Housing Loan, as presented in the attached Board package.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

PAC-10 Lofts, Phase One, Lawrence

Dan Staring presented a proposal for First Mortgage Modification; Approval of Level One Transfer of Ownership to New Managing Member; and Commitment of Asset Protection Loan, as presented in the attached Board package.

The Chair remarked that this was a really complicated restructuring, and without the hard work and diligence of all involved, it wouldn't have gotten to this point. She noted that there was a lot of discussion regarding this matter at Loan Committee, and that the MassHousing staff recommends the proposed actions.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

The Chair asked if there was any other old or new business for the Members' consideration.

There was none.

There being no other business to consider, the meeting adjourned at 2:44 p.m.

A true record.

Attest.

_____
Colin M. McNiece
Secretary

Materials:
- Minutes of the Meeting of December 9, 2025
- CEO's Report, January 13, 2026
- Board Package, January 13, 2026

MassHousing

CEO Report

February 10, 2026

Healey-Driscoll Administration Announces $25M Investment in MassHousing Programs

DPA Activity Since 2018	
14,803	Total 1st loans
9,259	DPA loans
62%	Received DPA
80%	Below 80% AMI
56%	Borrowers in GWC

At the State of the Commonwealth address, Governor Healey announced a new commitment of **$25 million** to help **expand homebuyer assistance** at MassHousing.

Funds will enhance our **Down Payment Assistance** program – a vital tool for empowering **first-time homebuyers** and expanding access.

Last year **nine of every ten** MassHousing homebuyers utilized down payment assistance – five years ago, it was just **four in ten**.

Over the past five years, MassHousing has provided **$122 million** in DPA to **6,300** new first-time homebuyers.

The Homeownership Tax Credit

In 2024, Governor Healey's **Affordable Homes Act (AHA)** created a new **homeownership tax credit**. This innovative program will support the **development of affordable homeownership units** throughout Massachusetts.

This is an important part of the Healey/Driscoll administration's plan to expand homeownership opportunities for **low- and moderate-income individuals and families**.

This program is funded with **$10 million in tax credits** annually for five years, through CY2029 up to a total of **$50 million**. The utilization of the credits will be governed by a **Homeownership Qualified Allocation Plan (HQAP)** issued by MassHousing.

Program Progress and Next Steps

In December, we held **two open house information sessions** to introduce the program to potential partners.

A **Homeownership Qualified Allocation Plan (HQAP)** will be released shortly, outlining the program's requirements, criteria, timeline, and awards process.

Tax credits will be allocated through a **competitive process** administered by MassHousing.

Applications for tax credits will be evaluated according to a series of criteria in the HQAP, with **readiness to proceed**, **financial feasibility**, and **strength of the development team** among the primary factors.

MassHousing Honored to be Named a 2026 Ivory Prize Finalist

IVORYPRIZE

FOR HOUSING AFFORDABILITY

The **BILD Program** has been selected as one of 25 finalists for the **2026 Ivory Prize for Housing Affordability.**

The Ivory Prize is a prestigious national award recognizing **innovative, feasible, and scalable solutions to advance housing affordability**.

Winners will be announced on **May 12**. One winner each from **Construction & Design**, **Policy & Regulatory Reform** and **Finance** (our category) will be awarded **$100,000 in unrestricted grants**.

Thank You!

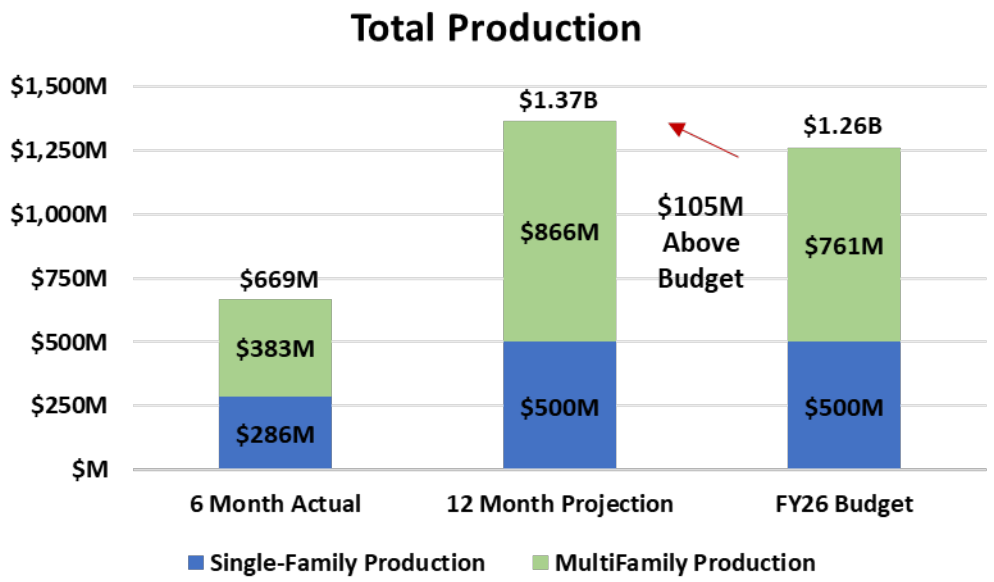
Questions? Comments?

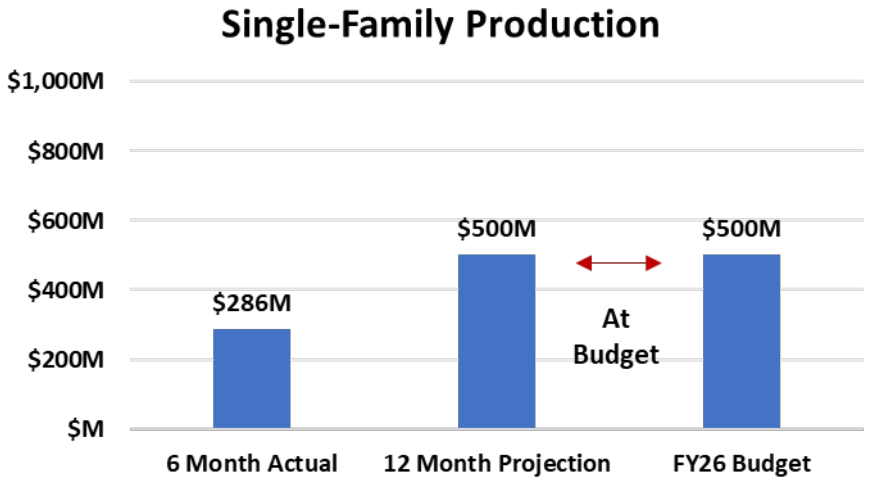
Fiscal Year 2026 Mid-Year Results

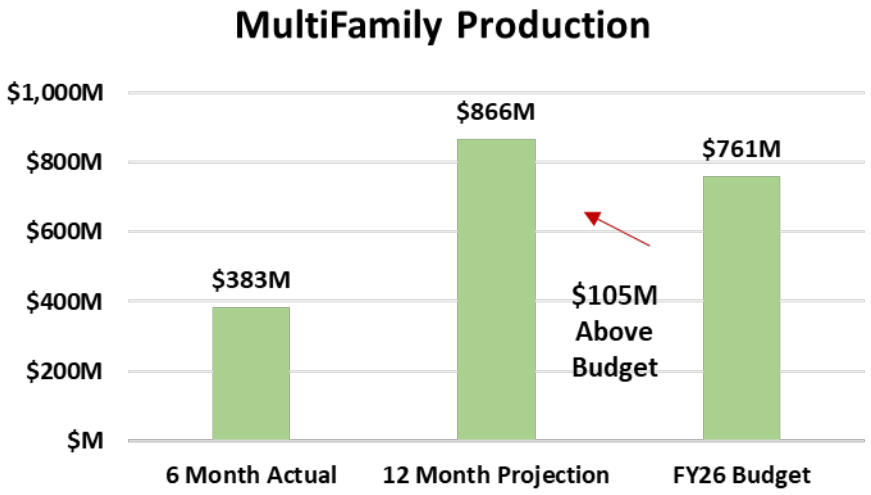
MassHousing Board of Directors

February 10, 2026

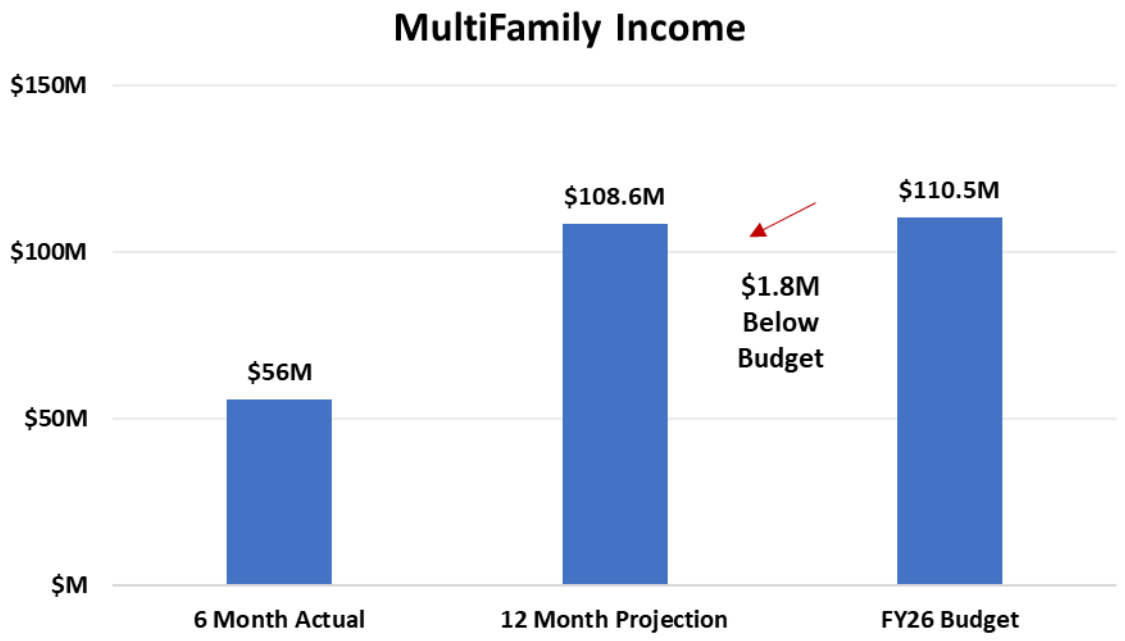
FY26 Production







FY26 Multifamily Income



FY26 Projected Multifamily Income is $1.8M Lower than the FY26 Budget

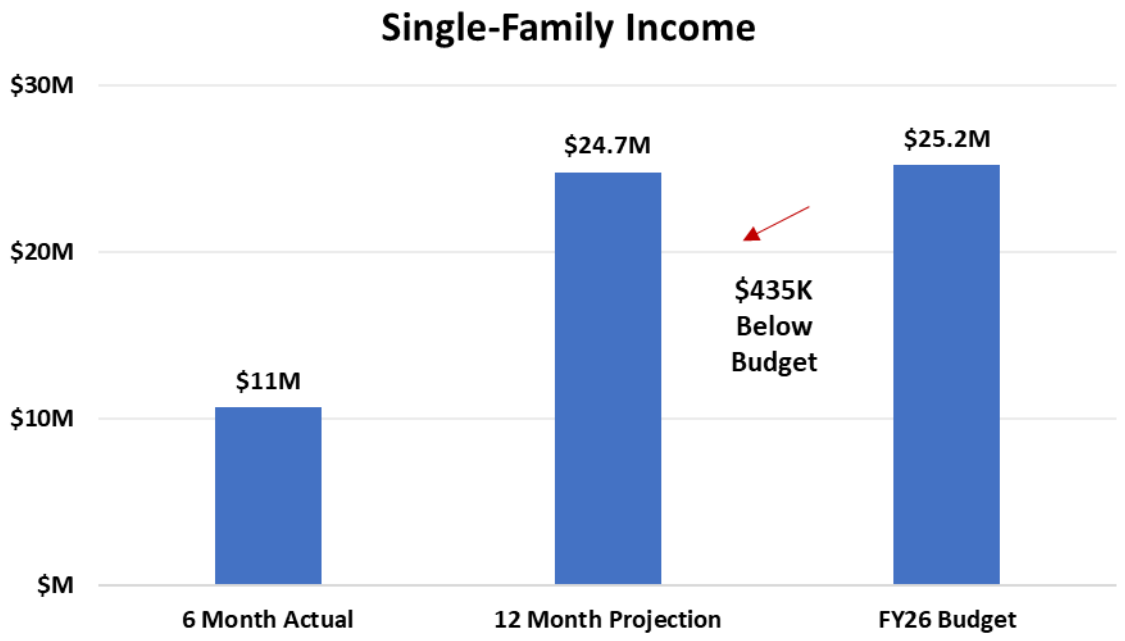
Drivers:

- Multifamily Lending Income is higher by $1.5M
- Multifamily Servicing Income is higher by $1.3M

Offset by

- Multifamily Net Interest Spread is lower by $4.6M

FY26 Single-Family Income



FY26 Projected Single-Family Income is $435K Lower than the FY26 Budget

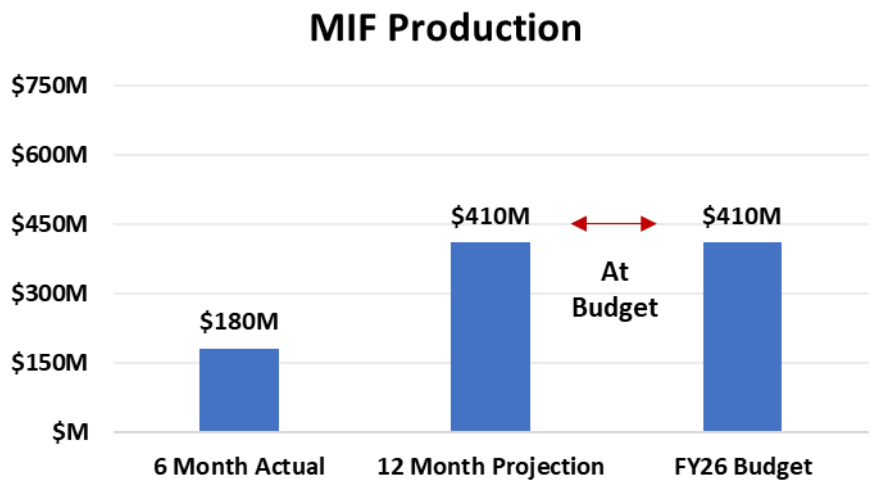
Drivers:

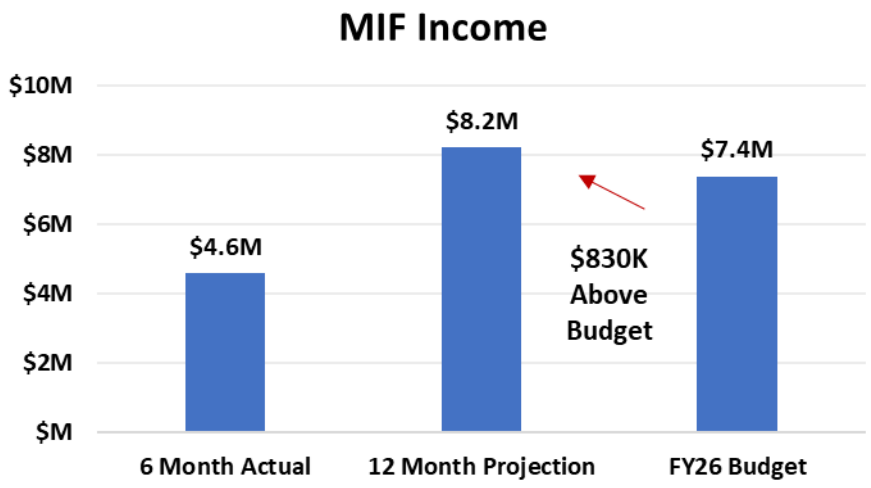
- Single-Family Servicing Income is higher by $200K
- Single-Family Lending Income is higher by $145K

Offset by

- Single-Family Net Interest Spread is lower by $650K
- Servicing Rights Premium (SRP) purchased is higher by $130K

FY26 Mortgage Insurance Fund





FY26 Projected MIF Net Income is $830K Higher than the FY26 Budget

- MIF Production is at budget

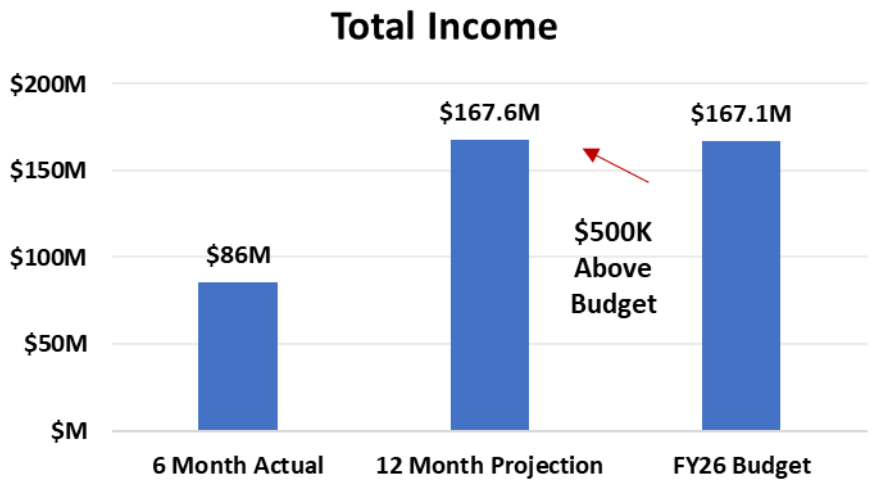
Income Drivers:

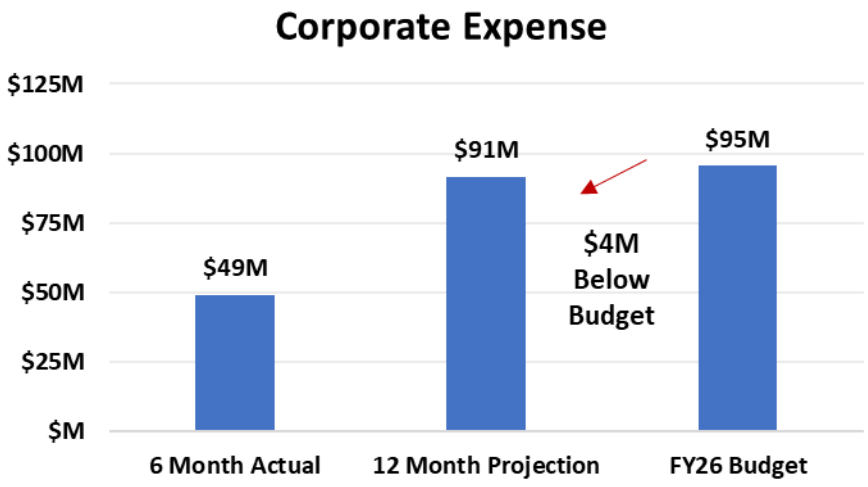
- Investment Income is higher by $745K
- Paid Claims, net is lower by $130K

Offset by

- Fee Income is lower by $45K

FY26 Financial Overview – Excluding Grant Activity





Income Drivers (Projected):

- Corporate Income is higher by $1.6M
- Multifamily Lending Income is higher by $1.5M
- Multifamily Servicing Income is higher by $1.3M
- MIF Income is higher by $830K
- Mission Income is higher by $350K
- Single-Family Lending Income is higher by $145K

Offset by

- Multifamily Net Interest Spread is lower by $4.6M
- Single-Family Net Interest Spread is lower by $650K

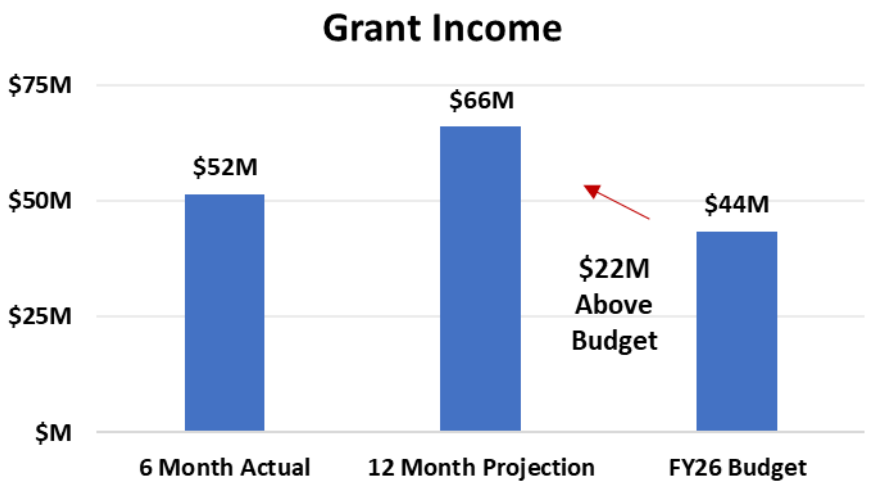
Expense Drivers (Projected):

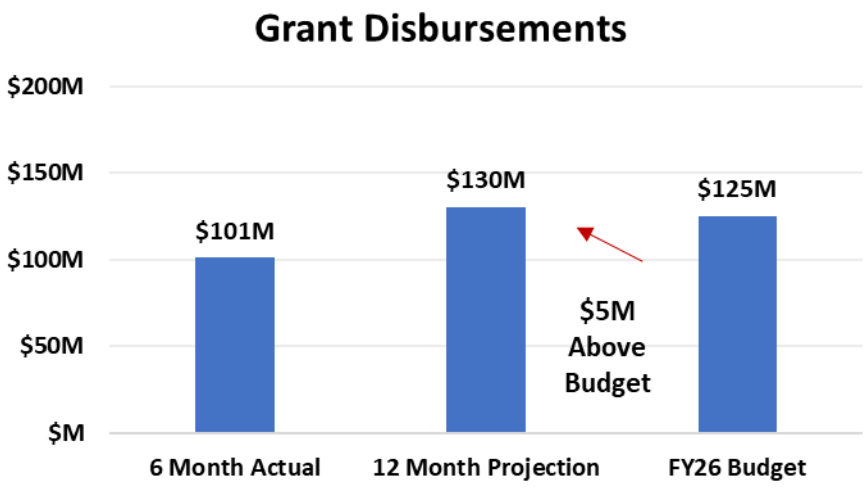
- Mission Related Expenses from the Working Capital Fund are lower by $2.5M
- IT Costs are lower by $850K
- Payroll & Payroll Added Costs are lower by $450K
- Operating Costs are lower by $500K

Offset by

- Leasing Costs are higher by $275K
- Professional Services Costs are higher by $30K

FY26 Grant Income & Disbursements





- **Total Projected Grant Income is $66M**
  - CommonWealth Builder Program - $29M
  - Workforce Housing Program - $13M
  - Neighborhood Stabilization Program - $8M
  - Momentum Fund - $8M
  - Other Grant Programs - $8M

- **Total Projected Grant Disbursements are $130M**
  - CommonWealth Builder Program - $87M
  - Workforce Housing Program - $15M
  - Neighborhood Stabilization Program - $8M
  - Mass Community Climate Bank - $7M
  - Other Grant Programs - $13M

FY26 Corporate Expenses

FY26 Projection vs. Budget Summary (In Thousands)					
Corporate Expenses	**6 Month Actual**	**12 Month Projection**	**FY26 Budget**	**Projection vs. Budget**	**% of Change**
Payroll and Related Personnel Expenses	$ 35,903	$ 62,254	$ 62,696	$ (442)	-0.7%
Professional Services	$ 2,433	$ 4,869	$ 4,841	$ 28	0.6%
Information Technology	$ 4,517	$ 10,768	$ 11,621	$ (854)	-7.3%
Leased Office Space, net	$ 3,045	$ 5,828	$ 5,565	$ 263	4.7%
Operating Costs	$ 2,102	$ 4,413	$ 4,905	$ (492)	-10.0%
SUBTOTAL	**$ 48,000**	**$ 88,132**	**$ 89,628**	**$ (1,496)**	**-1.7%**
Mission Related Expenses from the WCF	**$ 1,014**	**$ 3,327**	**$ 5,814**	**$ (2,487)**	**-42.8%**
TOTAL	**$ 49,014**	**$ 91,459**	**$ 95,442**	**$ (3,983)**	**-4.2%**

FY26 Net Income (Includes Grant Activity)

FY26 Projection vs. Budget Summary (In Thousands)					
	6 Month Actual	12 Month Projection	FY26 Budget	Projection vs. Budget	% of Change
MultiFamily Income	$ 55,690	$ 108,571	$ 110,455	$ (1,884)	-1.7%
Single-Family Income	$ 10,639	$ 24,742	$ 25,177	$ (435)	-1.7%
Mortgage Insurance Fund Income	$ 4,563	$ 8,191	$ 7,364	$ 826	11.2%
Mission Initiatives (Includes Grant Activity) - Net	$ (42,097)	$ (50,666)	$ (68,591)	$ 17,925	26.1%
Corporate Income	$ 7,685	$ 12,710	$ 11,067	$ 1,643	14.8%
Corporate Expenses	$ (49,014)	$ (91,459)	$ (95,442)	$ 3,983	-4.2%
NET INCOME	**$ (12,534)**	**$ 12,089**	**$ (9,970)**	**$ 22,059**	**221.3%**

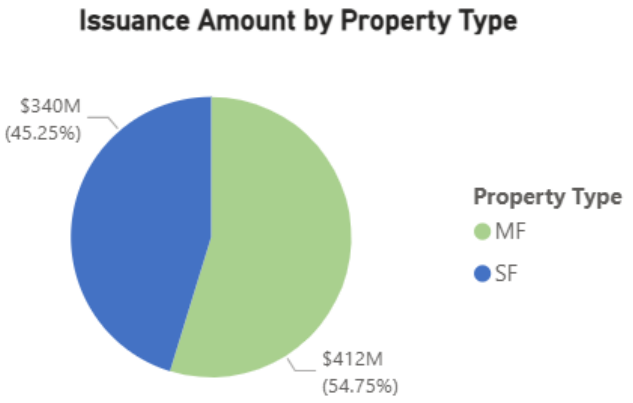
FY26 Net Income (Excludes Grant Activity)

FY26 Projection vs. Budget Summary (In Thousands)					
	6 Month Actual	12 Month Projection	FY26 Budget	Projection vs. Budget	% of Change
MultiFamily Income	$ 55,690	$ 108,571	$ 110,455	$ (1,884)	-1.7%
Single-Family Income	$ 10,639	$ 24,742	$ 25,177	$ (435)	-1.7%
Mortgage Insurance Fund Income	$ 4,563	$ 8,191	$ 7,364	$ 826	11.2%
Mission Initiatives (Excludes Grant Activity) - Net	$ 7,305	$ 13,393	$ 13,044	$ 349	2.7%
Corporate Income	$ 7,685	$ 12,710	$ 11,067	$ 1,643	14.8%
Corporate Expenses	$ (49,014)	$ (91,459)	$ (95,442)	$ 3,983	-4.2%
NET INCOME	**$ 36,868**	**$ 76,148**	**$ 71,665**	**$ 4,483**	**6.3%**

Appendix - Additional Information

- FY26 Bond Financing
- Housing Data
- Market Data

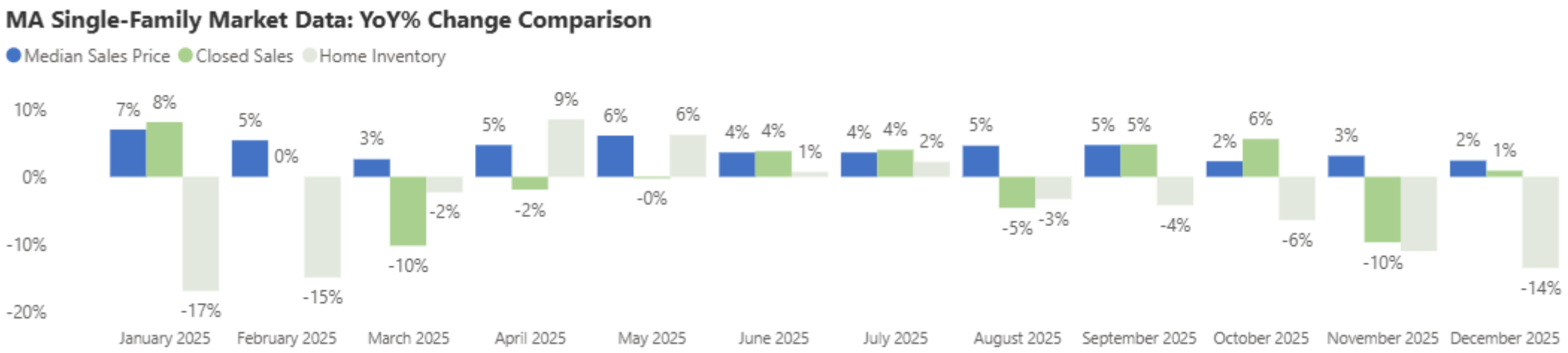
Appendix: FY26 Bond Financing



MF and SF Bond Financing Detail

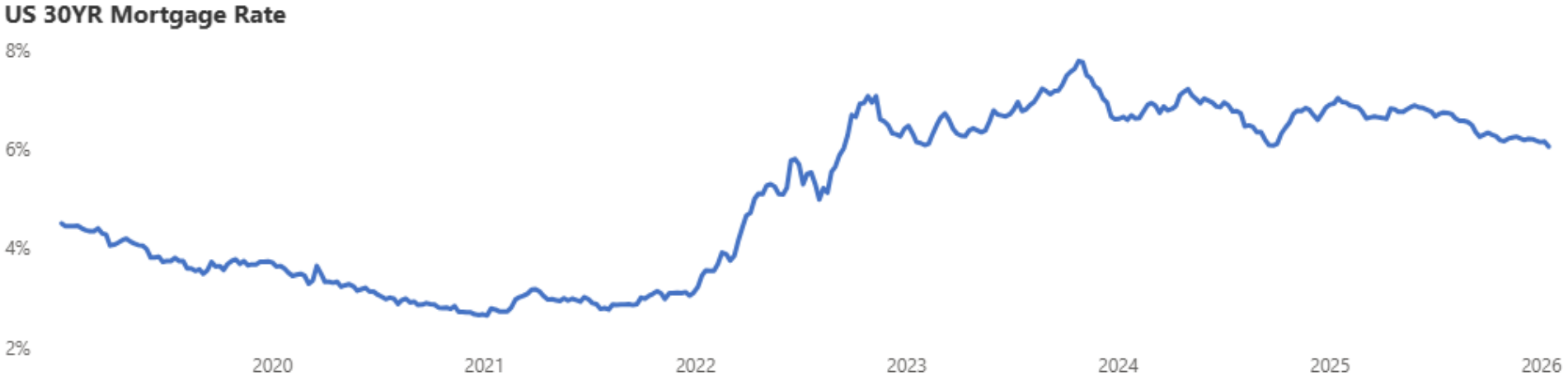
Fiscal Year	Issue Date	Property Type	Bond Resolution	Series Designation	Financing Amount	Taxable/Tax-Exempt	ESG/Non-ESG
2026	9/4/2025	SF	Single Family Housing Revenue Bonds	Series 245	$4,110,000	T/E	ESG
2026	9/4/2025	SF	Single Family Housing Revenue Bonds	Series 246	$60,780,000	T/E	ESG
2026	9/4/2025	SF	Single Family Housing Revenue Bonds	Series 247	$78,640,000	Taxable	ESG
2026	9/4/2025	SF	Single Family Housing Revenue Bonds	Series 248	$50,000,000	Taxable (VR)	ESG
2026	9/11/2025	MF	Housing Bonds	2025 Series A	$62,660,000	Taxable (VR)	Non-ESG
2026	9/11/2025	MF	Housing Bonds	2025 Series B	$40,960,000	Taxable	Non-ESG
2026	12/10/2025	MF	Housing Bonds	2025 Series C-1	$88,750,000	T/E	ESG
2026	12/10/2025	MF	Housing Bonds	2025 Series C-2	$20,095,000	T/E	ESG
2026	12/10/2025	MF	Housing Bonds	2025 Series C-3	$174,185,000	T/E	ESG
2026	12/10/2025	MF	Housing Bonds	2025 Series D	$25,000,000	T/E	Non-ESG
2026	12/17/2025	SF	Single Family Housing Revenue Bonds	Series 249	$62,385,000	T/E	ESG
2026	12/17/2025	SF	Single Family Housing Revenue Bonds	Series 250	$34,305,000	Taxable	ESG
2026	12/17/2025	SF	Single Family Housing Revenue Bonds	Series 251	$50,000,000	Taxable (VR)	ESG
Total					**$751,870,000**		

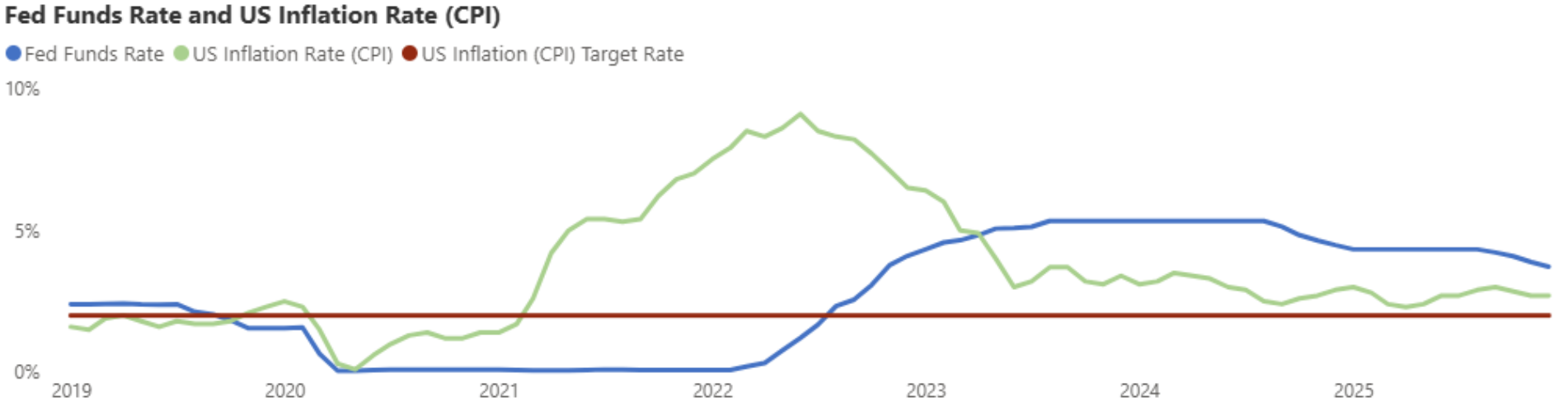
Appendix: Housing Data



Appendix: Housing Data

Appendix: Market Data





MEMORANDUM

To: Agency Members

From: Rachel Madden

Re: Multifamily and Home Ownership Delegation Votes

Date: February 10, 2026

Attached are delegation votes of authority to issue (i) Multifamily bonds and/or notes to finance up to $1.0 billion using a mix of fixed rate and/or hedged or unhedged variable rate debt; and (ii) Home Ownership bonds and/or notes to finance up to $800 million using a mix of fixed rate and/or hedged or unhedged variable rate debt.

These delegation votes, along with the memorandum from MassHousing's Multifamily and Home Ownership Financial Advisor cfX Incorporated ("cfX"), will satisfy the requirements of the State Finance and Governance Board (SFGB) with respect to any potential derivative contracts associated with MassHousing financings.

The cfX memos are attached and provide detailed explanations of the potential financings through the end of calendar year 2026.

Please let me know if you have any questions.

MassHousing

Finance Delegation Votes Presentation to the MassHousing Board of Directors

February 10, 2026

MASSHOUSING

Multifamily and Homeownership Delegation Votes

- **$1.0 billion delegation of authority to issue Multifamily Mortgage Revenue Bonds through calendar year 2026**
  - Ability to issue variable rate debt with associated hedges – 94% of Resolution debt is fixed rate providing ample capacity for more variable rate debt without stress on the Resolution
  - Financial Advisor memo recommending bond structures consistent with debt, swap and investment policies and with current bond ratings
- **$800 million delegation of authority to issue Single Family Mortgage Revenue Bonds through calendar year 2026**
  - Ability to issue variable rate debt with associated hedges – 88% of Resolution debt is fixed rate providing ample capacity for more variable rate debt without stress on Resolution
  - Ability to finance Down Payment Assistance program
  - Financial Advisor memo recommending bond structures consistent with debt, swap and investment policies and with current bond ratings

RENTAL DEVELOPMENT PARAMETERS RESOLUTION

WHEREAS, the Massachusetts Housing Finance Agency ("MassHousing") has previously adopted various general bond and note resolutions (the "General Resolutions") authorizing the issuance of bonds and/or notes for the purposes of financing or refinancing Rental Development Mortgage Loans and Construction Loans, refunding other obligations of MassHousing and establishing reserves therefor;

WHEREAS, in order to finance or refinance certain Rental Development Mortgage Loans and Construction Loans approved by MassHousing (the "Loans") to be designated by an Authorized Officer, MassHousing desires to provide for the adoption of one or more series resolutions pursuant to the General Resolutions authorizing the issuance of one or more series of bonds and/or notes;

WHEREAS, in furtherance of the provision of mixed income residential facilities, workforce housing and other housing available to low and moderate income persons and families in the Commonwealth, MassHousing desires to provide for the adoption of one or more series resolutions pursuant to the General Resolutions, authorizing the issuance of one or more series of bonds and/or notes;

WHEREAS, MassHousing desires to adopt such resolutions and agreements as may be necessary to effectuate the foregoing purposes and to provide for the modification of such resolutions to the extent necessary; now, therefore, be it

RESOLVED, by the Members of MassHousing as follows:

Section l. MassHousing hereby adopts one or more Series Resolutions (the "Series Resolutions"), authorizing the issuance of Bonds and/or Notes under one or more of MassHousing's existing rental development programs with an aggregate principal amount not to exceed $1,000,000,000 (the "Obligations"). The Series Resolutions shall be in substantially the form previously used by MassHousing, with such changes as shall be deemed necessary in accordance with Section 4 of this Resolution. The Obligations may be issued in one or more series or subseries. Any Obligations issued pursuant to this resolution shall be sold on or prior to December 31, 2026.

Section 2. The Series Resolutions shall provide that the Obligations to be issued thereunder and any related interest rate swap agreements or other hedge agreements, as authorized below, shall be secured by and payable from any and all Revenues in accordance with the General Resolutions. MassHousing's obligations under the Obligations, any such swap or hedge agreements or any Related Agreement deemed necessary in accordance with Section 5 of this Resolution may also be secured as a general obligation of MassHousing.

Section 3. The Obligations shall be sold to one or more members of MassHousing's approved underwriting team in accordance with the terms of one or more bond purchase agreements in substantially the forms previously used by MassHousing with respect to its rental development bond programs, with such changes, interest rates, redemption provisions and maturity schedules as shall be approved by an Authorized Officer, and the same are authorized to execute and deliver the bond purchase agreements. The Obligations (i) may be sold on a tax-exempt basis,

provided they do not bear interest at rates and are not sold at prices such that the yield on the Obligations exceeds the yield on 30-year Municipal Market Data index ("MMD") by more than 300 basis points, (ii) may be sold on a taxable basis under federal tax law, provided they do not bear interest at rates and are not sold at prices such that the yield on the Obligations exceeds the yield on 10-year U.S. Treasury securities by more than 400 basis points and (iii) may bear interest at fixed rates or at one or more variable rates determined in accordance with the provisions of the applicable Series Resolution; provided that at no time shall the outstanding principal amount of Obligations bearing interest at variable rates exceed $250,000,000. The Obligations may be sold at a purchase price which reflects an aggregate underwriting fee or discount of not more than 2% of the principal amount of the Obligations issued.

Section 4. The Chief Executive Officer, Chair, or Chief Financial and Administrative Officer are each hereby authorized, acting singly, (i) to take whatever action is necessary, not inconsistent with this vote, to carry out the issuance and sale of the Obligations including, without limitation, determining the amount of fixed rate and variable rate to be issued and the rates, terms and conditions thereof, including the series designations, the dates of issuance and sale, the maturities and interest payment dates, the redemption or tender dates, if any, and the establishment of funds and accounts under the applicable resolution, to account for the proceeds thereof and (ii) to approve and execute such changes, additions and revisions to the Series Resolutions, including Series Resolutions with respect to Bonds previously issued under the applicable General Resolution, and the documents and agreements referred to herein and therein as are necessary to effectuate the purposes thereof and the purposes set forth in this resolution.

Section 5. In connection with the issuance of any Obligations, MassHousing hereby approves (i) the delivery of one or more Preliminary Official Statements, in substantially the forms previously used by MassHousing, (ii) the execution by an Authorized Officer and delivery of one or more final Official Statements, with such additions, deletions or other changes from the corresponding Preliminary Official Statements as are deemed advisable by the Authorized Officer executing the same, and (iii) the delivery and, as applicable, execution by an Authorized Officer, of any supplements or amendments to such Preliminary Official Statements and/or Official Statements as are deemed advisable by the Authorized Officer delivering and, as applicable, executing the same.

Section 6. In connection with the issuance of any Obligations, MassHousing may enter into one or more remarketing agreements, standby bond purchase agreements, letter of credit and reimbursement agreements or other credit enhancement or liquidity agreements with respect to the Obligations ("Related Agreements"). The form of such Related Agreements shall be approved by an Authorized Officer, and the same are authorized to execute and deliver such agreements and to amend, extend and/or replace the same from time to time.

Section 7. In connection with any variable rate Obligations, MassHousing may enter into, and may thereafter amend, replace or terminate, one or more interest rate swap agreements, forward rate transactions, forward bond purchase transactions, cap transactions, floor transactions, collar transactions, rate lock transactions or other similar transactions to fix or otherwise limit the variability of the effective rate on the Obligations. The pricing and fixed rate under such agreements and transactions shall not exceed the yield on 30-year MMD by more than 300 basis points, if the related Obligations are tax-exempt, and the yield on 10-year U.S. Treasury

securities by more than 400 basis points, if the related Obligations are taxable. The form of such interest rate swap agreements and the rates, terms and conditions thereof shall be approved by an Authorized Officer, and the same are authorized to execute and deliver such agreements.

Section 8. MassHousing authorizes any Authorized Officer, to submit the proposed terms of any transaction authorized above to the State Finance and Governance Board as may be necessary for such board's review in accordance with Section 98 of Chapter 6 of the General Laws, as amended, and the regulations promulgated thereunder.

Section 9. As used in this Resolution, the term Authorized Officer shall mean MassHousing's Chair, Chief Executive Officer, Chief Financial and Administrative Officer, Chief Legal and Operating Officer, General Counsel, Comptroller, Senior Director of Capital Markets, Senior Director of Finance, and any officer or employee of MassHousing acting in such capacity, or any other Authorized Officer of MassHousing as defined in the General Resolutions.

Section 10. This resolution shall take effect immediately.

Submitted: February 10, 2026

601674849v.1

A RESOLUTION OF THE MASSACHUSETTS HOUSING FINANCE AGENCY ADOPTING SUPPLEMENTAL RESOLUTIONS AND/OR SUPPLEMENTAL TRUST INDENTURES RELATED TO THE ISSUANCE AND SALE OF NOT EXCEEDING $800,000,000 AGGREGATE PRINCIPAL AMOUNT BONDS AND/OR NOTES AND AUTHORIZING OFFICERS OF MASSHOUSING TO APPROVE CHANGES THERETO AND AUTHORIZING THE NEGOTIATION AND APPROVAL OF CERTAIN OTHER DOCUMENTS IN CONNECTION THEREWITH

WHEREAS, the Massachusetts Housing Finance Agency ("MassHousing") previously (i) adopted its Single Family Housing Revenue Bond Resolution (as amended to date, the "Resolution") and (ii) entered into a Trust Indenture relating to its Residential Mortgage Revenue Bonds (Mortgage-Backed Securities) (as amended to date, the "Trust Indenture"), each authorizing the issuance of bonds and/or notes for the purposes of financing or refinancing Whole Mortgage Loans, Home Improvement Loans, Cooperative Housing Loans or Mortgage-Backed Securities, refunding other obligations of MassHousing and establishing reserves therefor, as applicable, all in furtherance of MassHousing's Home Ownership Program;

WHEREAS, in order to maintain the continuity of the Home Ownership Program, and in furtherance of the provision of owner-occupied, single-family housing to low and moderate income persons and families in the Commonwealth, MassHousing desires to provide for (i) the adoption of one or more supplemental resolutions pursuant to the Resolution and (ii) the execution of one or more supplemental trust indentures pursuant to the Trust Indenture, authorizing the issuance of one or more series of bonds and/or notes to finance or refinance certain Whole Mortgage Loans and Mortgage-Backed Securities, as applicable, approved by MassHousing (collectively, the "Loans") to be designated by an Authorized Officer;

WHEREAS, MassHousing desires to adopt such resolutions and agreements as may be necessary to effectuate the foregoing purposes and to provide for the modification of such resolutions to the extent necessary; now, therefore, be it

RESOLVED, by the Members of MassHousing as follows:

Section l. MassHousing hereby (i) adopts one or more Supplemental Resolutions (the "Supplemental Resolutions"), authorizing the issuance of Bonds and/or Notes under the Resolution, and (ii) approves the execution of one or more Supplemental Trust Indentures (the "Supplemental Trust Indentures"), authorizing the issuance of Bonds under the Trust Indenture, with an aggregate principal amount not to exceed $800,000,000 (the "Obligations"). The Supplemental Resolutions and the Supplemental Trust Indentures shall be in substantially the forms previously used by MassHousing, with such changes as shall be deemed necessary in accordance with Section 3 of this resolution. The Obligations may be issued in one or more series and shall be secured by and payable from (i) in the case of Obligations issued under the Resolution, any and all Revenues in accordance with the Resolution and (ii) in the case of Obligations issued under the Trust Indenture, the security and collateral set forth in the applicable Supplemental Trust Indenture. Any Obligations issued pursuant to this resolution shall be delivered on or before December 31, 2026.

Section 2. MassHousing hereby adopts a Supplemental Resolution, which may be part of or separate from the Supplemental Resolutions authorized in Section 1 above, for the purpose of amending the Resolution to set forth therein the treatment of hedging transactions entered into with respect to Bonds and/or Notes issued under the Resolution.

Section 3. The Obligations shall be sold to one or more members of MassHousing's approved underwriting team in accordance with the terms of one or more bond purchase agreements in substantially the forms previously used by MassHousing with respect to its single family housing revenue bond programs, with such changes, interest rates, redemption provisions and maturity schedules as shall be approved by an Authorized Officer, and the same are authorized to execute and deliver the bond purchase agreements. The Obligations issued under the Resolution may be issued and sold as (i) one or more series of "Fixed Rate Bonds" or "Variable Rate Bonds" or "Compound Interest Bonds" or "Discount Bonds," (ii) one or more series of Notes or (iii) "Tender Bonds," as each such term is defined in the Resolution. The Obligations may be sold at a purchase price which reflects an aggregate underwriting fee or discount of not more than 2% of the principal amount of the Obligations issued.

Section 4. The Chief Executive Officer, Chairman, Vice President of Home Ownership Programs or Chief Financial and Administrative Officer are each hereby authorized, acting singly, to take whatever action is necessary to carry out the issuance and sale of the Obligations including, without limitation, determining the amount of fixed rate, variable rate, compound interest or discount bonds to be issued and the terms and conditions thereof, including the series designation(s) thereof, the date or dates of issuance and sale thereof, the maturity and interest payment dates thereof, the redemption or tender dates, if any, therefor and the establishment of funds and accounts under the Resolution or the Supplemental Trust Indenture, as applicable, to account for the proceeds thereof. The Chief Executive Officer, Chairman, Vice President of Home Ownership Programs or Chief Financial and Administrative Officer are further authorized, acting singly, to make such changes, additions and revisions to the Supplemental Resolutions, the Supplemental Trust Indentures and the documents and agreements referred to herein and therein, as are necessary to effectuate the purposes thereof and the purposes set forth in this resolution.

Section 5. In connection with the issuance of any Obligations, the distribution of one or more Preliminary Official Statements by an Authorized Officer is hereby approved. The Authorized Officers are each hereby authorized to permit the distribution of one or more final Official Statements, with such changes, omissions, insertions and revisions from the preliminary form thereof as they shall deem advisable and made pursuant to the bond purchase agreement authorized in Section 2 above, and to execute such final Official Statements.

Section 6. In connection with the issuance of any Obligations, MassHousing may enter into one or more remarketing agreements, standby bond purchase agreements, credit enhancement agreements or other liquidity agreements with respect to the Obligations ("Related Agreements"). The form of such Related Agreements shall be approved by an Authorized Officer, and the same are authorized to execute and deliver such agreements.

Section 7. In connection with the issuance of any Obligations, MassHousing may enter into one or more interest rate swap transactions, forward rate transactions, forward bond purchase transactions, cap transactions, floor transactions, collar transactions, rate lock transactions or other similar transactions ("Transactions"). The Authorized Officers are authorized to enter into such Transactions and to execute and deliver all agreements necessary or desirable therefor with one or more financial institutions selected by such Authorized Officers, and to pledge and apply such collateral held under the Resolution or the Supplemental Trust Indenture or otherwise held by MassHousing as shall be required by any such Transaction or any insurance therefor, subject to the pledge of any such collateral held under the Resolution or the Supplemental Trust Indenture, as applicable, for the benefit of the holders of all bonds and notes outstanding thereunder, in each case on such terms and conditions as such Authorized Officers shall determine to be in the best interest of MassHousing.

Section 8. The Authorized Officers are, and each of them is, authorized in their discretion to obtain a commitment from an Insurer (as such term is defined in the Resolution) selected by such Authorized Officers to insure all or any portion of the principal and interest payable on the Obligations issued under the Resolution on such terms and conditions as such Authorized Officers shall determine is in the best interests of MassHousing and approve (which terms and conditions shall be set forth in the applicable Supplemental Resolution). If MassHousing shall obtain an insurance policy from an Insurer to insure the Obligations issued under the Resolution, the Authorized Officers are further authorized to execute and deliver such agreements with the Insurer, or to include provisions in the Supplemental Resolutions, containing such terms, covenants and undertakings of MassHousing, as such Authorized Officers shall determine to be in the best interest of MassHousing.

Section 9. In the event the Obligations are not issued prior to the maturity date of all or any portion of any bonds (the "Prior Bonds") to be refunded with proceeds thereof, the Authorized Officers are, and each of them is, authorized in their discretion to draw amounts under the Second Amended and Restated Revolving Loan Agreement dated November 9, 2017, by and between MassHousing and Bank of America, N.A., as previously amended and as it may be further amended from time to time, sufficient to pay the principal amount of such Prior Bonds and to apply such amounts to such payment on such maturity date, provided that the amount so drawn shall be repaid from the proceeds of the Obligations upon the issuance thereof as provided in the Supplemental Resolutions.

Section 10. MassHousing may make or finance, on an interim basis, certain Loans, which costs are reasonably expected to be paid or reimbursed with the proceeds of debt to be incurred by MassHousing in the maximum amount of $800,000,000 and with respect to any such expenditures, this resolution is intended to satisfy the technical requirements of Treasury Regulations §1.150-2(d)(1).

Section 11. MassHousing authorizes any Authorized Officer to submit the proposed terms of any transaction authorized above to the State Finance and Governance Board as may be necessary for their review in accordance with Section 98 of Chapter 6 of the General Laws, as amended, and the regulations promulgated thereunder.

Section 12. As used in this resolution, the term Authorized Officer shall mean MassHousing's Chairman, Vice Chairman, Treasurer, Secretary, Chief Executive Officer, Vice President of Home Ownership Programs, Chief Financial and Administrative Officer, Chief Legal and Operating Officer, General Counsel, Comptroller, Senior Director of Finance and Senior Director of Capital Markets, or any person serving in any of the foregoing positions in an "Interim" or "Acting" capacity at the direction of the Members of MassHousing, any Member of MassHousing, or any other Authorized Officer of MassHousing as defined in the Resolution or a Supplemental Trust Indenture.

Section 13. This resolution shall take effect immediately.

Submitted: February 10, 2026

55 Broadway
Suite 2608
New York, New York 10006
TELEPHONE (212) 431-5800
FAX (212) 431-6520

C F X I N C O R P O R A T E D

Memorandum

Date: February 10, 2026

To: **MassHousing**
Rachel Madden, Chief Financial & Administrative Officer
Paul Scola, Senior Director of Capital Markets

From: **cfX Incorporated**
Benjamin Madorsky, President
Jeremy Obaditch, Managing Director
Chuck Karimbakas, Managing Director
Alex Fields, Managing Director
Teresa Chan, Director
Seth Webb, Associate

Re: **Multifamily Program: Review of Variable Rate Debt and Interest Rate Swap Opportunities for Submission to State Finance and Governance Board**

A. Introduction

cfX has been engaged by the Massachusetts Housing Finance Agency ("MassHousing") to identify and examine the benefits and risks associated with incorporating variable rate debt in furtherance of its Multifamily program. To date, MassHousing has almost exclusively used fixed rate debt to purchase Multifamily loans to be held in the Housing Bond Resolution (the "Resolution"). Today approximately 94% of the outstanding debt in the Resolution is fixed rate. The addition of new variable rate debt, in reasonable amounts, and in combination with interest rate swaps to reduce interest rate risk, will enable MassHousing to lower the future cost of debt. This will allow MassHousing to provide lower mortgage rates to its borrowers, maintain positive net income and balance sheet growth, and preserve the high ratings of "Aa2" and "AA+" assigned by Moody's Investors Service Inc. ("Moody's") and S&P Global Ratings ("S&P"), respectively.

This memorandum reviews the various types of variable rate debt and interest rate swaps available to MassHousing and examines the potential benefits and risks associated with these instruments in the context of the Resolution. Each of the proposed debt structures, swaps, counterparties and other components of future transactions in the Resolution will conform with all MassHousing requirements including delegation votes, its Swap Policy, the Debt Management Policy and the Investment Policy (collectively, "MassHousing Policies").

B. Types of Variable Rate Debt Instruments

Today's municipal bond market provides MassHousing with the opportunity to substitute a portion of the fixed rate debt that will be issued in the future with various types of variable rate debt instruments. Some of the more well-established variable rate debt instruments used in the municipal bond market today utilized by state housing agencies include Variable Rate Demand Bonds ("VRDBs") and Floating Rate Notes ("FRNs"). All variable rate debt instruments provide bond investors with an interest accrual rate that is reset on a specified frequency that can be daily, weekly, monthly or longer. Payment of the actual interest due on variable rate debt is traditionally semi-annual or monthly for housing issuers. Both VRDBs and FRNs are well established debt instruments in the municipal bond market and have been used by state Housing Finance Agencies ("HFAs") around the country to help finance the purchase of Multifamily and Single Family loans.

VRDBs differ from FRNs in several ways. VRDBs require a remarketing agent, typically an investment bank, to reset the interest accrual rate based on market feedback, at regular intervals. VRDBs also include a "put" or optional tender feature that allows investors to return their bonds to the issuer at a price of par if they no longer wish to own the bonds, at the time of each interest rate reset. At this point the remarketing agent is obligated to find new investors to purchase the bonds. Tender dates are typically the same as interest rate reset dates. To support the remarketing agent, all VRDBs must also include a Standby Bond Purchase Agreement, or other equivalent so-called "liquidity facility". This is provided by a financial institution who will purchase the bonds from the issuer if the remarketing agent is unable to find enough investors to purchase the tendered bonds at the time of the interest rate reset. The provider of the liquidity facility, or the counterparty, is an important aspect of VRDBs as investors will typically require an interest rate that is based in part on the name and credit quality of that counterparty. MassHousing VRDBs would be expected to be secured by liquidity facilities offered only by highly rated providers in compliance with MassHousing Policies.

VRDB remarketing agent agreements are specified for the life of the bonds, with a specified fee in the five to eight basis points per year range. Counterparty risk that the remarketing agent will be unable to fulfill its duties exists for all issuers of VRDBs. Replacement of a poorly performing or disabled remarketing agent occurs occasionally.

VRDB liquidity facility agreements are specified for terms ranging from one to seven years in today's market. Longer terms require higher annual fees, and most agreements priced in today's market are made in the three to five year range at rates of generally between 20 and 40 basis points per year. An issuer will be required to renegotiate the terms of the liquidity facility at the end of the term with the existing counterparty or solicit bids from other providers. During the debt crisis many low rated liquidity facilities were replaced before contract expiration by more highly rated counterparties. Issuers of VRDBs have both counterparty risk associated with the provider of the facility and renewal risk that the rate for the next specified term will be higher than the previous term.

FRNs, Floating Rate Notes, are variable rate debt instruments where the interest rate is based on a specified benchmark index, such as the tax-exempt SIFMA index (Securities Industry and Financial Markets Association Municipal Swap Index) or the taxable SOFR index (Secured Overnight Financing Rate), plus a spread for a specified initial term, typically three to seven years. At the end of the initial term, a mandatory tender occurs that requires all FRN investors to return their bonds to the issuer for cancellation. At the end of the initial term, the issuer may re-issue the bonds as FRNs using a similar or different index, spread or term and a new mandatory tender date. An issuer may also decide to retire the debt or convert the debt to VRDBs or fixed rate debt.

If the issuer is unable to execute the mandatory tender and pay the principal and interest due on the bonds, the variable interest rate escalates to a pre-set, high fixed rate, such as 9%, that incentivizes the issuer to find a solution to redeem the bonds quickly. This so called "Soft Put" feature of FRNs, which are typically designed to avoid an event of default under the Resolution even if the tender fails, is an attractive feature for issuers who have adequate liquid investments or cash to repay FRNs if market access is unavailable.

Tax-Exempt FRNs use 100% of the weekly SIFMA index or typically 67-70% of a taxable index, and taxable FRNs use 100% of a taxable index. Interest is reset on a pre-specified frequency that can be weekly, monthly or longer. A fixed spread, in basis points, is determined by the underwriter at the time of the initial sale that reflects the credit quality of the issuer and to compensate the investor for the lack of any short term "put" feature or liquidity facility that is available in a VRDB. The spread is added to the index rate to arrive at the total variable interest rate for any period. FRNs do not require a remarketing agent or a liquidity agreement, and spreads have sometimes been lower than the combined cost of the fees for remarketing and liquidity in the VRDB market, sometimes making FRNs an attractive substitute for VRDBs. However, recently FRN spreads have been significantly higher than the combined cost of VRDBs and most issuers have chosen VRDBs over FRNs. While issuers do not have counterparty risk with FRNs, they do have renewal risk – that at the time of the mandatory tender the market-based spread to the benchmark index, or the overall interest rates in the market, will be higher than the prior term. FRNs also require a full remarketing and re-issuance of the bonds as opposed to the potential extension of an existing SBPA agreement supporting a VRDO. FRN remarketing costs can be as much as 0.5% of the par amount of the bonds compared to SBPA extension legal costs that might be only one-tenth of FRN costs. Table 1 below summarizes several differences between VRDBs and FRNs.

Table 1. Summary of Variable Rate Debt Instruments

Type	Public or Private Placement	Remarketing Agent	Liquidity Facility	Rate Reset	Counterparty Risk	Renewal Risk
VRDB	Public	Yes	Yes	Remarketing	Yes	Yes
FRN	Both	No	No	Index	No	Yes

C. Types of Interest Rate Swaps

In conjunction with the sale of any form of variable rate debt, many issuers choose to enter into an interest rate swap with a selected counterparty. This allows an issuer to hedge all or a portion of their exposure to future rising short-term interest rates. A standard interest rate swap for an issuer of variable rate bonds is designed such that an issuer pays a fixed rate of interest in return for receiving a variable rate of interest. In simple terms, this allows an issuer to receive approximately the same variable rate of interest that it is paying on the VRDBs or FRNs so that the short-term interest paid and received cancel each other out. The issuer is left only with the payment of the fixed rate on the swap effectively converting variable rate debt to synthetic fixed rate debt. In practice it is almost impossible or too expensive to design a swap that will receive exactly the same interest rate that is paid on the VRDBs or FRNs. This mismatch is called basis risk which means that the basis for the short-term variable rate payments on the bonds will be somewhat different than the basis for the short-term variable rate receipts for the swap. One of the goals when designing swaps is to minimize the basis risk but some will likely be present over the life of the swap.

Most of the recent swaps used to hedge tax-exempt variable rate debt by state housing agencies are based either on the weekly SIFMA tax-exempt index or use 70% of the SOFR taxable index plus a 10 basis point spread. Some swaps have also been purchased by HFAs that are so-called hybrid swaps using both the tax-exempt and the taxable indices over the life of the swap. These hybrid swaps start with the SIFMA index and then convert to a percentage (typically 67-70%) of the SOFR index plus a spread. Use of the SIFMA index to hedge tax-exempt bonds minimizes basis risk as the issuer's tax-exempt VRDBs are expected to trade very close to SIFMA. Use of a percentage of the SOFR index to hedge tax-exempt bonds adds basis risk as the issuers tax-exempt bonds may not trade in tandem with the SOFR index. However, increased liquidity in the SOFR swap market versus the SIFMA swap market leads to SOFR based swap rates that are 50 to 75 basis points lower than SIFMA swaps.

Historically a ratio of 70% of SOFR plus 10 basis points has correlated reasonably well with SIFMA. Over the past several years, an increasing number of issuers have chosen to hedge their variable tax-exempt bonds with lower cost percentage-of-a SOFR index swaps. However, uncertainties related to investor behavior given uncertainties about individual marginal and corporate tax rates make it impossible to know how well this previous correlation will persist into the future. To the extent that SIFMA and tax-exempt variable rate bonds lose some of their tax advantage and the ratio of SIFMA to SOFR increases to potentially 80% or 90%, swaps receiving only 70% of SOFR plus 10 basis points will be short of the payment that will be due to the bondholder. This would require issuers to not only make the fixed payment on the swap but also to make up the shortfall from the reduced receipts on the swap to pay the variable rate bond holders. This is how basis risk could be manifest in variable rate transactions. This specific type of basis risk where an issuer is using a taxable swap to hedge a tax-exempt bond is often called tax risk.

If an issuer is looking to hedge taxable variable rate bonds, then accessing the SOFR index swap market can minimize basis risk as no tax risk will be apparent.

Interest rate swaps are negotiated with a counterparty and thus have embedded counterparty risk. If the provider of the swap is unable to perform its duties, the bond issuer may no longer receive the variable rate interest payments necessary to offset the variable rate payments due on the bonds. While counterparty bankruptcies are rare, they have occurred, especially during the 2008 financial crisis. Issuers may be exposed to potential renewal risk to replace a terminated swap, which may be in addition to the administrative burden and unexpected additional economic costs of the existing swap.

One of the most important features of a swap is an issuer's right or option to cancel a swap at par with no additional expense on or after a specified date. Today almost all housing bond issuers that enter into swaps that have a maturity date that is longer than 10 years purchase par cancellation options that are no later than the optional call date on the associated fixed rate bonds, typically eight to ten years. Many of the headlines from the 2008 financial crisis that related to swaps were the result of issuers purchasing long-dated swaps without realizing that they had no means of canceling the agreement at par if interest rates fell (although all swap agreements could have been terminated at a market cost these costs would have been prohibitive given the prevailing low interest rates used to mark the swap termination to market). Many of those issuers were forced to pay high above-market interest rates with no feasible ability to replace the swap at lower rates. While shorter cancellation options increase the rate paid by issuers on the swap, most housing agencies are purchasing swaps with cancellation options in the five to ten-year range. Purchasing these options also allows an issuer to hedge against basis, tax and counterparty risk by providing an exit on or after the optional cancellation option date.

The choice of how much of the variable rate bonds to hedge is another important decision for variable rate bond issuers. Many state housing agencies choose to hedge 75-80% of their long-dated variable rate bonds, as most agency balance sheets hold large amounts of short-term investments (in the form of money market investments) which act as a natural hedge against rising variable bond rates. If short-term interest rates rise, it would be expected that the rates on both the short-term investments and short-term unhedged variable rate bonds will also rise, mitigating interest rate risk. Many state housing agencies are also purchasing short-term swaps that are designed to amortize according to an expected loan prepayment schedule and thus mimic a traditional fixed rate PAC (Planned Amortization Class) bond with a specified average life, often four to six years. These swaps are often referred to as PAC swaps and have a maturity that is typically 15 years or less. In these cases, state housing agencies are likely to swap 100% of the variable rate bonds and then retain the option to create unhedged variable rate bonds during the term of the swap amortization table by calling variable rate bonds in amounts less than the periodic amortization of the swap. Depending on the amortization characteristics of the swap, state housing agencies can decide if the purchase of an additional par cancellation option is appropriate.

Overall, swaps are attractive to state housing agencies as they allow issuers to lower the cost of the highest rate 30-year bonds or fixed rate PAC bonds by as much as 1% when factoring in the swap pay rate, basis risk, fees for VRDBs or spreads to FRNs and par cancellation options. Saving 1% on the long-term bonds can save as much as 20 to 40 basis

points on an overall issue, allowing an issuer to offer lower mortgage rates or to generate increased earnings. Most of the state housing agencies with the lowest mortgage rates use a combination of fixed rate and variable rate bonds with swaps to finance their loan or Mortgage-Backed Securities purchases. Today HFAs are using both the SOFR and SIFMA markets to purchase swaps and are also retaining unhedged variable rate risk.

Table 2 below summarizes the risks that HFAs need to consider when evaluating the use of swaps.

Table 2. Summary of Risks Related to Interest Rate Swaps

Variable Bond Type	SIFMA Swap Tax Risk	SOFR Index Swap Tax Risk	Basis Risk	Counterparty Risk
Tax-Exempt	Minimal	High	Yes	Yes
Taxable	High	Minimal	Yes	Yes

D. Pro-Forma Alternative Debt Structures

cfX has designed and evaluated several alternative MassHousing Multifamily program debt structures that use a combination of fixed and variable rate debt to identify the costs and benefits of using variable rate debt for a portion of the financings contemplated for calendar year 2026. Historically, the 30-40 year term bonds are the portion of the structure that is financed using variable rate debt as those bonds have the highest rate and are the most difficult to sell in the marketplace.

The alternative debt structures have 25% of the year's bond issuance composed of variable rate debt, either tax-exempt or taxable debt. In calendar year 2026, it is expected that each bond issue would consist of between 0% and 25% of variable rate bonds, with the balance consisting of traditional fixed rate debt.

Each of the alternative debt structures assume all of the variable rate bonds are hedged with SOFR-based swaps with an amortization that matches the Multifamily loans financed, typically a 40-year term with a 40-year amortization. MassHousing may choose to leave a portion of their variable rate bonds unhedged to provide bond redemption flexibility and can rely on short-term variable rate money market assets in the Resolution to provide a hedge against rising short-term interest rates. MassHousing may also choose to purchase a par termination call option or choose a swap with a different amortization. Each of those decisions would be evaluated during the design of the structure to ensure that the swap was consistent with the MassHousing Policies and all rating agency requirements necessary to maintain the current rating.

Each of the tax-exempt and taxable variable rate debt alternatives outperforms their 100% fixed rate counterparts across a range of reasonable interest rate and prepayment scenarios. Savings from the use of variable rate bonds range from 10 to 50 basis points depending on the percentage of variable rate debt and the type and duration of the swap.

E. Performance of Alternative Variable Rate Structures in the Resolution

cfX has evaluated selected alternative debt structures in the context of the overall Resolution to ensure that all the rating agency cash flow stress tests can be satisfied to ensure that any new debt that is issued will maintain the current high debt ratings from Moody's ("Aa2") and S&P ("AA+").

The most recent set of Resolution cash flows provided to the rating agencies project $321 million of net assets on June 1, 2026, or a parity ratio of approximately 111%. The rating agencies generally expect that the Resolutions of large, sophisticated housing bond issuers that are using variable rate debt and swaps to finance their lending programs should have at least 110% of Resolution asset parity. The $321 million of net assets means that the Resolution has approximately $22 million of additional net assets in excess of this 110% threshold.

The most recent set of Resolution cash flows including the issuance of the 2025 Series C and 2025 Series D bonds provided to the rating agencies showed that the Resolution is composed of 94% fixed rate and 6% variable rate debt. In 2026, based on up to an additional $1 billion new issuance, the addition of reasonable amounts of variable rate debt consisting of $250 million in total or approximately 25% variable rate debt for each bond issue will increase the percentage of variable rate debt in the Resolution from 6% to up to approximately 11%. For example, Moody's criteria for Aa1 rated debt generally specifies a preferred range of no more than 10% to 25% of variable rate debt outstanding. Contemplated additional variable rate debt amounts for calendar year 2026 will result in ratios that are well within this range. Furthermore, MassHousing will retain sufficient capacity to add variable rate debt as part of combined fixed and variable rate debt structures in the coming years.

Many state housing agencies choose to hedge a majority but not all of their variable rate debt with swaps, leaving the balance of variable rate debt unhedged. Carrying unhedged variable rate debt has allowed housing agencies to lower their cost of funds, increasing income and providing lower mortgage rates to their borrowers.

As of June 1, 2026 there will be $70 million of outstanding variable rate debt unhedged in the Resolution, which represents a relatively small 2.3% of all bonds outstanding. If MassHousing decides to hedge all of the up-to $250 million of variable debt contemplated for calendar year 2026 transactions, then the amount of unhedged variable rate would decrease from 2.3% to 1.7% of all Resolution debt outstanding.

On average the Resolution carries $100 million to $150 million of funds in money market or other short term instruments, providing a significant natural hedge against rising short term interest rates. The rating agencies are comfortable with sophisticated, large parity issuers of housing bonds carrying unhedged variable rate debt based on these natural hedging resources with the expectation that short term interest rates on investments will tend to rise as the short term interest rates on unhedged variable rate bonds rise.

If MassHousing decides to hedge all of the up-to $250 million of variable debt contemplated for calendar year 2026 transactions, then the amount of hedged variable rate would increase from $123 million to $373 million, increasing from 4.1% to 9.3% of all Resolution debt outstanding.

Each of the alternatives that we evaluated in the rating agency Resolution cash flow stress tests has passed all of the rating agency requirements, demonstrating sufficient net income and asset parity coverage to warrant an affirmation of the current Aa2 and AA+ ratings from Moody's and S&P, respectively. Given the substantial strength of the Resolution, MassHousing, if it so desires, will be able to repeat the contemplated program of fixed and variable rate Multifamily issues for multiple years with no adverse impact on the ratings.

F. Summary

cfX analyzed the sale of up to $1 billion of additional debt for calendar year 2026 resulting in the addition of up-to $250 million of new variable rate debt to fund the Multifamily program. Each of the proposed debt structures, swaps, counterparties and other components of future transactions in the Resolution will conform with all MassHousing requirements including delegation votes and the MassHousing Policies.

The combination of using fixed rate and variable rate debt to finance the Multifamily program, in combination with interest rate swaps to reduce interest rate risk, will enable MassHousing to lower the future cost of debt. Variable rate debt creates 10 to 50 basis points of additional spread versus fixed rate alternatives, under the expected interest rate scenarios. This will allow MassHousing to provide lower mortgage rates to its borrowers, maintain positive net income and grow the MassHousing balance sheet.

Cash flow stress tests using the adverse financial conditions required by the rating agencies were all successful. As of June 1, 2026, without additional variable rate debt only 6% of the Resolution debt will be variable, and the maximum additions contemplated here would keep the variable rate debt well within the levels preferred by the rating agencies. The high ratings of "Aa2" and "AA+" assigned by Moody's and S&P would be expected to be affirmed under any of the recommended financing scenarios.

G. cfX Incorporated

cfX is a Municipal Advisor to 20 different state housing agencies nationwide including some of the largest and the most complex housing finance issuers in the country. cfX specializes in the structuring of housing bonds to finance affordable housing and the management of complex Single Family and Multifamily parity bond portfolios. cfX has been engaged by MassHousing since 2004 and is a registered municipal advisor with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board.

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C F X I N C O R P O R A T E D

Memorandum

Date: February 10, 2026

To: **MassHousing**
Rachel Madden, Chief Financial & Administrative Officer
Paul Scola, Senior Director of Capital Markets

From: **cfX Incorporated**
Benjamin Madorsky, President
Jeremy Obaditch, Managing Director
Chuck Karimbakas, Managing Director
Alex Fields, Managing Director
Teresa Chan, Director
Seth Webb, Associate

Re: **Single Family Program: Review of Variable Rate Debt and Interest Rate Swap Opportunities for Submission to State Finance and Governance Board**

A. Introduction

cfX has been engaged by the Massachusetts Housing Finance Agency ("MassHousing") to identify and examine the benefits and risks associated with incorporating variable rate debt in furtherance of its Single Family program. To date, MassHousing has utilized fixed rate debt to finance the majority of Single Family loans held in the Single Family Housing Revenue Bond Resolution (the "Resolution"). Today approximately 88% of the outstanding debt in the Resolution is fixed rate. The addition of new variable rate debt, in reasonable amounts, and in combination with interest rate swaps to reduce interest rate risk, will enable MassHousing to lower the future cost of debt. This will allow MassHousing to provide lower mortgage rates to its borrowers, help fund the down payment assistance program, maintain positive net income and balance sheet growth, and preserve the high ratings of "Aa1" and "AA+" assigned by Moody's Investors Service Inc. ("Moody's") and S&P Global Ratings ("S&P"), respectively.

This memorandum reviews the various types of variable rate debt and interest rate swaps available to MassHousing and examines the potential benefits and risks associated with these instruments in the context of the Resolution. Each of the proposed debt structures, swaps, counterparties and other components of future transactions in the Resolution will conform with all MassHousing requirements including delegation votes, its Swap Policy, the Debt Management Policy and the Investment Policy (collectively, "MassHousing Policies").

B. Types of Variable Rate Debt Instruments

Today's municipal bond market provides MassHousing with the opportunity to substitute a portion of the fixed rate debt that will be issued in the future with various types of variable rate debt instruments. Some of the more well established variable rate debt instruments used in the municipal bond market today utilized by state housing agencies include Variable Rate Demand Bonds ("VRDBs") and Floating Rate Notes ("FRNs"). All variable rate debt instruments provide bond investors with an interest accrual rate that is reset on a specified frequency that can be daily, weekly, monthly or longer. Payment of the actual interest due on variable rate debt is traditionally semi-annual or monthly for housing issuers. Both VRDBs and FRNs are well established debt instruments in the municipal bond market and have been used by state Housing Finance Agencies ("HFAs") around the country to help finance the purchase of Single Family and Multifamily loans.

VRDBs differ from FRNs in several ways. VRDBs require a remarketing agent, typically an investment bank, to reset the interest accrual rate based on market feedback, at regular intervals. VRDBs also include a "put" or optional tender feature that allows investors to return their bonds to the issuer at a price of par if they no longer wish to own the bonds, at the time of each interest rate reset. At this point the remarketing agent is obligated to find new investors to purchase the bonds. Tender dates are typically the same as interest rate reset dates. To support the remarketing agent, all VRDBs must also include a Standby Bond Purchase Agreement, or other equivalent so-called "liquidity facility". This is provided by a financial institution who will purchase the bonds from the issuer if the remarketing agent is unable to find enough investors to purchase the tendered bonds at the time of the interest rate reset. The provider of the liquidity facility, or the counterparty, is an important aspect of VRDBs as investors will typically require an interest rate that is based in part on the name and credit quality of that counterparty. MassHousing VRDBs would be expected to be secured by liquidity facilities offered only by highly rated providers in compliance with MassHousing Policies.

VRDB remarketing agent agreements are specified for the life of the bonds, with a specified fee in the five to eight basis points per year range. Counterparty risk that the remarketing agent will be unable to fulfill its duties exists for all issuers of VRDBs. Replacement of a poorly performing or disabled remarketing agent occurs occasionally.

VRDB liquidity facility agreements are specified for terms ranging from one to seven years in today's market. Longer terms require higher annual fees, and most agreements priced in today's market are made in the three to five year range at rates of generally between 20 and 40 basis points per year. An issuer will be required to renegotiate the terms of the liquidity facility at the end of the term with the existing counterparty or solicit bids from other providers. During the debt crisis, many low rated liquidity facilities were replaced before contract expiration by more highly rated counterparties. Issuers of VRDBs have both counterparty risk associated with the provider of the facility and renewal risk that the rate for the next specified term will be higher than the previous term.

FRNs, Floating Rate Notes, are variable rate debt instruments where the interest rate is based on a specified benchmark index, such as the tax-exempt SIFMA index (Securities Industry and Financial Markets Association Municipal Swap Index) or the taxable SOFR index (Secured Overnight Financing Rate), plus a spread for a specified initial term, typically three to seven years. At the end of the initial term, a mandatory tender occurs that requires all FRN investors to return their bonds to the issuer for cancellation. At the end of the initial term, the issuer may re-issue the bonds as FRNs using a similar or different index, spread or term and a new mandatory tender date. An issuer may also decide to retire the debt or convert the debt to VRDBs or fixed rate debt.

If the issuer is unable to execute the mandatory tender and pay the principal and interest due on the bonds, the variable interest rate escalates to a pre-set, high fixed rate, such as 9%, that incentivizes the issuer to find a solution to redeem the bonds quickly. This so called "Soft Put" feature of FRNs, which are typically designed to avoid an event of default under the Resolution even if the tender fails, is an attractive feature for issuers who have adequate liquid investments or cash to repay FRNs if market access is unavailable.

Tax-Exempt FRNs use 100% of the weekly SIFMA index or typically 67-70% of a taxable index, and taxable FRNs use 100% of a taxable index. Interest is reset on a pre-specified frequency that can be weekly, monthly or longer. A fixed spread, in basis points, is determined by the underwriter at the time of the initial sale that reflects the credit quality of the issuer and to compensate the investor for the lack of any short term "put" feature or liquidity facility that is available in a VRDB. The spread is added to the index rate to arrive at the total variable interest rate for any period. FRNs do not require a remarketing agent or a liquidity agreement, and spreads have sometimes been lower than the combined cost of the fees for remarketing and liquidity in the VRDB market, sometimes making FRNs an attractive substitute for VRDBs. However, recently FRN spreads have been significantly higher than the combined cost of VRDBs and most issuers have chosen VRDBs over FRNs. While issuers do not have counterparty risk with FRNs, they do have renewal risk – that at the time of the mandatory tender the market-based spread to the benchmark index, or the overall interest rates in the market, will be higher than the prior term. FRNs also require a full remarketing and re-issuance of the bonds as opposed to the potential extension of an existing SBPA agreement supporting a VRDO. FRN remarketing costs can be as much as 0.5% of the par amount of the bonds compared to SBPA extension legal costs that might be only one-tenth of FRN costs. Table 1 below summarizes several differences between VRDBs and FRNs.

Table 1. Summary of Variable Rate Debt Instruments

Type	Public or Private Placement	Remarketing Agent	Liquidity Facility	Rate Reset	Counterparty Risk	Renewal Risk
VRDB	Public	Yes	Yes	Remarketing	Yes	Yes
FRN	Both	No	No	Index	No	Yes

C. Types of Interest Rate Swaps

In conjunction with the sale of any form of variable rate debt, many issuers choose to enter into an interest rate swap with a selected counterparty. This allows an issuer to hedge all or a portion of their exposure to future rising short-term interest rates. A standard interest rate swap for an issuer of variable rate bonds is designed such that an issuer pays a fixed rate of interest in return for receiving a variable rate of interest. In simple terms, this allows an issuer to receive approximately the same variable rate of interest that it is paying on the VRDBs or FRNs so that the short term interest paid and received cancel each other out. The issuer is left only with the payment of the fixed rate on the swap effectively converting variable rate debt to synthetic fixed rate debt. In practice it is almost impossible or too expensive to design a swap that will receive exactly the same interest rate that is paid on the VRDBs or FRNs. This mismatch is called basis risk which means that the basis for the short-term variable rate payments on the bonds will be somewhat different than the basis for the short-term variable rate receipts for the swap. One of the goals when designing swaps is to minimize the basis risk but some will likely be present over the life of the swap.

Most of the recent swaps used to hedge tax-exempt variable rate debt by state housing agencies are based either on the weekly SIFMA tax-exempt index or use 70% of the SOFR taxable index plus a 10 basis point spread. Some swaps have also been purchased by HFAs that are so-called hybrid swaps using both the tax-exempt and the taxable indices over the life of the swap. These hybrid swaps start with the SIFMA index and then convert to a percentage (typically 67-70%) of the SOFR index plus a spread. Use of the SIFMA index to hedge tax-exempt bonds minimizes basis risk as the issuer's tax-exempt VRDBs are expected to trade very close to SIFMA. Use of a percentage of the SOFR index to hedge tax-exempt bonds adds basis risk as the issuers tax-exempt bonds may not trade in tandem with the SOFR index. However, increased liquidity in the SOFR swap market versus the SIFMA swap market leads to SOFR based swap rates that are 50 to 75 basis points lower than SIFMA swaps.

Historically a ratio of 70% of SOFR plus 10 basis points has correlated reasonably well with SIFMA. Over the past several years, an increasing number of issuers have chosen to hedge their variable tax-exempt bonds with lower cost percentage-of-a SOFR index swaps. However, uncertainties related to investor behavior given uncertainties about individual marginal and corporate tax rates make it impossible to know how well this previous correlation will persist into the future. To the extent that SIFMA and tax-exempt variable rate bonds lose some of their tax advantage and the ratio of SIFMA to SOFR increases to potentially 80% or 90%, swaps receiving only 70% of SOFR plus 10 basis points will be short of the payment that will be due to the bondholder. This would require issuers to not only make the fixed payment on the swap but also to make up the shortfall from the reduced receipts on the swap to pay the variable rate bond holders. This is how basis risk could be manifest in variable rate transactions. This specific type of basis risk where an issuer is using a taxable swap to hedge a tax-exempt bond is often called tax risk.

If an issuer is looking to hedge taxable variable rate bonds, then accessing the SOFR index swap market can minimize basis risk as no tax risk will be apparent.

Interest rate swaps are negotiated with a counterparty and thus have embedded counterparty risk. If the provider of the swap is unable to perform its duties, the bond issuer may no longer receive the variable rate interest payments necessary to offset the variable rate payments due on the bonds. While counterparty bankruptcies are rare, they have occurred, especially during the 2008 financial crisis. Issuers may be exposed to potential renewal risk to replace a terminated swap, which may be in addition to the administrative burden and unexpected additional economic costs of the existing swap.

One of the most important features of a swap is an issuer's right or option to cancel a swap at par with no additional expense on or after a specified date. Today almost all housing bond issuers that enter into swaps that have a maturity date that is longer than 10 years purchase par cancellation options that are no later than the optional call date on the associated fixed rate bonds, typically eight to ten years. Many of the headlines from the 2008 financial crisis that related to swaps were the result of issuers purchasing long-dated swaps without realizing that they had no means of canceling the agreement at par if interest rates fell (although all swap agreements could have been terminated at a market cost these costs would have been prohibitive given the prevailing low interest rates used to mark the swap termination to market). Many of those issuers were forced to pay high above-market interest rates with no feasible ability to replace the swap at lower rates. While shorter cancellation options increase the rate paid by issuers on the swap, most housing agencies are purchasing swaps with cancellation options in the five to ten-year range. Purchasing these options also allows an issuer to hedge against basis, tax and counterparty risk by providing an exit on or after the optional cancellation option date.

The choice of how much of the variable rate bonds to hedge is another important decision for variable rate bond issuers. Many state housing agencies choose to hedge 75-80% of their long-dated variable rate bonds, as most agency balance sheets hold large amounts of short-term investments (in the form of money market investments) which act as a natural hedge against rising variable bond rates. If short term interest rates rise, it would be expected that the rates on both the short-term investments and short-term unhedged variable rate bonds will also rise, mitigating interest rate risk. Many state housing agencies are also purchasing short-term swaps that are designed to amortize according to an expected loan prepayment schedule and thus mimic a traditional fixed rate PAC (Planned Amortization Class) bond with a specified average life, often four to six years. These swaps are often referred to as PAC swaps and have a maturity that is typically fifteen years or less. In these cases, state housing agencies are likely to swap 100% of the variable rate bonds and then retain the option to create unhedged variable rate bonds during the term of the swap amortization table by calling variable rate bonds in amounts less than the periodic amortization of the swap. Depending on the amortization characteristics of the swap, state housing agencies can decide if the purchase of an additional par cancellation option is appropriate.

Overall, swaps are attractive to state housing agencies as they allow issuers to lower the cost of the highest rate 30-year bonds or fixed rate PAC bonds by as much as 1% when factoring in the swap pay rate, basis risk, fees for VRDBs or spreads to FRNs and par cancellation options. Saving 1% on the long-term bonds can save as much as 20 to 40 basis

points on an overall issue, allowing an issuer to offer lower mortgage rates or to generate increased earnings. Most of the state housing agencies with the lowest mortgage rates use a combination of fixed rate and variable rate bonds with swaps to finance their loan or Mortgage-Backed Securities purchases. Today HFAs are using both the SOFR and SIFMA markets to purchase swaps and are also retaining unhedged variable rate risk.

Table 2 below summarizes the risks that HFAs need to consider when evaluating the use of swaps.

Table 2. Summary of Risks Related to Interest Rate Swaps

Variable Bond Type	SIFMA Swap Tax Risk	SOFR Index Swap Tax Risk	Basis Risk	Counterparty Risk
Tax-Exempt	Minimal	High	Yes	Yes
Taxable	High	Minimal	Yes	Yes

D. Pro-Forma Alternative Debt Structures

cfX has designed and evaluated several alternative MassHousing Single Family program debt structures that use a combination of fixed and variable rate debt to identify the costs and benefits of using variable rate debt for a portion of the financings contemplated for calendar year 2026. To use conservative assumptions, these alternatives assume that 65% of the bonds issued in the balance of calendar year 2026 will be issued as taxable bonds.

The alternative debt structures have 25% of the year's bond issuance composed of variable rate debt, either tax-exempt or taxable debt. In calendar year 2026, it is expected that each bond issue would consist of approximately 25% of variable rate bonds with the balance consisting of traditional fixed rate debt.

Each of the alternative debt structures assume all of the variable rate bonds are hedged with SOFR-based swaps with an amortization that matches a six-year average life PAC bond with a maturity of approximately 15 years with a par cancellation option that matches the expected optional call date on the fixed rate bonds. MassHousing may choose to leave a portion of their variable rate bonds unhedged to provide bond redemption flexibility and can rely on short-term variable rate money market assets in the Resolution to provide a hedge against rising short-term interest rates. MassHousing may also choose to purchase a par termination call option or choose a swap with a different amortization. Each of those decisions would be evaluated during the design of the structure to ensure that the swap was consistent with the MassHousing Policies and all rating agency requirements necessary to maintain the current rating.

Each of the tax-exempt and taxable variable rate debt alternatives outperforms their 100% fixed rate counterparts across a range of reasonable interest rate and prepayment scenarios. Savings from the use of variable rate bonds range from 10 to 50 basis points depending on the percentage of variable rate debt and the type and duration of the swap.

E. Performance of Alternative Variable Rate Structures in the Resolution

cfX has evaluated selected alternative debt structures in the context of the overall Resolution to ensure that all the rating agency cash flow stress tests can be satisfied to ensure that any new debt that is issued will maintain the current high debt ratings from Moody's ("Aa1") and S&P ("AA+").

The most recent set of Resolution cash flows provided to the rating agencies project $258 million of net assets on June 1, 2026, or a parity ratio of approximately 112%. The rating agencies generally expect that the Resolutions of large, sophisticated housing bond issuers that are using variable rate debt and swaps to finance their lending programs should have at least 110% of Resolution asset parity. The $258 million of net assets means that the Resolution has approximately $40 million of additional net assets in excess of this 110% threshold.

The most recent set of Resolution cash flows including the issuance of the Series 249, 250 and 251 bonds provided to the rating agencies showed that the Resolution is composed of 88% fixed rate and 12% variable rate debt. In the balance of calendar year 2026 based on up to an additional $800 million new issuance, the addition of reasonable amounts of variable rate debt consisting of approximately 25% variable rate debt for each bond issue will increase the percentage of variable rate debt in the Resolution from 12% to up to approximately 16%. For example, Moody's criteria for Aa1 rated debt generally specifies a preferred range of no more than 10% to 25% of variable rate debt outstanding. Contemplated additional variable rate debt amounts for calendar year 2026 will result in ratios that are well within this range. Furthermore, MassHousing will retain sufficient capacity to add variable rate debt as part of combined fixed and variable rate debt structures in the coming years.

Many state housing agencies choose to hedge a majority but not all of their variable rate debt with swaps, leaving the balance of variable rate debt unhedged. Carrying unhedged variable rate debt has allowed housing agencies to lower their cost of funds, increasing income and providing lower mortgage rates to their borrowers.

After the issuance of the Series 249, 250 and 251 bonds, $36 million of outstanding variable rate debt is unhedged in the Resolution, representing a relatively small 1.7% of all bonds outstanding. If MassHousing decides to hedge up-to all of the $200 million of variable debt contemplated for the remainder of calendar year 2026 transactions, then the amount of unhedged variable rate would decrease from 1.7% to about 1.2% of all Resolution debt outstanding.

On average the Resolution carries $100 million to $150 million of funds in money market or other short term instruments, providing a significant natural hedge against rising short term interest rates. The rating agencies are comfortable with sophisticated, large parity issuers of housing bonds carrying unhedged variable rate debt based on these natural hedging resources with the expectation that short term interest rates on investments will tend to rise as the short term interest rates on unhedged variable rate bonds rise.

If MassHousing decides to hedge all of the up-to $200 million of variable debt contemplated for the remainder of calendar year 2026 transactions, then the amount of hedged variable rate debt would increase from $237 million to $437 million, increasing from 11% to approximately 15% of all Resolution debt outstanding.

Each of the alternatives that we evaluated in the rating agency Resolution cash flow stress tests has passed all of the rating agency requirements, demonstrating sufficient net income and asset parity coverage to warrant an affirmation of the current Aa1 and AA+ ratings from Moody's and S&P, respectively. Given the substantial strength of the Resolution, MassHousing, if it so desires, will be able to repeat the contemplated program of fixed and variable rate Single Family issues for multiple years with no adverse impact on the ratings.

F. Summary

cfX analyzed the sale of up to $800 million of additional debt for 2026 resulting in the addition of up to between $200 million of new variable rate debt to fund the Single Family program. Each of the proposed debt structures, swaps, counterparties and other components of future transactions in the Resolution will conform with all MassHousing requirements including delegation votes and the MassHousing Policies.

The combination of using fixed rate and variable rate debt to finance the Single Family program, in combination with interest rate swaps to reduce interest rate risk, will enable MassHousing to lower the future cost of debt. Variable rate debt creates 10 to 50 basis points of additional spread versus fixed rate alternatives, under the expected interest rate scenarios. This will allow MassHousing to provide lower mortgage rates to its borrowers, maintain positive net income and grow the MassHousing balance sheet.

Cash flow stress tests using the adverse financial conditions required by the rating agencies were all successful. As of June 1, 2026, without additional variable rate debt only 12% of the Resolution debt will be variable and the maximum additions contemplated here would keep the variable rate debt well within the levels preferred by the rating agencies. The high ratings of "Aa1" and "AA+" assigned by Moody's and S&P would be expected to be affirmed under any of the recommended financing scenarios.

G. cfX Incorporated

cfX is a Municipal Advisor to 20 different state housing agencies nationwide including some of the largest and the most complex housing finance issuers in the country. cfX specializes in the structuring of housing bonds to finance affordable housing and the management of complex Single Family and Multifamily parity bond portfolios. cfX has been engaged by MassHousing since 2004 and is a registered municipal advisor with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board.

TO: CCRI Board of Directors

FROM: Nichole Mikshenas

DATE: February 10, 2026

RE: Votes committing CCRI funds to Gilly's House, Inc. and Troubled Waters Inc. d/b/a The Bridge Club of Lowell

MassHousing staff recommend two applications for consideration by the CCRI Board of Directors:

Gilly's House Inc.
Requests funding for acquisition of a property to create 10 units of affordable sober housing for men.
Recommendation: $150,000 **Commitment expires September 30, 2027**

Troubled Waters Inc. d/b/a The Bridge Club of Lowell
Requests funding for acquisition of a property to create 29 units of affordable sober housing for veterans.
Recommendation: $150,000 **Commitment expires September 30, 2027**

Therefore, staff propose the following votes to effectuate these funding decisions:

VOTED: That the Center for Community Recovery Innovations, Inc. ("CCRI"), an affiliate of the Massachusetts Housing Finance Agency (the "Agency"), approve a grant in the amount of $150,000.00 to Gilly's House Inc., Wrentham, for the purposes described in the application, subject to the contingencies and requirements set forth in this recommendation.

FURTHER VOTED: That CCRI approve a grant in the amount of $150,000.00 to Troubled Waters Inc. d/b/a The Bridge Club of Lowell, Lowell, for the purposes described in the application, subject to the contingencies and requirements set forth in this recommendation.

THE CENTER FOR COMMUNITY RECOVERY INNOVATIONS, INC.

Recommendations and Vote: FY26

Presented to the CCRI Board of Directors
February 10, 2026

2 Applications for a Vote

• Gilly's House, Wrentham	$150,000
• The Bridge Club of Lowell, Lowell	$150,000
Total:	**$300,000**

CCRI

Gilly’s House Inc.

Request: $150,000

City/Town: Bellingham

Units Created: 10

Population: Men

Past Awards:

Gilly’s House: 3 awards totaling $128,562. (1 Covid 19 Relief grant)

CCRI

The Bridge Club of Lowell

Request: $150,000

City/Town: Lowell

Units Created: 29

Population: Veterans

Past Awards: None

CCRI

All FY26 Applications

December Votes

• Lowell House, Inc., Lowell	$100,000
• Steppingstone, Inc., Fall River	$76,155
• Victory Programs, Inc., Boston	$200,000
• GAAHMA, Inc., Gardner	$100,000
• Casa Esperanza, Inc., Boston	$100,000
• Link House Inc, Amesbury	$62,933

Voted Today

• Gilly's House, Wrentham	$150,000
• The Bridge Club of Lowell, Lowell	$150,000

Total:	**$939,088**

CCRI

Loan Commitment Proposal | February 10, 2026

Woods at Wareham

1. General Project Information	
Project Name	Woods at Wareham
Project ID	70-120
Associated Projects	N/A
Address(es)	48 Swifts Beach Road, Wareham, MA 02571
Sponsor	HK Management LLC
Transaction Type	Preservation
Funding Type	Current (Permanent Only)
Execution Type	Taxable MAP JV 223(f)
Credit Enhancement	HUD-Insured with 1% credit risk
Approval Type	Board
Current MH Risk Rating	Financial: A Physical Condition: A Compliance: A
Post-Closing/Post-Rehab MH Risk Rating	Financial: A Physical Condition: A Compliance: A
Total Rental Units	100
Affordability Mix	97 Affordable 3 Unrestricted

2. Recommended Actions

- Approval to accept assignment of a HUD-issued Firm Commitment for FHA insurance
- Commitment of a first mortgage loan (the "New Loan")
- Approval to finance the New Loan through the issuance of a Ginnie Mae MBS

Woods at Wareham (the "Development") consists of 100 units in sixteen buildings in Wareham. The proposed loan will provide funds to repay existing MassHousing debt, complete repairs, capitalize replacement reserves, pay transaction costs and provide equity to the owner.

3. MassHousing Financing	
First Loan	
Type	Permanent
Loan Amount	$23,865,000
Interest Rate	5.50% projected
Loan Term/Amortization	35 y / 35 y
Year 1 DSCR	1.11 projected (1.11 minimum)
LTV	71% projected (80% maximum)

4. Development Plan

Description of Site. The Development is located on a 9.34 acre site in Wareham (the "Site"). The Site is surrounded by woodlands and is located just 0.25 miles from Route 6, a major local travel route with a variety of retail and commercial uses. It is also located approximately 3 miles from the I-495/I-195 interchange, which connects the area to the Greater Boston area to the north and Providence to the west. There are a number of grocery stores, gas stations and fast food restaurants in the local area, as well as several schools and a hospital 1.5 miles away.

Description of Existing or Proposed Building. The Development consists of 16 two-story buildings originally developed in 1972. Two of the buildings contain 16 one-bedroom units. The remaining 14 buildings contain two- and three-bedroom units. The Development includes a one-story community building with a management office, which was newly constructed in 2024. The Development also contains surface parking for 138 vehicles, a playground, a basketball court and a common area laundry room.

Description of Affordability Mix. The Development benefits from two project-based HAP contracts covering 97 of the 100 units. The remaining three units are unrestricted and leased at market rents.

1. The Project-Based Section 8 HAP Contract (the "Section 8 Contract") covers 78 units and remains in effect through July 2033. In connection with the proposed refinancing, the borrower will terminate the existing Section 8 Contract and execute a new contract for 20 years pursuant to Option One-B, Mark-Up-To-Market of the Section 8 Renewal Policy Guidebook. The new contract will include a preservation tail equal to the remaining number of years on the current Section 8 Contract (seven), thus extending the affordability term until 2053.
2. The Project-Based Voucher HAP Contract (the "PBV Contract") covers an additional 19 units. The current PBV Contract runs through April 2029. Ownership has executed two extensions with the contract administrator, providing for continued PBV assistance through April 2054.

Site Control. The borrower holds a fee simple interest in the Development.

Transaction Overview. Rockport Mortgage Corporation ("Rockport") is requesting FHA mortgage insurance in the amount of $23,865,000. Loan proceeds will be used to repay the outstanding MassHousing loan of $8,178,175, fund $810,332 of repairs, fully fund the replacement reserves, pay transaction costs, and fund an equity takeout of $13,192,223.

MassHousing Debt. The Development is currently in the MassHousing portfolio with the following debt:

Loan	Maturity Date	Interest Rate	Estimated Unpaid Balance at Closing
70-120-03	7/1/2054	5.5%	$6,810,523
70-120-06	7/1/2054	5.5%	$1,336,271

5. Borrower Team

Mortgagor Entity: Riverview Village

A sole-asset, single-purpose entity formed for the purpose of owning and operating the Development.

Developer / Sponsor: HK Management LLC ("HallKeen")

Founded in 1991, HallKeen has 35 years of experience in multi-family, assisted living, and mixed-use properties. HallKeen specializes in the acquisition, development, and/or management of affordable, conventional and mixed-income housing. HallKeen's acquisition and development focus has covered a broad spectrum of affordable housing in New England, ranging from the fee purchase of Class B market-rate properties to inner city Section 8 properties, and to developing mixed-income new construction housing. The Agency's most recent experience with HallKeen was on Ticcoma Green in 2025.

General Partner / Managing Member: HK Guilford GP, Inc.

MAP Lender Partner: Rockport Mortgage Corporation

MassHousing and Rockport Mortgage Corporation (the "MAP Lender Partner") have entered into a Consultant Agreement (the "Agreement") defining the relationship between MassHousing and the MAP Lender Partner regarding the origination, underwriting, and closing of FHA-insured loans. HUD consented to the Agreement and business relationship under a waiver granted to MassHousing on June 13, 2014 (the "HUD Waiver"). In agreeing to waive certain requirements of the Multifamily Accelerated Processing ("MAP") Guide, including permitting MassHousing to refinance its balance sheet debt under the terms of the Agreement, HUD imposed certain restrictions prohibiting MassHousing's involvement in the underwriting of the FHA-insured loan transactions to be made by MassHousing under such Agreement. Subsequent to MassHousing's receipt of the HUD Waiver, the Members authorized the MAP/Ginne Mae Multifamily Joint Venture Lending Initiative (the "Initiative") on November 12, 2014.

Under the terms and conditions of the HUD Waiver, and in accordance with the Agency-approved Initiative guidelines and closing conditions, the MAP Lender Partner worked directly with the borrower to underwrite the new mortgage loan and apply to the local HUD office for

FHA mortgage insurance. The MAP Lender Partner is responsible for ensuring that all applicable FHA and MAP requirements have been satisfied, and HUD will determine that the New Loan is an acceptable risk. MassHousing will rely solely on HUD's determination that the new loan is an acceptable risk, and MassHousing has not and will not conduct any internal assessment to confirm this determination. MassHousing will enter into an agreement with the MAP Lender Partner to accept the assignment of the HUD Firm Commitment at loan closing, and MassHousing will, at closing, make the New Loan to the Borrower. MassHousing will issue a Ginnie Mae Mortgage Backed Security ("MBS") to fund the new loan.

Management Company: HK Management LLC ("HallKeen").

HallKeen is a leading property management company with 33 years of experience in multi-family, assisted living, and mixed-use properties. HallKeen's current portfolio includes more than 8,600 apartments spanning throughout New England, New York, Virginia, North Carolina, Florida and Maryland and includes 16 assisted living communities. While retaining prime focus on affordable housing, HallKeen manages a diverse portfolio of residential housing, mixed-use properties and assisted living communities. HallKeen is staffed by a group of dedicated, experienced, and highly motivated individuals. There are over 50 employees working at the central office in Norwood, and more than 1,000 employees working at the various sites.

6. Summary of MassHousing-Sponsor Relationship			
	Recorded	*Committed*	*Total*
Number of Projects with MassHousing Debt	8	2	10
Total Units with MassHousing Debt	925	64	989
Outstanding MassHousing Principal Debt	$109,253,334	$14,640,000	$123,893,334
Number of Projects with MassHousing Conduit Financing	0		
MassHousing Conduit Loans are Compliant with Program Rules	N/A		
Adverse Actions Against the Borrower Team	No		
Current on Obligations with MassHousing	Yes		
Property Management Affiliate	Yes, HK Management LLC manages properties in the Sponsor's portfolio and offers management services outside the portfolio		

MassHousing Staff	
Origination	Tai Pope, Originator Matt Deych, Analyst
Underwriting	John Collins, Underwriter
Asset Management	Mildred Mukasa, Portfolio Manager Megan Delsignor, Asset Manager

7. Unit Mix

Unit Size	Total Units	Project-Based Section 8*		PBV*		Unrestricted		Market Comp Rent
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Rent*
1 BR	16	15	$2,400	1	$2,247	-	-	$2,290
2 BR	72	55	$3,100	15	$2,827	2	$2,635	$2,650
3 BR	12	8	$3,550	3	$3,418	1	$2,107	$3,225
Total	**100**	**78**		**19**		**3**		

*PBV rents are underwritten at the lower of the contract rents or the appraiser's market rents.

8. Operating Overview

See Section 11. First Year Income and Expenses

9. Project Costs

N/A

10. Sources and Uses

The Sources and Uses set forth in this memorandum are estimates based on the MAP Lender Partner application to HUD. HUD reserves the right to change these amounts prior to issuing its Firm Commitment, and the final Sources and Uses (including the final loan amount) will be determined by HUD and the MAP Lender Partner, subject to the limitation that the final amount of the New Loan shall not be more than $32,220,585 nor less than $15,513,615.

Sources	
New First Mortgage	$23,867,100
Existing Reserves	$325,391
Total:	$24,192,491

Uses	
Existing Indebtedness – Including Prepayment Fee	$8,178,175
Repairs	$810,332
General Development	$876,403
Initial Deposit to Replacement Reserve	$1,055,000
Assurance of Completion Escrow	$80,358
Equity Takeout	$13,192,223
Total:	$24,192,491

11. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		$3,090,864
Rental Income – Unrestricted		$88,524
Gross Potential Residential Income		$3,179,388
Vacancy – Project-Based Rental Subsidy	3.0%	($92,726)
Vacancy – Unrestricted	3.0%	($2,656)
Gross Residential Income		$3,084,006
Other Income – Laundry		$12,998
Effective Gross Income		$3,097,004

Expenses	
Residential Operating Expenses	$1,321,766
Net Operating Income	$1,775,238
Debt Service	($1,597,710)
Cash Flow	$177,528

Debt Service Coverage	1.11
Operating Expenses Per Unit	$13,218

12. Analysis of Lender Narrative

Valuation: The appraiser's concluded market value estimate of $33,600,000 ($336,000 per unit) represents a reconciliation between the income approach value of $33,700,000 and the sales comparison value of $33,500,000. The cost approach was determined not applicable due to the age and type of this property.

The income approach to value is based on the appraiser's concluded capitalization rate of 5.50% and NOI of $1,855,412. The requested loan amount of $23,867,100 results in a 71% LTV against the concluded market value of $33,600,000.

Repairs: Repairs total $810,332 ($8,103 per unit) and include ADA parking space modifications, creation of an accessible route to the playground, mail kiosk, dumpsters, basketball court and community building, installation of audio/visual alarms in two units, lowering of upper cabinetry in common area kitchen and conversion of five units to become UFAS compliant. Other repairs consist of asphalt parking lot seal coating and crack sealing, restriping the parking lot, replacement of chain-link fencing, resurfacing the basketball court, replacing the basketball hoops, replacement of corroded copper piping for the hot water storage tank in buildings 3 and 6, and sewer jetting.

Deferred Critical Repairs: The submission package includes a waiver request to defer some accessibility-related critical repairs and address UFAS and ADA deficiencies within five units and improving accessible pathways throughout the property. The exterior accessible path improvements must be performed during appropriate weather conditions and cannot be reasonably completed during the winter months. Deferring this repair also allows Ownership to better plan the required tenant relocations, minimizing resident disruption and limiting the duration of displacement. All work will be completed within four months of closing and will be subject to ongoing oversight to ensure timely completion. The Assurance of Completion escrow and Equity Holdback, discussed next, provide surety for this request.

Capitalized Reserves:

- Assurance of Completion Escrow in the amount of $80,358 is equal to 10% of the total repairs. MassHousing will monitor the non-critical repair work and administer the escrow on behalf of HUD. The Assurance of Completion Escrow will be released to the Borrower upon completion of the escrowed repair work. Completion of work is expected within 12 months of closing.

- Initial Deposit to Replacement Reserves in the amount of $1,055,000, the amount needed to fully fund the replacement reserve in accordance with MAP Guide requirements.

Equity Holdback: An equity holdback in the amount of $160,716 will be held until the completion of all repairs, at which time it will be released to the borrower.

13. Low-Income Housing Tax Credits

N/A

Woods at Wareham

VOTES AND FINDINGS

PROPOSALS AND VOTES

Staff proposes the following votes for approval:

VOTED: To approve the findings and determinations set forth below and to authorize the Massachusetts Housing Finance Agency ("MassHousing") (1) to accept the assignment from Rockport Mortgage Corporation of a HUD Firm Commitment to provide mortgage insurance through the Federal Housing Administration pursuant to Section 223(f) of the National Housing Act for a first mortgage loan in the approximate amount of $23,867,100 or such other amount as evidenced in the HUD Firm Commitment, subject to the limitation that the final amount of such loan shall not be more than $32,220,585 nor less than $15,513,615 to Riverview Village (the "Borrower") for Woods at Wareham and (2) to make the FHA-insured first mortgage loan to the Borrower in the approximate amount of $23,867,100 (the "New Loan"), subject to the limitation that the final amount of such loan shall not be more than $32,220,585 nor less than $15,513,615 on terms acceptable to MassHousing, in compliance with the terms of the Prepayment Approval for MassHousing Multifamily Mortgages adopted by the Agency on October 14, 2014 and subject to MassHousing's General Closing Conditions for loans made under MassHousing's MAP/Ginnie Mae Multifamily Joint Venture Lending Initiative approved by the Board on November 12, 2014.

FURTHER VOTED: That the Massachusetts Housing Finance Agency, acting through its officers duly authorized pursuant to the Government National Mortgage Association Resolution of Board of Directors and Certificate of Authorized Signatories approved by the Agency, is hereby authorized and directed to do all acts and things, and to execute and deliver any and all documents, certificates, securities and instruments necessary or desirable to effectuate the funding of a first mortgage loan insured by the U.S. Department of Housing and Urban Development, acting through the Federal Housing Commissioner, under Section 223(f) of the National Housing Act, to the Borrower for Woods at Wareham.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:
97 units (97%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area
The market needs data reflects the information available to A&M staff as of the date of collection January 20, 2026. Further, the reader is cautioned and reminded that any observations, comparisons, and/or conclusions are based on the data as of the indicated collection date.

In-house data for larger market and mixed-income complexes (1,086 approximate units in the area revealed a strong market, with increasing rental and occupancy rates over the past three years. Current occupancy rates of the six developments reviewed averaged approximately 96.4% and ranged between 93% and 96%. One of the comparables was offering a concession of up to 2 months free rent. The subject property has been operated as subsidized family development since 1972 and based on historic data the development and has average a vacancy rate of 1.196 over the last five years.

1st Qtr. 2026 CoStar data for the subject's South Plymouth County (10,224 units) has an overall vacancy rate at 3.6% YTD, which is a decrease of .74% from one year ago. CoStar data for the Boston market 297,529 units) has an overall vacancy rate of 6.6% YTD, which is an increase of .87% from one year ago. The South Plymouth county submarket vacancy rate is projected to decrease to 4.4% over the next five years, while the Boston market is projected to decrease to 6.3%.

CoStar, submarket data for the 4-5 Star building type (2,942 units) indicates a 1st Qtr. 2026 vacancy rate of 4.5% and an average asking rent of $2,770, while submarket data for the subject's 3 Star building type (3,368 units) indicates a 1st Qtr. 2026 vacancy rate of 3.8% at an average asking rent of $2,418 and 1-2 Star buildings(3,914 units) indicates a 1st Qtr. 2026 vacancy rate of 2.6% at an average asking rent of $1,972. The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (09/30/25), the town of Wareham has 10,806 year-round housing units, 972 (9.0%) of which are subsidized for low/moderate income households.

The Wareham Housing Authority (WHA) owns/operates 143 units of State public housing (104 elderly/disabled). Per the Wareham Housing Authority, they maintain 6,907 households on their public housing wait lists. Per the Wareham Housing Authority, they do not administer a tenant-based assistance program (e.g. Housing Choice Vouchers).

U.S. Census data from the 2019-2023 American Community Survey (ACS) indicates that of the 10,458 households in the Town of Wareham, approximately 82.9% earned less than the HUD published 2025 AMI ($160,900), approximately 48.8% earned less than 50% of 2025 AMI, approximately 56.1% earned less than 60% of the 2025AMI and approximately 70.5% earned less than 80% of the 2025 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed will change neither the current income mix of the Development nor that of its surrounding locality.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

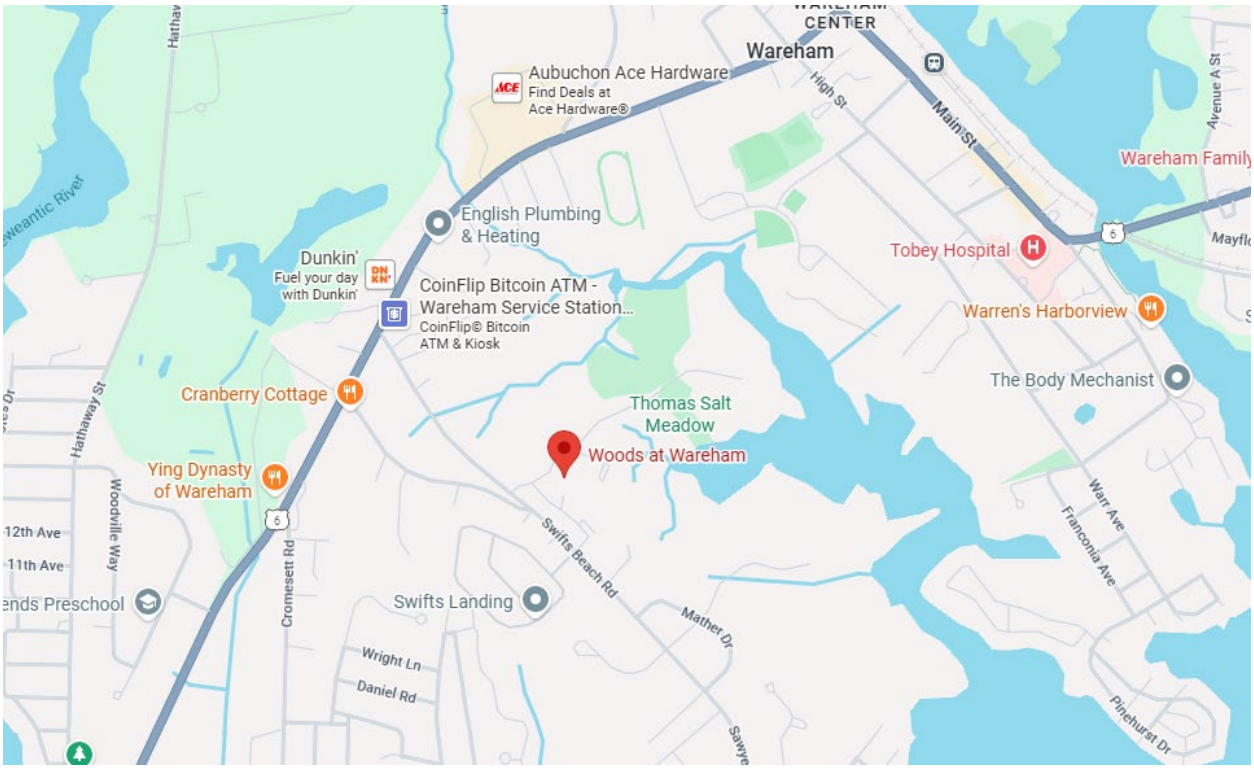
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	1	2	3
Number of Units	16	72	12
Net SF/Unit	629	880	1,050
Elev./Non-Elev.	Non-Elev.	Non-Elev.	Non-Elev.
Market Rate Rent (10% Rate 20 Year Term))	$3,260	$3,622	$4,104
MHFA Below Market Rent (Cost-Based Rent)	$2,287	$2,650	$3,132
MHFA Adjusted Rent	30% of 80% of AMI		
Underwriting Rents			
Section 8 PBV	$2,290	$2,650	$3,225
PBV	$2,247	$2,650	$3,225
Unrestricted		$2,635	$2,107

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

MAP AND PICTURES



Loan Commitment Proposal | February 10, 2026

Woods at Wareham

Location	Wareham
Sponsor	HK Management LLC
Transaction Type	Preservation
Funding Type	Current (Permanent only)
Execution Type	Taxable MAP JV 223(f)
Credit Enhancement	HUD-Insured with 1% credit risk
MH Risk Rating	Financial: A Physical Condition: A Compliance: A
Total Rental Units	100
Affordability Mix	97 Affordable 3 Unrestricted

Deal Team Members	
Origination	Tai Pope, Matt Deych
Underwriting	John Collins
Asset Management	Megan Delsignor

MassHousing

Woods at Wareham

Borrower Team

Mortgagor Entity	Riverview Village
Developer / Sponsor	HK Management LLC
General Partner / Managing Member	HK Guilford GP, Inc.
MAP Lender Partner	Rockport Mortgage Corporation
Management Company	HK Management LLC

Unit Mix

Unit Size	Total Units	Project-Based Section 8*		PBV*		Unrestricted		Market Comparison
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	
1BR	16	15	$2,400	1	$2,247	-	-	$2,290
2BR	72	55	$3,100	15	$2,827	2	$2,635	$2,650
3BR	12	8	$3,550	3	$3,418	1	$2,107	$3,225
Total	**100**	**78**		**19**		**3**		

*PBV rents are underwritten at the lower of the contract rents or the appraiser's market rents.

Sources and Uses

Sources		
New First Mortgage		$23,867,100
Existing Reserves		$325,391
	Total:	$24,192,491

Uses		
Existing Indebtedness – Including Prepayment Fee		$8,178,175
Repairs		$810,332
General Development		$876,403
Initial Deposit to Replacement Reserve		$1,055,000
Assurance of Completion Escrow		$80,358
Equity Takeout		$13,192,223
	Total:	$24,192,491

Lender Narrative Analysis

- Valuation
- Repairs
- Deferred Critical Repairs
- Capitalized Reserves
- Equity Holdback

Recommended Votes

- Approval to accept assignment of a HUD-issued Firm Commitment for FHA insurance
- Commitment of a first mortgage loan
- Approval to financing the New Loan through the issuance of a Ginnie Mae MBS

Delinquency Summary Report

Jan 31, 2026

Delinquencies in Excess of: $1,000
Monthly Billed Loans

Program Type	Principal Program Detail	Number of Developments	Project Outstanding Loan Amount	Developments Delinquent	Delinq Outstanding Loan Amount	Pct $ Delinq Loans	Pct # Delinquent Loans
INDEP	Options for Independence	12	$174,352	0	$0	0.00%	0.00%
INDEP - Total		**12**	**$174,352**	**0**	**$0**	**0.00%**	**0.00%**
OTHER	Other Subordinate Only	1	$962,518	0	$0	0.00%	0.00%
OTHER - Total		**1**	**$962,518**	**0**	**$0**	**0.00%**	**0.00%**
SECT8PBCA	Project Based Section 8	178	$3,086,292,230	0	$0	0.00%	0.00%
SECT8PBCA - Total		**178**	**$3,086,292,230**	**0**	**$0**	**0.00%**	**0.00%**
SECT8VOUCH	Project Based Section 8 Vouchers	32	$488,354,829	0	$0	0.00%	0.00%
SECT8VOUCH - Total		**32**	**$488,354,829**	**0**	**$0**	**0.00%**	**0.00%**
SHARP	SHARP/ RDAL	3	$42,980,685	0	$0	0.00%	0.00%
SHARP - Total		**3**	**$42,980,685**	**0**	**$0**	**0.00%**	**0.00%**
TAXCREDIT	Tax Credit (4% and/or 9%)	171	$1,551,463,394	2	$55,730,375	3.59%	1.17%
TAXCREDIT - Total		**171**	**$1,551,463,394**	**2**	**$55,730,375**	**3.59%**	**1.17%**
UNSUB	Un-Subsidized	24	$345,440,063	0	$0	0.00%	0.00%
UNSUB - Total		**24**	**$345,440,063**	**0**	**$0**	**0.00%**	**0.00%**
WORKFORCE	Workforce Housing	10	$142,373,623	0	$0	0.00%	0.00%
WORKFORCE - Total		**10**	**$142,373,623**	**0**	**$0**	**0.00%**	**0.00%**
		6	$149,927,332	0	$0	0.00%	0.00%
- Total		**6**	**$149,927,332**	**0**	**$0**	**0.00%**	**0.00%**
Overall - Total		**437**	**$5,807,969,024**	**2**	**$55,730,375**	**0.96%**	**0.46%**

Delinquency Detail

Jan 31, 2026
Delinquencies in Excess of: $1,000

Tax Credit (4% and/or 9%)

Principal Program Code	Project Id - Development Name	City/Town	Total Rental Units	Project Outstanding Loan Amount	Total Due & Uncollected	Past Due Installments
TAXCREDIT	16-004 Pac 10 Lofts, Phase One	Lawrence	180	$33,825,580	$19,781,401	37
	17-042 Worcester Courthouse	Worcester	118	$13,638,500	$8,181	1
	20-110 2147 Washington	Boston - Roxbury	62	$10,000,000	$13,300	1
Overall - Total			**360**	**$57,464,080**	**$19,802,882**	

Delinquency Detail by Investor

Jan 31, 2026
Delinquencies in Excess of: $1,000

Investor Segment	Segment Code	Investor Segment	Investor Pool	Loan Nbr	Project Id - Development Name	Total Rental Units	Original Loan Amt	Outstanding Loan Amt	Total Due & Uncollected - Delinquent	Past Due Installments
Escrow Division/Working Capital Fund	W001	Working Capital Fund	WCF Corporate	16-004-02	16-004 Pac 10 Lofts, Phase One	180	$18,000,000	$16,057,580	$16,105,146	1
				20-110-01	20-110 2147 Washington	62	$10,000,000	$10,000,000	$26,600	1
Housing Bond Resolution	B001	Housing Bond Resolution	HOUSING BOND RES 2017D	16-004-01	16-004 Pac 10 Lofts, Phase One	180	$11,100,000	$11,100,000	$2,296,625	37
			HOUSING BOND RES 2019A	17-042-01	17-042 Worcester Courthouse	118	$12,200,000	$11,733,706	$0	0
			HOUSING BOND RES 2022A-1	16-004-01	16-004 Pac 10 Lofts, Phase One	180	$6,668,000	$6,668,000	$1,379,630	37
			HOUSING BOND RES 2022B	17-042-02	17-042 Worcester Courthouse	118	$2,000,000	$1,904,795	$8,181	1
Overall - Total						**360**	**$59,968,000**	**$57,464,080**	**$19,816,182**	

MassHousing

CEO Report

March 10, 2026

01

The CAP (Civic Action Project) Collaborative

MassHousing

The CAP Collaborative

Civic Action Project (CAP)

- **Mission:** to promote **better policy-making** and to **diversify policy-makers**
- Twice-yearly program connecting public sector leaders and private sector executives to **foster trust, cross-sector understanding** and **innovative policy-making**
- A bridge to train the **next generation of leaders** and advance public interest through **collaborative, strategic action**
- **Co-founders:** former state senator **George Bachrach**; founding dean of the McCormack Graduate School at UMass Boston, **Steve Crosby**; former Mass. Commissioner of Gaming, Academic Leader at Kennedy School, UMass Boston and Claremont Graduate University, and former EVP at BankBoston, **Ira Jackson;**
- Promotes the development of **good public policy and connections between business and government**

The CAP Collaborative

Benefits for MassHousing

- **CAP Collaborative** has a strong network of past members such as: Lt. Governor **Kim Driscoll;** President and CEO at Benjamin Franklin Institute of Technology, **Aisha Francis;** Senator **Liz Miranda;** Vice President - Global Sourcing & Procurement at Takeda Pharmaceuticals, **Tony Pittman**; Former EOHLC Secretary **Ed Augustus** and incoming Secretary **Juana Matias;** Chief of Staff at Point32Health, **Sameer Kokan;** and more!
- As an **Executive Fellow** for Spring 2026, **Chrystal Kornegay** is paired with **Mahmood Malihi,** Co-President and Partner, Leggat McCall Properties
- The program consists of **7 in-person meetings, shadowing another Executive Fellow**, and **a two-day retreat**
- **Sample curriculum sessions**:
  - *Needs and Opportunities for Public-Private Collaboration*
  - *Tackling Big Problems by Thinking and Acting Differently as Team Massachusetts*
  - *Understanding the +$58 Billion State Budget*
  - *How Companies Juggle Shareholder and Stakeholder Concerns and Try to Do Good While Doing Well*

CAP Collaborative Spring Cohort

City of Boston
Chief of Planning

City of Chelsea
City Manager

City of Gardner
Mayor

Commonwealth of Massachusetts
Secretary of Labor

House of Representatives
Representative

Massachusetts House Counsel's Office
Chief Counsel

Massachusetts State Senate
Senator

Town of Brookline
Town Administrator

Arka

The Boston Globe

Commodore Builders

Eastern Bank

Immuneering

Leggat McCall Properties

MAPC

MassHousing

massport

Massachusetts Technology Collaborative

MBR Massachusetts Business Roundtable

NECA National Electrical Contractors Association Greater Boston Chapter

PNC

Takeda

zeelo

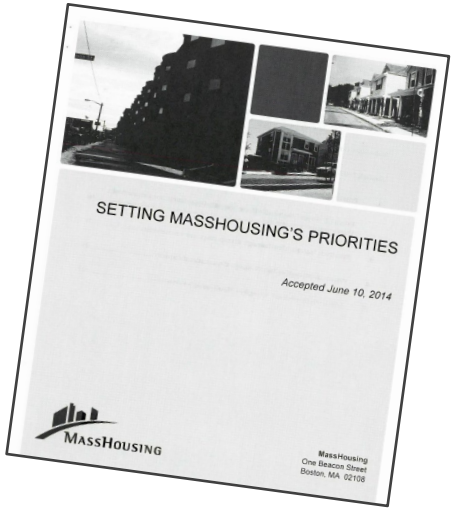
02

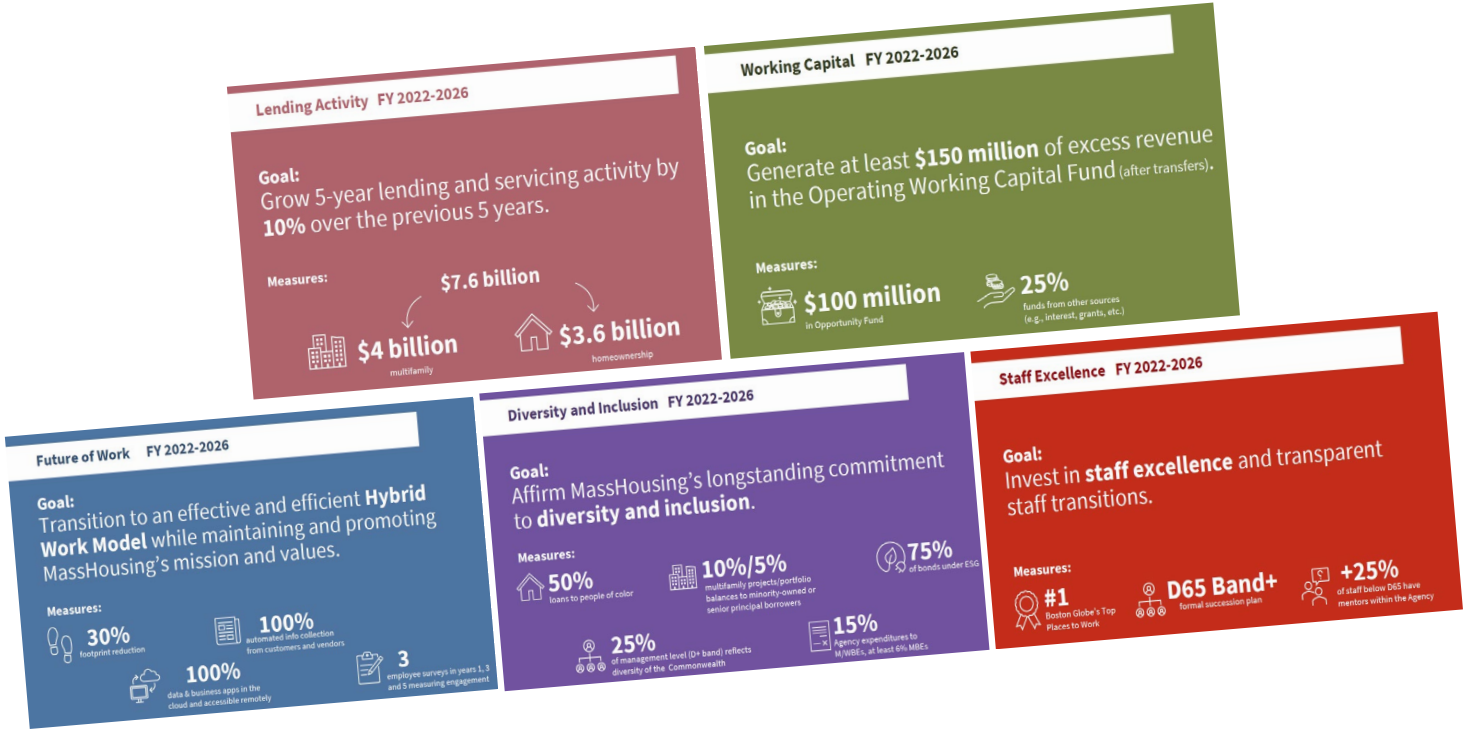
Strategic Framework Update

MassHousing

Previous Strategic Planning

In the past, MassHousing set **long-term goals** and created **detailed strategic plans**, mapping out what we want to accomplish as an Agency.





Frameworks vs. Plans

A **strategic framework** focuses on **clear organizational priorities**, while a **strategic plan** is **prescriptive**, **detailed**, and **harder to adjust** in a changing environment.

STRATEGIC FRAMEWORK

Sets the direction and priorities of an organization.

- **Clear Direction**
- **Guiding Principles**
- **Longer-Term**
- **Navigate Change**

Advantages of a Strategic Framework:

- Guiding principles don't change, regardless of external environment
- Creates a clear "shared vision" of what you want to focus on as an organization
- Provides a consistent guide for what opportunities you pursue and what you pass on

STRATEGIC PLANNING

Multi-year planning process with specific actions, metrics for success, timelines, and owners.

- **Detailed**
- **Time-Bound**
- **Task-Oriented**
- **Metrics-Focused**
- **Specific Owners**
- **Less Flexible**

MH Strategic Planning Challenges:

- Setting comprehensive Strategic Plan right before COVID
- Interest rate and broader economic volatility
- Policy shifts at the Federal level impact initiatives and funding streams

Strategic Framework

MassHousing engaged HR&A Advisors and CSG Advisors to create a **Strategic Framework** that reflects the **Agency's priorities** and is **adaptable to changing market conditions**.

The Strategic Framework will include **guiding principles** that reinforce the Agency's **mission and values**. Those principles are how we **deliver on our mission**. Each year, we will create **annual priorities** that align with the guiding principles. We will use a **formal decision-making process** as we move forward to **center our mission, values and principles in our activities**.

Clarify **guiding principles** to shape the Agency's future direction

Create clear and measurable **annual priorities**

Establish a **transparent decision-making process** to evaluate and pursue operational and programmatic opportunities

HR&A Discovery

HR&A conducted initial interviews with **18 MassHousing leaders and staff** from across business lines, revealing the **key organizational strengths** and **opportunities for improvement**.

5

Interviews with members of Management Team

13

Interviews with staff, Senior Directors and Directors

"MassHousing is an excellent mix of private sector orientation – we are here to do the work – and high mission – we care about the why and the who."

"There is an opportunity to improve manual workflows to better utilize staff time."

"We need a shared vision to guide cross-division collaboration."

"Regardless of the environment, the agency needs to continue to be responsive and a collaborative partner to borrowers."

"The flexibility to be involved in new things has kept me here for so long."

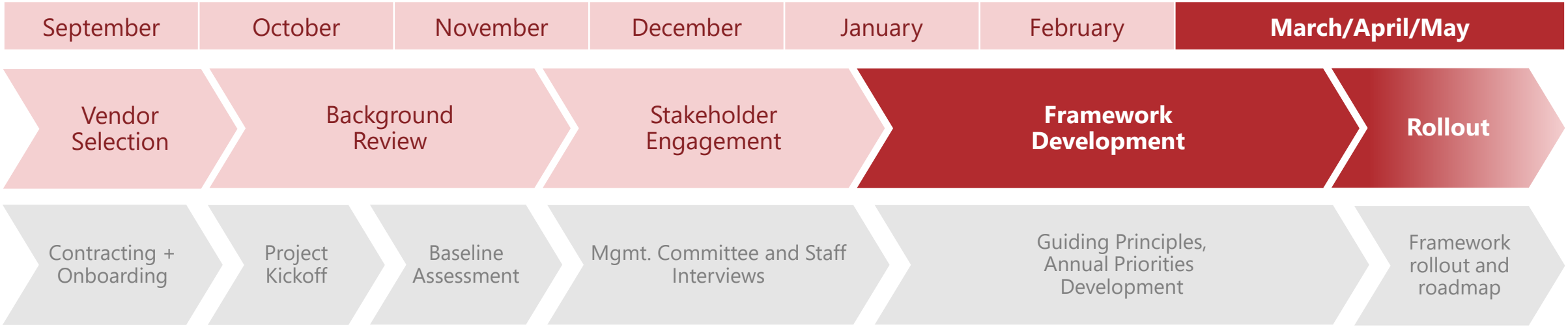
MassHousing Guiding Principles

MassHousing's guiding principles are **how we meet our mission**, no matter what's happening externally.

1	**Expand Housing Access Through Responsible Innovation**	Massachusetts' housing challenges require innovative solutions that meet immediate needs in our communities. MassHousing will design, launch, and adapt products and programs that directly address the Commonwealth's housing priorities and market realities.
2	**Manage Financial Resources for Long-term Sustainability**	MassHousing's ability to meet its mission depends on strong financial health and accountability. We will balance mission, risk, and return across our programming to preserve long-term financial strength and meet our fiduciary responsibilities.
3	**Build Organizational Agility and Resilience**	Housing markets and policy evolve —sometimes rapidly— and our systems must adapt. We will create agile processes and durable structures that allow us to respond quickly and effectively to change.
4	**Invest in People and Operational Excellence**	Our agency relies on the expertise and capacity of our team. We will develop staff skills, modernize systems, and strengthen operations to deliver exceptional programs and services.

Project Timeline

The project outcome will be a **strategic framework** that helps us set **focused priorities** and **navigate change**.



MassHousing

Thank You!

Questions? Comments?

Massachusetts Housing Finance Agency
One Beacon Street Boston, MA 02108

Tel: 617-854-1000
Fax: 617-854-1091

Relay 711
www.masshousing.com

Posted: March 5, 2026 @ 1:55 p.m.
Secretary of the Commonwealth, Regulations Division
Executive Office for Administration & Finance
masshousing.com

NOTICE
of a Meeting of the Members

The regular meeting of MassHousing will be held:

Date: **Tuesday, March 10, 2026**

Time: **2:00 p.m.**

Location: **See below**

In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, this Meeting will not be conducted in a publicly accessible physical location. This meeting will instead be conducted through remote audio and video participation by the Members of MassHousing.

The public will be able to observe the Meeting online through the Zoom video/audio conference program.

The Zoom meeting link for this Meeting is: https://masshousing.zoom.us/j/81376404116
The Zoom meeting ID is: Meeting ID: 813 7640 4116
The Zoom Passcode is: 812330

Additional instructions for observing the meeting though Zoom are attached to this Notice.

Attention will be given to the following matters:

1. EXECUTIVE ACTIONS

A. Call to Order

B. Vote Approving the Minutes

- Regular Meeting of February 10, 2025

C. Chief Executive Officer's Report

2. LOAN COMMITTEE

A. HSL Stoughton 4%, Stoughton

- Official Action Status
- Commitment of a Tax-Exempt Conduit Loan
- Approval for the Use of Low-Income Housing Tax Credits

B. Brooke House at Olmsted Village, Boston (Mattapan)

- Commitment of a Permanent Tax-Exempt Loan
- Commitment of a Tax-Exempt Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

C. Loring Towers Apartments, Salem

- Official Action Status
- Commitment of a Construction to Permanent Tax-Exempt Loan
- Commitment of a Taxable Construction Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

Meeting Notices

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Accessibility

If you need an accommodation to participate in a MassHousing meeting, event, or program, please call 617-854-1000 or email webinfo@masshousing.com. Please request accommodations as soon as possible but no later than 48 hours before a scheduled event so that we can have adequate time to accommodate your needs. Click here to view our Accessibility statement.

Steps to Join a Zoom Meeting

1. A Zoom meeting link will look like the following:

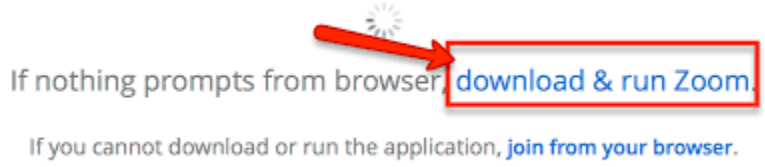
Join Zoom Meeting
https://zoom.us/j/6881564212

Meeting ID: 688 156 4212

One tap mobile
+13126266799,,6881564212# US (Chicago)
+16465588656,,6881564212# US (New York)

Dial by your location
+1 312 626 6799 US (Chicago)
+1 646 558 8656 US (New York)
+1 253 215 8782 US
+1 301 715 8592 US
+1 346 248 7799 US (Houston)
+1 669 900 9128 US (San Jose)
Meeting ID: 688 156 4212
Find your local number: https://zoom.us/u/acgfL1ziEv

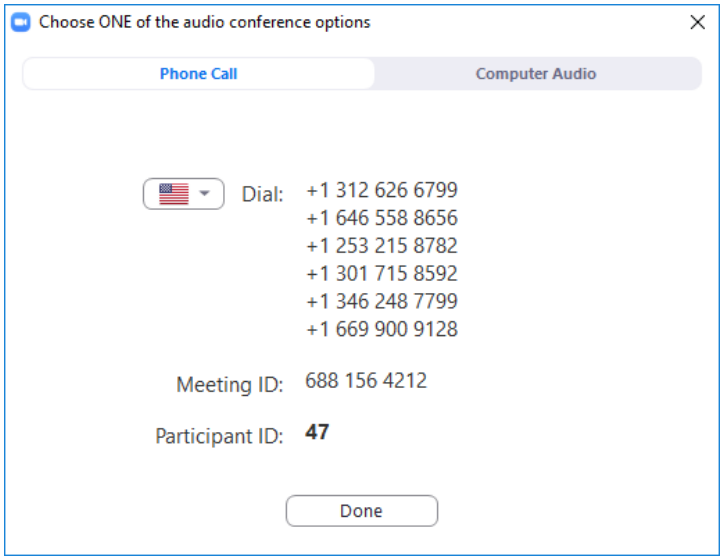
2. Click the link below 'Join Zoom Meeting'.
   NOTE: Simply calling a phone number without "joining the Zoom meeting" will not allow you to see the presentation. Clicking on the link will automatically download the Zoom program (Image below)



3. If Zoom does NOT automatically download and install. Click Download & run Zoom
   NOTE: to see a video about this: https://youtu.be/vFhAEoCF7jg

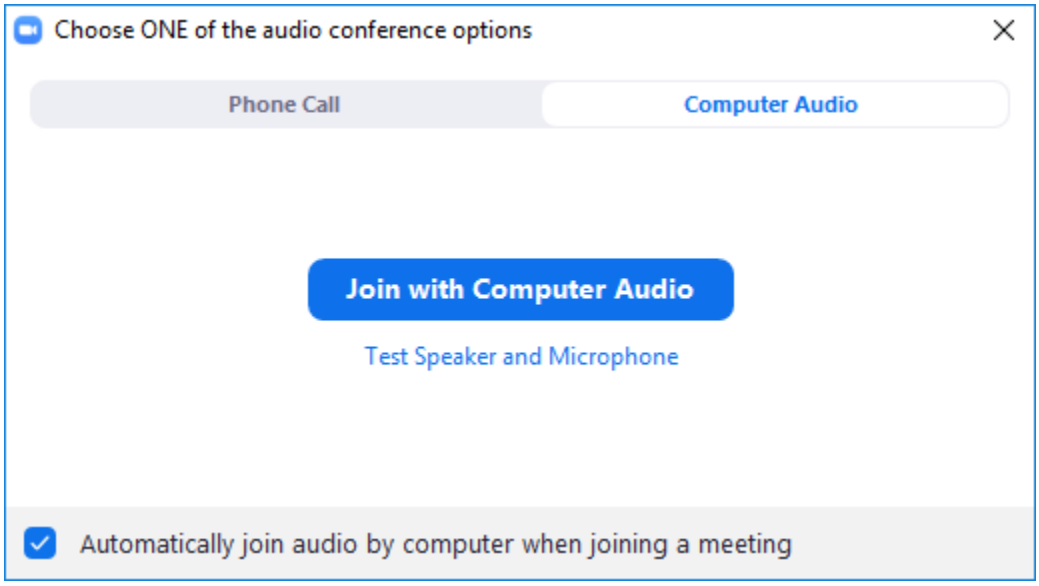
Steps to Join a Zoom Meeting

4. You will be provided with Audio Options.
   NOTE: The numbers for your meeting may be different than the ones in this example.



5. Call one of the numbers provided and enter your Meeting ID and Participant ID when prompted.
6. If you have a headset or would like to use your computer audio, select the Computer Audio tab and Join with Computer Audio.

   NOTE: Uncheck "Automatically join audio by computer" when joining a meeting.



7. All participants on the call will be muted. Please keep yourself on mute so that meeting can be as clear as possible.

Minutes of the Regular Meeting
of the Members of MassHousing and
Center for Community Recovery Innovations, Inc.
held on
February 10, 2026

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing – and a special meeting of Center for Community Recovery Innovations, Inc. ("CCRI") was held on February 10, 2026. In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, no Members were physically present and the meetings were conducted remotely through a publicly accessible Zoom meeting.

Participating remotely were the Members (by roll call):

Board Member	Present	Absent
Jeanne Pinado, Chair	X	
Carolina Avellaneda, Co-Vice Chair	X	
Michael Glover, Co-Vice Chair	X	
Ed Augustus, *ex officio*	X	
Bran Shim*	X	
Darnell Dunn	X	
Herby Duverné	X	
Tom Flynn	X	
Carmen Panacopolous	X	

**Designee of Matthew Gorzkowicz, ex officio*

The Chair convened the meeting to order at 2:00 p.m.

The Chair indicated that the first order of business was the approval of the minutes of the previous meeting.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present (Bran Shim not yet attending):

VOTED: That the minutes of the Regular Meeting held on January 13, 2026 are hereby approved and placed on record.

Bran Shim joined the meeting.

Chief Executive Officer's Report

Chief Executive Officer Chrystal Kornegay began her report by stating the Governor a announced $25 million investment through Down Payment Assistance to Massachusetts families and has asked MassHousing to develop a program and administer it. The program is meant to focus on moderate income people up to 100% AMI because we have a such a strong program for people below 100% AMI. Activity since 2018 when we started doing DPA has been very robust. Last year, nine out of ten MassHousing homebuyers used down payment assistance to buy their first home - five years ago it was four out of ten. As prices continue to rise and available stock gets narrower, DPA becomes critical for modest income families to access homeownership opportunities in the Commonwealth. The program is currently in design with an expectation of launching in April.

Ms. Kornegay continued her report with a summary of the Homeownership Tax Credit - one of the new provisions of the Affordable Homes Act. There has been talk at the Federal level about creating a homeownership tax credit as well, many of us were hoping that would pass when they passed the tax bill last July, however, it has not advanced to date. There are two states that have homeownership tax credits, Vermont has a small program and Ohio has a fairly new program that is in its early implementation.

The program is funded with $50 million, $10 million in tax credits annually for five years. The statute requires MassHousing to create a Homeownership Qualified Allocation Plan (HQAP) to be reviewed and approved by Executive Office of Housing and Livable Communities, which we have done. We are intending to launch this program in early April. To help get the word out, we will be partnering with the Federal Home Loan Bank of Boston for a webinar for their bank members. We are also going to do some targeted outreach so that developers can hear about this as well and had held two open house information sessions in the Fall.

Credits will be awarded in a competitive process following the criteria set out the HQAP. We expect to publish a draft of the HQAP for comment next week. Applications will be evaluated on a series of criteria, with readiness to proceed, financial feasibility, and strength of the development team among the primary factors.

Jeanne Pinado asked what is the targeted AMI for the program? Ms. Kornegay responded that it is 120%.

Ms. Kornegay then informed the Board that MassHousing was named as a finalist for the 2026 Ivory Prize for housing affordability in the Finance category for the BILD program. The Ivory Prize is a national award that recognizes innovative, scalable solutions to address housing affordability. We are one of the 25 finalists, and currently going through their finalist evaluation process that includes submitting a video and meeting with their advisory panelists. Winners will be announced on May 12.

Fiscal Year 2026 Mid-Year Results

Rachel Madden presented the Agency's FY26 Mid-Year Results.

Ms. Madden began by announcing that we are projecting to be $4.5 million net income positive (6.3%) against budget. She then noted that the presentation is based on data as of 12/31/25.

Total Production is currently projected to be $105 million above budget, driven by multi-family. Multifamily income, is currently projected to be slightly below budget. Although multifamily Lending Income is higher by $1.5 million, and Multifamily Servicing Income is higher by $1.3 million, it is offset by Multifamily Net Interest Spread being lower by $4.6 million – primarily the result of a number of payoffs coming in earlier than anticipated.

Single Family income is projected to be slightly lower by $435,000. Although servicing and lending income is projected to be higher, it is offset by lower Net Interest Spread and higher Servicing Rights Premiums. Ms. Madden noted that interest rates being lower results in less income to the Agency but is a positive for our borrowers and that the higher spend on Servicing Rights Premiums should be viewed as an investment in long-term income to the Agency.

Following the single family trends, the Mortgage Insurance Fund's production is on budget and income is projected to be $830K higher. Investment Income is higher by $745,000 - as older investments have rolled off, we have re-invested more aggressively and getting higher returns.

Ms. Madden continued with a summary of corporate income and expenses, excluding grant activity, noting that total income is projected to be $500K above budget and corporate expenses are projected to be $4 million under budget.

Grant Income is projected to be $22 million over budget, primarily due to Capital Magnet Fund additional funding which is approved but not yet received and additional funding for several existing programs, and $5 million from the Commonwealth that was deployed to offset the costs of our DPA program. Grant Disbursements are projected to exceed the original budget as a result of increases in production in various programs and the conversion of some programs from rolling applications to competitive rounds.

Ms. Madden also noted that the presentation includes industry data in the Appendix.

Ms. Pinado remarked that it was a good result and bottom line, well put together presentation, and opened the floor for questions.

Carmen Panacopolous offered congratulations to Ms. Kornegay for the nomination for the Ivory Prize and then asked Ms. Madden whether any income from the Homeownership Tax Credit Program is reflected in the projections for the next six months. Ms. Madden responded that it is not part of our projections as of this moment.

Ms. Panacopoulous then asked that if there was derived income in May or June, that those would be reflected when we talk about it in six months?

Votes Delegating Authority to Issue Multifamily and Single-Family Bonds and/or Notes

Rachel Madden presented delegation votes of authority to issue (i) Multifamily bonds and/or notes to finance up to $1.0 billion using a mix of fixed rate and/or hedged or unhedged variable rate debt; and (ii) Single-Family bonds and/or notes to finance up to $800 million using a mix of fixed rate and/or hedged or unhedged variable rate debt. and the attached report and analysis from cfX Incorporated, one of the Agency's financial advisors, with respect to any potential derivative contracts associated with Agency financings.

Ms. Madden began by stating that this is something that is presented to the Board every year. This is authorization for an 'up-to' limit for our programs. We try to give adequate capacity in the authorization to be agile enough to capture market opportunities as they might arise and are asking for up to $1.0 billion in authority for the multifamily program and $800 million for single-family. That does not mean that we intend to issue that full amount, but it gives us enough room that should market conditions allow or new deals come into the mix, that we would have enough capacity under your authorization to respond and issue the debt to fund those projects in a timely manner.

Ms. Pinado remarked that these are big numbers and asked what the typical range of borrowing for the programs has been.

Ms. Madden responded that recent history the authorization requests have been more in the range of $800 million, but that she is adding $200 million because of the recent changes in the tax-credit landscape to the traditional 50% test. On the single-family side, program issuance has fluctuated more and has been as low as $600 million but $800 million is a more efficient threshold and with the LIHTC changes, additional volume will be available on the single-family side too. We had a banner year several years ago where we exceeded $800 million, and with interest rates coming down, and the new programs that may spur on additional borrowing in the moderate income, we wanted to give ourselves capacity to be responsive to the new program driven production.

Mr. Glover asked whether the issuances are traditionally multiple issuances to get the aggregate or do we do single issuances. Ms. Madden responded that we do multiple issuances throughout the year.

Ms. Pinado asked with interest rates projected to go down potentially, whether we are projecting more variable rate debt. Ms. Madden responded that there may be a little more on the single-family side, where we tend to engage variable rate debt more frequently and are expecting a higher issuance amount, however, we're not expecting any significant change in the proportion of variable rate debt. She noted that the investment advisor's report is heavily weighted to addressing variable rate debt but only because it is the focus of the State Finance and Governance Board. She noted the rating agencies general look at variable rate thresholds up to 25% and even we issued the maximum referenced in the advisor's report, which is not expected, it would still just take us from 6% to 11%.

Colin McNiece mentioned that the Board Members may not have had the opportunity to see a revision to the Multifamily Vote that was posted and circulated earlier this afternoon. It is fairly minor revision to use more precise language to modify section 9 of the Multifamily Vote to define

"authorized officer" in a manner that mirrors section 12 of the Single-Family Vote.

Upon a motion duly made and seconded, by roll call vote, it was, by all the Members present:

VOTED: to approve the votes and resolutions presented in the Board package that is attached and incorporated into the minutes of the meeting.

Upon a motion duly made and seconded, by roll call vote, it was, by all the Members present:

VOTED: to recess the MassHousing meeting at 2:38 PM

Center for Community Recovery Innovations, Inc. ("CCRI")

Chair Jeanne Pinado then called the Center for Community Recovery Innovations, Inc. ("CCRI"), meeting to order. Nicole Mikshenas presented recommendations and votes for FY2026.

Ms. Mikshenas summarized the applications, noting that two (2) complete applications were received for a total of $300,000 in funds requested. She explained the review process and summarized CCRI's past experience and history with each applicant. Ms. Mikshenas made recommendations for CCRI funds for the following organizations:

Gilly's House Inc.. Wrentham
Requests funding for acquisition of a property to create 10 units of affordable sober housing for men.

Recommendation: $150,000 **Commitment expires September 30, 2027**

Troubled Waters Inc. d/b/a The Bridge Club of Lowell, Lowell
Requests funding for acquisition of a property to create 29 units of affordable sober housing for veterans.

Recommendation: $150,000 **Commitment expires September 30, 2027**

Thomas Flynn remarked that this was fantastic work.

Ms. Panacoupolos asked whether there is a per unit maximum under the program. Ms. Mikshenas replied that it is not a per unit max per se, but a maximum per project and that it depends on what the expected use of the funds. For example, if an owner or organization is creating new housing we allow them to apply for up to $150,000 in the aggregate. If it is a renovation, the maximum threshold is $100,000. She noted there is also a 50% match requirement for each project. These two are well over that requirement with the matching funds.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: That the Center for Community Recovery Innovations, Inc. ("CCRI"), an affiliate of the Massachusetts Housing Finance Agency (the "Agency"), approve a grant in the amount of $150,000.00 to Gilly's House, Inc., in Wrentham, for the purposes described in the application, subject to the contingencies and requirements set forth in this recommendation.

FURTHER VOTED: That CCRI approve a grant in the amount of $150,000.00 to Troubled Waters Inc. d/b/a The Bridge Club of Lowell, in Lowell, for the purposes described in the application, subject to the contingencies and requirements set forth in this recommendation.

There being no other business, the CCRI meeting adjourned at 2:47 PM

Chair Pinado reconvened the MassHousing meeting at 2:48 PM.

Loan Committee

Woods at Wareham, Wareham

Tai Pope presented a proposal for Approval to Accept Assignment of a HUD-Issued Firm Commitment for FHA Insurance; Commitment of a First Mortgage Loan (the "New Loan"); Approval to Finance the New Loan through Issuance of a Ginnie Mae MBS, all as presented in the attached Board package.

Ms. Pinado remarked that it was great to see a property built in the 1970s still getting an "A" in physical condition, and that the renovation is probably long overdue.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

There being no other business to consider, the meeting adjourned at 2:52 p.m.

A true record.

Attest.

_____
Colin M. McNiece
Secretary

Materials:

- Minutes of the Meeting of January 13, 2026
- CEO's Report, February 10, 2026
- Board Package, February 10, 2026

MassHousing

CEO Report

March 10, 2026

01

The CAP (Civic Action Project) Collaborative

MassHousing

The CAP Collaborative

Civic Action Project (CAP)

- **Mission:** to promote **better policy-making** and to **diversify policy-makers**
- Twice-yearly program connecting public sector leaders and private sector executives to **foster trust, cross-sector understanding** and **innovative policy-making**
- A bridge to train the **next generation of leaders** and advance public interest through **collaborative, strategic action**
- **Co-founders:** former state senator **George Bachrach**; founding dean of the McCormack Graduate School at UMass Boston, **Steve Crosby**; former Mass. Commissioner of Gaming, Academic Leader at Kennedy School, UMass Boston and Claremont Graduate University, and former EVP at BankBoston, **Ira Jackson;**
- Promotes the development of **good public policy and connections between business and government**

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- **CAP Collaborative** has a strong network of past members such as: Lt. Governor **Kim Driscoll;** President and CEO at Benjamin Franklin Institute of Technology, **Aisha Francis;** Senator **Liz Miranda;** Vice President - Global Sourcing & Procurement at Takeda Pharmaceuticals, **Tony Pittman**; Former EOHLC Secretary **Ed Augustus** and incoming Secretary **Juana Matias;** Chief of Staff at Point32Health, **Sameer Kokan;** and more!
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- The program consists of **7 in-person meetings, shadowing another Executive Fellow**, and **a two-day retreat**
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Chief Counsel

Massachusetts State Senate
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Town of Brookline
Town Administrator

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massport

Massachusetts Technology Collaborative

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Takeda

zeelo

02

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MassHousing

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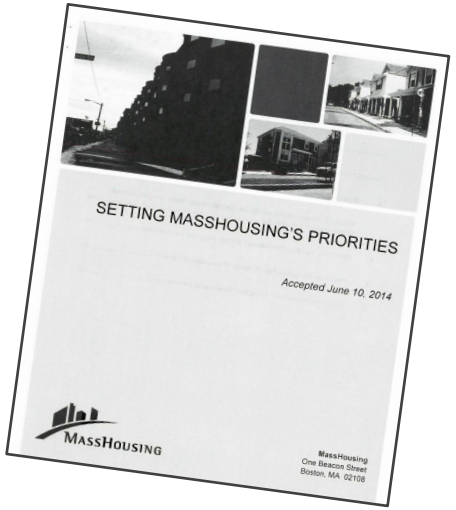

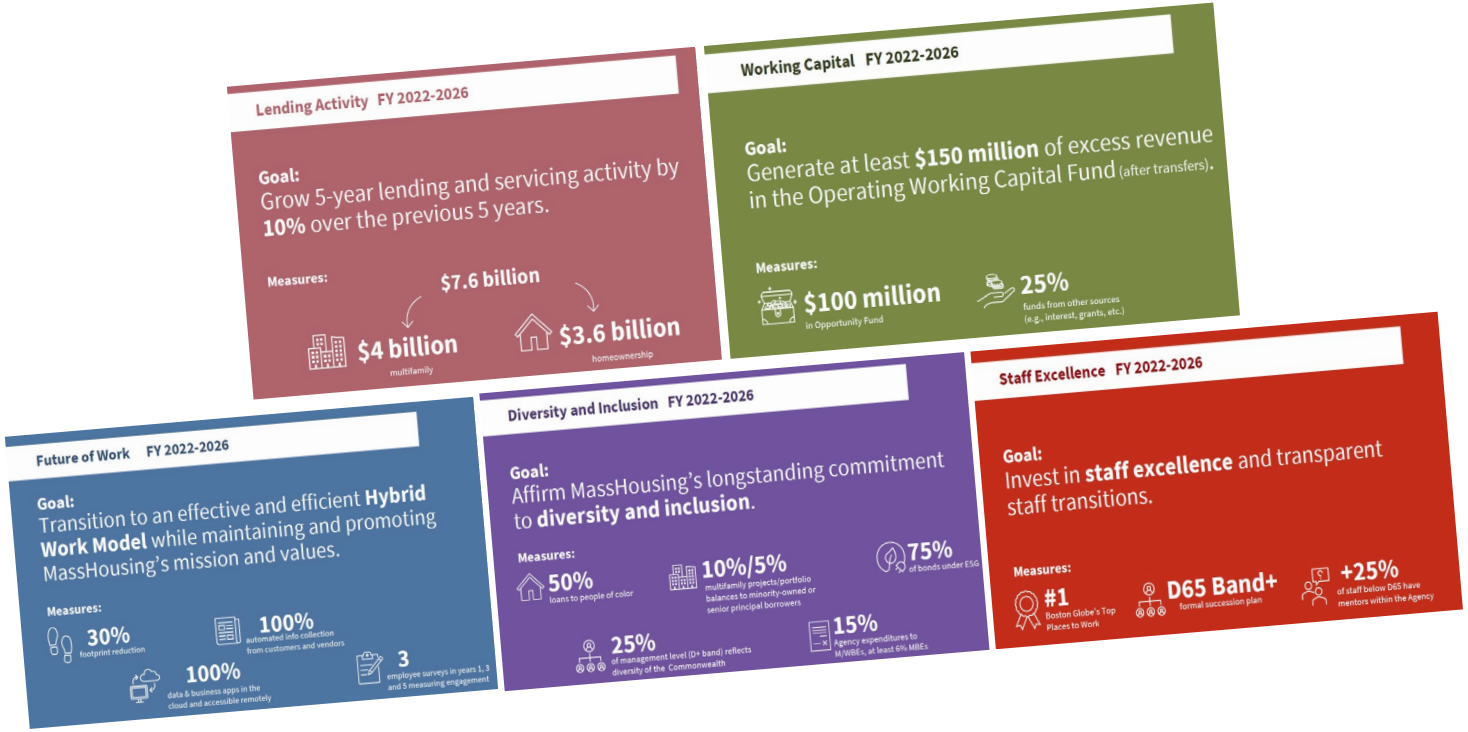

Frameworks vs. Plans

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- **Time-Bound**
- **Task-Oriented**
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- **Specific Owners**
- **Less Flexible**

MH Strategic Planning Challenges:

- Setting comprehensive Strategic Plan right before COVID
- Interest rate and broader economic volatility
- Policy shifts at the Federal level impact initiatives and funding streams

Strategic Framework

MassHousing engaged HR&A Advisors and CSG Advisors to create a **Strategic Framework** that reflects the **Agency's priorities** and is **adaptable to changing market conditions**.

The Strategic Framework will include **guiding principles** that reinforce the Agency's **mission and values**. Those principles are how we **deliver on our mission**. Each year, we will create **annual priorities** that align with the guiding principles. We will use a **formal decision-making process** as we move forward to **center our mission, values and principles in our activities**.

Clarify **guiding principles** to shape the Agency's future direction

Create clear and measurable **annual priorities**

Establish a **transparent decision-making process** to evaluate and pursue operational and programmatic opportunities

HR&A Discovery

HR&A conducted initial interviews with **18 MassHousing leaders and staff** from across business lines, revealing the **key organizational strengths** and **opportunities for improvement**.

5

Interviews with members of Management Team

13

Interviews with staff, Senior Directors and Directors

"MassHousing is an excellent mix of private sector orientation – we are here to do the work – and high mission – we care about the why and the who."

"There is an opportunity to improve manual workflows to better utilize staff time."

"We need a shared vision to guide cross-division collaboration."

"Regardless of the environment, the agency needs to continue to be responsive and a collaborative partner to borrowers."

"The flexibility to be involved in new things has kept me here for so long."

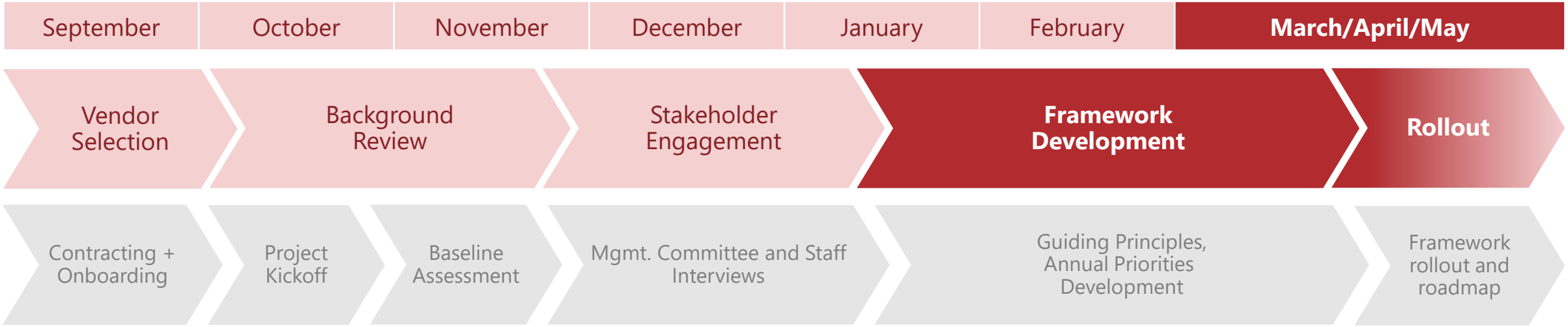
MassHousing Guiding Principles

MassHousing's guiding principles are **how we meet our mission**, no matter what's happening externally.

1	**Expand Housing Access Through Responsible Innovation**	Massachusetts' housing challenges require innovative solutions that meet immediate needs in our communities. MassHousing will design, launch, and adapt products and programs that directly address the Commonwealth's housing priorities and market realities.
2	**Manage Financial Resources for Long-term Sustainability**	MassHousing's ability to meet its mission depends on strong financial health and accountability. We will balance mission, risk, and return across our programming to preserve long-term financial strength and meet our fiduciary responsibilities.
3	**Build Organizational Agility and Resilience**	Housing markets and policy evolve —sometimes rapidly— and our systems must adapt. We will create agile processes and durable structures that allow us to respond quickly and effectively to change.
4	**Invest in People and Operational Excellence**	Our agency relies on the expertise and capacity of our team. We will develop staff skills, modernize systems, and strengthen operations to deliver exceptional programs and services.

Project Timeline

The project outcome will be a **strategic framework** that helps us set **focused priorities** and **navigate change**.



MassHousing

Thank You!

Questions? Comments?

Loan Commitment Proposal | March 10, 2026

HSL Stoughton 4%

1. General Project Information	
Project Name	HSL Stoughton 4%
Project ID	25-017
Associated Projects	N/A
Address(es)	338 Canton Street, Stoughton, MA 02072
Sponsor	Hebrew SeniorLife, Inc.
Transaction Type	Production (4%)
Funding Type	Forward - Private Placement
Execution Type	Conduit (TE)
Credit Enhancement	None
Approval Type	Board
Total Rental Units	51
Affordability Mix	51 Affordable

2. Recommended Actions

- Official Action Status
- Commitment of a Tax-Exempt Conduit Loan
- Approval for the Use of Low-Income Housing Tax Credits

3. Background

Hebrew SeniorLife, Inc. (the "Sponsor") has requested that MassHousing act as the conduit lender of tax-exempt bond proceeds under the Conduit Loan Program to allow the Sponsor to access 4% LIHTC equity for the proposed financing of HSL Stoughton 4% (the "Development").

The Development will consist of a 51-unit condominium financed with tax-exempt bonds and 4% tax credits within HSL Stoughton (the "Building"), a new three-story 96-unit building for residents age 62 and above. The Building will also include a so-called "9% twin" condominium that will be financed using the 9% LIHTC program. MassHousing will not be the lender on HSL Stoughton 9%.

4. MassHousing Financing	
Conduit Loan	
Type	Short-Term Tax-Exempt Conduit Loan
Loan Amount	$4,040,000
Loan Term/Amortization	36 mo / interest only
Conduit Loan	
Type	Long-Term Tax-Exempt Conduit Loan
Loan Amount	$5,600,000
Loan Term/Amortization	20y / 40y after permanent conversion, interest only for the development period of up to 36 months

5. Development Plan

Description of Site. The Development will be located on a vacant 7.4-acre parcel at the intersection of Canton and Simpson Streets (the "Site"). The Site is approximately three-quarters of a mile west of Stoughton's town center, which offers access to a variety of restaurants, grocery stores, and other amenities, and less than one mile from the Stoughton Commuter Rail station. Surrounding land uses consist of a mix of commercial, single-family, and multifamily residential development.

Description of Existing or Proposed Building. HSL Stoughton 4% is a proposed three-story affordable senior housing development including 51 one-bedroom units in Stoughton. The Building is designed to meet Passive House and Enterprise Green Communities[1] standards and will comply with the Specialized Stretch Energy Code[2]. The Building will utilize fully electrified heating, cooling, and domestic hot water systems, with more than 25% of projected energy consumption supplied by on-site solar photovoltaic systems. Construction will prioritize sustainable and low-carbon materials, including low-embodied-carbon concrete and wood fiberboard insulation to support indoor air quality and occupant health. Resident amenities include a fitness center, community rooms, management offices, and a small store.

Description of Affordability Mix. All 51 units will be subject to income restrictions with set-asides ranging from 30% of Area Median Income ("AMI") to 60% of AMI. Eighteen (18) units will benefit from project-based rental assistance, of which eight (8) will benefit from a project-based Section 8 HAP contract and ten (10) will benefit from project-based MRVP. There will also be 33 units at 60% of AMI.

Site Control. Fee Simple, currently held by an affiliate of the Sponsor.

[1] Enterprise Green Communities is a national green building standard created by Enterprise Community Partners in 2006 specifically for the affordable housing sector. Current guidelines focus on reducing buildings' energy use, cost, and emissions, enhancing the health and wellbeing of residents, and preparing buildings for future hazards and risks.

[2] The Specialized Stretch Code was developed by the Commonwealth in 2022 as an option for municipalities. While the Town of Stoughton has adopted the Stretch Code, the Specialized Code requires new buildings to meet high performance standards and utilize all-electric heating and cooling, among other benchmarks.

6. Borrower Team

Mortgagor Entity: HSL Stoughton Phase One 4, LLC

HSL Stoughton Phase One 4, LLC (the "Borrower") is a single-asset, sole purpose limited liability company formed for the purposes of owning and operating the Development.

Developer / Sponsor: Hebrew SeniorLife, Inc.

Hebrew Senior Life, Inc. ("HSL") is the largest non-profit provider of senior housing and health care in New England, with a network of six senior living communities and 1,677 units of independent and assisted-living residences. Through its affiliation with Harvard Medical School and its own staff, HSL delivers a wide range of outpatient, inpatient, and in-home services that support older adults at every stage of life.

The Agency's most recent experience with HSL is a permanent loan to Cohen Residences in Brookline.

General Partner / Managing Member: HSL Stoughton Phase One 4 MM, LLC

A single-purpose entity formed for the purpose of being the managing member of the ownership entity.

Construction Lender: Bank of America, N.A.

Bank of America, N.A. ("BofA") is one of the world's leading financial institutions, serving individual consumers, small and middle-market businesses, and large corporations with a full range of banking, investing asset management and other financial and risk management products and services.

BofA is also one of the largest lenders and investors in affordable, multifamily housing in the United States. Since 2005, Bank of America financed over 300,000 affordable housing units in projects serving individuals, families and seniors.

The Agency's most recent experience with BofA includes Cambridge Blanchard and Mary Ellen McCormack - Building A.

Bond Purchaser: Eastern Bank

Eastern Bank is a Massachusetts-based financial institution offering consumer, commercial, and business banking services. Eastern Bank has approximately $30 billion in total assets and employs approximately 2,100 people.

Eastern Bank recently provided construction financing for Cheney Homes Apartments.

Permanent Lender: Massachusetts Housing Partnership

Massachusetts Housing Partnership ("MHP" or "Commercial Lender") is a public nonprofit affordable housing organization that works in concert with the Governor and the Executive

Office of Housing and Livable Communities ("EOHLC") to increase the supply of affordable housing in Massachusetts. Founded in 1985, MHP finances affordable housing through a state law that requires companies that acquire Massachusetts banks to make loan funds available to MHP for the creation and preservation of affordable multifamily housing.

Recent MassHousing conduit transactions on which MHP is or will be the permanent lender include 55 Hudson, 775 Huntington Avenue, and Cambridge Blanchard.

Consultants: Avenue Development LLC

Avenue Development LLC ("Avenue") is a community development consulting firm based in Cambridge. Loryn Sheffner, Founder and Principal of Avenue, has held senior project management and finance positions at Madison Park Development Corporation, Banc of America Community Development Corporation, and GLC Development. More recently, she served in significant public sector roles, first as Associate Director, Public Private Partnerships for the City of Detroit, Housing and Revitalization Department, and subsequently for the Commonwealth of Massachusetts Division of Capital Asset Management and Maintenance ("DCAMM").

Sheffner is HSL's engaged development consultant and assisted with the Development's Chapter 40B approval process.

Shiel Consulting, LLC

Carolyn Shiel, principal of Shiel Consulting, LLC, is a Vermont-based real estate development consultant. She began her career in New York State as an attorney working on projects utilizing the Low-Income Housing Tax Credit program, as well as an array of additional subsidized and unsubsidized financing. Most recently, she transitioned from the legal side to working as a project manager for a not-for-profit developer based in Western Massachusetts. In addition to her knowledge of the LIHTC program, Carolyn also has experience working on projects that have utilized the New Market Tax Credit program, federal and state historic tax credits, and developments that have relied upon Massachusetts Chapter 40B.

Shiel is acting as a subcontractor of Avenue and is the Agency's primary point of contact for the loan commitment and closing processes.

Syndicator Massachusetts Housing Investment Corporation

Massachusetts Housing Investment Corporation ("MHIC") was founded in 1990 as a private non-profit by a consortium of banks to fill a critical gap in meeting the credit needs of affordable housing developers. To date, MHIC has raised over $3.6 billion from over 175 investors to support community development financing throughout New England.

MHIC was recently the syndicator for federal LIHTC on Cheney Homes Apartments.

Investor: Bank of America, N.A.

Management Company: Hebrew SeniorLife, Inc.

HSL owns, manages, and operates a $650 million real estate portfolio encompassing 3 million square feet of assets, inclusive of more than 45 buildings, serving more than 4,500 older adults every day. HSL staff manage all development, design, and renovations as part of an average annual capital improvement budget of $27 million. HSL's affordable senior housing communities include project-based Section 8 subsidy, project-based MRVP subsidy, LIHTC subsidy, and mobile vouchers from several different cities and towns throughout Massachusetts.

Architect: DiMella Shaffer Associates Inc. ("DiMella Shaffer")

DiMella Shaffer has designed more than 35,000 housing units across a range of project types. DiMella Shaffer works closely with residents, builders, developers, public agencies and neighborhoods, while using the latest sustainable materials and building technology.

The Agency's most recent experience with DiMella Shaffer was on Waterworks II and 95 Everett Street.

General Contractor: Dellbrook Construction LLC (d/b/a "Dellbrook JKS")

Dellbrook JKS is one of the largest construction companies in New England and has been in operation for over 30 years. The firm has extensive experience in overseeing the new construction of sustainable multi-family buildings throughout Massachusetts.

Dellbrook JKS is familiar to the Agency and is serving as the general contractor on active projects such as Meshacket Commons, Ticcoma Green 4% & 9%, and West Newton Armory.

7. Summary of MassHousing-Sponsor Relationship

	Recorded	*Committed*	*Total*
Number of Projects with MassHousing Debt	3	0	3
Total Units with MassHousing Debt	433	0	433
Outstanding MassHousing Principal Debt	$73,625,436	$0	$73,625,436
Number of Projects with MassHousing Conduit Financing	0		
MassHousing Conduit Loans are Compliant with Program Rules	N/A		
Adverse Actions Against the Borrower Team	No		
Current on Obligations with MassHousing	Yes, as of 2/12/2026		
Property Management Affiliate	Yes. Hebrew SeniorLife, Inc. management is limited to properties in its portfolio.		

MassHousing Staff	
Origination	Jeff Geller, Originator Sim Montrond, Analyst
Underwriting	Matthew Schoenberg, Underwriter Douglas O'Brien, Analyst
Asset Management	Tina Attachi, Portfolio Manager Kosal Saren, Asset Manager

8. Unit Mix

		LIHTC Eligible					
Unit Size	Total Units	PB-Section 8 30% of AMI		PB-MRVP 30% of AMI		LIHTC 60% of AMI	
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*
1 BR	51	8	$2,633	10	$2,394	33	$1,712
Total	**51**	**8**		**10**		**33**	

Project-Based Rental Subsidy		
Type	Section 8	MRVP
Term	20 years	15 years
Administrator	Metropolitan Boston Housing, Inc. d/b/a Metro Housing Boston	Metropolitan Boston Housing, Inc. d/b/a Metro Housing Boston

9. Operating Overview	
Underwritten Operating Expenses	$768,093 (approximately $15,100 per unit)

Basis of Operating Costs. Operating expense assumptions were based on the permanent lender's proposed budget and supporting documentation as well as review of comparable properties from MassHousing's portfolio.

Operating expenses per unit are above the Agency's average portfolio range of $11,000 to $15,000 per unit. While most of the line items are in line with operating costs of developments in the MassHousing portfolio, a few exceed that range:

- **Insurance:** Per-unit insurance costs are more than double the portfolio average. The increase in this line item is consistent with recent experience across the industry as insurance costs have increased sharply in recent years.

- **Resident Services:** Resident Services expenses exceed the portfolio average. The Development will offer a level of resident services above a typical all-affordable development, employing a wellness nurse and wellness coordinator in addition to a resident services coordinator through its R3 (Right Care, Right Place, Right Time) model.

  HSL staff will provide an array of supporting services including housing stability, social and community services including health and wellness, arts and music, cultural and educational presentations, and meal service.

10. Project Costs

Core Residential Costs	
Base	$30,553,468
Extraordinary	$2,143,553
Total	$32,697,021
Commercial, Site and Other Non-Residential Costs	
Commercial Costs	-
Site and Other Non-Residential Costs	-
Total	-
Total Development Cost	
Total	$32,697,021

Project Construction Costs	
Total Construction Cost	$22,054,676
Construction per Square Foot	$426

Background on Extraordinary Residential Costs. Extraordinary costs include escalated materials costs and the inclusion of National Housing Trust Fund (HTF) as a funding source. This federal source triggers Build America Buy America ("BABA") requirements, which have a direct impact on construction costs, contingency, and GC overhead. BABA requirements are estimated to increase construction costs by approximately 3-5%.

11. Sources and Uses

Sources of Funds	Total
Permanent Loan	$5,581,455
Federal Tax Credit Equity	$11,263,407
State LIHTC Loan	$6,150,000
DOER Decarbonization Grant	$693,892
Stoughton CPA Grant	$690,625
MassSave Rebates	$344,781
AHTF	$2,000,000
HSF	$1,621,808
HIF	$1,500,000
HTF	$2,000,000
CBH	$800,000
Deferred Developer Fee	$51,053
Total Sources	$32,697,021

LIHTC Pricing	
Federal LIHTC	$0.945
State LIHTC	$0.82

Core Residential Uses of Funds	Total		Base Costs		Extraordinary Costs	
		Per Unit		*Per Unit*		*Per Unit*
Acquisition	$425,000	$8,333	$425,000	$8,333		
Construction	$21,004,453	$411,852	$19,147,133	$375,434	$1,857,320	$36,418
Construction Contingency	$1,050,223	$20,592	$957,357	$18,772	$92,866	$1,821
General Development	$7,267,807	$142.506	$7,267,807	$142,506		
Replacement Reserves	$589,425	$11,557	$550,783	$10,800	$38,642	$758
Developer Overhead	$1,180,056	$21,726	$1,102,694	$21,621	$77,362	$1,517
Developer Fee	$1,180,056	$21,726	$1,102,694	$21,621	$77,362	$1,517
Total Residential Uses	$32,697,021	$641,118	$30,553,468	$599,088	$2,143,552	$42,030

Commercial Uses	$0

Site and Other Nonresidential Uses	$0

Total Uses	$32,697,021

12. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		$540,048
Rental Income – Non-Rental Subsidy		$677,952
Gross Potential Residential Income		$1,218,000
Vacancy – Project-Based Rental Subsidy	2.5%	($13,501)
Vacancy – Non-Rental Subsidy	3.0%	($20,339)
Gross Residential Income		$1,184,160
Other Income – Laundry		$7,950
Effective Gross Income		$1,192,110

Expenses	
Residential Operating Expenses	$768,093
Net Operating Income	$425,017
Debt Service	($368,339)
Cash Flow	$55,678

Debt Service Coverage	1.15

Residential Operating Expense Detail			*Per Unit*
Management Fee	5%	$59,604	$1,169
Administrative Costs		$183.906	$3,606
Maintenance Costs		$163,485	$3,206
Resident Services		$83,125	$1,630
Utilities (electricity, heat, A/C, hot water)		76,713	$1,504
Insurance		$131,900	$2,586
Taxes		$51,000	$1,000
Replacement Reserves		$18,360	$360
Total		$768,093	$15,061

Operating Expenses as a Percent of EGI	64.4%

13. Underwriting

1. **Financing Structure.** MassHousing intends to provide tax-exempt long-term and short-term conduit loans.

   BofA will serve as the taxable construction lender, providing an estimated $23,700,000 construction loan to the Development. MassHousing will issue an estimated $9,650,000 in conduit tax-exempt drawdown bonds, sized to meet the Development's 25% test needs. Eastern Bank will be the bond purchaser and tax-exempt bridge lender.

   At construction closing, the Borrower will close on the taxable construction financing with BofA. MassHousing will also issue the drawdown tax-exempt bonds. Eastern Bank will draw down $51,000 of the tax-exempt bonds, which will be used specifically to pay for costs of bond issuance.

   During construction, the Borrower will draw down BofA's taxable construction loan, available equity, and EOHLC and Town of Stoughton soft funds to pay for project expenses. The remaining balance in drawdown tax-exempt bonds will not be utilized during the construction period.

   After construction is complete, Eastern Bank will provide a tax-exempt loan or loans to the Borrower with the remaining tax-exempt bond proceeds to pay down all or a portion of the construction loan to meet the 25% test. Eastern Bank will also provide a taxable loan in a size sufficient to fully repay BofA's construction loan.

   Following stabilization, a $5,550,000 portion of the tax-exempt loan will be assigned to Massachusetts Housing Partnership and remain outstanding as a permanent loan. The remaining tax-exempt loan proceeds will be repaid from tax credit equity.

2. **Conduit Appraisal.** For this conduit transaction, MassHousing will rely on either BofA's or Eastern Bank's appraisal as an intended user to determine value.

Underwriting Criteria and Loan Terms	HSL Stoughton 4%	Underwriting Standards
1. DSCR	1.15	Minimum of 1.10
2. Term/Amortization	20 y / 40 y	30-40 y, fully-amortizing
3. Loan to Value	TBD	Maximum of 90% based on third party "as-proposed" investment value
4. Underwriting Rents	PB-Rental Subsidy contract or market supported rents.	Lesser of: • PB-Rental Subsidy contract or market supported rents • Programmatic rent cap or rents supported by MassHousing market review.
5. Vacancy Allowance	PB-Section 8 & MRVP: 2.5% 60% of AMI: 3%	Minimum of: • 2.5% for PB – Rental Subsidy • 3.0% for LIHTC • 5.0% for unrestricted or workforce housing
6. Affordability	40% of 60%	Minimum of: • 20% at 80% of AMI for MassHousing Statute • 40% at 60% or 20% at 50% of AMI for loans with FHA Insurance, HUD/FFB, Tax-Exempt Bond, and/or Federal LIHTC
7. Annual Deposits to Replacement Reserves	N/A for conduit loans	Minimum of: • $360 unit / year (new construction) • $500 unit / year (rehab) Note: Additional initial deposit to reserves may be required by the third-party CNA to fund twenty-year capital needs.
8. Operating Expenses	Approximately $15,100 unit / year	Typically, between $11,000 and $15,000 per unit.

14. Low-Income Housing Tax Credits

The Developer has included in its financing proposal a request for the use of 4% Low-Income Housing Tax Credits (the "4% Credits"). The 4% Credits may be utilized as a result of the funding of a portion of the financing with tax-exempt bonds or notes of MassHousing, which are to be issued under Section 142 of the Internal Revenue Code of 1986, as amended (the "Code") and are subject to a volume capacity allocation under Section 146 of the Code.

Use of the 4% Credits must be approved by EOHLC as the "housing credit agency" under Section 42 of the Code who must make the determination required under Section 42(m)(1)(D) of the Code that the development and financing proposal meets the requirements of the Commonwealth's Qualified Allocation Plan. In addition, MassHousing, as the issuer of tax-exempt obligations which generate the 4% Credits must determine under Section 42(m)(2)(D) of the Code that the amount of 4% Credits does not exceed the amount necessary for the financial feasibility and long-term viability of the development. Such determination shall be made applying the standards set forth in the proposed Board vote herein, as required by Section 42(m)(2) (B) of the Code.

HSL Stoughton 4%

VOTES AND FINDINGS

PROPOSALS AND VOTES

OAS

RECOMMENDATION:

Staff has reviewed the development experience and creditworthiness of the mortgagor and sponsor and found them to be acceptable. Staff has also determined that the mortgagor, sponsor, or an affiliate under common control has demonstrated evidence of site control, that the proposed site is acceptable for the intended housing, and that there is a need for the proposed housing in the community where the site is located. Therefore, staff recommends the following votes for approval:

VOTED: To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as "HSL Stoughton 4%" (the "Development") at such time as it is submitted; (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 that such loan (a) be funded with proceeds of tax-exempt debt issued in the future and (b) reimburse, in accordance with Treasury Regulations Section 1.150-2, up to $12,065,000 of costs of the Development paid prior to the issuance of such debt or the making of such loan; provided that this vote does not require the Agency to make any expenditure, incur any indebtedness or proceed with the Development.

Official Action Status Findings

In accordance with the vote of the Members of MassHousing dated October 10, 2023, staff makes the following Official Action Status findings for the Development:

1. The mortgagor or sponsor has acceptable multifamily housing development experience and acceptable credit history.

2. The mortgagor, sponsor or an affiliate under common control has demonstrated evidence of site control, which may include a deed, a ground lease, a purchase option, a contract of sale, or designation under a public land disposition process.

3. The site is acceptable for the proposed housing.

4. There is a need for the proposed housing in the community where the site is located.

Commitment of a Conduit Loan

VOTED: To approve the findings and determinations set forth below and to authorize the issuance of multifamily tax-exempt obligations in an estimated principal amount of $12,065,000 in one or more series pursuant to one or more indentures and/or financing agreements with such terms, interest rates, redemption provisions and maturity schedules as shall be approved by any of the Chief Executive Officer, Chief Legal and Operating Officer, General Counsel, Chief Financial and Administrative Officer, Financial Director, Comptroller, Director (or Senior Director) of Finance, or Director (or Senior Director) of Capital Markets, acting singly, and any officer or employee of MassHousing acting in such capacity or otherwise authorized to perform specific acts or duties by resolution of MassHousing (each an "Authorized Officer"), each Authorized Officer, acting singly, being authorized to execute and deliver such agreements and any other documents, instruments, and agreements necessary to effectuate the purposes of a conduit financing, with the proceeds of such issuance to be lent to HSL Stoughton Phase One 4, LLC or another single-purpose entity controlled by Covenant Commonwealth Corporation or an affiliate (the "Borrower") as owner of the multifamily residential development known as "HSL Stoughton 4%" (the "Development") and located in Stoughton, Massachusetts, and in accordance with the applicable Conduit Loan Closing Standards approved by the Members of MassHousing on September 12, 2017 and delegations of authority previously approved by the Members of MassHousing, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: "None."

VOTED: To authorize the Chief Executive Officer, the Chief Legal and Operating Officer and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter

into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans (other than the taxable construction loan from Bank of America, N.A. or an affiliate thereof and the taxable construction loan from Eastern Bank or an affiliate thereof) shall be subordinated to MassHousing's first mortgage loan, and other MassHousing debt as determined by the Chief Executive Officer, the Chief Legal and Operating Officer or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing's requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel or their designee.

4% Low-Income Housing Tax Credits

VOTED: That the amount of 4% Credits, as set by the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the multifamily development located in Stoughton, Massachusetts and known as "HSL Stoughton 4%" (the "Development") will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the credit period, having taken into consideration:

(a) the sources and uses of funds and the total financing planned for the Development;

(b) any proceeds or receipts expected to be generated by reason of tax benefits;

(c) the percentage of the tax credit amount used for Development costs other than the cost of intermediaries; and

(d) the reasonableness of the developmental and operational costs of the Development, provided, however, that such determination shall not be construed to be a representation or warranty as to the feasibility or viability of the Development.

FURTHER VOTED: To authorize the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, the General Counsel or the designee of any of the foregoing, each acting singly, to set the amount of 4% Credits to be used

in connection with the Development applying the standards set forth in the immediately preceding vote.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:
Fifty-one units (100%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area
The market needs data reflects market conditions as of the date of collection on February 24, 2026. The data is not subject to unanticipated events and circumstances that may occur after this date. Further, the reader is cautioned and reminded that the conclusions presented apply only as of the collection date.

In-house data for larger market and mixed-income complexes (1,472 approximate units) in the area revealed a strong market, with increasing rental and occupancy rates over that past three years. Current occupancy rates of the five developments reviewed averaged approximately 97.1%, and range between 88.% and 99%. Three of the comparables were offering concessions of that range from 1,000 off to one-month free rent.

1st Qtr. 2026 CoStar data for the subject's Route 1 South Multi-Family Submarket (9,788 units) have an overall vacancy rate at 7.4% YTD, which is an increase of 2.88% from one year ago. CoStar data for the Boston market (298,132 units) has an overall vacancy rate of 6.7% YTD, which is an increase of .94% from one year ago. The Route 1 Multi-Family Submarket vacancy rate is projected to decrease to 7.0% over the next five years, while the Boston market is projected to decrease to 6.4%.

CoStar submarket data for the 4-5 Star building type (3,589 units) indicates a 1st Qtr. 2026 vacancy rate of 6.1% and an average asking rent of $3,025, while submarket data for the subject's 3 Star building type (4,499 units) indicates a 1st Qtr. 2026 vacancy rate of 9.6% at an average asking rent of $2,576 and 1-2 Star buildings(1,700 units) indicates a 1st Qtr. 2026 vacancy rate of 4.1% at an average asking rent of $2,175. The development with its amenities more closely reflects the 3 Star building type and is reflected in both the vacancy rate and market rent potential.

Stoughton Housing Authority (SHA) public housing units and Section 8 Housing Choices Vouchers (HCV) are administered by Taunton Housing Authority (THA). Stoughton managers and/or operates three properties of State Chapter 667 Housing for Elderly/Disabled. Per the representative there are 543 elderly applicants and 367 non-elderly disabled applicants on the one-bedroom waiting list. They also have three properties of State Chapter 200-1, Veteran/Family and 2 State Chapter 705 Housing for Families. Per the representative there are 12 applicants on

the one-bedroom list, 103 applicants on the two-bedroom list, 62 applicants on the three-bedroom list and 7 applicants on the 4-bedroom wait. THA administers 48 Section 8 Housing Choice Vouchers (HCV) and per the representative of THA, they used the Section 8 Housing Choice Voucher Centralized Waiting list and the representative estimated that there are 195,875 applicants on the waiting list.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (09/30/25), the Town of Stoughton has 11,698 year-round housing units, 1,325 (11.3%) of which are subsidized for low/moderate income households.

U.S. Census data from the 2020-2024 American Community Survey (ACS) indicates that of the 11,302 households in the Town of Stoughton, approximately 79.9% earned less than the HUD published 2025 AMI ($160,900), approximately 39.7% earned less than 50% of 2025 AMI, approximately 48.2% earned less than 60% of the 2025AMI and approximately 65.2% earned less than 80% of the 2025AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing
MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households
The financing herein proposed does not lead to the undue concentration of low-income households.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units
As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

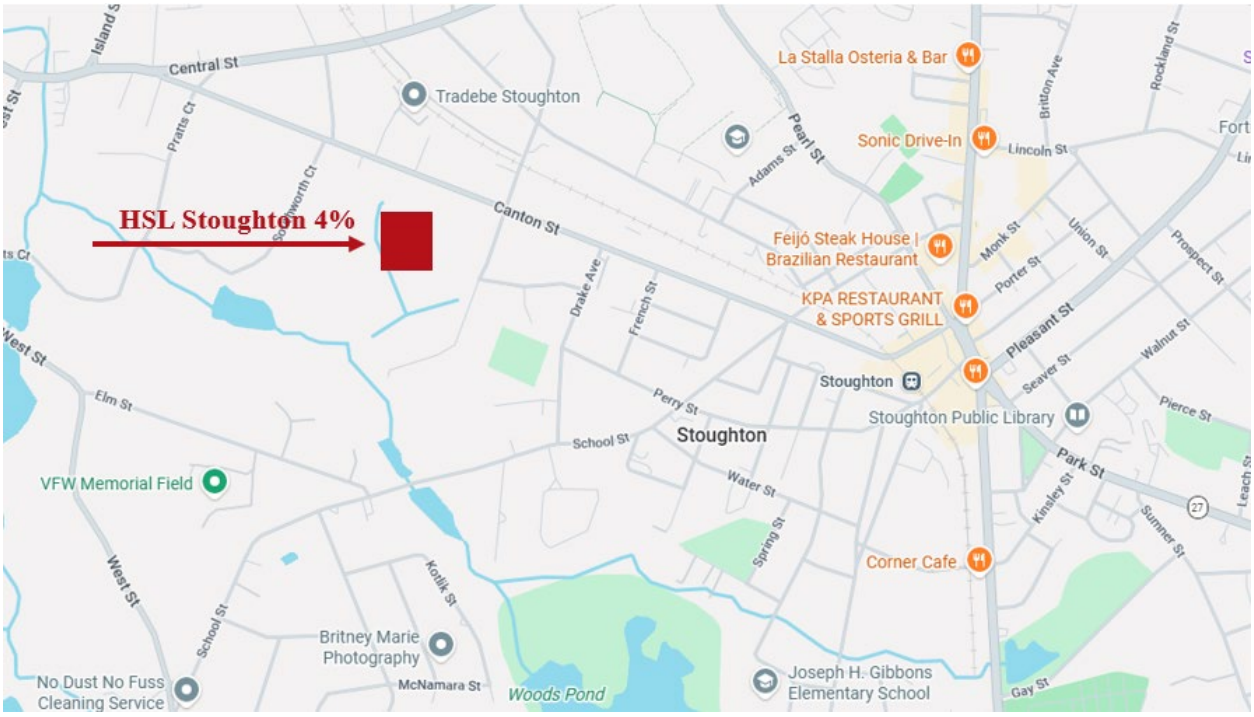
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms		1
Number of Units		51
Net SF/Unit		613
Elev./Non-Elev.		Elev.
Market Rate Rent (10% Rate 20 Year Term)		$4,579
MHFA Below Market Rent (Cost-Based Rent)		$3,201
MHFA Adjusted Rent	30% of 60% of AMI	
Underwriting Rents		
Section 8 at 30% AMI		$2,633
MRVP at 30% AMI		$2,394
LIHTC at 60% AMI		$1,712

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

MAP AND PICTURES



Loan Commitment Proposal | March 10, 2026

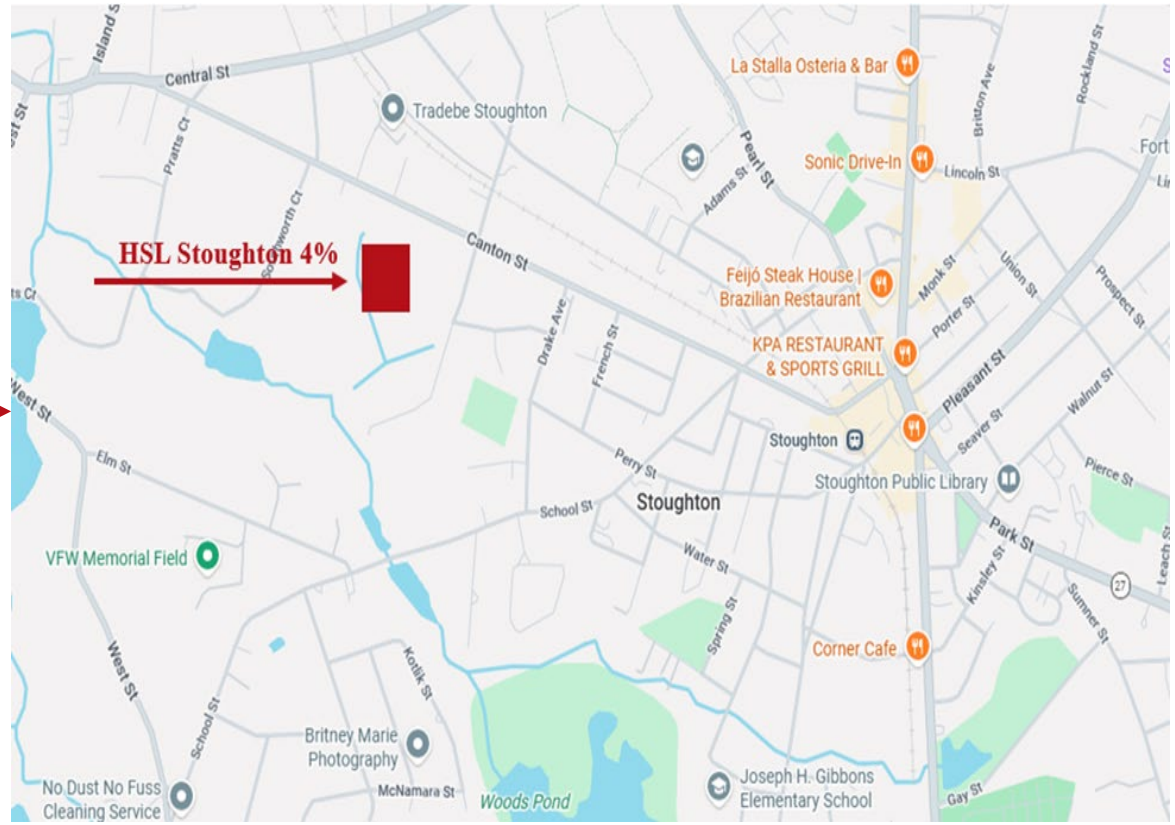
HSL Stoughton 4%

Location	338 Canton Street, Stoughton
Sponsor	Hebrew SeniorLife, Inc.
Transaction Type	Production (4%)
Funding Type	Forward - Private Placement
Execution Type	Conduit (TE)
Credit Enhancement	None
Total Rental Units	51
Affordability Mix	51 Affordable

Deal Team Members	
Origination	Jeff Geller, Sim Montrond
Underwriting	Matthew Schoenberg, Douglas O'Brien
Asset Management	Tina Attachi, Kosal Saren

MassHousing

HSL Stoughton 4% | Stoughton



Borrower Team

Mortgagor Entity	HSL Stoughton Phase One 4, LLC
Developer / Sponsor	Hebrew SeniorLife, Inc.
General Partner / Managing Member	HSL Stoughton Phase One 4 MM, LLC
Construction Lender	Bank of America, N.A.
Bond Purchaser	Eastern Bank
Permanent Lender	Massachusetts Housing Partnership
Consultants	Avenue Development LLC Shiel Consulting, LLC
Syndicator	Massachusetts Housing Investment Corporation
Investor	Bank of America, N.A.
Management Company	Hebrew SeniorLife, Inc.
Architect	DiMella Shaffer Associates Inc.
General Contractor	Dellbrook Construction LLC (d/b/a “Dellbrook JKS”)

Unit Mix

		LIHTC Eligible					
Unit Size	Total Units	Section 8 PBV 30% AMI		MRVP 30% AMI		LIHTC 60% AMI	
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*
1 BR	51	8	$2,633	10	$2,394	33	$1,712
Total	**51**	**8**		**10**		**33**	

Project Costs

Core Residential Costs	
Base	$30,553,468
Extraordinary	$2,143,553
Total	$32,697,021
Commercial, Site and Other Non-Residential Costs	
Commercial Costs	-
Site and Other Non-Residential Costs	-
Total	-
Total Development Cost	
Total	$32,697,021

Project Construction Costs	
Total Construction Cost	$22,054,676
Construction per Square Foot	$426

Sources and Uses

Sources of Funds			Uses of Funds	
Permanent Loan	$5,581,455		Acquisition	$425,000
Federal Tax Credit Equity	$11,263,407		Construction	$21,004,453
State LIHTC Loan	$6,150,000		Construction Contingency	$1,050,223
DOER Decarbonization Grant	$693,892		General Development	$7,267,807
Stoughton CPA Grant	$690,625		Replacement Reserves	$589,425
MassSave Rebates	$344,781		Overhead	$1,180,056
AHTF	$2,000,000		Fee	$1,180,056
HSF	$1,621,808			
HIF	$1,500,000			
HTF	$2,000,000			
CBH	$800,000			
Deferred Developer Fee	$51,053			
Total Sources	**$32,697,021**		**Total Uses**	**$32,697,021**

Underwriting Notes

1. Financing Structure
2. Conduit Appraisal

Official Action Status (OAS) Findings

1. **Mortgagor**: The mortgagor or sponsor has acceptable multifamily housing development experience and acceptable credit history.
2. **Site Control**: The mortgagor, sponsor or an affiliate under common control has demonstrated evidence of site control, which may include a deed, a ground lease, a purchase option, a contract of sale, or designation under a public land disposition process.
3. **Acceptability of Site**: The site is acceptable for the proposed housing (if the loan would finance new construction).
4. **Need for Proposed Housing**: There is a need for the proposed housing in the community where the site is located.

Recommended Votes

- Official Action Status
- Commitment of Tax-Exempt Conduit Loan
- Approval for the Use of Low-Income Housing Tax Credits

Loan Commitment Proposal | March 10, 2026

Brooke House at Olmsted Village

1. General Project Information	
Project Name	Brooke House at Olmsted Village
Project ID	24-002
Associated Projects	N/A
Address(es)	99 West Main Street, Boston - Mattapan, MA 02126
Sponsor	2Life Development Inc.
Transaction Type	Production (4%)
Funding Type	Forward Commitment of Permanent Loan
Execution Type	Portfolio (TE)
Credit Enhancement	HUD/HFA Risk-Sharing with 50% credit risk
Approval Type	Board
Total Rental Units	127
Affordability Mix	125 Affordable 2 Resident Management (Non-Revenue)

2. Recommended Actions

- Commitment of a Permanent Tax-Exempt Loan
- Commitment of a Tax-Exempt Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

3. Background

The proposed financing will support the new construction of Brooke House at Olmsted Village (the "Development"), a 127-unit mixed-use senior property. The six-story elevatored building will include commercial and community spaces on the first floor and residential units on the upper floors.

The Development is part of the final phase of the redevelopment of the 175-acre former Boston State Hospital site in Mattapan, which began in 2006, and is adjacent to Olmsted Green, an earlier phase of that effort. MassHousing financed three projects in that phase: Olmsted Green, a 100-unit mixed-income rental development; Olmsted Green Homeownership, a 41-unit home ownership development; and The Preserve at Olmsted Green, an 80-unit homeownership development funded through MassHousing's Commonwealth Builder Program.

2Life Development, Inc. ("2Life" or "Sponsor") is collaborating with Lena New Boston II, LLC ("LNB") to complete the five Olmsted Village phases, which will ultimately create a total of 287 affordable homes across five projects – Brooke House at Olmsted Village and Treehouse to be developed by 2Life, and 94 mixed-income homeownership units in three projects to be

developed by LNB. In furtherance of their partnership on Olmsted Village, 2Life and LNB have formed a joint venture entity, Olmsted Village Master Developer, LLC (the "Master Developer"), which acquired the ten-acre site from the Commonwealth of Massachusetts' Department of Capital Asset Management and Maintenance ("DCAMM") in 2025. The Master Developer will complete infrastructure work and subdivide the parcel into separate lots for each development and for common outdoor amenities and infrastructure ("Master Development Work").

In 2024, 2Life requested and MassHousing granted Official Action Status (OAS) approval for the Development. MassHousing provided this approval separate from the loan commitment proposed here to support the Sponsor's HUD Section 202 Capital Advance Funding application, a critical step in the process of assembling necessary resources for the transaction.

2Life is now prepared to proceed with the construction of Brooke House at Olmsted Village. Consistent with 2Life's mission, the Development program has an emphasis on aging and mental health care, with numerous on-site services for residents. The proposed Master Development Work will ensure that the Development is connected to existing and future uses on and near the former State Hospital campus.

4. MassHousing Financing	
First Loan	
Type	Tax-Exempt Permanent Loan
Loan Amount	$17,460,000
Interest Rate	30-Year MMD plus 237 basis points (bps) to be locked at Construction Loan Closing (processing rate of 6.92% assumed for underwriting)
Loan Term / Amortization	40 y / 40 y; interest-only during stabilization period, with amortization commencing upon stabilization
Term of Fwd Commitment	30 months
Year 1 DSCR	1.11 projected (1.10 minimum)
LTV	80% projected (90% maximum)
Tax-Exempt Equity Bridge Loan	
Type	Tax-Exempt Bridge Loan
Loan Amount	$10,780,000
Interest Rate	4.95% projected
Loan Term/Amortization	12 months / interest only
Junior Loan	
Type	Capital Magnet Fund Loan ("CMF Loan")
Loan Amount	$1,000,000
Interest Rate	0% projected
Loan Term/Amortization	Coterminous with First Loan
Terms of Cash Flow Sharing	None

5. Development Plan

Description of Site. The Development will be located on an approximately 49,000 square-foot parcel at 99 West Main Street ("Site") and is within walking distance to Mass Audubon's Boston Nature Center. Amenities such as grocery stores, restaurants, and the Franklin Park Zoo are within one mile from the Site.

The development plan includes the creation of publicly accessible open space, including an outdoor children's play area, which will connect to an adjacent multi-use access path for the Development's residents and the Mattapan community.

Description of Existing or Proposed Building. The development plan involves the new construction of an approximately 154,000 square-foot building with 127 one- and two-bedroom residential units. The building will include two elevators.

The Development will include two commercial units totaling 6,700 square feet, to be used for a health care clinic and childcare center. The Sponsor plans to have the health clinic operated by Harvard Street Neighborhood Health Center, and the childcare center operated by the Shattuck Child Care Center, both as sub-tenants under a master lease with an affiliate of the Sponsor.

The Development will also include residential amenity space, a community center accessible to Olmsted Village and neighborhood residents, and a small convenience store.

The Development's exterior will consist of fiber cement, brick, and concrete masonry units. The building will pursue Passive House certification as well as Energy Star Multifamily New Construction certification.

Description of Affordability Mix. 125 out of the 127 units will be subject to income restrictions with set-asides ranging from 30% of Area Median Income ("AMI") to 50% of AMI.

All income restricted units will benefit from project-based rental assistance, of which 75 will benefit from project-based Section 8, 20 will benefit from project-based MRVP, and 30 will benefit from a HUD 202 Project Rental Assistance Contract ("PRAC") that will convert to a Project Based Rental Assistance ("PBRA") contract. The remaining two units will be for resident managers.

Site Control. The Master Developer and the Mortgagor Entity have executed a Purchase Option Agreement outlining the terms of the sale of the Site. The Olmsted Village site will be subdivided, and the Mortgagor Entity will acquire fee simple title to the Site as part of the construction loan closing.

6. Borrower Team

Mortgagor Entity: 2Life Brooke House Limited Partnership

2Life Brooke House Limited Partnership is a sole-asset, single-purpose entity formed for the purposes of owning and operating the Development.

Developer / Sponsor: 2Life Development Inc.

Formerly known as Jewish Community Housing for the Elderly, Inc. (JCHE), 2Life is a nationally recognized real estate developer and management agent. Since 1965, 2Life has been building and managing affordable, non-sectarian housing for elders in the Greater Boston area with a focus on fostering independent living and aging in community. 2Life houses over 1,400 people over the age of 62.

MassHousing recently completed developments with 2Life as the developer include Golda Meir House Expansion and J.J. Carroll.

General Partner / Managing Member: 2Life Brooke House MM LLC

The General Partner will be 51% owned by an affiliate of 2Life, and 49% owned by an affiliate of Lena Park Community Development Corporation ("Lena Park CDC"), a non-profit organization whose service area includes Mattapan and the Development site. Lena Park CDC is also a member of the Master Developer entity and has been previously involved with the earlier redevelopment phases of the former Boston State Hospital through their partnership with the New Boston Fund.

Master Developer: Olmsted Village Master Developer, LLC

The Olmsted Village Master Developer ("Master Developer") is a partnership between 2Life and Lena New Boston II, LLC ("LNB"). 2Life and LNB have equal interests (50%) in the Master Developer, and LNB is the managing member. LNB's members include affiliates of New Boston Communities LLC ("New Boston") and Lena Park CDC. New Boston and Lena Park CDC are involved in prior sub-phases of the Boston Hospital Site redevelopment, including Olmsted Green.

Of the five developments planned at Olmsted Village, 2Life will develop two affordable rental properties, and LNB will develop three properties with 94 mixed-income ownership units.

Construction Lender: Bank of America, N.A.

Bank of America is one of the world's leading financial institutions, serving individual consumers, small and middle-market businesses, and large corporations with a full range of banking, investing asset management and other financial and risk management products and services.

Bank of America is also one of the largest lenders and investors in affordable, multifamily housing in the United States. Between 2005 and 2025 Bank of America financed over 200,000 affordable housing units in projects serving individuals, families and seniors.

Recent MassHousing financing commitments for developments using Bank of America as the construction lender include The Exchange Salem, Cambridge Blanchard, and Whittier Phase 3. Recently completed developments using Bank of America as the construction lender include Clarendon Hill Building E, Morton Station Village, and 31 Elm Street.

Syndicator / Investor: Bank of America, N.A.

Management Company: 2Life Communities Services Inc.

2Life Communities Services Inc. is an affiliated entity of the Sponsor and is responsible for the ongoing financial management, operations, compliance, maintenance, and resident services of the organization's 1,258 units located in seven campuses across the Commonwealth.

MassHousing recently completed developments with 2Life Communities Services Inc. as the management company include Golda Meir House Expansion and J.J. Carroll.

Architect: MASS Design Group

MASS Design Group is an architecture and design studio based in Kigali, Rwanda and Boston, MA. The team includes over 250 architects, builders, engineers, and researchers representing 20 countries across the globe.

MassHousing recently completed developments with MASS Design Group as the architect include J.J. Carroll.

General Contractor: Dellbrook Construction, LLC d/b/a Dellbrook | JKS

Dellbrook | JKS ("Dellbrook") is one of the largest construction companies in New England and has been in operation for over 30 years. The firm has extensive experience in overseeing the new construction of sustainable multi-family buildings throughout Massachusetts.

Recent MassHousing financing commitments for developments using Dellbrook Construction LLC as a part of the general contractor team include Tackenash Knoll, Ticcoma Green, 24 Webster Avenue, and 95 Everett Street. Recently completed developments using Bank of America as the construction lender include Clarendon Hill Building E, J.J. Carroll, and Union Block - Taunton.

The Sponsor will contract with Dellbrook. Dellbrook intends to execute a joint venture agreement with ERiSE Builders Inc. ("ERiSE"), in which ERiSE will participate with Dellbrook in construction management and will not perform trades. Dellbrook will be responsible for insurance and bonding.

ERiSE Builders Inc.

ERiSE Builders Inc. ("ERiSE") is a minority-owned and operated general contractor that serves the Greater Boston area. The firm has experience overseeing the new construction or renovation of residential and commercial buildings.

This will be the first development in the MassHousing portfolio with ERiSE as a part of the general contractor's management team. MassHousing is familiar with the work of ERiSE as a finish-carpentry subcontractor on the Bancroft Dixwell project. MassHousing's Design & Technical team have reviewed ERiSE's history and work and found the firm to be acceptable.

7. Summary of MassHousing-Sponsor Relationship			
	Recorded	*Committed*	*Total*
Number of Projects with MassHousing Debt	6	0	6
Total Units with MassHousing Debt	830	0	830
Outstanding MassHousing Principal Debt	$147,692,618	$0	$147,692,618
Number of Projects with MassHousing Conduit Financing	0		
MassHousing Conduit Loans are Compliant with Program Rules	N/A		
Adverse Actions Against the Borrower Team	No		
Current on Obligations with MassHousing	Yes		
Property Management Affiliate	Yes, 2Life Communities Services Inc.; management is limited to properties in 2Life's portfolio.		

MassHousing Staff	
Origination	Mike Carthas, Originator Dan Maillet, Analyst
Underwriting	Emily Loomis, Underwriter
Asset Management	Nick Pepe, Portfolio Manager Kristy Prince, Asset Manager

8. Unit Mix

		LIHTC Eligible										
Unit Size	Total Units	30% of AMI - Section 8		50% of AMI - Section 8		50% of AMI - MRVP		50% of AMI - PRAC/PBRA		Resident Managers		Market Comparison
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Rent*
1 BR	122	31	$2,377	41	$2,377	18	$2,476	30	$1,753	2	-	$3,100
2 BR	5	1	$2,827	2	$2,827	2	$2,941	-	-	-	-	$3,870
Total	**127**	**32**		**43**		**20**		**30**		**2**		

Project-Based Rental Subsidy			
Type	Section 8	MRVP	PRAC / PBRA *
Term	20 y	15 y	1 y / 20 y
Administrator	Boston Housing Authority	MetroHousing Boston	HUD
Lesser of contract rents			

* The project will initially be operated under a one-year PRAC contract, which shall convert to a 20-year PBRA contract within the first year of operations.

9. Operating Overview

Underwritten Operating Expenses	$1,982,901 (approximately $15,600 per unit)

Basis of Operating Costs. Operating expense assumptions were based on the review of comparable properties, borrower-proposed budget, and borrower supporting documentation.

Operating expenses are higher than the typical range of $11,000 to $15,000 per unit. This is primarily due to the operating budget's inclusion of anticipated fees to the Olmsted Village Association, additional annual deposits to replacement reserves required by HUD, and a high level of resident services.

The Olmsted Village Association Fee is an estimate informed by actual costs at the comparable neighboring Olmsted Green for the maintenance of shared roads and common areas, and will be refined during the closing process.

The Resident Services budget is $211,707 annually, or $1,667 per unit. The budget includes 1.4 FTE resident services staff, as well as costs for fitness and wellness, behavioral health supports, community engagement, transportation, and materials. 2Life will support additional programming, as needed, using corporate resources and philanthropy. Services are designed to support the resident population with various levels of health needs to live independently and as part of the community.

The Development will include a rooftop solar array, which will be owned, operated, and maintained by the Development. Preliminary system design and output estimates were completed by Resonant Energy, an experienced solar consultant.

The Sponsor estimates total electrical demand for the Development at 940,000 kilowatt-hours (kWh). Resonant projects that the photovoltaic ("PV") system will produce 81,000 Kilowatt-hours (kWh) per year, or approximately 9% of total projected electrical needs. Delivery of 940,000 kWh from the grid would be underwritten at a cost of $226,470 ($1,783/per unit per year). The underwritten operating budget includes an electricity cost of $214,470; this represents projected PV-related cost savings of 5% or $12,000.

10. Project Costs	
Core Residential Costs	
Base	$78,397,202
Extraordinary	$10,655,374
Total	$89,052,576
Commercial, Site and Other Non-Residential Costs	
Commercial Costs	$4,275,158
Site and Other Non-Residential Costs	$2,354,375
Total	$6,629,533
Total Development Cost	
Total	$95,682,109

Project Construction Costs	
Total Construction Cost	$67,914,601
Construction per Square Foot	$440

Background on Extraordinary Residential Costs. Extraordinary costs include escalated materials costs, and the inclusion of HOME and National Housing Trust Fund (HTF) as funding sources. These federal sources trigger Build America Buy America ("BABA") requirements, which have a direct impact on construction costs, contingency, and GC overhead. BABA requirements are estimated to increase construction costs by approximately 3-5%.

Background on Commercial, Site and Other Non-Residential Costs. Site and non-residential costs are related to the construction of the health care clinic, the childcare center, and community center.

Background on Building Standards Costs. Costs related to the building materials, installation and insulation required to meet the specialized energy code are included in Core Residential Costs.

11. Sources and Uses

Sources of Funds	Total
MH Permanent Loan	$17,460,000
MH Capital Magnet Fund Loan	$1,000,000
Federal LIHTC Equity	$31,463,564
State LIHTC Loan	$13,682,500
HUD 202 Capital Advance Funding	$7,300,000
HUD Community Project Funding	$500,000
EOHLC Subordinate Debt	$10,500,000
City of Boston Subordinate Debt	$7,000,000
State Supplemental Funding	$2,000,000
State EEOST	$1,000,000
MassSave - Passive House Incentive	$501,250
Sponsor Contributions	$1,200,000
Deferred Developer Fee	$2,074,795
Total Sources	$95,682,109

LIHTC Pricing	
Federal LIHTC	$0.965
State LIHTC	$0.842

Core Residential Uses of Funds	Total		Base Costs		Extraordinary Costs	
		Per Unit		*Per Unit*		*Per Unit*
Acquisition	$4,610,370	$36,302	$4,610,370	$36,302	-	-
Construction	$59,703,933	$470,110	$50,730,311	$399,451	$8,973,622	$70,658
Construction Contingency	$2,985,197	$23,505	$2,536,516	$19,973	$448,681	$3,533
General Development	$15,278,973	$120,307	$15,018,973	$118,260	$260,000	$2,047
Capitalized Reserves	$1,442,364	$11,357	$1,225,574	$9,650	$216,790	$1,707
Overhead	$2,515,869	$19,810	$2,137,729	$16,833	$378,140	$2,977
Fee	$2,515,869	$19,810	$2,137,729	$16,833	$378,140	$2,977
Total Residential Uses	$89,052,576	$701,201	$78,397,202	$617,301	$10,655,374	$83,901

Commercial Uses*	$4,275,158

Site and Other Nonresidential Uses*	$2,354,375

Total Uses	$95,682,109

**Includes applicable hard costs, contingency, soft costs, overhead and fee*

12. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		$3,391,980
Vacancy – Project-Based Rental Subsidy	2.5%	($84,800)
Gross Residential Income		$3,307,181
Commercial Income		$132,000
Vacancy – Commercial	20.0%	($26,400)
Other Income – Laundry		$7,500
Effective Gross Income		$3,420,281

Expenses	
Residential Operating Expenses	$1,973,490
Commercial Operating Expenses	$9,411
Net Operating Income	$1,437,380
Debt Service	($1,289,866)
Cash Flow	$147,514

Debt Service Coverage 1.11

Commercial expenses include management fee and reserves. All other commercial expenses will be the responsibility of the commercial tenants.

Residential Operating Expense Detail			*Per Unit*
Management Fee	5.0%	$165,734	$1,305
Administrative Costs		$342,999	$2,701
Maintenance Costs		$424,084	$3,339
Resident Services		$211,709	$1,667
Security		$14,435	$114
Utilities (water and sewer)		$88,889	$700
Utilities (electric)		$214,470	$1,689
Utilities (natural gas)		$1,000	$8
Insurance		$165,574	$1,304
Taxes		$190,500	$1,500
Olmsted Village Association Fee		$57,526	$453
Replacement Reserves		$52,920	$417
Mortgage Insurance Premium		$43,650	$344
Total		$1,973,490	$15,539

Operating Expenses as a Percent of EGI 57.7%

13. Underwriting

1. **Loan Sizing**. The Sources and Uses in this commitment proposal reflect a projected loan amount for the permanent loan of $17,460,000. The MassHousing Votes below allow for an "up to" loan amount of $18,180,000. The final loan amount will be set when the interest rate is locked at construction closing, such that MassHousing's debt service coverage ratio and loan to value benchmarks will be met.

   To the extent that the final loan amount is greater or less than $17,460,000, MassHousing will confirm that other sources will be adjusted as necessary to maintain a balanced sources and uses.

2. **Capital Magnet Funds.** MassHousing is providing a $1,000,000 subordinate loan that will be funded with Capital Magnet Funds ("CMF"). This is a non-amortizing loan due upon sale or refinancing of the Development. Approval of CMF loans is delegated to the Staff level and, therefore, no votes associated with this loan are included in this package.

3. **Federal Tax Credit Equity.** Equity contributions to the transaction include two items of note:

   a. Closing Contribution. The Sponsor has proposed a structure with no capital contributions at closing, which is a deviation from the MassHousing General Multifamily Loan Closing Standards.
   b. Delayed Investor Admission. The Sponsor has proposed a delayed admission of the Investor Member to the Mortgagor Entity. This structure will allow the non-profit Sponsor to benefit from a sales-tax exemption on purchase of materials for a portion of the construction period. Delayed investor admission is permitted under MassHousing policy.

   The combination of these two proposals allow for i) higher equity pricing based on timing of capital contributions and ii) projected savings of $2,000,000 from the sales tax exemption. The Investor Member will be admitted into the Mortgagor Entity at 85% completion. The first equity installment (10%) will also be made at this time. The second equity installment (10%) will come in at substantial completion, and the third equity installment (43%) will be made along with the funding of MassHousing's loans. Such that at the time MassHousing funds its loans, the Investor Member will have been admitted to Mortgagor Entity and contributed 63% of the federal LIHTC equity to the Development.

4. **Funding of Loans.** The Sponsor has requested, and this proposal contemplates structuring of the transaction with a modification to the Agency's General Multifamily Loan Closing Standard 4.4.2, relating to achievement of stabilization as the threshold for funding of the Agency's loans. Funding of the Loans will occur upon confirmation of construction completion and in advance of stabilized occupancy.

   The permanent loan will be funded on an interest-only basis through the remainder of the lease-up and stabilization period. Upon achievement of stabilization, the permanent loan will commence amortization, and the Agency will obtain final endorsement for HUD Risk Share insurance. The need for a lease-up reserve and/or bridge loan guarantee will be evaluated prior to the recording and funding of the MassHousing loans.

   This structure saves an estimated $605,000 in construction loan carrying costs, while also reducing the Agency's bond carrying costs.

5. **Development Fee Sharing.** In consideration of the partnership between the Sponsor and LNB in redeveloping Olmsted Village, the Sponsor will share equally with LNB in the Brooke House developer fee and overhead, and cost overruns and tax credit adjusters up to the amount of fee and overhead. Within LNB, the fee and overhead will be distributed 22% to Lena Park CDC and 78% to an affiliate of New Boston.

6. **HUD 202 Capital Funding Program.** The Sponsor received a commitment for $7,300,000 in capital subsidy under HUD's Section 202 Capital Funding Program ("HUD 202 CFP") in January 2026. The award has a closing deadline of March 31, 2026.

   The Master Developer must select a general contractor for the Master Plan Work, complete necessary site preparation, and the Sponsor must achieve a full closing by that deadline, which will not be possible. Therefore, the Sponsor has informed HUD they will request a 90-120 day extension to the commitment's March 31, 2026, closing deadline, and has informed MassHousing they will request additional extensions if needed.

7. **RAD for PRAC Conversion.** The Sponsor's HUD 202 CFP award includes a commitment for PRAC rental assistance subsidy for thirty units. The Sponsor applied to HUD to convert the PRAC to a PBRA Section 8 HAP Contract under the so-called RAD for PRAC program administered by HUD's Office of Recapitalization

   The RAD conversion will result in a rent increase and extend the contract term for the rental assistance from one to twenty years. The RAD program requires the project initially lease up under PRAC, and that all PRAC-assisted units must be fully occupied prior to converting to the PBRA HAP.

On February 11, 2026, HUD issued a Notice of Anticipated RAD Rents for the Development, which includes confirmation that once the PRAC is executed, the contract is eligible for conversion to Section 8 assistance under RAD. The Sponsor will additionally provide a HUD Conditional Approval for the conversion prior to initial closing.
The conversion is anticipated to occur approximately six months after construction completion. Should MassHousing record and fund the financing in this proposal prior to the conversion, MassHousing may require a debt service reserve upon funding its Loans; this reserve, currently sized at $53,000, is carried in the development budget.

The underwriting projects that the higher PBRA rents made effective by the conversion will be necessary to meet MassHousing's sustained occupancy requirements, which are conditions to commence amortization and obtain Risk Share endorsement on the First Loan.

8. **Commercial Income.** The Sponsor intends to construct two ground floor commercial units totaling approximately 6,700 square feet and will use a master lease structure. The commercial units are considered community benefits, and their use for childcare and healthcare providers is required under the Olmsted Village Land Disposition Agreement with DCAMM and underlying zoning. A portion of the income from those leases is included in the underwriting of the proposed financing in conformance with the Agency's commercial income policy.

   The income is underwritten at a 20% vacancy loss and, overall, the amount of commercial income underwritten is equal to 3.8% of effective gross income.

9. **Master Development Plan and Association.** Certain Master Development Work, such as streets and utilities, must be completed prior to the start of work at the Development, and prior to its completion. This work shall be funded, in part, by acquisition payments made by each of the five developments and the Master Developer will form an association to maintain common areas of Olmsted Village (the "Association"). All terms and agreements between Sponsor and Master Developer, or in relation to the Master Development Work, are subject to MassHousing approval, including but not limited to the Association and its budget.

10. **Third-Party Reports.** The MassHousing "as proposed" appraisal, inclusive of a land cost analysis, is currently in progress. To the extent the appraisal changes underwritten residential or commercial rents and/or loan-to-value, the loan amount will be adjusted accordingly.

Underwriting Criteria and Loan Terms	Brooke House at Olmsted Village	Underwriting Standards
1. DSCR	1.11	Minimum of 1.10
2. Term/Amortization	40 y / 40 y	30-40 y, fully-amortizing
3. Loan to Value	To be determined	Maximum of 90% based on third party "as-proposed" investment value
4. Underwriting Rents	Lesser of Project-Based Section 8 ("PBS8") contract or market supported rents	Lesser of: • PB-Rental Subsidy contract or market supported rents • Programmatic rent cap or rents supported by MassHousing market review.
5. Vacancy Allowance	PB Rental Subsidy: 2.5%	Minimum of: • 2.5% for PB – Rental Subsidy • 3.0% for LIHTC • 5.0% for unrestricted or workforce housing
6. Affordability	40% at 60% of AMI	Minimum of: • 20% at 80% of AMI for MassHousing Statute • 40% at 60% or 20% at 50% of AMI for loans with FHA Insurance, HUD/FFB, Tax-Exempt Bond, and/or Federal LIHTC
7. Annual Deposits to Replacement Reserves	$449 unit / year	Minimum of: • $360 unit / year (new construction) • $500 unit / year (rehab) Note: Additional initial deposit to reserves may be required by the third party CNA to fund twenty-year capital needs.
8. Operating Expenses	Approximately $15,600 unit / year	Typically, between $11,000 and $15,000 per unit.

14. Low-Income Housing Tax Credits

The Developer has included in its financing proposal a request for the use of 4% Low-Income Housing Tax Credits (the "4% Credits"). The 4% Credits may be utilized as a result of the funding of a portion of the financing with tax-exempt bonds or notes of MassHousing, which are to be issued under Section 142 of the Internal Revenue Code of 1986, as amended (the "Code") and are subject to a volume capacity allocation under Section 146 of the Code.

Use of the 4% Credits must be approved by EOHLC as the "housing credit agency" under Section 42 of the Code who must make the determination required under Section 42(m)(1)(D) of the Code that the development and financing proposal meets the requirements of the Commonwealth's Qualified Allocation Plan. In addition, MassHousing, as the issuer of tax-exempt obligations which generate the 4% Credits must determine under Section 42(m)(2)(D) of the Code that the amount of 4% Credits does not exceed the amount necessary for the financial feasibility and long-term viability of the development. Such determination shall be made applying the standards set forth in the proposed Board vote herein, as required by Section 42(m)(2) (B) of the Code.

Brooke House at Olmsted Village

VOTES AND FINDINGS

PROPOSALS AND VOTES

Mortgage Loans

Staff has reviewed the proposal for permanent and equity bridge financing and proposed the following votes for approval:

VOTED: To approve the findings and determinations set forth below and to authorize (a) a permanent first mortgage loan in a principal amount of up to $18,180,000, such first loan to be insured under the HUD HFA Risk Sharing Program; and (b) a subordinate equity bridge mortgage loan in a principal amount of up to $12,190,000, in each case to be made to 2Life Brooke House Limited Partnership or another single-purpose entity controlled by 2Life Development Inc. or an affiliate (the "Borrower") as owner of the multifamily residential development known as "Brooke House at Olmsted Village" (the "Development") and located in Boston - Mattapan, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None.

VOTED**:** To authorize the Chief Executive Officer, the Chief Legal and Operating Officer and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing's first mortgage loan, and other MassHousing debt as determined by the Chief Executive Officer, the Chief Legal and Operating Officer or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing's requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel or their designee.

4% Low-Income Housing Tax Credits

VOTED: That the amount of 4% Credits, as set by the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the multifamily development located in Boston - Mattapan, Massachusetts and known as "Brooke House at Olmsted Village" (the "Development") will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the credit period, having taken into consideration:

(a) the sources and uses of funds and the total financing planned for the Development;

(b) any proceeds or receipts expected to be generated by reason of tax benefits;

(c) the percentage of the tax credit amount used for Development costs other than the cost of intermediaries; and

(d) the reasonableness of the developmental and operational costs of the Development, provided, however, that such determination shall not be construed to be a representation or warranty as to the feasibility or viability of the Development.

FURTHER VOTED: To authorize the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, the General Counsel or the designee of any of the foregoing, each acting singly, to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding vote.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:
125 units (98%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area
The market needs data reflects the information available to A&M staff as of the date of collection December 31, 2025. Further, the reader is cautioned and reminded that any observations, comparisons, and/or conclusions are based on the data as of the indicated collection date.

In-house data for larger market and mixed-income complexes (approximately 584 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 97.8 %, and range between 93% and 100%. Two of comparables were offering concessions that ranged from 1.5 months to two months of free rent.

4th Qtr. 2025 CoStar data for the subject's Roxbury/Dorchester Family Submarket (11,907 units) have an overall vacancy rate at 9.1% YTD, which is a decrease of 1.8% from one year ago. CoStar data for the Boston market (297,935 units) has an overall vacancy rate of 6.8% YTD, which is an increase of 1.1% from one year ago. The Roxbury/Dorchester Multi-Family Submarket vacancy rate is projected to increase to 10.8% over the next five years, while the Boston market is projected to decrease 6.2%.

CoStar, submarket data for the 4-5 Star building type (2,888 units) indicates a 4th Qtr. 2025 vacancy rate of 15.4% and an average asking rent of $3,068, while the submarket data for the subject's 3 Star building type (3,088 units) indicates a 4th Qtr. 2025 vacancy rate of 8.4% at an average asking rent of $2,623 and 1-2 Star buildings (2,801 units) indicates a 4th Qtr. 2025 vacancy rate of 3.3% at an average asking rent of $2,156. The development with its amenities more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Executive Office of Housing and Livable Communities (EOHLC) Chapter 40B Subsidized Housing Inventory (09/30/25), the City of Boston 299,238 year-round housing units, 57,443 (19.2%) of which are subsidized for low/moderate income households.

Boston Housing Authority (BHA) owns and operates 27 family and 36 elderly/disabled developments with a total of 12,501 units. The BHA also administers approximately 16,184 units of Leased Housing, consisting of 14,979 Housing Choice Vouchers, 1,441 Project Based and 198 Moderate Rehab, . In addition, the City of Boston's Annual Plan (FY2025) indicated that the BHA

maintains the following wait lists: There are 7,724 households on the Leased Housing waiting list. This is broken down by families with children, families with disabilities and elderly families. The BHA also had Single applicants on the waiting list. There were also instances of families that fit into more than one category. This waiting list has been closed since November 2008 and there are no plans to reopen at this time. The BHA also maintains a Public Housing Wait list with 28,703 applicants.

U.S. Census data from the 2019-2023 American Community Survey (ACS) indicates that of the 279,216 households in the City of Boston approximately 81.9% earned less than the HUD published 2025 AMI ($160,900), approximately 45.6% earned less than 50% of 2025AMI, approximately 53.3% earned less than 60% of the 2025 AMI, and approximately 68.6% earned less than 80% of the 2025 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed does not lead to the undue concentration of low-income households.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

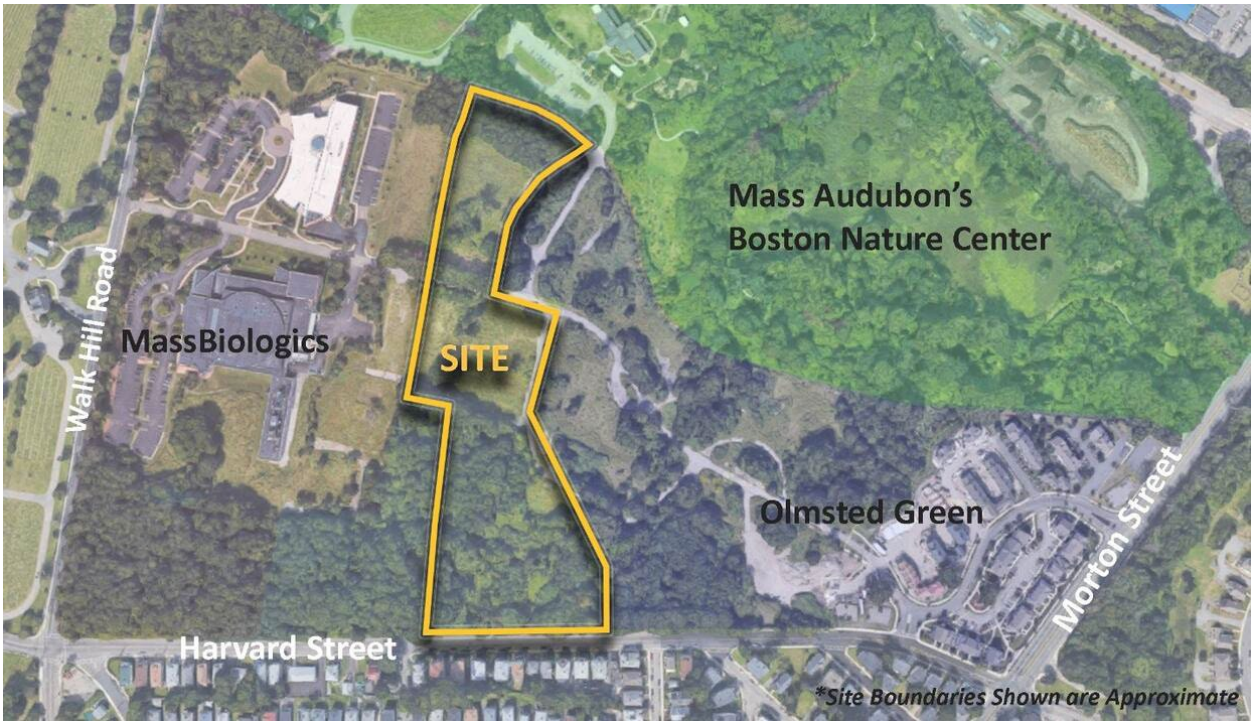
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

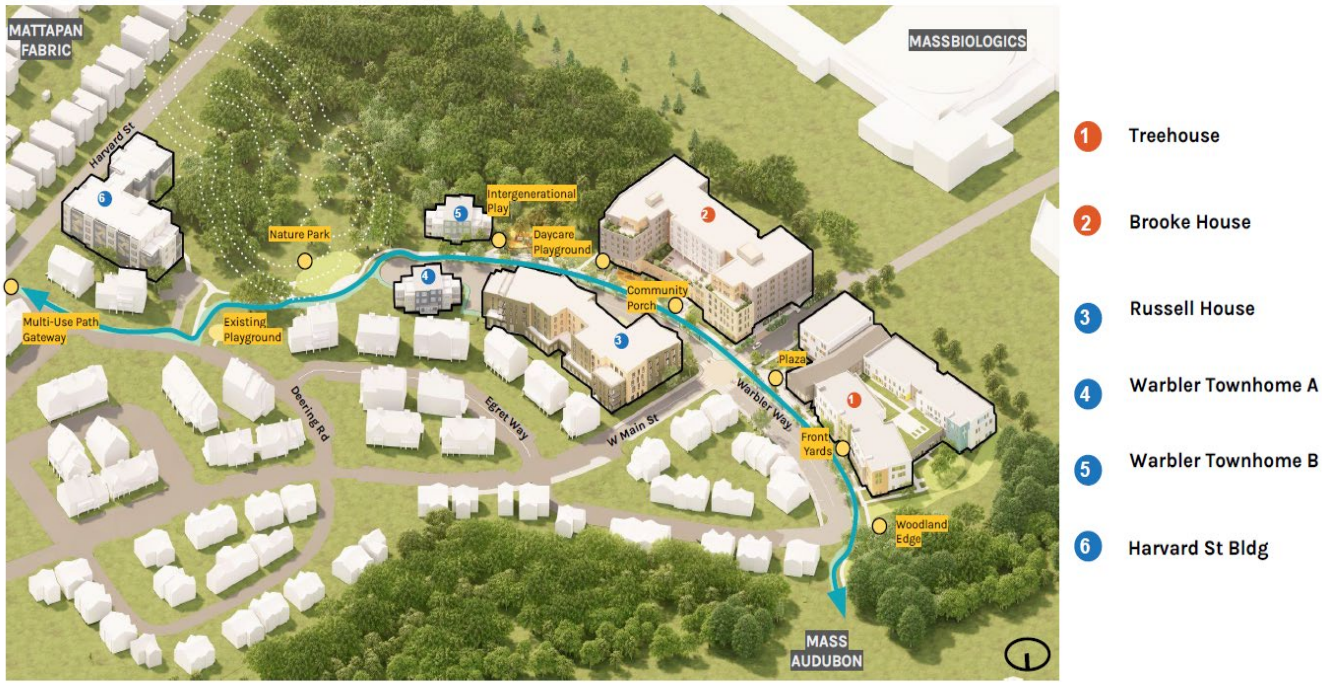
Number of Bedrooms	1	2
Number of Units	122	5
Net SF/Unit	620	830
Elev./Non-Elev.	Y	Y
Market Rate Rent	$5,070	$5,744
MHFA Below Market Rent (Cost-Based Rent)	$3,724	$4,398
MHFA Adjusted Rent	30% of 60% AMI	
Underwriting Rents		
30% of AMI – Section 8	$2,377	$2,827
50% of AMI – Section 8	$2,377	$2,827
50% of AMI - MRVP	$2,476	$2,941
50% of AMI - PBRA	$1,753	--
Resident Managers	--	--

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

MAP AND PICTURES



WEST MAIN ST
FUTURE RUSSELL HOUSE
WARBLER WAY
FUTURE TREEHOUSE
FUTURE BROOKEHOUSE


MATTAPAN FABRIC
MASSBIOLOGICS
Harvard St
Intergenerational Play
Nature Park
Daycare Playground
Community Porch
Multi-Use Path Gateway
Existing Playground
Plaza
Warbler Way
Front Yards
Deering Rd
Egret Way
W Main St
Woodland Edge
MASS AUDUBON
1 Treehouse
2 Brooke House
3 Russell House
4 Warbler Townhome A
5 Warbler Townhome B
6 Harvard St Bldg

Loan Commitment Proposal | March 10, 2026

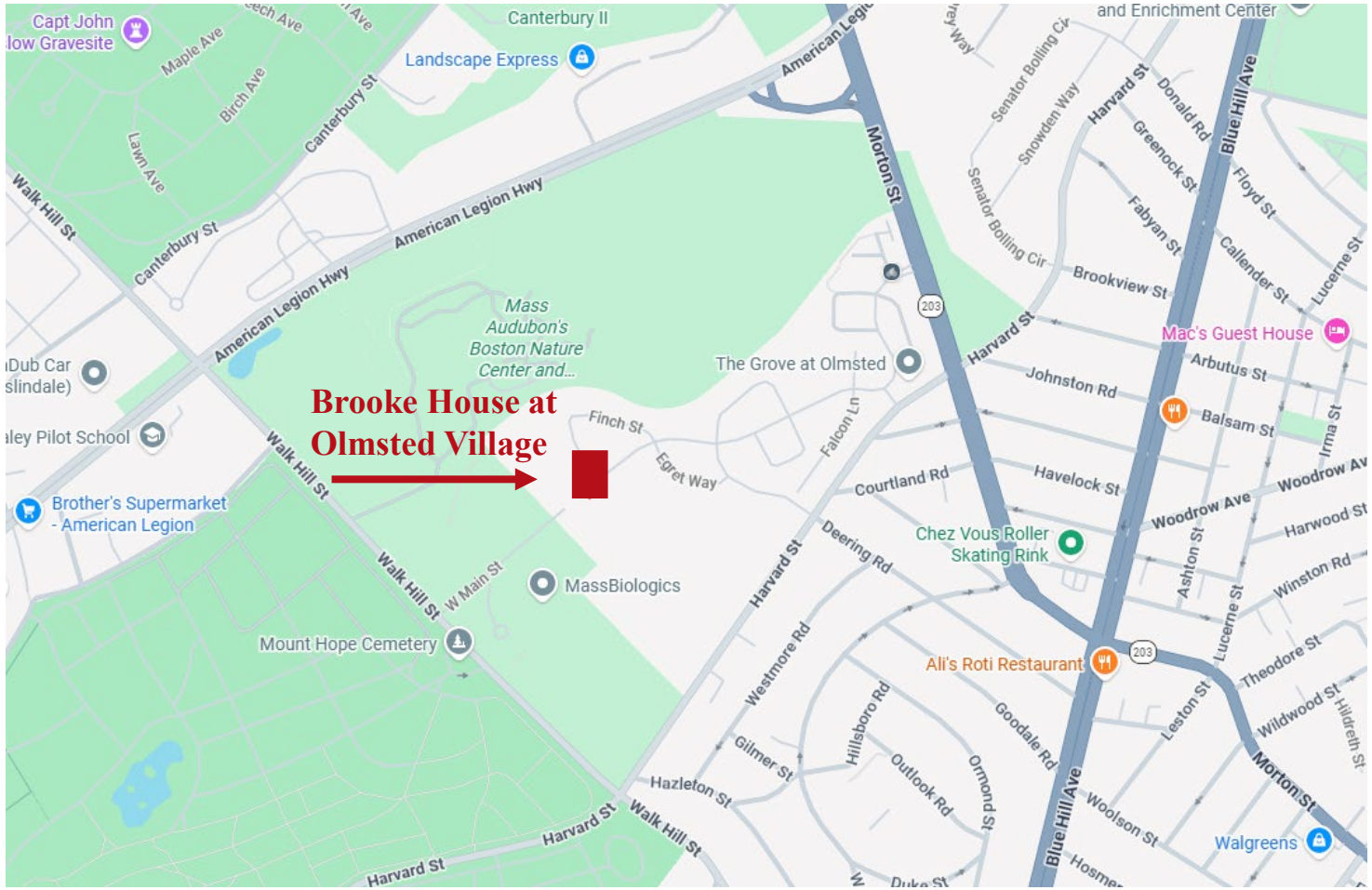
Brooke House at Olmsted Village

Location	99 West Main Street, Boston - Mattapan, MA 02126
Sponsor	2Life Development Inc.
Transaction Type	Production (4%)
Funding Type	Forward Commitment of Permanent Loan
Execution Type	Portfolio (TE)
Credit Enhancement	HUD/HFA Risk-Sharing with 50% credit risk
Total Rental Units	127
Affordability Mix	125 Affordable 2 Resident Management (Non-Revenue)

Deal Team Members	
Origination	Mike Carthas, Dan Maillet
Underwriting	Emily Loomis
Asset Management	Nick Pepe, Portfolio Manager Kristy Prince, Asset Manager

MassHousing

Brooke House at Olmsted Village | Boston - Mattapan



Brooke House at Olmsted Village | Boston - Mattapan

Borrower Team

Mortgagor Entity	2Life Brooke House Limited Partnership
Developer / Sponsor	2Life Development Inc.
General Partner / Managing Member	2Life Brooke House MM LLC
Master Developer	Olmsted Village Master Developer, LLC
Construction Lender	Bank of America, N.A.
Syndicator / Investor	Bank of America, N.A.
Management Company	2Life Communities Services Inc.
Architect	MASS Design Group
General Contractor	Dellbrook Construction, LLC d/b/a Dellbrook | JKS

Unit Mix

		LIHTC-Eligible										
Unit Size	Total Units	30% of AMI – Section 8		50% of AMI – Section 8		50% of AMI – MRVP		50% of AMI – PRAC/PBRA		Resident Managers		Market Comparison
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	
1 BR	122	31	$2,377	41	$2,377	18	$2,476	30	$1,753	2	-	$3,100
2 BR	5	1	$2,827	2	$2,827	2	$2,941	-	-	-	-	$3,870
Total	**127**	**32**		**43**		**20**		**30**		**2**		

Project Costs

Core Residential Costs	
Base	$78,397,202
Extraordinary	$10,655,374
Total	$89,052,576
Commercial and Non-Residential Costs	
Commercial Costs	$4,275,158
Site and Other Non-Residential Costs	$2,354,375
Total	$6,629,533
Total Development Cost	
Total	$95,682,109

Project Construction Costs	
Total Construction Cost	$67,914,601
Construction per Square Foot	$440

Sources and Uses

Sources of Funds			Uses of Funds	
MH Permanent Loan	$17,460,000		Acquisition	$4,826,000
MH Capital Magnet Fund Loan	$1,000,000		Construction	$64,680,572
Federal LIHTC Equity	$31,463,564		Construction Contingency	$3,234,029
State LIHTC Loan	$13,682,500		General Development	$15,993,580
HUD 202 Capital Advance Funding	$7,300,000		Capitalized Reserves	$1,547,928
HUD Community Project Funding	$500,000		Overhead	$2,700,000
EOHLC Subordinate Debt	$10,500,000		Fee	$2,700,000
City of Boston Subordinate Debt	$7,000,000			
State Supplemental Funding	$2,000,000			
State EEOST	$1,000,000			
MassSave - Passive House Incentive	$501,250			
Sponsor Contributions	$1,200,000			
Deferred Developer Fee	$2,074,795			
Total Sources	**$95,682,109**		**Total Uses**	**$95,682,109**

Underwriting Notes

1. Loan Sizing
2. Capital Magnet Funds
3. Federal Tax Credit Equity
4. Funding of Loans
5. Development Fee Sharing
6. HUD 202 Capital Funding Program
7. RAD for PRAC Conversion
8. Commercial Income
9. Master Development Plan and Association
10. Third-Party Reports

Recommended Votes

- Commitment of a Permanent Tax-Exempt Loan
- Commitment of a Tax-Exempt Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

Loan Commitment Proposal | March 10, 2026

Loring Towers Apartments

1. General Project Information	
Project Name	Loring Towers Apartments
Project ID	70-003
Associated Projects	N/A
Address(es)	1000 Loring Avenue, Salem, MA 01970
Sponsor	Related Affordable, LLC
Transaction Type	Preservation (4%)
Funding Type	Current (Construction/Permanent)
Execution Type	Portfolio (TE)
Credit Enhancement	HUD/HFA Risk-Sharing with 50% credit risk
Approval Type	Board
MH Risk Rating	Financial: A Physical Condition: A Compliance: A
Total Rental Units	250
Affordability Mix	250 Affordable

2. Recommended Actions

- Official Action Status
- Commitment of a Construction to Permanent Tax-Exempt Loan
- Commitment of a Taxable Construction Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

3. Background

The proposed financing will support the rehabilitation and recapitalization of Loring Towers (the "Development"), an existing multifamily rental property located in Salem. The Development consists of 250 units in a single, 11-story high-rise elevator building. The Development was constructed in 1974 and was last renovated in 2009.

In 2018, Related Affordable, LLC ("Related Affordable" or the "Sponsor") purchased the Development as part of a 51-property nationwide portfolio acquisition from the previous owner, AIMCO. The Sponsor's approach to affordable housing ownership is to avoid state subsidy, so rather than seek public investment for the acquisition, the Sponsor structured the portfolio transaction based on the assumption of all existing debt, a Sponsor equity investment, Sponsor cash, and upper-tier financing from a third-party bank (see Section 13 of this proposal for the Development's acquisition costs).

Given the size of the portfolio, property standards and conditions were inconsistent – and largely unknown. Since the portfolio acquisition, the Sponsor has addressed significant structural, plumbing, system, and safety issues at the Development. These issues include poor indoor air quality, lack of ventilation, consistent pipe leaks and water infiltration, poor water quality, reoccurring elevator outages and physical deficiencies. To date, the Sponsor has funded approximately $2,280,000 in addressing these significant and extensive repairs to maintain certain structural components and building systems. the proposed financing will provide the Development with a full rehabilitation to maintain long-term viability.

4. MassHousing Financing	
First Loan	
Type	Construction/Permanent
Loan Amount	$54,705,000
Interest Rate	30-Year MMD plus 210 basis points (bps) to be locked at Construction Loan Closing (processing rate of 6.65% assumed for underwriting)
Loan Term / Amortization	43 y / 40 y; interest-only during the development period with amortization commencing upon stabilization.
Year 1 DSCR	1.13 projected (1.10 minimum)
LTV	TBD projected (90% maximum)
Taxable Construction Equity Bridge Loan	
Type	Taxable Bridge Loan
Loan Amount	$4,555,000
Interest Rate	3-Year Treasury plus 210 bps to be locked at Construction Loan Closing (5.54% projected)
Loan Term/Amortization	26 mo / interest only

5. Development Plan

Description of Site. The Development is located on an approximately 405,000 square-foot parcel at 1000 Loring Avenue in Salem (the "Site"). The Development is within walking distance to several commercial and retail uses, as well as local parks.

Description of Existing or Proposed Building. The Development is an existing 250-unit, 11-story multifamily housing development located in a single building on the Site. The Development has one- and two-bedroom residential units. Amenities include a community room and administrative offices. There are approximately 355 on-site parking spaces available for residents and staff. The Sponsor will undertake a comprehensive rehabilitation that includes building envelope repairs, major systems replacement, in-unit upgrades, accessibility and life-safety improvements, and measures to improve ventilation and indoor air quality.

Description of Affordability Mix. All 250 units will be subject to income restrictions with set-asides ranging from 30% of Area Median Income ("AMI") to 60% of AMI.

146 units will benefit from project-based rental assistance, of which 140 will benefit from project-based Section 8, and six will benefit from project-based MRVP. A substantial portion of the units are historically and currently occupied by mobile Section 8 voucher holders.

Site Control. An affiliate of Related acquired the Development fee simple in 2018, as evidenced by a deed. As part of the proposed transaction, the new borrower entity has entered into a related party purchase and sale agreement with the existing owner entity.

MassHousing Debt. The Development is currently in the MassHousing mortgage portfolio with the following outstanding debt:

Loan	Maturity Date	Interest Rate	Estimated Unpaid Balance at Closing
70-003-02	1/1/2050	5.40%	$7,900,000

Upon closing, outstanding MassHousing debt for the Development is projected to be $7,900,000, which includes a 1% prepayment fee.

6. Borrower Team

Mortgagor Entity: Loring Towers Salem Housing, Limited Partnership

Loring Towers Salem Housing, Limited Partnership ("Borrower") is a sole-asset, single-purpose limited partnership formed for the purposes of owning and operating the Development.

Developer / Sponsor: Related Affordable, LLC

Related Affordable, LLC ("Related Affordable") was created in 2013 as an expansion of Related Apartment Preservation, LLC which was formed in 2002 – both wholly owned subsidiaries of The Related Companies, L.P. ("TRCLP") which was founded in 1972. Related Affordable was formed with the express purpose of growing TRCLP's affordable housing development business by acquiring, recapitalizing, rehabilitating, and preserving existing low and moderate-income properties around the country. To date, Related Affordable has acquired more than 110 affordable housing properties comprising over 16,000 units, representing total development value more than $2.4 billion, and currently oversees a portfolio of approximately 280 properties totaling more than 43,000 units.

The Agency's most recent experience with Related Affordable was on Westminster Village in 2023.

General Partner / Managing Member: Loring Towers Salem Housing GP LLC

A single-purpose entity formed for the purpose of being the general partner of the ownership entity.

Syndicator / Investor: Federal Home Loan Mortgage Corporation

Federal Home Loan Mortgage Corporation ("Freddie Mac") was chartered by Congress in 1970 to support the U.S. housing finance system and help ensure a reliable and affordable supply of mortgage funds across the country. Working with a network of specialized lenders, Freddie Mac provides funding for loans on properties ranging from five units to hundreds of units across multiple buildings. Freddie Mac supports all types of multifamily properties nationwide, including conventional, seniors, student and subsidized housing, as well as smaller properties and manufactured housing communities.

This is the Agency's first transaction with Freddie Mac as the investor.

Management Company: Related Management Company, LP

Related Management Company ("RMC") is a subsidiary of The Related Companies, L.P., a U.S. real estate owner, operator, and developer with a portfolio valued at over $60,000,000,000 of residential, commercial, and mixed-use assets. RMC oversees more than 13,000 luxury rental units, 5,500 condominiums, and over 30 million square feet of commercial space. Affordable housing remains a foundational part of TRCLP's business, the broader Related organization owns and manages more than 50,000 affordable housing units across the United States, many of which participate in federal and state affordable housing programs.

The Agency's most recent experience with Related Affordable was on Westminster Village in 2023.

Architect: The Architectural Team

The Architectural Team ("TAT") is a master planning, architecture and interior design firm established in 1971. The 95+ person firm has earned more than 100 awards for design excellence across a broad range of building types and programs.

The Agency's most recent experiences with The Architectural Team were on Prospect Estates and Jaycee Place in 2023.

General Contractor: Keith Construction, Inc.

Keith Construction, Inc. is a general contractor and construction manager specializing in multifamily residential construction for clients throughout the Northeast and Mid-Atlantic United States. For over three decades, the company has gained extensive experience in residential rehabilitation, adaptive reuse, historic renovations, and new construction.

The Agency's most recent experience with Keith Construction, Inc. was on Beverly Village for Living & the Arts in 2022.

7. Summary of MassHousing-Sponsor Relationship			
	Recorded	*Committed*	*Total*
Number of Projects with MassHousing Debt	4	0	4
Total Units with MassHousing Debt	1,278	0	1,278
Outstanding MassHousing Principal Debt	$104,318,703	$0	$104,318,703
Number of Projects with MassHousing Conduit Financing	1		
MassHousing Conduit Loans are Compliant with Program Rules	Yes		
Adverse Actions Against the Borrower Team	No		
Current on Obligations with MassHousing	Yes		
Property Management Affiliate	Yes, Related Management Company, LP, manages properties in the Sponsor's portfolio.		

MassHousing Staff	
Origination	Michael Carthas, Originator Sim Montrond, Analyst
Underwriting	Mitchell Printz, Underwriter Caroline Dylag, Analyst
Asset Management	Nick Pepe, Portfolio Manager Jessica Whitten, Asset Manager

8. Unit Mix

		LIHTC Eligible												
Unit Size	Total Units	Section 8 PBV 30% AMI*		MRVP 60% AMI		LIHTC 60% AMI*		LIHTC 60% AMI Max*		Mobile Vouchers*		PBV 60% AMI*		Market Comparison
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Rent*
1 BR	105	17	$2,616	4	$2,724	16	$1,189	19	$1,753	18	$1,954	31	$2,616	$2,700
2 BR	145	33	$3,089	2	$3,235	24	$1,378	14	$2,087	13	$2,098	59	$3,089	$3,350
Total	**250**	**50**		**6**		**40**		**33**		**31**		**90**		
*Rents net of utility allowances														

Project-Based Rental Subsidy		
Type	Project-Based Section 8 Units	Project-Based MRVP
Term	20 Years	15 Years
Administrator	Community Teamwork, Inc	Beverly Housing Authority
Lesser of contract rents		

9. Operating Overview

Underwritten Operating Expenses	$2,828,803 (approximately $11,315 per unit)

Basis of Operating Costs. Operating expenses assumptions are based on the review of comparable properties, borrower-proposed budget, and supporting documentation provided by the Sponsor.

10. Project Costs

Core Residential Costs	
Base	$111,746,171
Extraordinary	$0
Total	$111,746,171
Total Construction Cost	$38,576,197
Construction per Square Foot	$165
Commercial Costs	
Total	$0
Total Development Cost	
Total	$111,746,171

11. Sources and Uses

Sources of Funds	
Permanent Loan	$54,705,000
Federal Tax Credit Equity	$36,832,026
NOI During Construction	$7,120,646
Seller Note	$4,000,000
Existing Reserves	$2,281,611
Deferred Developer Fee	$6,806,888
Total Sources	$111,746,217

LIHTC Pricing	
Federal LIHTC	$0.875

Residential Use of Funds	Total	*Per Unit*
Acquisition	$46,500,000	$186,000
Construction	$35,465,213	$141,861
Construction Contingency	$3,110,984	$12,444
General Development	$14,716,873	$58,867
Replacement Reserves	$1,455,000	$5,820
Operating Reserves	$1,724,827	$6,899
Overhead	$4,386,655	$17,547
Fee	$4,386,655	$17,547
Total Residential Uses	$111,746,217	$446,985
Total Uses	$111,746,217	

12. First Year Income and Expenses

Income			
Rental Income – Project-Based Rental Subsidy		$4,916,952	$19,668
Rental Income – Non-Rental Subsidy		$2,333,236	$9,333
Gross Potential Residential Income		$7,250,118	$29,001
Vacancy – Project-Based Rental Subsidy	3.0%	($128,133)	($513)
Vacancy – Non-Rental Subsidy	3.0%	($63,746)	($255)
Gross Residential Income		$7,239,695	$28,959
Commercial Income		$156,289	$625
Vacancy – Commercial	20.0%	($31,258)	($125)
Other Income – Laundry		$56,534	$225
Effective Gross Income		$7,239,695	$28,959

Expenses		
Residential Operating Expenses	$2,828,803	$11,315
Net Operating Income	$4,410,892	$17,644
Debt Service	($3,913,653)	($15,655)
Cash Flow	$497,239	$1,989

Debt Service Coverage 1.13

Residential Operating Expense Detail			*Per Unit*
Management Fee	4.0%	$289,588	$1,158
Administrative Costs		$574,159	$2,297
Maintenance Costs		$708,822	$2,835
Resident Services		$25,000	$100
Utilities (electric, gas, water and sewer)		$402,151	$1,609
Insurance		$136,778	$547
Taxes		$430,524	$1,722
Replacement Reserves		$125,000	$500
Mortgage Insurance Premium		$136,763	$547
Total		$2,828,803	$11,315

Operating Expenses as a Percent of EGI 39.1%

13. Underwriting

1. **Loan Sizing**. The Sources and Uses in this commitment proposal reflect a projected loan amount for the permanent loan of $54,705,000. The MassHousing Votes below allow for an "up to" loan amount of $58,500,000. The final loan amount will be set when the interest rate is locked at construction closing, such that MassHousing's debt service coverage ratio and loan to value benchmarks will be met.

   To the extent that the final loan amount is greater or less than $54,705,000, MassHousing will confirm that other sources will be adjusted as necessary to maintain a balanced sources and uses.

2. **Mobile Tenant Vouchers**. This financing proposal includes 31 units without project-based rental subsidies underwritten at the average of the mobile voucher payment standards, in conformance with the Agency's mobile voucher underwriting policy.

   The most recent available rent rolls for the Development show that at least 64 of the 104 units that do not have project-based operating subsidies have been consistently leased to households with mobile Section 8 vouchers for the past ten years. Of those, 55 are occupied by households with tenancies of at least ten years.

   Due to the Development's ability to consistently fill units with mobile voucher tenants, an annual occupancy rate of mobile voucher tenants over 95% in the last three years, and an average vacancy turnover of 30 days, these 31 units were underwritten at the average of the mobile voucher payment standards.

3. **Acquisition Cost:** While the development plan includes a related party sale, the development budget includes an acquisition cost of $46,500,000. This includes the following amounts:

   - Repayment of the existing mortgage and 1% prepayment fee with MassHousing ($7,900,000),
   - Repayment of upper-tier acquisition financing ($23,710,000),
   - Taxes owed on the sale ($7,600,000, which includes capital gains taxes triggered by the current transfer of the Development as the property was acquired in a portfolio sale),
   - Replenishment of working capital for completed repairs ($2,280,000), and
   - Equity to the owner ($5,010,000), of which $4,000,000 will go back into the Development as a seller note.

4. **Relocation.** The development budget includes $2,855,000 ($11,420 per unit) in relocation costs. These costs are supported by a relocation plan and budget prepared by HousingtoHome, LLC ("HTH").

   The rehabilitation will require temporary off-site relocation for residents while their units are being renovated. It is anticipated that the unit renovations will take approximately four weeks to complete.

   HTH will have an on-site Relocation Manager who will work closely with residents and their families throughout the relocation process. There is no permanent relocation anticipated.

5. **Net Operating Income (NOI) During Construction.** The development budget includes approximately $7,000,000 in NOI during construction as a source of funds to the transaction; this is 75% of projected NOI during the construction period.

6. **Commercial Income.** The Development has three cell tower leases, and a portion of the income from those leases is included in the underwriting of the proposed financing in conformance with the Agency's commercial income policy.

   The income is underwritten at a 20% vacancy loss and, overall, the amount of commercial income underwritten is equal to 1.8% of effective gross income.

7. **Third-Party Report**. The MassHousing-commissioned appraisal is currently underway. To the extent that the appraisal changes the underwritten rents, loan-to-value, or replacement reserve deposit amounts, the loan size may be adjusted accordingly.

Underwriting Criteria and Loan Terms	Loring Towers	Underwriting Standards
1. DSCR	1.13	Minimum of 1.10
2. Term/Amortization	40 y / 40 y	30-40 y, fully-amortizing
3. Loan to Value	TBD	Maximum of 90% based on third party "as-proposed" investment value
4. Underwriting Rents	Lesser of programmatic rent cap or rents supported by MassHousing market review	Lesser of: • PB-Rental Subsidy contract or market supported rents • Programmatic rent cap or rents supported by MassHousing market review.
5. Vacancy Allowance	• 2.5% for PB – Rental Subsidy • 3.0% for LIHTC	Minimum of: • 2.5% for PB – Rental Subsidy • 3.0% for LIHTC • 5.0% for unrestricted or workforce housing
6. Affordability	40% at 60% of AMI	Minimum of: • 20% at 80% of AMI for MassHousing Statute • 40% at 60% or 20% at 50% of AMI for loans with FHA Insurance, HUD/FFB, Tax-Exempt Bond, and/or Federal LIHTC
7. Annual Deposits to Replacement Reserves	$500 unit / year	Minimum of: • $360 unit / year (new construction) • $500 unit / year (rehab) Note: Additional initial deposit to reserves may be required by the third party CNA to fund twenty-year capital needs.
8. Operating Expenses	Approximately $11,315 unit / year	Typically, between $11,000 and $15,000 per unit.

14. Low-Income Housing Tax Credits

The Developer has included in its financing proposal a request for the use of 4% Low-Income Housing Tax Credits (the "4% Credits"). The 4% Credits may be utilized as a result of the funding of a portion of the financing with tax-exempt bonds or notes of MassHousing, which are to be issued under Section 142 of the Internal Revenue Code of 1986, as amended (the "Code") and are subject to a volume capacity allocation under Section 146 of the Code.

Use of the 4% Credits must be approved by EOHLC as the "housing credit agency" under Section 42 of the Code who must make the determination required under Section 42(m)(1)(D) of the Code that the development and financing proposal meets the requirements of the Commonwealth's Qualified Allocation Plan. In addition, MassHousing, as the issuer of tax-exempt obligations which generate the 4% Credits must determine under Section 42(m)(2)(D) of the Code that the amount of 4% Credits does not exceed the amount necessary for the financial feasibility and long-term viability of the development. Such determination shall be made applying the standards set forth in the proposed Board vote herein, as required by Section 42(m)(2)(B) of the Code.

Loring Towers

VOTES AND FINDINGS

PROPOSALS AND VOTES

Official Action Status

RECOMMENDATION:

Staff have reviewed the development experience and creditworthiness of the mortgagor and sponsor and found them to be acceptable. Staff has also determined that the mortgagor, sponsor, or an affiliate under common control has demonstrated evidence of site control, that the proposed site is acceptable for the intended housing, and that there is a need for the proposed housing in the community where the site is located. Therefore, staff recommend the following votes for approval:

VOTED: To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as "Loring Towers" (the "Development") at such time as it is submitted; and (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 that such loan (a) be funded with proceeds of tax-exempt debt issued in the future and (b) reimburse, in accordance with Treasury Regulations Section 1.150-2, up to $68,380,000 of costs of the Development paid prior to the issuance of such debt or the making of such loan; provided that this vote does not require the Agency to make any expenditure, incur any indebtedness or proceed with the Development.

Official Action Status Findings

In accordance with the vote of the Members of MassHousing dated October 10, 2023, staff makes the following Official Action Status findings for the Development:

1. The mortgagor or sponsor has acceptable multifamily housing development experience and acceptable credit history.

2. The mortgagor, sponsor or an affiliate under common control has demonstrated evidence of site control, which may include a deed, a ground lease, a purchase option, a contract of sale, or designation under a public land disposition process.

3. The site is acceptable for the proposed housing.

4. There is a need for the proposed housing in the community where the site is located.

Mortgage Loans

Staff has reviewed the proposal for (i) permanent financing and (ii) the use of Low-Income Housing Tax Credits and proposes the following votes for approval:

VOTED: To approve the findings and determinations set forth below and to authorize (a) a tax-exempt construction/permanent first mortgage loan in a principal amount of up to principal amount of up to $58,500,000, such first loan to be insured under the HUD HFA Risk Sharing Program; and (b) a taxable subordinate equity bridge mortgage loan in a principal amount of up to $4,555,000, in each case to be made to Loring Towers Salem Housing, Limited Partnership or another single-purpose entity controlled by Related Affordable, LLC or an affiliate (the "Borrower") as owner of the multifamily residential development known as "Loring Towers" (the "Development") and located in Salem, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None

FURTHER VOTED: That the amount of 4% Credits, as set by the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the Development will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the credit period, having taken into consideration:

(a) the sources and uses of funds and the total financing planned for the Development;
(b) any proceeds or receipts expected to be generated by reason of tax benefits;
(c) the percentage of the tax credit amount used for Development costs other than the cost of intermediaries; and
(d) the reasonableness of the developmental and operational costs of the Development, provided, however, that such determination shall not be construed to be a representation or warranty as to the feasibility or viability of the Development.

FURTHER VOTED: To authorize the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, the General Counsel or the designee of any of the foregoing, each acting singly, to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding vote.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:
250 units (100%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area
The market needs data reflects market conditions as of the date of collection on February 3, 2026. The data is not subject to unanticipated events and circumstances that may occur after this date. Further, the reader is cautioned and reminded that the conclusions presented apply only as of the collection date.

In-house data for larger market and mixed-income complexes (1,472 approximate units) in the area revealed a strong market, with increasing rental and occupancy rates over that past three years. Current occupancy rates of the five developments reviewed averaged approximately 95.6%, and range between 92-100%. Three of the comparables were offering concessions of one month's free rent.

1st Qtr. 2026 CoStar data for the subject's North Shore Submarket (15,422 units) have an overall vacancy rate at 5.4% YTD, which is an increase of 2.4% from one year ago. CoStar data for the Boston market (297,655 units) has an overall vacancy rate of 6.6% YTD, which is an increase of 1% from one year ago. The North Shore Submarket vacancy rate is projected to decrease to 5% over the next five years, while the Boston market is projected to decrease to 6.4%.

CoStar, submarket data for the 4-5 Star building type (4,780 units) indicates a 1st Qtr. 2026 vacancy rate of 10.1% and an average asking rent of $2,489, while submarket data for the subject's 3-Star building type (5,053 units) indicates a 1st Qtr. 2026 vacancy rate of 3.2% at an average asking rent of $2,429 and 1-2-Star buildings (4,087 units) indicates a 1st Qtr. 2026 vacancy rate of 3.4% at an average asking rent of $1,733. The development with its amenities more closely reflects the 3-Star building type, and is reflected in both the vacancy rate and market rent potential.

Per the representative of the Salem Housing Authority, (SHA), the authority own/operate 7 State funded elderly/disabled public housing developments consisting of 12 studios, 449 one-bedroom units, and 2 two-bedroom units and they also own/operate seven State subsidized family developments consisting of 5 one-bedroom units, 102 two-bedroom units and 102 three-bedroom units. Regarding Federal funded public housing, SHA owns 2 Federally funded elderly/disabled developments consisting of 30 one-bedroom units and 4 federally funded family developments

consisting of 5 two-bedrooms units, 3 three-bedrooms units and 1 four-bedroom unit. There are 547 applicants of the waiting list. Per the representative of SHA, there are 7,807 applicants on the elderly/disabled wait list and 27,205 applicants on the family wait list. SHA also administers 1,339 Section 8 Vouchers and SHA participates in the Centralized Section 8 waiting last and per the latest information available there are approximately 194,590 applicants on the centralized waiting list.

According to the Executive Office of Housing and Livable Communities (EOHLC) Chapter 40B Subsidized Housing Inventory (09/30/25), the City of Salem has 20,235 year-round housing units, 2,145 (10.6%) of which are subsidized for low/moderate income households.

U.S. Census data from the 2015-2019 American Community Survey (ACS) indicates that of the 19,745 households in the City of Salem, approximately 85.1% earned less than the HUD published 2025 AMI ($160,900), approximately 55.2% earned less than 50% of 2025 AMI, approximately 61.5% earned less than 60% of the 2025 AMI and approximately 74.1% earned less than 80% of the 2025 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed will not lead to the undue concentration of low-income households.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

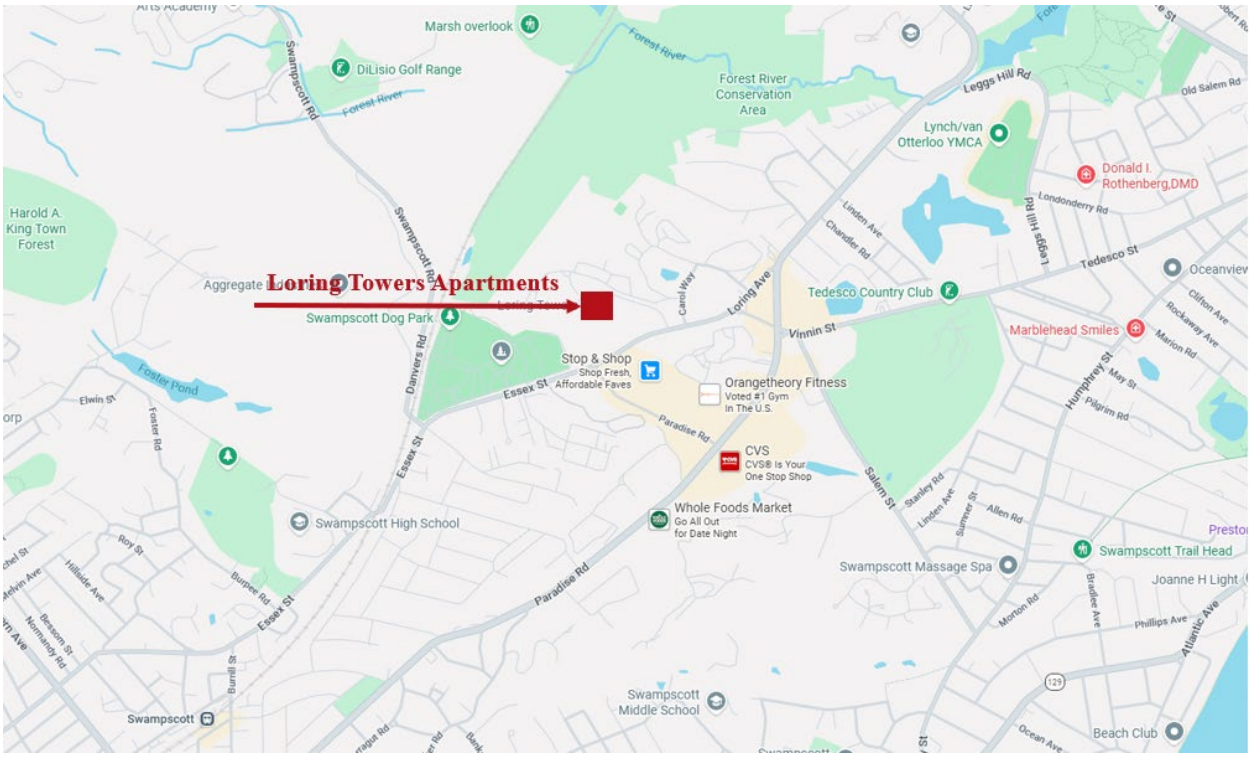
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	1	2
Number of Units	105	145
Net SF/Unit	565	818
Elev./Non-Elev.	Elev.	Elev.
Market Rate Rent	$2,940	$3,429
MHFA Below Market Rent (Cost-Based Rent)	$3,011	$3,501
MHFA Adjusted Rent	30% of 60% of AMI	
Underwriting Rents		
PBV – 30% of AMI	$2,616	$3,089
MRVP – 60% AMI	$2,724	$3,235
LIHTC – 60%	$1,189	$1,378
LIHTC – 60% AMI Max	$1,753	$2,087
Mobile Voucher 60%	$1,954	$2,098
PBV – 60% AMI	$2,616	$3,089

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

MAP AND PICTURES



Loan Commitment Proposal | March 10, 2026

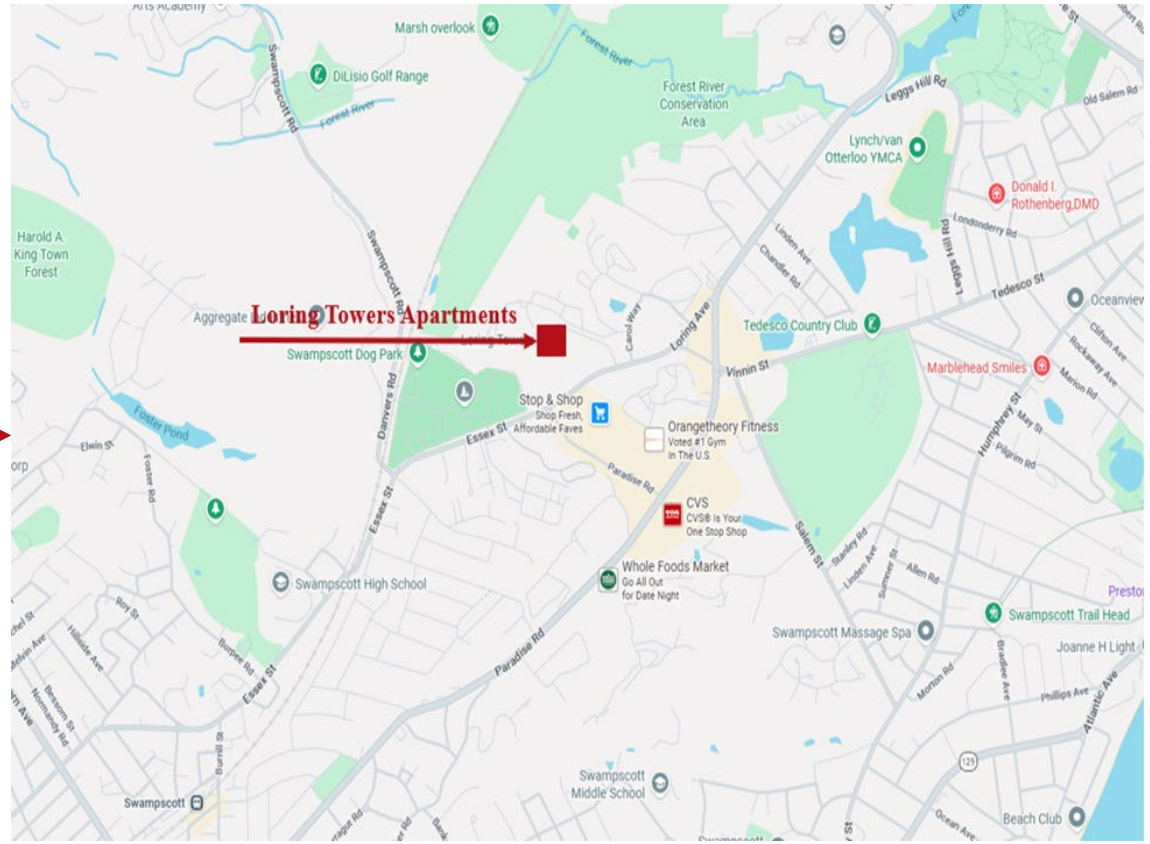
Loring Towers Apartments

Location	1000 Loring Avenue, Salem, MA 01970
Sponsor	Related Affordable, LLC
Transaction Type	Preservation (4%)
Funding Type	Current (Construction/Permanent)
Execution Type	Portfolio (TE)
Credit Enhancement	HUD/HFA Risk-Sharing with 50% credit risk
Total Rental Units	250
Affordability Mix	250 Affordable

Deal Team Members	
Origination	Michael Carthas, Sim Montrond
Underwriting	Mitchell Printz, Caroline Dylag
Asset Management	Nick Pepe, Jessica Whitten

MassHousing

Loring Towers Apartments | Salem



Borrower Team

Mortgagor Entity	Loring Towers Salem Housing, Limited Partnership
Developer / Sponsor	Related Affordable, LLC
General Partner / Managing Member	Loring Towers Salem Housing GP LLC
Syndicator / Investor	Federal Home Loan Mortgage Corporation
Management Company	Related Management Company, LP
Architect	The Architectural Team
General Contractor	Keith Construction, Inc.

Unit Mix

		LIHTC Eligible												
Unit Size	Total Units	Section 8 PBV 30% AMI*		MRVP 60% AMI		LIHTC 60% AMI*		LIHTC 60% AMI Max*		Mobile Vouchers*		PBV 60% AMI*		Market Comparison
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Rent*
1 BR	105	17	$2,616	4	$2,724	16	$1,189	19	$1,753	18	$1,954	31	$2,616	$2,700
2 BR	145	33	$3,089	2	$3,235	24	$1,378	14	$2,087	13	$2,098	59	$3,089	$3,350
Total	**250**	**50**		**6**		**40**		**33**		**31**		**90**		

** All rents are net of utility allowances.*

MassHousing

Project Costs

Core Residential Costs	
Base	$111,746,171
Extraordinary	$0
Total	$111,746,171
Total Construction Cost	$38,576,197
Construction per Square Foot	$165
Commercial Costs	
Total	$0
Total Development Cost	
Total	$111,746,171

Sources and Uses

Sources of Funds			Uses of Funds	
Permanent Loan	$54,705,000		Acquisition	$46,500,000
Federal Tax Credit Equity	$36,832,026		Construction	$35,465,213
NOI During Construction	$7,120,646		Construction Contingency	$3,110,984
Seller Note	$4,000,000		General Development	$14,716,873
Existing Reserves	$2,281,611		Replacement Reserves	$1,455,000
Deferred Developer Fee	$6,806,888		Operating Reserves	$1,724,827
			Overhead	$4,386,655
			Fee	$4,386,655
Total Sources	**$111,746,217**		**Total Uses**	**$111,746,217**

Underwriting Notes

1. Loan Sizing
2. Mobile Tenant Vouchers
3. Acquisition Cost
4. Relocation
5. Net Operating Income (NOI) During Construction
6. Commercial Income
7. Third-Party Report

Official Action Status (OAS) Findings

1. **Mortgagor**: The mortgagor or sponsor has acceptable multifamily housing development experience and acceptable credit history.
2. **Site Control**: The mortgagor, sponsor or an affiliate under common control has demonstrated evidence of site control, which may include a deed, a ground lease, a purchase option, a contract of sale, or designation under a public land disposition process.
3. **Acceptability of Site**: The site is acceptable for the proposed housing (if the loan would finance new construction).
4. **Need for Proposed Housing**: There is a need for the proposed housing in the community where the site is located.

Recommended Votes

- Official Action Status
- Commitment of Tax-Exempt Construction/Permanent Loan
- Commitment of a Taxable Construction Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

Delinquency Summary Report

Feb 28, 2026

Delinquencies in Excess of: $1,000
Monthly Billed Loans

Program Type	Principal Program Detail	Number of Developments	Project Outstanding Loan Amount	Developments Delinquent	Delinq Outstanding Loan Amount	Pct $ Delinq Loans	Pct # Delinquent Loans
INDEP	Options for Independence	12	$161,389	0	$0	0.00%	0.00%
INDEP - Total		**12**	**$161,389**	**0**	**$0**	**0.00%**	**0.00%**
OTHER	Other Subordinate Only	1	$953,675	0	$0	0.00%	0.00%
OTHER - Total		**1**	**$953,675**	**0**	**$0**	**0.00%**	**0.00%**
SECT8PBCA	Project Based Section 8	178	$3,082,662,526	0	$0	0.00%	0.00%
SECT8PBCA - Total		**178**	**$3,082,662,526**	**0**	**$0**	**0.00%**	**0.00%**
SECT8VOUCH	Project Based Section 8 Vouchers	33	$514,083,763	0	$0	0.00%	0.00%
SECT8VOUCH - Total		**33**	**$514,083,763**	**0**	**$0**	**0.00%**	**0.00%**
SHARP	SHARP/ RDAL	3	$42,938,534	0	$0	0.00%	0.00%
SHARP - Total		**3**	**$42,938,534**	**0**	**$0**	**0.00%**	**0.00%**
TAXCREDIT	Tax Credit (4% and/or 9%)	173	$1,620,649,190	1	$33,825,580	2.09%	0.58%
TAXCREDIT - Total		**173**	**$1,620,649,190**	**1**	**$33,825,580**	**2.09%**	**0.58%**
UNSUB	Un-Subsidized	24	$344,762,271	0	$0	0.00%	0.00%
UNSUB - Total		**24**	**$344,762,271**	**0**	**$0**	**0.00%**	**0.00%**
WORKFORCE	Workforce Housing	10	$142,311,477	0	$0	0.00%	0.00%
WORKFORCE - Total		**10**	**$142,311,477**	**0**	**$0**	**0.00%**	**0.00%**
		3	$42,660,087	0	$0	0.00%	0.00%
- Total		**3**	**$42,660,087**	**0**	**$0**	**0.00%**	**0.00%**
Overall - Total		**437**	**$5,791,182,912**	**1**	**$33,825,580**	**0.58%**	**0.23%**

Delinquency Detail

Feb 28, 2026
Delinquencies in Excess of: $1,000

Tax Credit (4% and/or 9%)

Principal Program Code	Project Id - Development Name	City/ Town	Total Rental Units	Project Outstanding Loan Amount	Total Due & Uncollected	Past Due Installments
TAXCREDIT	16-004 Pac 10 Lofts, Phase One	Lawrence	180	$33,825,580	$19,883,232	38
Overall - Total			**180**	**$33,825,580**	**$19,883,232**	

Delinquency Detail by Investor

Feb 28, 2026
Delinquencies in Excess of: $1,000

Investor Segment	Segment Code	Investor Segment	Investor Pool	Loan Nbr	Project Id - Development Name	Total Rental Units	Original Loan Amt	Outstanding Loan Amt	Total Due & Uncollected - Delinquent	Past Due Installments
Escrow Division/Working Capital Fund	W001	Working Capital Fund	WCF Corporate	16-004-02	16-004 Pac 10 Lofts, Phase One	180	$18,000,000	$16,057,580	$16,105,146	1
Housing Bond Resolution	B001	Housing Bond Resolution	HOUSING BOND RES 2017D	16-004-01	16-004 Pac 10 Lofts, Phase One	180	$11,100,000	$11,100,000	$2,360,240	38
			HOUSING BOND RES 2022A-1	16-004-01	16-004 Pac 10 Lofts, Phase One	180	$6,668,000	$6,668,000	$1,417,845	38
Overall - Total						**180**	**$35,768,000**	**$33,825,580**	**$19,883,232**	

MassHousing

CEO Report

April 14, 2026

01

Chapter 40B Spotlight

MassHousing

40 Background

- **Chapter 40B was adopted in 1969** and is also referred to as the "Comprehensive Permit Law" or the "Anti-Snob Zoning Act".
- 40B enables **Zoning Boards of Appeal (ZBAs)** to override zoning and approve housing developments under flexible rules if at least **20-25%** of proposed units have **long-term affordability restrictions**.
- Developers propose eligible projects in communities that have not reached a **"safe harbor threshold".** The community then must follow the 40B process, overriding local zoning process.
- Achieving "safe harbor" allows a ZBA to **reject a permit without risk of appeal.**
- **"Safe harbor thresholds"** are:
  - **10%** of housing must be **deed-restricted affordable**
    - As of September 2025, only **94 communities** out of the 351 in Massachusetts have achieved the **10% affordability goal for housing production**.
  - **1.5%** of general land area must be **devoted to deed-restricted affordable housing**
  - Municipalities with an approved **Housing Production Plan (HPP)** can achieve **temporary safe harbor** by **increasing affordable housing units by 0.5%** (one-year safe harbor) or **1.5%** (two-year safe harbor) of their year-round housing stock.

40B Impact

Since its passage in 1969, Chapter 40B has supported **almost all affordable housing construction in Massachusetts** outside of the Commonwealth's largest cities.

70,000+
units produced
under Chapter 40B

35,000+
of those are
affordable units
<80% AMI

State Subsidizing Agencies

There are **four state subsidizing agencies** authorized to issue approvals under Chapter 40B and charged with **development oversight:**

Executive Office of Housing and Livable Communities (EOHLC)
Oversight of the 40B regulatory framework, guidance, and the "friendly 40B" process (LIP) & developments funded under LIHTC or other capital funding

Massachusetts Housing Partnership (MHP)
Oversight for developments for which MHP makes a loan

MassDevelopment
Oversight for developments for which MassDevelopment makes a loan

MassHousing
Oversight for developments for which MassHousing makes a loan as well as for developments funded by member banks of the Federal Home Loan Bank of Boston (FHLBank Boston) under the New England Fund (NEF) Program

MassHousing's Role

REGULATORY OVERSIGHT

- Providing oversight **for most 40B's annually,** because of our role with the **NEF lenders**
- Sharing **regulatory responsibilities** with **Zoning Boards of Appeal (ZBAs)**
    - MassHousing ensures proposed developers **meet regulations** and **monitors compliance,** ensuring **affordability thresholds** are met and **profit limitations** are not exceeded**.**
    - ZBAs oversee local matters like **traffic**, **environmental protection** and **design.**

LEGISLATOR ENGAGEMENT

- Notifying **state legislators** via formal e-mail when a proposed 40B development has received **site approval** from MassHousing
    - Since April 2024, we have sent **149 notifications.**
- Over the last 12 months, we've received **about a dozen inquiries from legislators** about **proposed 40B developments.**

40B Process Overview | *Permitting*

4+ Years
(Average timespan)

4+ Months
(Average timespan)

7+ Months
(Average timespan)

Step 1

Developer applies to MassHousing for Site Approval and Application Review

Step 2

MassHousing approves Project Eligibility Letter (PEL)

Step 3

Developer applies to ZBA for Comprehensive Permit

If denied or approved with conditions, it moves to the Housing Appeals Committee (HAC)

Step 4

HAC, an administrative law body within EOHLC, hears appeals from developers and municipalities and has the power to direct ZBAs to issue 40B permits

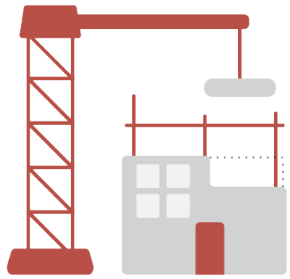
Step 5

Final approval is given for the development

MassHousing

40B Process Overview | *Post-Permitting*

Step 6



Construction

Step 7

Cost Certification (profit limitation compliance)

Step 8

Monitoring (affordability and limited dividend)

MassHousing's 40B Portfolio

CURRENT PORTFOLIO

698
40B Developments under compliance review

421
Homeownership developments

277
Rental developments

15
Developments in pre-approval

7 under PEL review, 8 in the final approval process

YEARLY AVERAGE

35
site approval applications

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final approval applications

MassHousing 40B Developments

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(Lancaster)

MassHousing financed construction of **32 new mixed-income rental homes. 8 homes** will be restricted to households earning **up to 80% of AMI** and **24 homes** will be unrestricted and rented at market rates.

Tackenash Knoll
(Oak Bluffs - Martha's Vineyard)

MassHousing assisted with the RFP and financed LIHTC construction on **60 permanently affordable, year-round rental apartments** built on **7.8 acres** of town-owned land.

Amherst Community Homes
(Amherst)

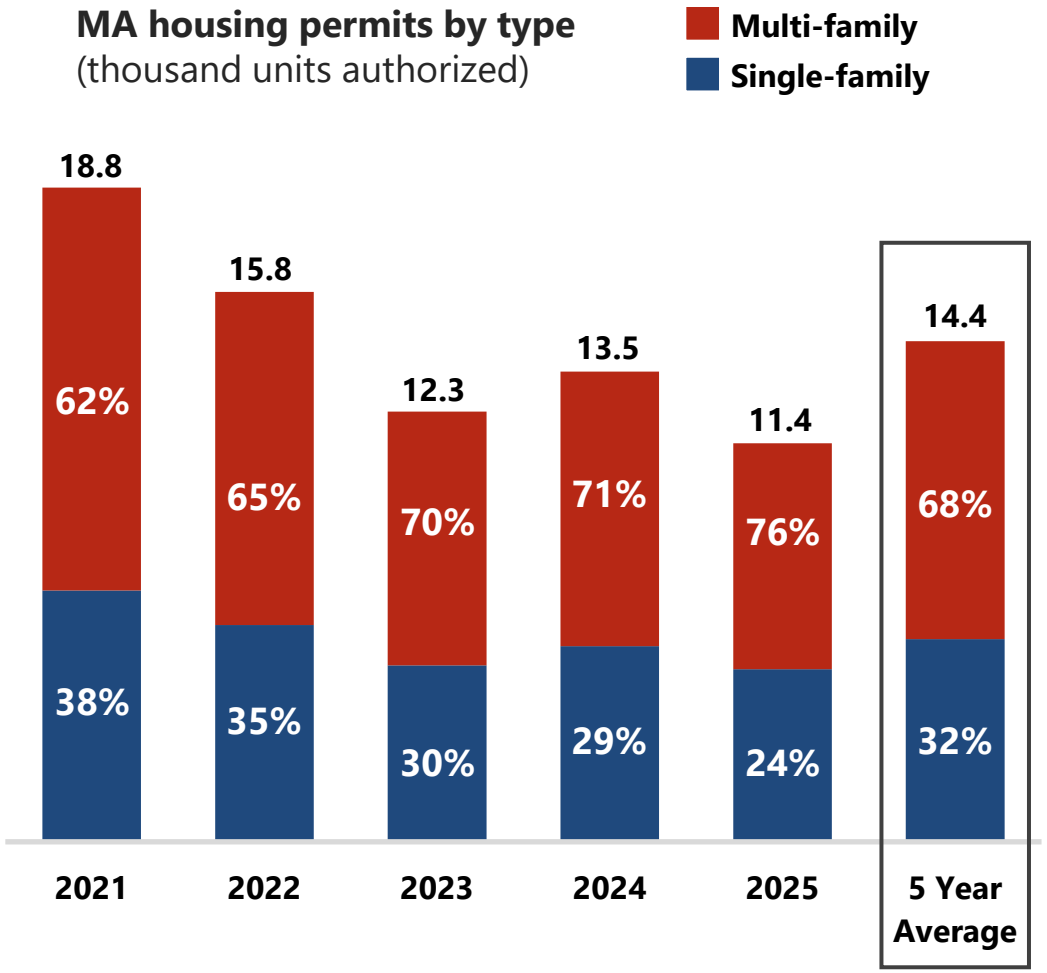
Through the CommonWealth Builder program, MassHousing financed construction of **30 affordable homes,** including **15 duplexes** built on **9 acres.**

MassHousing

02 40B and BILD

MassHousing

Background | Market-Oriented Developments



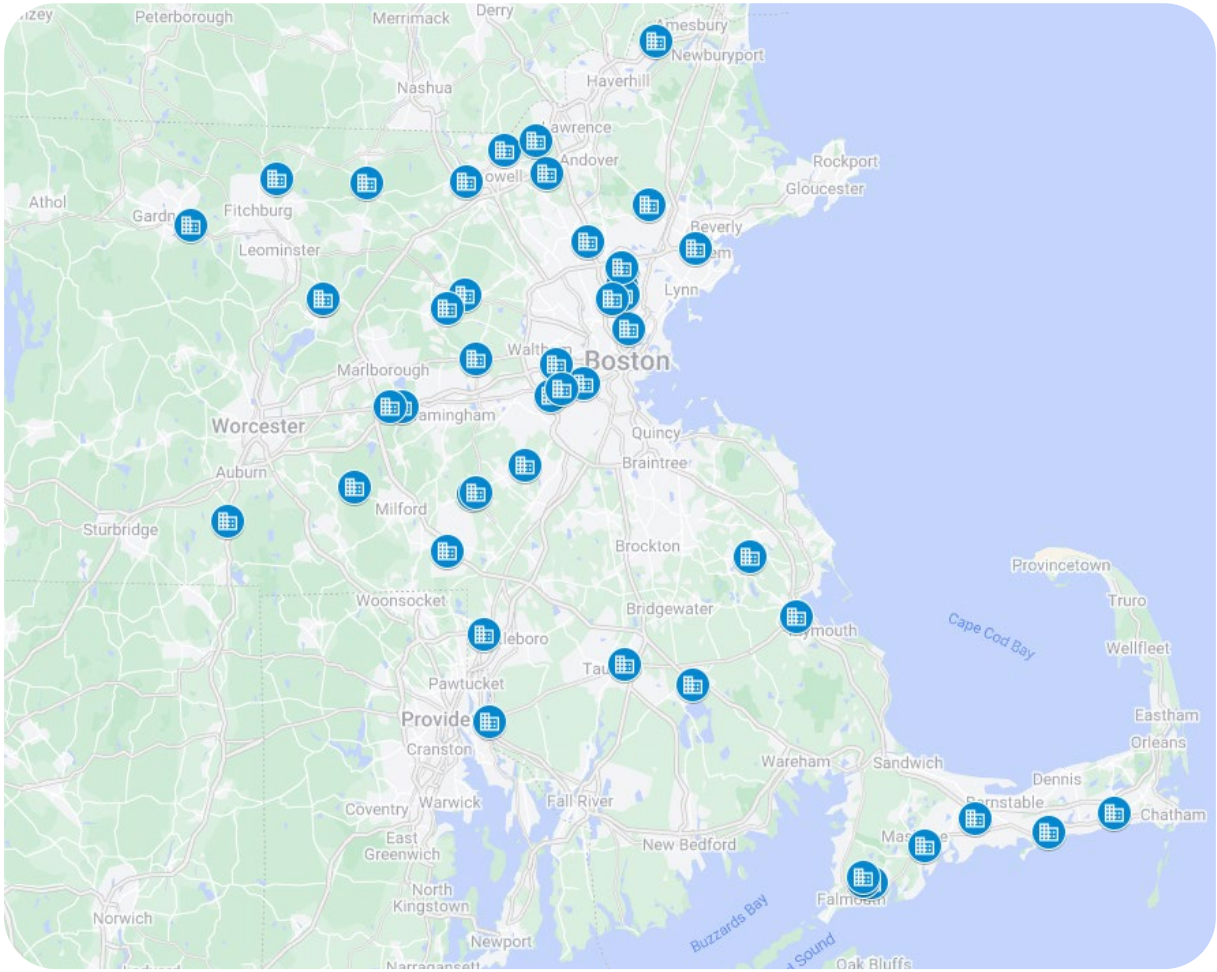
Multifamily rental developments account for approximately **7,000+ units** built annually.

Approximately 2,000+ of those units are in market-oriented, mixed-income developments, and represents a vital and fast-growing segment of the overall rental housing production volume in Massachusetts. **1,000+ of these units are from Chapter 40B.**

These developments generally have **income-restricted units (20% - 25%)** either because
1) they get their zoning through Chapter 40B; or
2) the municipality has inclusionary zoning requirements.

MassHousing

The Universe of Developments



Over the last five years, there were **approximately 12,900 units of market-oriented housing** throughout the state that had been permitted through Chapter 40B that **had not yet received final approval due to economic reasons**.

MassHousing designed BILD to **address 1,000 of these units**.

MassHousing

40B and the BILD Pipeline

The Residences at East Milton

The Residences at Quarry Hills

- In the past, we had **no consistent capital source** to support 40B developments.
- For the first time in decades, we are **mining our portfolio** to do our own 40B loans through BILD.
  - Developments include **The Residences at East Milton** and **The Residences at Quarry Hills**
  - From our current BILD pipeline, **over 60% are 40B developments.**

MassHousing

Thank You!

Questions? Comments?

Massachusetts Housing Finance Agency
One Beacon Street Boston, MA 02108

Tel: 617-854-1000
Fax: 617-854-1091

Relay 711
www.masshousing.com

Posted: April 9, 2026 @ 8:30 a.m.
Secretary of the Commonwealth, Regulations Division
Executive Office for Administration & Finance
masshousing.com

NOTICE
of a Meeting of the Members

The regular meeting of MassHousing will be held:

Date: **Tuesday, April 14, 2026**

Time: **2:00 p.m.**

Location: **See below**

In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, this Meeting will not be conducted in a publicly accessible physical location. This meeting will instead be conducted through remote audio and video participation by the Members of MassHousing.

The public will be able to observe the Meeting online through the Zoom video/audio conference program.

The Zoom meeting link for this Meeting is: https://masshousing.zoom.us/j/82075097286
The Zoom meeting ID is: Meeting ID: 820 7509 7286
The Zoom Passcode is: 592940

Additional instructions for observing the meeting though Zoom are attached to this Notice.

Attention will be given to the following matters:

1. EXECUTIVE ACTIONS

A. Call to Order

B. Vote Approving the Minutes

- Regular Meeting of March 10, 2026

C. Chief Executive Officer's Report

2. LOAN COMMITTEE

A. Newburyport Crossing Phase III, Newburyport

- Commitment of Momentum Equity
- Commitment of a Subordinate Loan of the FORGE 1st Mortgage

B. 20 Malcolm X Boulevard, Boston (Roxbury)

- Commitment of Momentum Equity
- Commitment of a Subordinate Loan of the FORGE 1st Mortgage

Meeting Notices

In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, this Meeting will not be conducted in a publicly accessible physical location. This meeting will instead be conducted through remote audio and video participation by the Members of MassHousing, and public observation will be available only through the Zoom audio/video conferencing program using the link and Meeting ID provided above. Instructions for joining the meeting through Zoom are attached.

Accessibility

If you need an accommodation to participate in a MassHousing meeting, event, or program, please call 617-854-1000 or email webinfo@masshousing.com. Please request accommodations as soon as possible but no later than 48 hours before a scheduled event so that we can have adequate time to accommodate your needs. Click here to view our Accessibility statement.

Steps to Join a Zoom Meeting

1. A Zoom meeting link will look like the following:

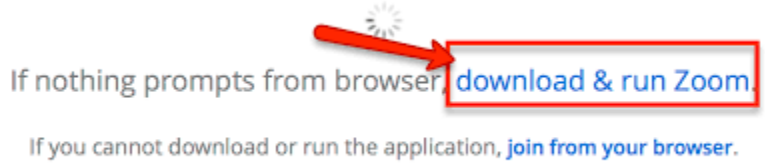
Join Zoom Meeting
https://zoom.us/j/6881564212

Meeting ID: 688 156 4212

One tap mobile
+13126266799,,6881564212# US (Chicago)
+16465588656,,6881564212# US (New York)

Dial by your location
+1 312 626 6799 US (Chicago)
+1 646 558 8656 US (New York)
+1 253 215 8782 US
+1 301 715 8592 US
+1 346 248 7799 US (Houston)
+1 669 900 9128 US (San Jose)
Meeting ID: 688 156 4212
Find your local number: https://zoom.us/u/acgfL1ziEv

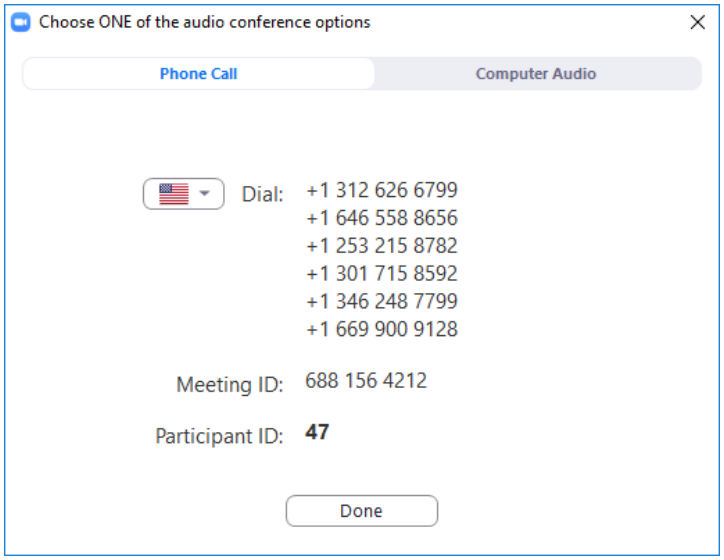
2. Click the link below 'Join Zoom Meeting'.
   NOTE: Simply calling a phone number without "joining the Zoom meeting" will not allow you to see the presentation. Clicking on the link will automatically download the Zoom program (Image below)



3. If Zoom does NOT automatically download and install. Click Download & run Zoom
   NOTE: to see a video about this: https://youtu.be/vFhAEoCF7jg

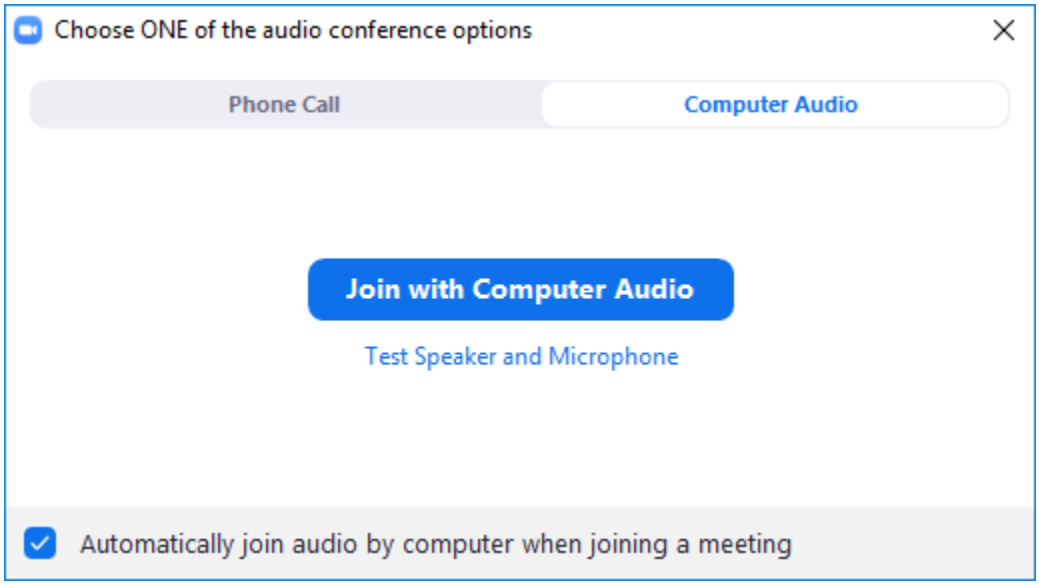
Steps to Join a Zoom Meeting

4. You will be provided with Audio Options.
   NOTE: The numbers for your meeting may be different than the ones in this example.



5. Call one of the numbers provided and enter your Meeting ID and Participant ID when prompted.
6. If you have a headset or would like to use your computer audio, select the Computer Audio tab and Join with Computer Audio.

   NOTE: Uncheck "Automatically join audio by computer" when joining a meeting.



7. All participants on the call will be muted. Please keep yourself on mute so that meeting can be as clear as possible.

Minutes of the Regular Meeting of
the Members of MassHousing
March 10, 2026

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing - was held on March 10, 2026. In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, no Members were physically present and the meetings were conducted remotely through a publicly accessible Zoom meeting.

Participating remotely were the Members (by roll call):

Board Member	Present	Absent
Jeanne Pinado, Chair	X	
Michael Glover, Vice Chair	X	
Jennifer Maddox*	X	
Bran Shim**	X	
Joel Barerra	X	
Darnell Dunn	X	
Herby Duverné	X	
Tom Flynn	X	
Carmen Panacopolous		X

**Acting Secretary of The Executive Office of Housing and Livable Communities*
***Designee of Matthew Gorzkowicz, ex officio*

The Chair then convened the meeting to order at 2:02 p.m.

The Chair thanked Carolina Avellaneda for her service and commitment to the Board and welcomed new Board members Joel Barerra.

The Chair indicated that the first order of business was the approval of the minutes of the previous meeting.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present, with Jennifer Maddox and Joel Barera abstaining:

VOTED: That the minutes of the Regular Meeting held on February 10, 2026 are hereby approved and placed on record.

Chief Executive's Report

Chrystal Kornegay gave a brief overview of her participation in the CAP Collaborative, which has been in existence for several years. The CAP Collaborative is a twice-yearly program connecting

public sector leaders and private sector executives to foster trust, cross-sector understanding and innovative policy-making, and has a strong network of past members. The programs consists of 7 in-person meetings, shadowing another Executive Fellow, and a 2-day retreat with different curriculum sessions. MassHousing is part of the CAP Collaborative Spring Cohort, along with several notable officials and private companies.

Ms. Kornegay then discussed the Strategic Framework, describing the intent to build a framework for setting priorities and making strategic decisions as opposed to a more traditional strategic plan. The framework is intended to be adaptable to shifting circumstances and external conditions and will include a set of guiding principles that reinforce the Agency's mission and values along with a structure for setting annual priorities and a transparent decision-making process to evaluate and purse operational and programmatic opportunities.

Joel Barerra asked where we are with the process; Ms. Kornegay noted that a proposed set of guiding principles has been developed and that we are currently drafting the corresponding annual priorities and working to integrate into this year's budget process. We will come back in May with proposed numbers.

Ms. Kornegay continued by presenting the guiding principles and remaining timeline for the project, noting that staff expect to come back in May with details on the annual priorities.

Herby Duverne asked whether there is anything around technology included. Ms. Kornegay responded that because technology changes rapidly we did not address specifically in the guiding principles but are including the annual priorities, noting specifically that we are looking at how we may incorporate AI across the Agency.

Loan Committee

HSL Stoughton 4% – Stoughton

Matt Schoenberg presented a proposal for Official Action Status, Commitment of a Tax-Exempt Conduit Loan, and Approval for the Use of Low-Income Housing Tax Credits, as presented in the attached Loan Committee package.

Ms. Pinado asked to clarify that this is independent senior housing with resident services, not assisted living. Mr. Schoenberg said that is correct, this is a senior housing project with resident services.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Brooke House at Olmsted Village – Boston (Mattapan)

Mike Carthas presented a proposal for Commitment of a Permanent Tax-Exempt Loan, Commitment of a Tax-Exempt Bridge Loan, and Approval for the Use of Low-Income Housing Tax Credits, as presented in the attached Loan Committee package.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

Loring Towers Apartments – Salem

Mike Carthas presented a proposal for Official Action Status, Commitment of a Construction to Permanent Tax-Exempt Loan, Commitment of a Taxable Construction Bridge Loan, and Approval for the Use of Low-Income Housing Tax Credits, as presented in the attached Loan Committee package.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

There being no other business to consider, the meeting adjourned at 2:32 p.m.

A true record.

Attest.

_____
Colin M. McNiece
Secretary

Materials:
- Minutes of the Meeting of February 10, 2026
- CEO's Report, March 10, 2026
- Board Package, March 10, 2026

MassHousing

CEO Report

April 14, 2026

01

Chapter 40B Spotlight

MassHousing

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MassHousing

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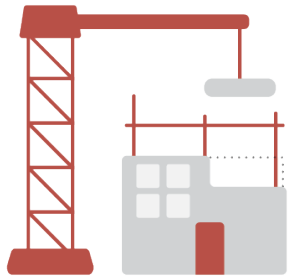

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MassHousing

02 40B and BILD

MassHousing

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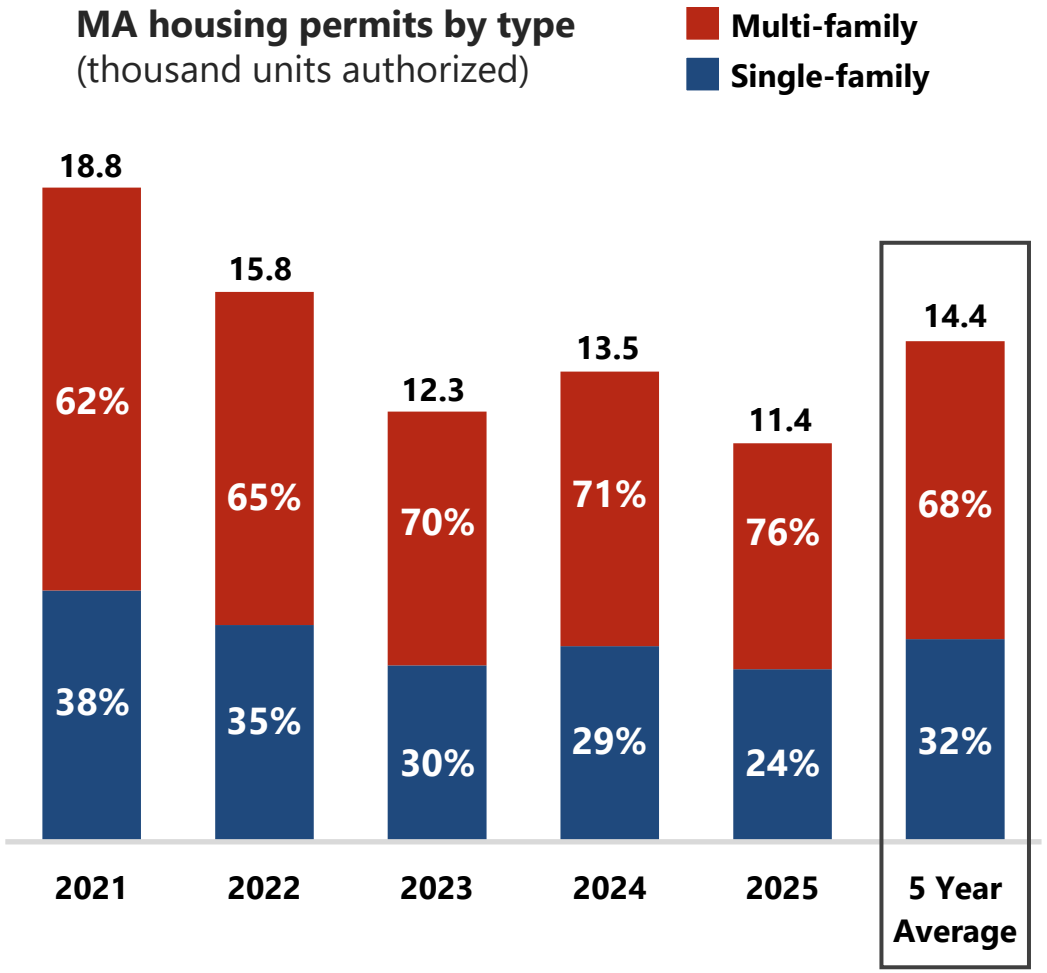

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MassHousing

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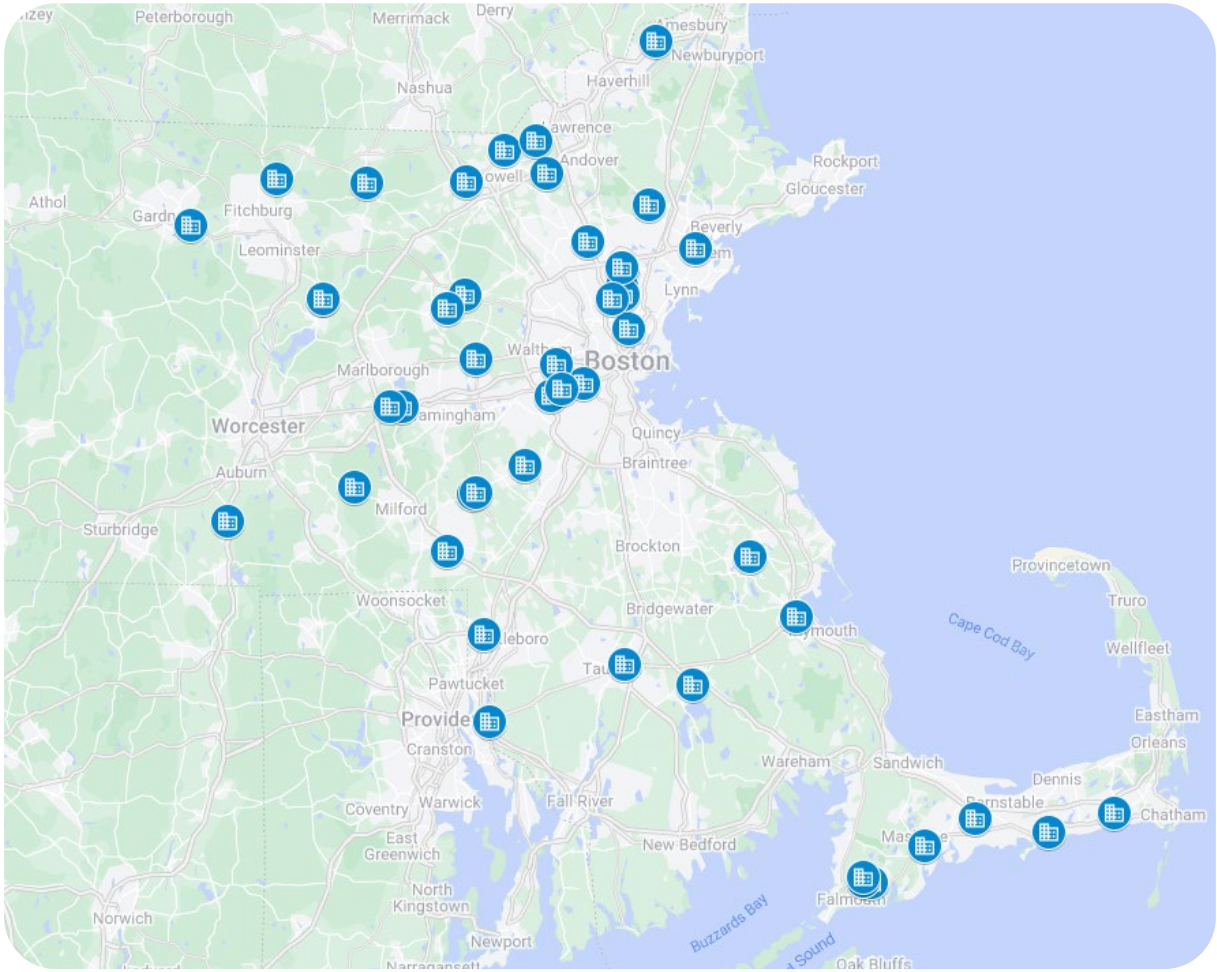

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MassHousing

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  - Developments include **The Residences at East Milton** and **The Residences at Quarry Hills**
  - From our current BILD pipeline, **over 60% are 40B developments.**

MassHousing

Thank You!

Questions? Comments?

BILD Financing Commitment Proposal | April 14, 2026

Newburyport Crossing Phase III

1. General Project Information	
Project Name	Newburyport Crossing Phase III
Project ID	26-001
Address(es)	166-168 Route 1, Newburyport MA 01950
Sponsors	MINCO Development Corporation
Transaction Type	Production
Funding Type	Forward Commitment of an Equity Investment Forward Commitment of a Subordinate Loan
Execution Type	Momentum Equity FORGE Loan (Taxable)
Approval Type	Board
Total Rental Units	92
Affordability Mix	23 Affordable 69 Market

2. Recommended Actions

- Commitment of Momentum Equity
- Commitment of a Subordinate Loan of the FORGE First Mortgage

3. Background

The proposed financing will support the development of Newburyport Crossing Phase III (the "Development"), a proposed 92-unit mixed-income community located in the City of Newburyport. MINCO Development Corporation (the "Sponsor") will be the developer for the proposed transaction.

The first two phases of Newburyport Crossing include 160 apartment units in two buildings immediately adjacent to the MBTA Newburyport commuter rail station. The Sponsor intends to deliver a higher-end resident experience, with an expanded amenity package, at Phase III. The Development will include a two-story foyer, library, top-floor lounge, outdoor deck, and fitness center.

MassHousing staff conducted a thorough site walkthrough of the initial two phases of Newburyport Crossing finding both properties to be of high quality and performance. The first phase (76 units at 1 Boston Way) was completed in early 2021 and is LEED Gold certified. The second phase (84 units at 3 Boston Way) was completed in 2023 and constructed to Passive

House standards; both offer premier Class A apartments with luxury finishes and amenities, and have strong in-place occupancy rates of 99% and 96%*, respectively.

The financing will leverage the Agency's Bringing Innovation to Lending and Development ("BILD") program and will include both a Momentum Equity investment and permanent debt with a Financing Options for Residential Growth and Expansion ("FORGE") Loan. The proposed FORGE Loan financing will utilize MassHousing's arrangement with Berkadia Commercial Mortgage LLC ("Berkadia"), providing sponsors access to an integrated debt financing package through the Federal Home Loan Mortgage Corporation ("Freddie Mac"). A full overview of this structure is included in Exhibit D of this proposal.

*The Sponsor has kept two units vacant at Phase II in recent weeks to complete maintenance related to the building's Energy Recovery Unit. Once the work is complete and the units are available for lease, the Sponsor anticipates the occupancy rate will increase to a similar level as Phase I.

4. Financing	
Momentum Equity	
Type	Preferred Equity
Equity Investment Amount	Up to $6,500,000
Preferred Equity Return	10 Year Treasury Rate + 200bps
Funding Timing	Stabilization
FORGE Loan	
Combined Loan Amount	$29,200,000
Loan Term / Amortization	10 y / 40 y
Forward Term	Up to 36 months
Combined Year 1 DSCR	1.25 projected (1.25 minimum)
Combined LTV	56% projected (80% maximum)
Funding Timing	Stabilization
Freddie Mac Loan	
Type	Taxable Freddie Mac Loan
Loan Amount	$26,280,000
Interest Rate	6.60% projected*
MassHousing Loan	
Type	Taxable MassHousing Loan
Loan Amount	$2,920,000
Interest Rate	6.60% projected*

**See Section 20.1 for rate lock explanation.*

5. Development Timing

General Project Timing	
Estimated Construction Start Date	7/1/2026
Estimated Construction End & Final CO Received	7/1/2028
Estimated Disbursement of Momentum Equity	3/1/2029
Estimated Disbursement of FORGE Loan	3/1/2029

The Sponsor proposes to lease fifteen units per month during the six-month lease up period. MINCO has successfully stabilized the first two phases, which have in-place occupancy rates of 99% and 96%, respectively, and expects sufficient lease-up demand to achieve this goal.

6. Development Plan

Description of Site. The Development will be located on a 2.3-acre parcel at 166-168 Route One in Newburyport, (the "Site"), currently occupied by two vacant single-story buildings. The surrounding area contains residential and light commercial uses. Amenities such as grocery stores, restaurants, and the City's waterfront along the Merrimack River are located within a 10-minute drive.

The Site is bordered by Route One and the Clipper City Rail Trail. Downtown Newburyport is one mile away. The MBTA Newburyport commuter rail station and bus service are located within a 5-minute walk.

Description of Proposed Building. The development plan involves the demolition of the existing structures and construction of a 4-story, 116,000 gross square foot building with 92 residential units and two elevators.

A ground floor parking garage will offer 67 garage parking spaces – 51 single and 16 two-car tandem spaces available to residents for $125 and $175 per month, respectively. Additionally, there will be 44 surface parking spaces available to residents free of charge.

Planned amenities include a fitness room, resident lounge, bike storage, library, courtyard and patio, pet wash area, and excess storage areas in the garage available to residents free of charge.

Non-residential uses include a detached 850 square-foot commercial building.

Description of Affordability Mix. As required under M.G.L Chapter 40R Smart Growth Zoning, twenty-five percent of the units (23 units) will be income restricted for households earning up to 80% of the Area Median Income ("AMI"). This will also satisfy MassHousing's statutory requirement. The remaining units will be unrestricted market rate apartments.

Zoning and Permitting. The Development received Smart Growth District Plan Approval on 3/2/2022 through the process outlined in Chapter 40R of the Massachusetts General Laws and is subject to associated requirements of the City of Newburyport's Smart Growth District.

The Development received its building permit on 3/2/2023.

Site Control. Fee simple.

Acquisition. The Sponsor acquired the 166 Route One Parcel in 2005 for $1,000,000 and maintains an option to purchase the 168 Route One parcel at closing for $2,000,000. The development budget includes a value of the combined parcels of $5,980,000, representing a 49.8% increase due to land value appreciation. The acquisition amount has been approved by the Sponsor's construction lender and investor partners, and the Agency has reviewed the Sponsor's third-party appraisal and deemed it to be reasonable at $65,000/unit.

Priority Screening Criterion. The project was screened for BILD eligibility on a wide range of factors (e.g. readiness and eligibility, project costs and investment efficiency, impact and additionality). Additional information about this criterion can be found in Exhibit B to this proposal.

7. Development Team

Mortgagor Entity: Turnpike Redevelopment, LLC

A sole-asset, single-purpose entity formed for the purpose of owning and operating the Development.

Developer / Sponsor: MINCO Development Corporation

MINCO Development Corporation is a Massachusetts-based commercial real estate firm founded in 1982 by Louis P. Minicucci Jr. The company is one of the Merrimack Valley's largest real estate developers and has developed over 2,100 units of housing in both New England and Southeast Florida. The firm has also developed, managed and owns numerous retail sites, including Stop & Shop and CVS-anchored centers.

Construction Lender: Rockland Trust

Rockland Trust is a full-service commercial bank with more than 115 years of history lending to individuals, families, and businesses across Massachusetts, Rhode Island, and New Hampshire. Founded in 1907, the bank has grown from a single branch in Rockland to a regional institution with over 150 branches, 21 commercial lending centers, and $25 billion in assets as of 2025. Rockland Trust is the construction lender on Northern Heights Apartments in Springfield and

Ticcoma Green on Nantucket and previously financed the first two phases of Newburyport Crossing.

Investor(s): Equity will be provided by the Sponsor and high-net-worth limited partners with whom the Sponsor has an established relationship. The same limited partner investors from Phase I and II are expected to participate in the upcoming third phase.

General Contractor: Pilot Construction, Inc.

Pilot Construction, Inc., is a full-service construction company with over 25 years of experience serving projects in Massachusetts, New Hampshire, Maine, and Arizona. Founded in 1992 by Robert and William Richard, Pilot Construction has an extensive track record across multifamily, commercial, and municipal sectors, with projects ranging from ground-up development to major renovations. Their multifamily portfolio includes large-scale market-rate apartment communities, mixed-use residential buildings, senior housing, condominium developments, student housing, and luxury complexes with structured parking and full amenity packages. MassHousing's Design and Construction staff has determined that Pilot Construction has the necessary qualifications and experience to complete the Development. Though this will be the firm's first project with MassHousing, it represents the third with the Sponsor.

Architect: Arrowstreet, Inc.

Arrowstreet, Inc. ("Arrowstreet") is a Boston-based architecture and design firm. Since its founding in the 1960s, the firm has designed projects across sectors including mixed-use developments, multifamily housing, hospitality, retail, and education. Arrowstreet was the architect on 571 Revere Street, which completed construction in 2021.

Management Company: The Dolben Company

Headquartered in Woburn, MA, The Dolben Company ("Dolben") is a real estate development, management, and investment company with a history dating back to 1929. Dolben is an AMO-certified property management firm with a portfolio of over 16,000 multifamily units across six states that includes suburban garden-style communities and large, amenity-rich apartment complexes. The Sponsor has maintained a strategic partnership with Dolben since the early 1980's, having co-developed five (5) new developments. Furthermore, Dolben is the exclusive management agent of the MINCO multifamily portfolio. The Dolben Company currently manages three 40B properties under the Agency's 40B compliance review.

8. Summary of MassHousing-Sponsor Relationship

Number of Projects with MassHousing Debt	None
Total Units with MassHousing Debt	None
Outstanding MassHousing Principal Debt	$0
Adverse Actions Against the Borrower Team	None
Current on Obligations with MassHousing	N/A
Property Management Affiliate	N/A
MassHousing Staff	
Origination	Brian Robinson, Equity Originator Jeff Geller, Debt Originator Josh Combs, Analyst
Underwriting	Dan Staring, Underwriter Mitch Printz, Underwriter
Asset Management	Dan Discenza, Portfolio Manager

9. Unit Mix with Preliminary Rents

Unit Size	Average Size (SF)	Total Units	80% of AMI MassHousing Statutory			Unrestricted Market Rate*		
			Count	*Rent/sf*	*Rent*	*Count*	*Rent/sf*	*Rent*
0 BR	500	23	6	$4.63	$2,316	17	$5.10	$2,550
1 BR	756	24	8	$3.28	$2,481	16	$3.90	$2,950
1 BR w Den	800	6	1	$3.10	$2,481	5	$4.19	$3,350
2 BR	1,000	24	5	$2.98	$2,977	19	$4.00	$4,000
3 BR	1,185	15	3	$2.79	$3,307	12	$4.01	$4,750
Total	**848**	**92**	**23**			**69**		

**Market rents represent projections based on review of materials provided by Sponsor as well as available market comparable information. Based on our internal competitive market data analysis, the sponsor is anticipating rents above what are currently present in the marketplace. As a result of the financial and operational performance of Phases I and II, along with the enhanced amenity package for Phase III, MassHousing believes that these rents are reasonable estimates at this stage in underwriting. Underwritten rents will be reviewed and finalized upon receipt of appraisal commissioned by Berkadia and reviewed by both Berkadia and MassHousing. At this stage, the projected gross rent net of vacancy allowance associated with these units is in line with comparable data.*

Newburyport Crossing Phase III proposes rents that are 8-12% higher than those in Phase I, and 1-9% higher than Phase II, depending on bedroom type. See the Residential Rent Level Risk Mitigants in Section 17.

Commercial Rent		
Square feet	Underwritten Rent per SF*	Average Rent on New Leases in Newburyport, 2025-2026
864	$48	$30 per PSF

**For more information on the preliminary commercial rent assumptions, see Section 20.4 of this memo.*

10. Operating Overview	
Underwritten Operating Expenses	$1,045,088 (approximately $11,400 per unit)

Basis of Operating Costs. Underwritten operating expenses are based on review of the Sponsor's proforma, Freddie Mac underwriting requirements, and review of available comparable data. Operating Expenses will be further refined through Berkadia's underwriting, with Freddie Mac underwriting confirming the final operating expense budget in sizing of the Subordinate Loan. Operating expenses appear to be reasonable based on staff review of comparable expense data.

Utilities will be included in the rent for affordable units. Market-rate units will be fully sub-metered, including water usage, with residents paying for utilities directly. The operating expenses include common area electricity, water, and sewer costs.

11. Project Costs

Project Construction Costs	
Total Construction Cost	$33,545,000
Gross Square Footage	116,219 GSF
Construction per Gross Square Foot	$289 per GSF
Construction per Unit	$364,620 per unit

12. Sources and Uses

Sources	Construction		Pre-Stabilization		Permanent		
		per unit		*per unit*		*per SF*	*per unit*
Construction Loan	$33,605,000	$365,272	$33,605,000	$365,272			
FORGE Loan					$29,200,000	$251	$317,391
Momentum Equity					$6,500,000	$56	$70,652
Common Equity	$14,740,000	$95,217	$14,740,000	$95,217	$12,645,000	$109	$137,446
Total	$48,345,000	$525,489	$48,345,000	$525,489	$48,345,000	$416	$525,489

Uses		*per SF*	*per unit*
Acquisition	$5,980,000	$51	$65,000
Construction	$33,545,000	$289	$364,620
Contingency (2.8%)*	$945,000	$8	$10,272
General Development	$6,840,300	$59	$74,351
Developer Overhead & Fee	$1,034,700	$9	$11,247
Total	$48,345,000	$416	$525,489

*See Section 20.5 for further details.

13. Construction Loan Detail

Sources	*Position*	*Rate*	*Term*	*Amort.*	*Loan Amount*
Construction Loan	First	TBD	36 mo	Interest Only	$33,605,000

14. Estimated First Year Income and Expenses

Income	
Affordable Gross Potential Residential Income	$732,372
Affordable Vacancy (5.0%)	($36,619)
Market Gross Potential Residential Income	$2,833,600
Market Vacancy (7.0%)	($201,852)
Gross Residential Income	$3,615,972
Commercial Income *(see Section 20.4 for more detail)*	$46,500
Commercial Vacancy (10%)	($4,650)
Other Income – Parking, Fees, Gym Training, Storage	$219,848
Effective Gross Income	$3,639,200

Expenses	
Residential Operating Expenses (Annually)	$1,045,488
Net Operating Income	$2,593,712
Cash Flow	$517,206

Combined Debt Service Coverage 1.25

Residential Operating Expense Detail		*Per Unit*
Management Fee	3%	$1,236
Administrative Costs		$2,576
Maintenance Costs		$2,275
Utilities: Electricity, gas, water & sewer		$875
Real Estate Taxes		$3,152
Insurance		$1,000
Replacement Reserves		$250
Total		$11,364

Operating Expenses as a Percent of EGI 28.73%

15. Equity Detail

This proposal recommends two waivers of provisions in the Momentum Equity program guidelines. These waivers are based on information provided by the Sponsor, as well as comprehensive analysis by Agency staff. Both relate to the structure and timing of the Momentum Equity investment.

Currently, the Sponsor and its other equity investors are making capital available during the development period and taking on all development period risk. The Agency's investment comes at the time of stabilization, when the construction and lease up period have created additional value and all development period risk has been cleared. However, the program guidelines dictate that the Sponsor's equity is valued on a pre-development basis and, upon stabilization, 100% of operating cash flow is directed to the Agency until such time that the coupon is fully paid. For this transaction, the Agency is proposing the following waivers to its standards:

1. **Equity Revaluation.** The Sponsor's equity will be revalued at the time that the Momentum Equity investment is made in order to "credit" the Sponsor for the value created during the development period.

2. **Cashflow During the Investment Period.** The Agency and other investors will receive a pro rata distribution of cash flow based on respective investor percentage interest.

Both waivers have been vetted by the Agency's Executive and Senior Leadership teams, and were approved as negotiable points for the BILD origination team. This approval was based on the following:

a. **Unchanged Multiples and Cash.** The Agency's and sponsors' multiples and cash received remain unchanged; the Agency's IRR will decrease and the Sponsors' will increase.

b. **Alignment of Incentives.** The Sponsor will never "get ahead" of the Agency. The large accrual the sponsor equity incurs during the development period, together with the reduction of cashflow to the Agency during the investment period to a pro rata distribution, means that the bulk of the Sponsors' return will be through successful management of the Development to maximize exit proceeds.

c. **Seniority of Investment.** The Agency's accrued coupon and underlying investment will continue to be senior to all other equity interests in any capital event, whether sale or refinance.

d. **Cap on Equity Increase.** The term sheet for any Development that exercises this waiver will assert a maximum allowable increase in equity based on Agency equity modelling of

the transaction; this modeling will ensure satisfactory cashflow splits. As the equity investment will be made at the time of the funding of the FORGE Loan, a Freddie Mac appraisal will be available to corroborate an assessment of value – which will be set at the lesser of the original valuation or that implied by the appraisal.

Equity Breakdown (without Sponsor Equity Revaluation)	*Total*	*Percent of TDC*	*Percent of All Equity*
Total Equity	$19,145,000	40%	100%
Common Equity	$12,645,000	26%	66%
Momentum Equity (permanent only)	$6,500,000	13%	34%

Equity Breakdown (with Sponsor Equity Revaluation)	*Total*	*Percent of TDC*	*Percent of All Equity*
Total Equity	$22,742,884	47%	100%
Common Equity	$16,242,884	34%	71%
Momentum Equity (permanent only)	$6,500,000	13%	29%

Financial Assumptions		
Scenario	**Without Sponsor Equity Revaluation**	**With Sponsor Equity Revaluation**
Trending (annual)	3% revenue increase 3% expense increase	3% revenue increase 3% expense increase
# of Units Pre-leased by 1st CO	10 Units	10 Units
Monthly Absorption Rate	15 Units per Month	15 Units per Month
Sale or Exit Timeframe	120 Months after Project Stabilization	120 Months after Project Stabilization
Key Performance Indicators*		
Scenario	**Without Sponsor Equity Revaluation** ***MomEq (Sponsor)***	**With Sponsor Equity Revaluation** ***MomEq (Sponsor)***
Sale or Exit Capitalization Rate	5.75%	5.75%
Unlevered Return on Cost	5.37%	5.37%
Operating Distributions to Paid-in-Capital	0.47x (*0.47x*)	0.40x (*0.51x*)
Residual Value to Paid-in-Capital, net of Investment	1.18x (*1.78x*)	1.25x (*1.74x*)
Total Value to Paid-in-Capital	1.65x (*2.25x*)	1.65x (*2.25x*)
Common Equity IRR	7.71%	7.77%

Momentum Equity IRR	5.86%	5.73%
Levered Average Project Cash-on-Cash	4.67%	5.09%
Levered Average Sponsor Cash-on-Cash	4.71%	3.96%
Break-Even Capitalization Rate	9.47%	9.34%
Break-Even NOI	$2,086,241	$2,086,241

16. Exit Strategy

The FORGE Loan has a balloon repayment. While the Sponsor intends to hold the Development as a long-term investment, MassHousing has conducted an exit analysis considering both a refinancing scenario, as well as a potential sale scenario.

In both scenarios projected proceeds are sufficient to fully repay the outstanding mortgage balance and return Momentum's invested equity.

Sale Scenario		
Net Operating Income – 2037		$3,384,684
Cap Rate		5.75%
Valuation		$58,933,637
Sale Cost	3.00%	($1,768,009)
Debt Repayment		($27,043,582)
Net Sale Proceeds		$30,122,046
Return of Initial Momentum Equity		($6,500,000)
Return of Accrued Momentum Coupon		($1,650,395)
Net Proceeds Available to Investors		**$21,971,651**
Refinance Scenario		
Total Value		$58,933,637
Interest Rate		6.50%
Cap Rate		5.75%
Term		40
Amortization		40
Supportable Loan Amount		$38,587,351
LTV		59%
DSCR		1.25
Refinance Cost	3.00%	($1,768,009)
Existing Debt		($27,043,582)
Net Refinance Proceeds		$9,775,760
Return of Initial Momentum Equity		($6,500,000)
Return of Accrued Momentum Coupon		($1,650,395)
Net Proceeds available to Investors		**$1,625,365**

**Both Sale and Refinance scenarios assume a 3% income and 3% expense trending.*

17. Assessment of Equity Investment

Development Strengths

1. The Sponsor has successfully completed two previous phases of Newburyport Crossing, both of which are fully leased with vacancy rates below 5%. Given the similar location and building design of the Development and the desirability of Newburyport, the Sponsor anticipates strong demand for the units.

2. The Development is located in a transit-oriented location, immediately adjacent to the MBTA Newburyport commuter rail stop, the Clipper City Rail Trail, and Route One.

3. The Development offers marketable unit features with strong amenities package positioning it competitively within a supply-constrained submarket.

Risks and Mitigants

1. **Commercial Lease Risk.** The Sponsor received a Letter of Interest from a prospective commercial tenant, Hodgie's Ice Cream.

   Mitigants:
   a. The Sponsor provided a Letter of Intent from Hodgies Ice Cream, a local chain with four locations on the North Shore and Southern New Hampshire that has been in business since 1984. The letter proposes a five-year lease term commencing upon completion of the building. This business will be the only commercial tenant in the building.

   b. The commercial rental income is approximately 1.3% of all operating revenue.

2. **Residential Rent Level Risk.** The Development's proposed market rents are approximately 8% higher than Phase I rents on leases signed within the past year and 7% higher than Phase II rents.

   Mitigants:
   a. The Development offers more amenities and higher quality finishes than Phases I and II. Those factors and the desirable location create a market advantage over comparable properties.
   b. The Sponsor has been increasing rents in Phases I and II by 5% annually and has experienced de minimus turnover due to rent increases.

   c. We recognize that the projected rents are higher than our internal competitive market data indicates; however, when compared to the trending increases in phases 1 and 2, the increases to reach these projected rents appear more modest.

d. The market rate units are underwritten at a 7% vacancy, which is higher than the historic vacancy levels at Phases I & II. Current vacancy is 1% for Phase I and 4% for Phase II.

18. Distribution Waterfall

Operating Cash Flow
1. To **MH Investor**, an LLC established as part of the Momentum Fund, and to the **Sponsor** in accordance with their respective Venture Capital Percentages.
2. To the **Sponsor.**
Cash from Sale or Refinancing
1. To **MH Investor** until MH Investor has received the then outstanding cumulative Preferred Equity Preferred Return on the Preferred Equity Investment.
2.To **MH Investor**, until MH Investor has received the return of the then outstanding Preferred Equity Investment.
3.To the **Sponsor**, until the Sponsor has received (after taking into account any prior distributions made to the Sponsor under the Net Cash Flow Distribution Waterfall) an internal rate of return with respect to the Total Sponsor Equity equal to the Preferred Equity Preferred Return Rate plus an additional spread of up to 1,000 basis points as determined by MassHousing.
4. Thereafter, to **MH Investor** and the **Sponsor** in accordance with their respective Venture Capital Percentages unless otherwise agreed to.

19. Developer Fee Overview

This proposal includes a paid developer fee of $1,034,700 which the Sponsor proposes to disburse in equal installments of $43,113 (4.17%) during the 24-month construction period.

The Sponsor incurred approximately $6,581,200 ($600,000 more than the purchase price) in costs associated with land acquisition, design, permitting, carrying costs, and overhead during a 21-year period. Even after realizing the paid fee and certain pre-development costs, the Sponsor will still have costs that will not be recoverable until after the term of the FORGE Loan and will be incentivized to perform as the managing member of the Development.

Common equity investors and the construction lender have verbally consented to this agreement. This proposal recommends MassHousing also consent to the proposed developer fee structure.

20. Notes and Analysis

1. **Rate Lock Timing.** The Borrower has elected to not lock the interest rate prior to closing and will instead lock the rate at its discretion between construction start and stabilization. Current pricing from Berkadia has indicated a forward pricing premium of roughly 60-70 bp over immediate funding deals. The Sponsor is comfortable managing the interest rate risk associated with waiting to lock in both index and spread during the construction period. The Sponsor will be able to engage at any time between construction closing and stabilization should interest rate expectations rise. MassHousing and Berkadia will conduct a full underwriting of the transaction at that time.

2. **Loan Sizing**. The Sources and Uses and MassHousing Financing Summary in this commitment proposal reflect a Projected Subordinate Loan amount of $2,920,000 and is based on indicative forward pricing. The current immediate pricing indication would allow for roughly a 10% increase in total loan proceeds and corresponding 10% increase in the MassHousing Subordinate Loan. The Votes below allow for an "Up To" Loan amount of $3,942,000. The final loan amount will be set after Freddie Mac issues its loan commitment and the interest rate is locked, such that the combined debt service coverage ratio as well as loan to value benchmarks will be met and the Subordinate Loan will be no greater than 10% of the Loans.

   To the extent that the final subordinate loan amount is greater or less than $2,920,000, MassHousing will confirm that other sources will be adjusted as necessary to maintain a balanced sources and uses.

3. **Equity Sizing**. The Sources and Uses in this commitment proposal reflects a projected Momentum Equity investment amount of $6,500,000. The final equity amount and preferred

rate will be set after Freddie Mac issues their loan commitment and the interest rate on the Loans is locked.

4. **Commercial Income.** The Sponsor received a Letter of Intent to lease the commercial building from Hodgie's Ice Cream, a local chain that intends to offer coffee and other beverages, along with pastries and ice cream. While the proposed rent of $53 per square foot is higher than the average for Newburyport retail space, the Sponsor believes the rent is achievable due to the number of tenants of the three phases of Newburyport Crossing within close proximity. The commercial building will also be accessible from the Clipper City Rail Trail.

5. **Construction Contingency.** The proposed construction contingency of 2.8% is lower than a more common standard of 5% for new construction developments. The Sponsor determined the amount based on its two previous multifamily developments with Pilot Construction as the general contractor, which experienced limited change orders and use of contingency funds. Newburyport Crossing Phases I and II each budgeted 1.5% and 1.7% contingency, respectively. According to the Sponsor, the contingency for both projects were in part used for optional fixture upgrades and enhancements that were outside of the original construction scope. Newburyport Crossing Phase III projects a net rentable per square foot construction cost of $440, compared to Phase I & II amounts of $361 and $445, respectively. Unlike Phase II, which was built to passive house standards, Phase III has been permitted under IECC 2018 MA Stretch Code, resulting in a more cost-efficient construction. Since the FORGE loan and Momentum Equity funds will not come into the deal until stabilization, the low contingency amount does not present a risk to the Agency.

6. **Third Party Reports.** Under the Origination and Underwriting Agreement between Berkadia and MassHousing, Berkadia will commission all third-party reports as part of its diligence review. MassHousing will be an intended user of these reports and to the extent that any of the reports change the underwritten rents, loan-to-value, or replacement reserve deposits, the loan size may be adjusted accordingly.

Newburyport Crossing Phase III

VOTES AND FINDINGS

PROPOSALS AND VOTES

Mortgage Loan

Staff has reviewed the proposal for subordinate financing and proposes the following vote for approval by the Agency:

VOTED: To approve the findings and determinations set forth below and to authorize a permanent second mortgage loan in an approximate principal amount of $2,920,000, or such other amount as evidenced in the Freddie Mac loan commitment, subject to the limitation that the final amount of such loan shall not be more than $3,942,000 nor less than $1,898,000 to be made to Turnpike Redevelopment, LLC or another single-purpose entity controlled by MINCO Development Corporation (the "Borrower") as owner of the multifamily residential development known as "Newburyport Crossing Phase III" (the "Development") and located in Newburyport, Massachusetts, provided together with, and made subordinate to, a first mortgage loan to the Borrower by Freddie Mac (1) to be funded from that portion of the Opportunity Fund approved by the Members of MassHousing on September 10, 2024, designated and reserved for MassHousing's Bringing Innovation to Lending and Development (BILD) strategies, including the Momentum Equity product and FORGE loan product, and (2) in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (a) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (b) the following special conditions: None.

Momentum Equity

Staff has reviewed the proposal for Momentum Equity financing and proposes the following vote for approval by the Agency:

VOTED: To approve and authorize an investment, and the creation of any entities necessary to effectuate such investment, of Momentum Equity in an approximate amount of up to $6,500,000, to be funded from that portion of the Opportunity Fund approved by the Members of MassHousing on September 10, 2024, designated and reserved for MassHousing's Bringing Innovation to Lending and Development (BILD) strategies, including the Momentum Equity product and FORGE loan product, to a to-be-determined single-purpose entity, jointly controlled by a MassHousing

affiliate entity and an entity controlled by MINCO Development Corporation, such that MassHousing will hold a preferred equity investment in the multifamily residential development known as "Newburyport Crossing Phase III" (the "Development") and located in Newburyport, Massachusetts, and in accordance with the requirements of the Momentum Equity program and any requirements related to such program (including such documentation as the General Counsel may require), the delegations of authority previously approved, and further subject to compliance with all applicable laws and all regulations and requirements of applicable financing programs.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:
Twenty-three (25%) units in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area
The market needs data reflects market conditions as of the date of collection on March 19, 2026. The data is not subject to unanticipated events and circumstances that may occur after this date. Further, the reader is cautioned and reminded that the conclusions presented apply only as of the collection date.

In-house data for larger market and mixed-income complexes (681 approximate units) in the area revealed a strong market, with increasing rental and occupancy rates over that past three years. Current occupancy rates of the five developments reviewed averaged approximately 95.6%, and range between 94.% and 100%. None of the comparables were offering concessions.

1st Qtr. 2026 CoStar data for the subject's Lowell/Dracut Submarket (7,540 units) have an overall vacancy rate at 4.3% YTD, which is an increase of 1.38% from one year ago. CoStar data for the Boston market (298,735 units) has an overall vacancy rate of 6.7% YTD, which is an increase of .91% from one year ago. The Lowell/Dracut Submarket vacancy rate is projected to increase to 4.8% over the next five years, while the Boston market is projected to increase to 6.9%.

CoStar, submarket data for the 4-5 Star building type (645 units) indicates a 1st Qtr. 2026 vacancy rate of 11.4% and an average asking rent of $2,986, while submarket data for the subject's 3 Star building type (3,239 units) indicates a 1st Qtr. 2026 vacancy rate of 4.3% at an average asking rent of $2,126 and 1-2 Star buildings(3,656 units) indicates a 1st Qtr. 2026 vacancy rate of 3.1% at an average asking rent of $1,943. The development with its amenities more closely reflect the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

Further, the Newburyport Housing Authority (NHA) owns and manages 100 units of State-aided Elderly/Disabled housing which are one-bedroom units and 42 units of State-aided family units consisting of 24 two-bedroom units and 18 three-bedroom units. There are 255 applicants on the State-aided Elderly/Disabled waiting list and 234 applicants on the State -aided Family waiting list with 140 applicants on the two-bedroom list and 94 applicants on the three- bedroom waiting list. They also own and manage 50 one-bedroom units of Federal Public Housing and there are 83 applicants on the waiting list. In addition, Newburyport Housing Authority currently owns and maintains 16 units (2 homes) of 689-C State-aided Special Needs Housing for the mentally

challenged and 8 units (1 home) of 689-3 State-aided Special Needs Housing for the mentally ill. The NHA contracts with private vendors, who pay a monthly rent to the NHA, to operate the facilities. The vendors are also responsible for client intake and eligibility.

NHA also administers 102 Section 8 Housing Vouchers. Per the NHA, they participate in the centralized waiting list administered through the state and wait time is over nine years. The wait list is open and per the representative of NHA applicants who live or work in Newburyport have a preference.

According to the Executive Office of Housing and Livable Communities (EOHLC) Chapter 40B Subsidized Housing Inventory (09/30/25), the City of Newburyport has 8,300 year-round housing units, 783 (9.43%) of which are subsidized for low/moderate income households.

U.S. Census data from the 2020-2024 American Community Survey (ACS) indicates that of the 8,107 households in the City of Newburyport approximately 77.9% earned less than the HUD published 2025 AMI ($160,900), approximately 33.8% earned less than 50% of 2025AMI, approximately 43.1% earned less than 60% of the 2025 AMI, and approximately 61.8 %earned less than 80% of the 2025 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed does not lead to the undue concentration of low-income housing.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	0	1	1+Den	2	3
Number of Units	23	24	6	24	15
Net SF / Unit	500	756	800	1000	1185
Elevator Y/N	Y	Y	Y	Y	Y
Market Rate Rent (10% Rate 20 Year Term)	$3,557	$3,862	$4,274	$4,855	$5,530
MHFA Below Market Rent (Cost-Based Rent)	$2,489	$2,794	$3,205	$3,787	$4,461
MHFA Adjusted Rent	30% of 80% of AMI				
Underwriting Rents					
Market	$2,550	$2,950	$3,350	$4,000	$4,750
Affordable 80%	$2,316	$2,481	$2,481	$2,977	$3,307

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

EXHIBIT A
Map and Picture

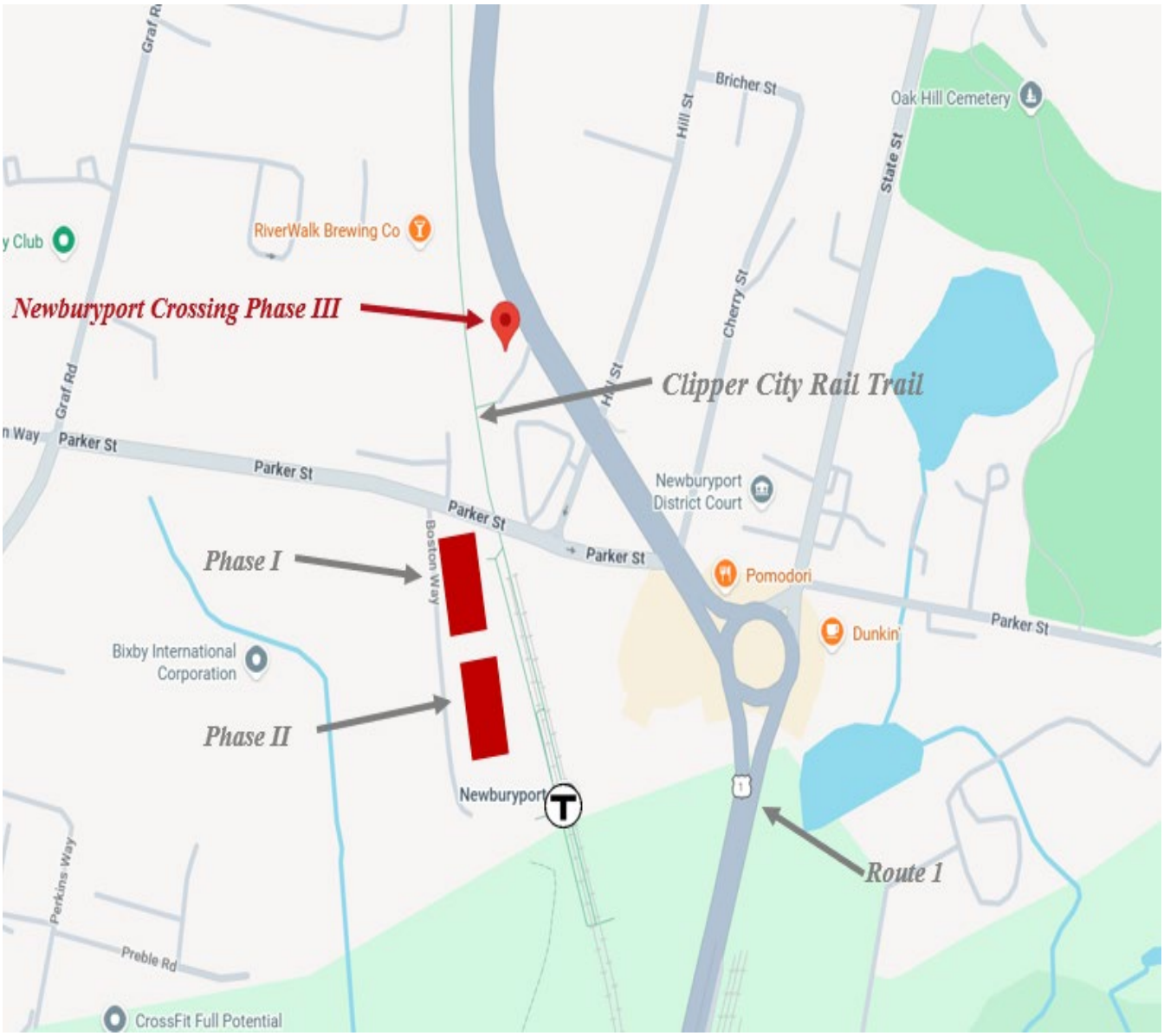

Newburyport Crossing Phase III
Clipper City Rail Trail
Phase I
Phase II
Route 1
Graf Rd
Bricher St
Hill St
State St
Oak Hill Cemetery
RiverWalk Brewing Co
Cherry St
Parker St
Newburyport District Court
Pomodori
Dunkin'
Boston Way
Bixby International Corporation
Newburyport
Perkins Way
Preble Rd
CrossFit Full Potential

EXHIBIT B
Priority Screening Criteria

1. **Readiness and Eligibility**
    a. Project Readiness. The Developer secured the necessary local zoning and permitting approvals, completed construction drawings and retained general contractor with a firm construction bid proposal, identified construction period financing sources and assembled the entire development team. Final construction drawings were completed in early 2023, and a firm bid proposal with the general contractor was secured in December 2025.
    b. Completeness of Submission. The Developer has provided all requested preliminary due diligence materials related to project information, development plans and related reports, and sponsor/principal information.
    c. Affordability Level Eligibility. Twenty-five percent of the units (23 units) will be income restricted for households earning up to 80% of the Area Median Income ("AMI").

2. **Project Costs & Investment Efficiency**
    a. Cost Efficiency (Units per Dollar). The total development cost is $48,345,000 which is approximately $525,489 per unit.
    b. Investment Efficiency (Size of Ask) The investment level of Momentum Equity in the project represents 29% of the project's total equity.

3. **Impact and Additionality**
    a. As of the 2020 census, the Town of Newburyport had 783 SHI (Subsidized Housing Inventory) units. With the addition of 23 affordable units from this development, the total number of affordable units in the community will increase by 2.9%.

    b. Additionality of Investment ("but for")
    The inclusion of the Momentum Equity investment in the transaction enables the achievement of several programmatic and financial advantages to the project:

    <u>Enhanced Construction Loan Sizing</u>
    The presence of Momentum Equity allows the construction lender to increase the project's construction loan by an amount equal to the equity contribution, resulting in 14% larger loan size ($29,007,000 vs. $33,116,325).

    <u>Permanent Loan Take-out option for Construction Lender via the FORGE Loan</u>
    Momentum Equity serves as a critical credit enhancement for the construction lender, providing assurance of a permanent loan take-out for the construction

financing. This enhancement also mitigates risk and provides the necessary comfort for the lender to extend a construction loan commitment to the project.

Achievement of Project Investor's Key Investment Metrics
The Momentum Equity investment is essential for achieving the project's target performance metrics:

- *Internal Rate of Return (IRR)*: Without the Momentum investment, the projected Common Equity IRR is estimated to be 5.11% over a 13-year term. The inclusion of Momentum Equity raises the projected IRR by 62 basis points to 5.73% over a 13-year term.

c. Diversity & Inclusion

The architect is a woman-led practice with a majority-female leadership team.

d. Climate Alignment

The project aligns with the State of Massachusetts' Opt-In Specialized Energy Code requirement, prioritizing the all-electric or zero pathway and incorporating EV charging stations.

EXHIBIT C
Glossary of Terms
Real Estate Investment Metrics

Capitalization Rate – potential rate of return on an income-producing property, calculated by dividing its annual net operating income (NOI) by its current market value.

Common Equity Investment – total equity invested from sponsor and equity investor third parties.

Multiple on Equity ("deal/project multiple") – number of times the common equity gets their equity returned, where a 1.0x multiple is breakeven.

IRR ("deal/project IRR") – the time-weighted average compounded annual rate at which the common equity investment grows.

Momentum Equity IRR – the time-weighted average compounded annual rate at which the Momentum Equity investment grows.

Project Cash-on-Cash – the rate of return that measures how much cash has been earned based on the initial cash investment.

Operating Distributions to Paid-in Capital – Operating cash flows to common equity.

Residual Value to Paid-in Capital – net sale proceeds after debt repayment cash flow to common equity.

Total Value to Paid-in Capital – The sum of the operating and residual distributions to paid-in capital.

EXHIBIT D
Forge Loan Structure

Freddie Mac lending includes a risk sharing element, a concept which is also seen in HUD's Federal Housing Administration ("FHA") and Federal Financing Bank ("FFB") Risk-Sharing Initiatives, in which MassHousing participates extensively. In the Freddie Mac structure, a lending partner purchases a 10% top loss tranche of the loan (generally referred to as the "B Piece"), allows Freddie Mac to structure bonds as Triple-A ("AAA") securities and therefore to offer favorable interest rates to borrowers.

Under the Agency's arrangement with Berkadia, MassHousing plays the role of the B Piece purchaser. However, rather than purchase a tranche of the Freddie Mac loan, the Agency will make a subordinate loan of up to 10% of the total supportable loan amount.

The resulting integrated permanent financing package will then consist of a Freddie Mac first mortgage loan ("First Mortgage Loan") and a coterminous subordinate second mortgage loan from MassHousing (the "Subordinate Loan" and together with the First Mortgage Loan, the "Loans"). The Loans will fund the senior debt obligations at no more than 80% combined Loan-to-Value ("LTV") and no less than a combined 1.25 Debt Service Coverage Ratio ("DSCR").

MassHousing and Berkadia have entered into an Origination and Underwriting Agreement defining the relationship between MassHousing and Berkadia regarding the origination, underwriting, and closing of an integrated debt financing package. The financing package will include the First Mortgage Loan underwritten by Berkadia and funded through Freddie Mac and the Subordinate Loan underwritten and funded by MassHousing.

The First Mortgage Loan will meet a minimum 1.35 DSCR. Together with the Subordinate Loan, the Loans will meet a minimum combined 1.25 DSCR. This structure allows MassHousing to access a low-cost taxable permanent financing execution by committing up to 10% of the overall financing package. Because the Agency's commitment is providing credit enhancement to Freddie Mac in the form of a first loss position, the Agency's involvement allows for more favorable lending terms than Berkadia can offer to borrowers outside of the program, including a more competitive interest rate, up to 80% LTV and a favorably priced 36-month forward commitment, reducing the overall cost of the financing and supporting the development of mixed-income housing.

Berkadia is responsible for ensuring that all applicable Freddie Mac requirements have been satisfied, and that Freddie Mac will determine the new First Mortgage Loan is an acceptable risk. MassHousing will independently underwrite the Subordinate Loan. With Sponsor's acceptance of commitment letters for the Loans, the financing package will advance to closing. There will be a single construction closing with coordination between MassHousing, Berkadia, the Sponsor, and the construction lender. Once the Development achieves stabilization, Freddie Mac and MassHousing will make the Loans to replace the construction loan.

Financing Commitment Proposal | April 14, 2026

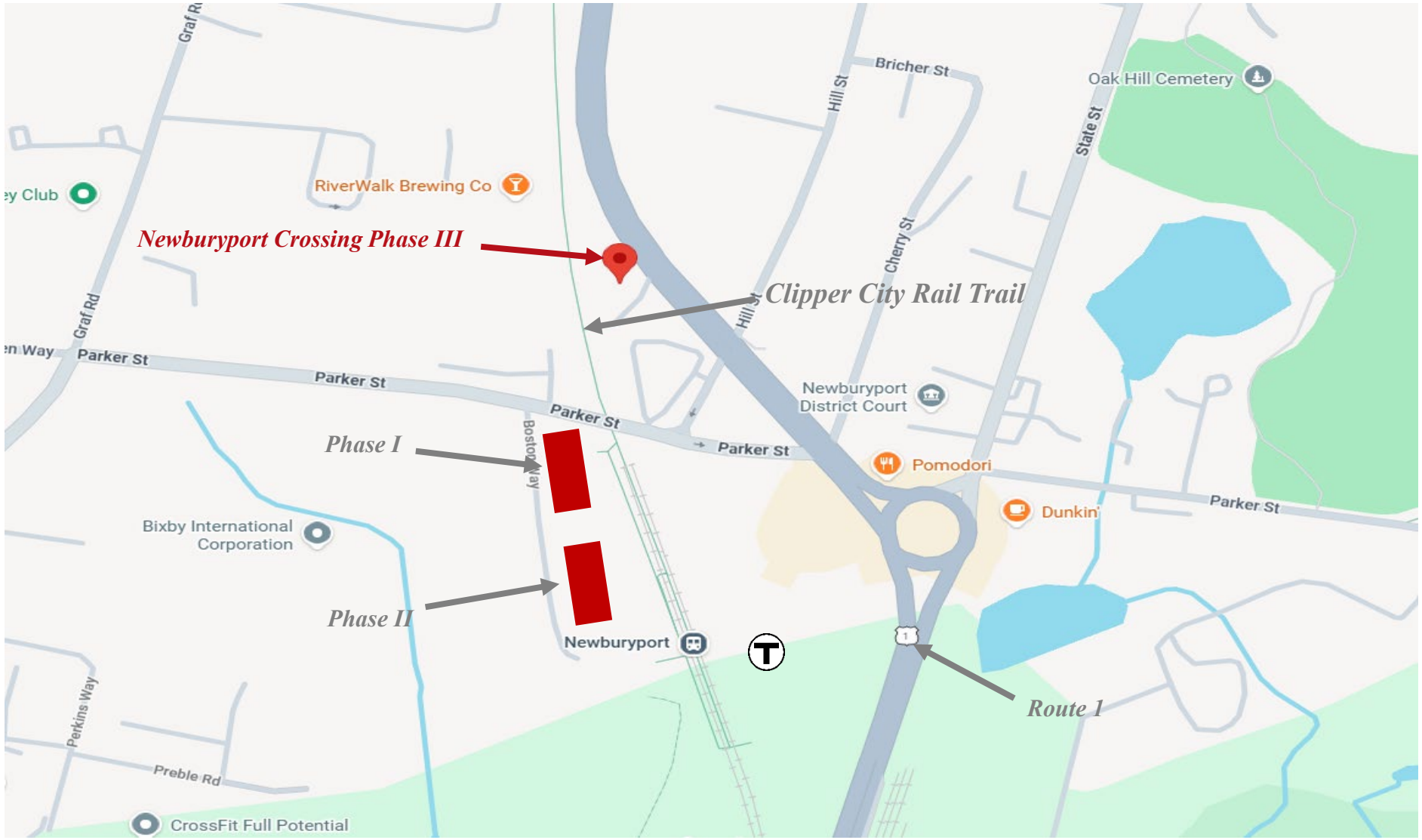
Newburyport Crossing Phase III

Location	Newburyport, Massachusetts
Sponsor	MINCO Development Corporation
Transaction Type	Production
Funding Type	Commitment of an Equity Investment Commitment of a Subordinate Loan of FORGE First Mortgage
Execution Type	Momentum Equity FORGE Loan
Credit Enhancement	None
Total Rental Units	92
Affordability Mix	23 Affordable 69 Market

Deal Team Members	
Origination	Brian Robinson, Jeff Geller, Josh Combs
Underwriting	Dan Staring, Mitch Printz
Asset Management	Dan Discenza

MassHousing

Newburyport Crossing Phase III | Newburyport, MA



Borrower Team

Mortgagor Entity	Turnpike Redevelopment, LLC
Developer / Sponsor	MINCO Development Corporation
General Partner / Managing Member	Minco Development, LLC
Construction Lender	Rockland Trust
Syndicator / Investor	Bowdoin Capital Group, LLC Turnpike Redevelopment LLC Legacy James's Place, LLC TBD Investors
Management Company	The Dolben Company
Architect	Arrowstreet, Inc.
General Contractor	Pilot Construction, Inc.

Unit Mix

Unit Size	Total Units	80% of AMI		Unrestricted Market Rate	
		Count	*Rent*	*Count*	*Rent*
0 BR	23	6	$2,316	17	$2,550
1 BR	24	8	$2,481	16	$2,950
1BR + Den	6	1	$2,481	5	$3,350
2 BR	24	5	$2,977	19	$4,000
3 BR	15	3	$3,307	12	$4,750
Total	**92**	**23**		**69**	

**Market rents represent projections based on review of materials provided by Sponsor as well as available market comparable information. Underwritten rents will be reviewed and finalized upon receipt of appraisal commissioned by Berkadia and reviewed by both Berkadia and MassHousing. At this stage, the projected gross rent net of vacancy allowance associated with these units is in line with comparable data.*

Project Costs

Project Construction Costs	
Total Construction Cost	$33,545,000
Gross Square Footage	116,219 GSF
Construction per Gross Square Foot	$289 per GSF
Construction Per Unit	$364,620 per unit

Sources and Uses

Sources	Construction		Pre-Stabilization		Permanent		
		per unit		*per unit*		*per SF*	*per unit*
Construction Loan	$33,605,000	$365,272	$33,605,000	$365,272			
FORGE Loan					$29,200,000	$251	$317,391
Momentum Equity					$6,500,000	$56	$70,652
Common Equity	$14,740,000	$95,217	$14,740,000	$95,217	$12,645,000	$109	$137,446
Total	$48,345,000	$525,489	$48,345,000	$525,489	$48,345,000	$416	$525,489

Uses		*per SF*	*per unit*
Acquisition	$5,980,000	$51	$65,000
Construction	$33,545,000	$289	$364,620
Contingency (2.8%)*	$945,000	$8	$10,272
General Development	$6,840,300	$59	$74,351
Developer Overhead & Fee	$1,034,700	$9	$11,247
Total	$48,345,000	$416	$525,489

Underwriting Notes

1. Rate Lock Timing
2. Loan Sizing
3. Equity Sizing
4. Commercial Income
5. Construction Contingency
6. Third Party Reports

Momentum Equity Overview

Development Strengths

- Demonstrated success of Sponsor in this submarket.
- Transit-Oriented location.
- Marketable unit features with a strong amenity package.

Momentum Equity Overview (Cont.)

- **Risk**
  - Commercial Lease Risk
- **Mitigants**
  - Letter of Intent from Hodgies Ice Cream.
  - Commercial Income is approximately 1.3% of Operating Revenue.

Momentum Equity Overview (Cont.)

- **Risk**
  - Residential Rent Level Risk
- **Mitigants**
  - Development offers enhanced amenities and improved finishes than previous phases.
  - Track record of achieved rent growth in Phase One and Two.
  - Historically low vacancies (Phase One – 1%, Phase Two – 4%) reflect strong in-place demand.

Momentum Equity Impact

a) Local Impact on Housing Opportunity

a) As of the 2020 Census, the Town of Newburyport had 683 SHI (Subsidized Housing Inventory) units. With the addition of 23 units, the total number of affordable units in the community will increase by 2.9%

b) Additionality of Investment ("but for")

a) The inclusion of the Momentum Equity investment in the transaction enables the achievement of several programmatic and financial advantages to the project.

a) Enhanced Construction Loan Sizing

b) Permanent Loan Take-out option for Construction Lender via the FORGE Loan

c) Achievement of Project Investor's Key Investment Metrics

Recommended Votes

- Commitment of Second Mortgage Loan
- Commitment of Momentum Equity Investment

20 Malcolm X Boulevard

1. General Project Information	
Project Name	20 Malcolm X Boulevard
Project ID	25-042
Address(es)	20 Malcolm X Boulevard, Boston, MA 02119
Sponsors	SV and Partners RE, LLC Trax Development, LLC
Transaction Type	Production
Funding Type	Forward Commitment of an Equity Investment Forward Commitment of a Subordinate Loan
Execution Type	Momentum Equity FORGE Loan (Taxable)
Approval Type	Board
Total Rental Units	110
Affordability Mix	22 Affordable 88 Market

2. Recommended Actions

- Commitment of Momentum Equity
- Commitment of a Subordinate Loan of the FORGE First Mortgage

3. Background

The proposed financing will support the development of 20 Malcolm X Boulevard (the "Development"), a proposed 110-unit mixed-income community located in Boston's Roxbury neighborhood. A joint venture of SV and Partners RE, LLC and Trax Development, LLC (the "Sponsor") will be the developer for the proposed transaction.

The Development will consist of 110 units in a single building located in Roxbury. The development will offer studio, one-, two- and three-bedroom units, a lounge, fitness center, and a courtyard. The development will also include a 32-space parking garage and commercial space on the ground floor.

In January 2025, the City of Boston (the "City") created the Housing Accelerator Fund (the "Housing Accelerator Fund") with three separate programs, one of which included support for mixed-income rental housing projects in the City through co-investment with the MassHousing Momentum Fund. The City has set aside approximately $50 million in capital from its Housing Accelerator Fund for the purpose of Momentum Fund co-investment.

Each Housing Accelerator Fund co-investment with MassHousing will be funded through a special purpose limited liability company. The members of this joint venture entity will be a member wholly owned by MassHousing and a member wholly owned by the BHA. The MassHousing member will be the managing member of each joint venture entity and will have exclusive day-to-day management authority for, and control of, that entity. The BHA Member will have the right to approve certain major decisions as set forth in the joint venture agreement.

The financing will leverage the Agency's Bringing Innovation to Lending and Development ("BILD") program which includes an equity co-investment of the Housing Accelerator Fund in the Momentum Fund along with permanent debt with a Financing Options for Residential Growth and Expansion ("FORGE") Loan. The proposed FORGE Loan financing will utilize MassHousing's arrangement with Berkadia Commercial Mortgage LLC ("Berkadia"), which allows sponsors to access an integrated debt financing package through the Federal Home Loan Mortgage Corporation ("Freddie Mac"). A full overview of this structure is included in Exhibit D of this proposal.

4. Financing	
Momentum/Housing Accelerator Equity	
Type	Preferred Equity
Total Equity Investment Amount	Up to $10,500,000
Momentum Equity	Up to $2,100,000
Housing Accelerator Equity	Up to $8,400,000
Preferred Equity Return	10 Year Treasury Rate + 200 bps
Funding Timing	Stabilization
FORGE Loan	
Combined Loan Amount	$37,340,000
Loan Term / Amortization	10 y / 40 y
Forward Term	Up to 36 months
Combined Year 1 DSCR	1.25 projected (1.25 minimum)
Combined LTV	56% projected (80% maximum)
Funding Timing	Stabilization
Freddie Mac Loan	
Type	Taxable Freddie Mac Loan
Loan Amount	$33,610,000
Interest Rate	6.60% projected*
MassHousing Loan	
Type	Taxable MassHousing Loan
Loan Amount	$3,730,000
Interest Rate	6.60% projected*

**See Section 20.1 for rate lock explanation.*

5. Development Timing	
General Project Timing	
Estimated Construction Start Date	9/1/2026
Estimated Construction End & Final CO Received	5/1/2028
Estimated Disbursement of Momentum Equity	5/1/2029
Estimated Disbursement of FORGE Loan	5/1/2029

The Sponsor's projected lease-up period implies that they will lease fifteen units per month during the nine-month lease-up period, which appears reasonable based on our review of other construction projects in Boston in the Agency's portfolio.

6. Development Plan

Description of Site. The Development will be located on a 0.8-acre parcel in the Nubian Square area of Roxbury (the "Site"). The Site is currently used as a parking lot for an office building at 10 Malcolm X Boulevard, which is a separate parcel also owned by the Sponsor. Prior to the start of construction, the Sponsor will subdivide and consolidate the two existing parcels. A newly created entity, 20 MX Owner LLC (the "Borrower") will take title to the Site, while the existing 10MX Owner LLC will own the other parcel and operate the office building.

The Site is surrounded by a mixture of residential and commercial uses. Nubian Square is home to numerous dining and shopping options with amenities such as grocery stores, restaurants, hospitals, parks, retail and government services. The MBTA's Nubian Square bus terminal is two blocks from the site, and the Roxbury Crossing Orange Line station is half a mile away.

Description of Proposed Building. The development plan involves the conversion of the existing parking lot into a new six-story building with 110 residential units, two elevators, and an 1,850 square foot retail space.

A subsurface parking garage will contain 32 spaces available to residents for $350 per month.

Planned amenities include a sixth-floor sky deck, rear courtyard, fitness center, resident lounge with kitchen, co-working space, and game room. The Development will also include the creation of a landscaped public plaza with seating adjacent to the commercial space and an MBTA bus stop on Malcolm X Boulevard.

Description of Affordability Mix. Twenty percent of the units (22 units) will be income restricted up to approximately 80% of Area Median Income ("AMI") to meet MassHousing's statutory requirement. The City of Boston will further restrict 15 of the 22 units to set-asides of 60% and 70% of AMI. The remaining 88 units will be unrestricted market rate apartments.

Zoning and Permitting. The Development is fully permitted under Boston's Article 80 Large Project review.

Site Control. Fee simple.

Acquisition. The Sponsor acquired two parcels that will comprise the Site for $13,000,000 in 2022. The $8,000,000 acquisition line in the development budget is supported by a CBRE appraisal dated April 2, 2025, commissioned by the Sponsor. MassHousing has reviewed the appraisal report, and the value estimate appears to be reasonable.

Priority Screening Criterion. The project was screened for BILD eligibility on a wide range of factors (e.g. readiness and eligibility, project costs and investment efficiency, impact and additionality). Additional information about this criterion can be found in Exhibit B in this proposal.

7. Development Team

Mortgagor Entity: 20 MX Owner LLC

A sole-asset, single-purpose entity formed for the purpose of owning and operating the Development.

Co-Sponsor: SV and Partners RE, LLC

SV and Partners RE, LLC ("SV+P") is a real estate firm that develops and acquires multifamily and commercial sites throughout Greater Boston. The company's portfolio ranges from boutique assets to larger scale institutional and urban mixed-use projects. Prior to co-founding SV+P, Jacob Vance was the Senior Development Manager at Cabot, Cabot & Forbes. Co-founder John Sullivan was Executive Vice President at Cabot, Cabot & Forbes and previously worked as a Project Manager at Urban Edge.

Co-Sponsor: Trax Development, LLC

Trax Development, LLC ("Trax") is a real estate development firm focused on the permitting, design, and construction of high-quality projects throughout Greater Boston. Trax is led by Tani Halperin and Dartagnan Brown. Mr. Halperin has 40 years of investment, development and construction experience in residential, commercial and mixed-use projects, and directly responsible for over $500 million dollars of development in Israel and the United States. In addition to being a Managing Partner at Trax, Mr. Brown is the Founding Principal of EMBARC, Inc., the project architect of the Development.

Construction Lender: TBD

The Sponsor has engaged CBRE to obtain letters of interest from construction lenders and anticipates receiving responses in April.

Investor(s): Equity will be provided by the sponsor and limited partner investors.

General Contractor: Metric Corporation

Founded in 1981, Metric Construction Corporation is a Boston-based firm specializing in construction management for high-end residential, multi-family, and commercial projects across New England and the Eastern U.S. Metric Corporation is currently under review by Design & Construction as this will be its first project with MassHousing.

Architect: EMBARC, Inc.

EMBARC, Inc. is a Boston-based, 60-person architecture and interior design firm founded by Dartagnan Brown, specializing in multi-family residential, luxury brownstone renovations, commercial, and retail projects. Design & Construction determined that EMBARC has the necessary qualifications and experience to serve as the project architect. This will be the firm's first project with MassHousing.

Management Company: Charlesgate Property Management LLC

Charlesgate Property Management LLC ("Charlesgate") is a comprehensive real estate services firm based in Boston. The company manages a portfolio of properties with a collective market value of over $2.5 billion. Charlesgate has successfully managed one development in MassHousing's debt portfolio, The Meeting House (with an AAB risk rating), since 2023.

Maloney Properties, Inc.

Maloney Properties, Inc. ("Maloney") is a women-owned firm established in 1981 that provides professional property management services throughout New England. Currently, Maloney manages over 10,000 units of housing, including over 1,950 units in 20 properties in MassHousing's loan portfolio. Maloney will manage the leasing and income verification of the income restricted units at the Development.

8. Summary of MassHousing-Sponsor Relationship	
Number of Projects with MassHousing Debt	None
Total Units with MassHousing Debt	None
Outstanding MassHousing Principal Debt	$0
Adverse Actions Against the Borrower Team	None
Current on Obligations with MassHousing	N/A
Property Management Affiliate	N/A

MassHousing Staff	
Origination	Brian Robinson, Equity Originator Jeff Geller, Debt Originator Matt Deych, Analyst
Underwriting	Dan Staring, Underwriter Mitch Printz, Underwriter
Asset Management	Dan Discenza, Portfolio Manager

9. Unit Mix with Preliminary Rents

Unit Size	Avg. Size (SF)	Total Units	60% AMI Boston IDP			70% AMI Boston IDP			80% AMI Boston IDP / MassHousing Statutory			Unrestricted Market Rate		
			Count	*Rent/sf*	*Rent*	*Count*	*Rent/sf*	*Rent*	*Count*	*Rent/sf*	*Rent*	*Count*	*Rent/sf*	*Rent*
0 BR	453	17	1	$2.88	1,304	3	$3.39	$1,535	1	$4.55	$2,060	12	$6.18	$2,800
1 BR	696	56	2	$2.20	1,529	4	$2.58	$1,798	4	$3.07	$2,137	46	$4.96	$3,450
2 BR	1,000	32				4	$2.04	$2,037	2	$2.49	$2,487	26	$4.80	$4,800
3 BR	1,193	5				1	$1.91	$2,282				4	$4.44	$5,300
Total		**110**	**3**			**12**			7			88		

** Market rents represent projections based on review of materials provided by Sponsor as well as available market comparable information. Based on our internal competitive market data analysis, the proposed rents appear to be 3% below market comparables on average. Underwritten rents will be reviewed and finalized upon receipt of appraisal commissioned by Berkadia and reviewed by both Berkadia and MassHousing.*

Commercial Rent		
Square feet	Underwritten Rent/sf*	Average Rent on New Leases in Roxbury and Dorchester, 2025-present
1,850	$27.00	$29.75

**Includes 10% vacancy. For more information on the preliminary commercial rent assumptions, see Section 20.4.*

10. Operating Overview

Underwritten Operating Expenses	$1,273,691 (approximately $11,600 per unit)

Basis of Operating Costs. Underwritten operating expenses are based on review of Sponsor's proforma, Freddie Mac underwriting requirements, the Agency's extensive portfolio of properties in the market area, and review of available comparable data. Operating Expenses will be further refined through Berkadia's underwriting with Freddie Mac underwriting confirming the final operating expense budget for sizing of the Subordinate Loan. Operating expenses appear to be reasonable based on staff review of comparable expense data.

The affordable units will have utilities included with their rental rate, while market-rate units will be fully sub-metered, including water, and residents will pay for their own usage. The operating expenses include common area electricity, water, and sewer costs.

11. Project Costs

Project Construction Costs	
Total Construction Cost	$42,805,000
Gross Square Footage	104,313 GSF
Construction per Gross Square Foot	$410 per GSF
Construction per Unit	$389,136 per unit

12. Sources and Uses

Sources	**Construction**		**Permanent**		
	Total	*Per Unit*	*Total*	*Per SF*	*Per Unit*
Construction Loan	$42,500,000	$386,364			
FORGE Loan			$37,340,000	$346	$339,455
Momentum Equity			$10,500,000	$97	$95,455
Sponsor Equity	$2,296,200	$16,020	$1,762,200	$16	$16,020
Common Equity	$20,665,800	$192,725	$15,859,800	$147	$144,180
Total	$65,462,000	$595,109	$65,462,000	$606	$595,109

Uses	*Total*	*per SF*	*per unit*
Acquisition	$8,000,000	$74	$72,727
Construction	$40,755,000	$377	$370,500
Contingency (5.0%)	$2,050,000	$19	$18,636
General Development	$11,631,000	$108	$105,736
Developer Overhead & Fee	$3,026,000	$28	$27,509
Total	$65,462,000	$606	$595,109

13. Construction Loan Detail

Sources	*Position*	*Rate*	*Term*	*Amort.*	*Loan Amount*
Construction Loan	First	TBD	TBD	Interest Only	$42,500,000

**Projected loan amount based on 65% Loan-To-Cost (TDC) and Sponsor's preliminary discussions with prospective lenders.*

14. Estimated First Year Income and Expenses

Income		
Affordable Gross Potential Residential Income		$506,043
Market Gross Potential Residential Income		$4,059,600
Affordable Vacancy	5.0%	($25,302)
Market Vacancy	7.0%	($284,172)
Gross Residential Income		$4,256,169
Commercial Income *(see Section 20.4 for more detail)*		$55,650
Commercial Vacancy	10.0%	($5,565)
Other Income – Parking, Wifi, Fees,		$289,565
Effective Gross Income		$4,595,819

Expenses	
Residential Operating Expenses	$1,273,091
Net Operating Income	$3,322,128
Cash Flow	$665,200

Combined Debt Service Coverage	1.25

Residential Operating Expense Detail			*Per Unit*
Management Fee	3.0%	$137,875	$1,253
Administrative Costs		$253,004	$2,300
Maintenance Costs		$331,850	$3,017
Utilities: Electricity, gas, water & sewer		$92,400	$835
Real Estate Taxes		$385,000	$3,500
Insurance		$88,000	$800
Replacement Reserves		$27,500	$250
Total		$1,273,091	$11,579

Operating Expenses as a Percent of EGI	27.71%

15. Equity Detail

Equity Breakdown	*Total*	*Percent of TDC*	*Percent of All Equity (Based on TDC)*
Total Equity	$28,122,000	43.0%	100%
Common Equity	$17,622,000	26.9%	62.7%
Momentum / Accelerator Equity (permanent only)	$10,500,000	16.0%	37.3%

Financial Assumptions	
Trending (annual)	3% revenue increase 3% expense increase
# of Units Pre-leased by 1st CO	None
Monthly Absorption Rate	15 units per month
Sale or Exit Timeframe	120 Months after Project Stabilization

Key Performance Indicators*	
	Mom-Accel Eq (Sponsor)
Sale or Exit Capitalization Rate	5.75%
Unlevered Return on Cost	5.07%
Operating Distributions to Paid-in-Capital	0.65x *(0.26x)*
Residual Value to Paid-in-Capital, net of Investment	1.0x *(1.59x)*
Total Value to Paid-in-Capital	1.65x *(1.85x)*
Common Equity IRR	5.19%
Momentum/Accelerator Equity IRR	6.49%
Levered Average Project Cash-on-Cash	4.09%
Levered Average Sponsor Cash on Cash	2.66%
Break-Even Capitalization Rate	9.30%
Break-Even NOI	$2,676,752

16. Exit Strategy

The FORGE Loan has a balloon repayment. While the Sponsor intends to sell the property after 10 years, MassHousing has conducted an exit analysis considering both a refinancing scenario, as well as a potential sale scenario.

In both scenarios projected proceeds are sufficient to fully repay the outstanding mortgage balance and return Momentum's invested equity.

Sale Scenario		
Net Operating Income – 2038		$4,332,489
Cap Rate		5.75%
Valuation		$75,347,628
Sale Cost	3.00%	($2,260,429)
Debt Repayment		($34,654,840)
Net Sale Proceeds		$38,432,360
Return of Initial Momentum/Accelerator Equity		($10,500,000)
Net Proceeds Available to Investors		**$27,932,360**

Refinance Scenario		
Total Value		$75,347,628
Interest Rate		6.60%
Amortization		40
Loan Amount		$48,730,000
LTV		65%
DSCR		1.25
Refinance Cost	3.00%	($1,218,250)
Existing Debt		($34,654,840)
Net Refinance Proceeds		$12,856,910
Return of Initial Momentum/Accelerator Equity		($10,500,000)
Net Proceeds available to Investors		**$2,356,910**

17. Assessment of Equity Investment

Development Strengths

1. Experienced development team with a track record in the City of Boston.

2. Centrally located development with easy access to Nubian Square, multiple MBTA bus routes and subway stations, and major travel thoroughfares.

3. Marketable unit features with strong amenities package that competitively positions the Development within a submarket with limited new rental inventory.

Risks and Mitigants

1. **Commercial Lease Risk.** The Sponsor anticipates that the retail space will be occupied by a business complementary to the Development, such as a coffee shop or a restaurant.

   Mitigants:
   a. The proposed rent for the retail space is in line with current asking rent in the subject area. The newly constructed space within a building with 88 market rate tenants should provide a market advantage over other available spaces.

   b. The Development's location on a major thoroughfare, within two blocks of institutional uses such as John D. O'Bryant high school, the Roxbury Post Office, and the Roxbury branch of the Boston Public Library, should provide significant foot traffic for a commercial tenant.

   c. The retail income represents approximately 1.1% of all operating revenue. Trending projected NOI for three years, which is approximately when the Development will be placed in service, the additional retail revenue will not be necessary to achieve 1.25 debt service coverage on the projected loan amount.

2. **Residential Rent Level Risk.** Proposed market rents are 3% below the market comparables average based on our internal competitive market analysis.

   Mitigants:
   a. Market rents are underwritten at a 7% vacancy rate. This is notably higher than the 3.5% submarket average, as determined by our internal competitive market data analysis.

   b. The Development offers a strong amenity package and ideally situated location, creating a market advantage over comparable properties.

18. Distribution Waterfall

Operating Cash Flow
1. To **MH Investor**, an LLC established as part of the Momentum Fund, until MH Investor has received any outstanding cumulative Preferred Equity Preferred Return on the Preferred Equity Investment.
2. To the **Sponsor.**
Cash from Sale or Refinancing
1. To **MH Investor** until MH Investor has received the then any outstanding cumulative Preferred Equity Preferred Return on the Preferred Equity Investment.
2.To **MH Investor**, until MH Investor has received the return of any outstanding Preferred Equity Investment.
3.To the **Sponsor**, until the Sponsor has received (after taking into account any prior distributions made to the Sponsor under the Net Cash Flow Distribution Waterfall) an internal rate of return with respect to the Total Sponsor Equity equal to the Preferred Equity Preferred Return Rate plus an additional spread of up to 1,000 basis points as determined by MassHousing.
4. Thereafter, to **MH Investor** and the **Sponsor** in accordance with their respective Venture Capital Percentages unless otherwise agreed to.

19. Developer Fee

This proposal includes a paid developer fee of $2,126,000, which the Sponsor proposes to disburse as follows:

> First, 20% ($425,200) to be paid at construction closing;
> Second, 80% ($1,700,800) to be paid in 19 equal installments throughout the 20-month construction period.

The Sponsor has incurred direct overhead costs ($900,000) and costs associated with land acquisition, design, permitting, and carrying costs ($1,200,000) over the course of two years.

The Sponsor is in discussions with prospective limited party equity investors and construction lenders of this developer fee agreement. This proposal recommends that MassHousing consent to this developer fee structure.

20. Notes and Analysis

1. **Rate Lock Timing.** The Borrower has elected to not lock the interest rate at the execution of the Agreement to Provide Preferred Equity but will instead lock the rate at its discretion prior to stabilization. Current pricing from Berkadia has indicated a forward pricing premium of roughly 60-70 bp over immediate funding deals. The Sponsor is comfortable managing the interest rate risks associated with waiting to lock in both index and spread during the construction period. The Sponsor will be able to engage at any time between construction closing and stabilization should interest rate expectations rise. MassHousing and Berkadia will conduct a full underwriting of the Development at that time.

2. **Loan Sizing**. The Sources and Uses and MassHousing Financing Summary in this commitment proposal reflect a Projected Subordinate Loan amount of $3,730,000 and is based on indicative forward pricing. The current immediate pricing indication would allow for roughly a 10% increase in total loan proceeds and corresponding 10% increase MassHousing Subordinate Loan. The Votes below allow for an "Up To" Loan amount of $5,035,000. The final loan amount will be set after Freddie Mac issues its loan commitment and the interest rate is locked, such that the combined debt service coverage ratio as well as loan to value benchmarks will be met and the Subordinate Loan will be no greater than 10% of the Loans.

   To the extent that the final subordinate loan amount is greater or less than $3,730,000, MassHousing will confirm that other sources will be adjusted as necessary to maintain a balanced sources and uses.

3. **Equity Sizing**. The Sources and Uses in this commitment proposal reflects a projected Momentum/Accelerator Equity investment amount of up to $10,500,000. The final equity amount will be set after Freddie Mac issues their loan commitment and confirms FORGE loan sizing and other sources, such that the Momentum/Accelerator Equity will be the lesser of $10,500,000 and 40% of total equity.

4. **Commercial Income.** The proposed rent for the commercial space is nearly equal to the 2025-26 general retail asking rent in Roxbury and Dorchester according to CoStar data provided by Appraisal and Marketing. The assumed vacancy of 10% exceeds the 2025-26 vacancy rate of 2.1%. The proposed rent from the commercial space is approximately 1% of the Development's gross potential rental income.

5. **Other Income.** Other income includes garage parking fees along with miscellaneous charges for pets, storage, wifi and other costs, all of which are in line with fees charged at comparable market rate residential properties.

6. **Local Preference.** The City of Boston has requested that all restricted units be subject to a local preference. This request is subject to MassHousing approval and is currently under review.

7. **Affordability Compliance.** MassHousing and the City of Boston will each independently restrict and monitor affordability to ensure compliance with statute and regulations, respectively.

8. **Third Party Reports.** Under the Origination and Underwriting Agreement between Berkadia and MassHousing, Berkadia will commission all third-party reports as part of its diligence review. MassHousing will be an intended user of these reports and to the extent that any of the reports change the underwritten rents, loan-to-value, or replacement reserve deposits, the loan size may be adjusted accordingly.

20 Malcolm X Boulevard

VOTES AND FINDINGS

PROPOSALS AND VOTES

Mortgage Loan

Staff has reviewed the proposal for subordinate financing and proposes the following votes for approval by the Agency:

VOTED: To approve the findings and determinations set forth below and to authorize a permanent second mortgage loan in an approximate principal amount of $3,730,000, or such other amount as evidenced in the Freddie Mac loan commitment, subject to the limitation that the final amount of such loan shall not be more than $5,035,000 nor less than $2,425,000, to be made to 20 MX Owner LLC or another single-purpose entity controlled by SV and Partners RE, LLC and Trax Development, LLC (the "Borrower") as owner of the multifamily residential development known as "20 Malcolm X Boulevard" (the "Development") and located in Roxbury, Massachusetts, provided together with, and made subordinate to, a first mortgage loan to the Borrower by Freddie Mac (1) to be funded from that portion of the Opportunity Fund approved by the Members of MassHousing on September 10, 2024, designated and reserved for MassHousing's Bringing Innovation to Lending and Development (BILD) strategies, including the Momentum Equity product and FORGE loan product, and (2) in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (a) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (b) the following special conditions: None.

FURTHER VOTED: To authorize the Chief Executive Officer and the Vice President of Multifamily Programs, or their respective designees, each acting singly, to permit the owner and management agent of 20 Malcolm X Boulevard to use as its tenant selection plan and affirmative fair housing marketing plan the form of Affirmative Fair Housing Marketing + Tenant Selection Plan (AFHM + TSP) in such form as has been approved by the City, through, as applicable, the Mayor's Office of Housing, Boston Planning & Development Agency and Boston Fair Housing Commission (BFHC) and subject to review and approval by MassHousing's Senior Director of Rental Management.

Momentum Equity

Staff has reviewed the proposal for momentum equity financing and proposes the following vote for approval by the Agency:

VOTED: To approve and authorize an investment, and the creation of any entities necessary to effectuate such investment (including entities formed with the City of Boston or the Boston Housing Authority for the City of Boston co-investment), of Momentum Equity in an approximate amount of up to $2,100,000, to be funded from that portion of the MHFA Massachusetts Residential Production Momentum Fund approved by the Members of MassHousing on September 10, 2024, designated and reserved for MassHousing's Bringing Innovation to Lending and Development (BILD) strategies, including the Momentum Equity product and FORGE loan product, to a to-be-determined single-purpose entity, jointly controlled by a MassHousing affiliate entity and an entity controlled by SV and Partners RE, LLC or its principals Jacob Vance and John Sullivan, and Trax Development, LLC, or its principals Dartagnan Brown and Tani Halperin, such that MassHousing and the City of Boston will hold a preferred equity investment in the multifamily residential development known as "20 Malcolm X Boulevard" (the "Development") and located in Roxbury, Massachusetts, and in accordance with the requirements of the Momentum Equity program and any requirements related to such program (including such documentation as the General Counsel may require), the delegations of authority previously approved, and further subject to compliance with all applicable laws and all regulations and requirements of applicable financing programs.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:
Twenty-two units (20%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area
The market needs data reflects the information available to A&M staff as of the date of collection March 19, 2026. Further, the reader is cautioned and reminded that any observations, comparisons, and/or conclusions are based on the data as of the indicated collection date.

In-house data for larger market and mixed-income complexes (approximately 857 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 97.2 %, and range between 95% and 100%. One of the comparables was offering a rental concession of up to 2 months free rent.

1st Qtr. 2026 CoStar data for the subject's Roxbury/Dorchester Family Submarket (8,828 units) have an overall vacancy rate at 9.2% YTD, which is a decrease of 1.87% from one year ago. CoStar data for the Boston market (298,735 units) has an overall vacancy rate of 6.7% YTD, which is an increase of .91% from one year ago. The Roxbury/Dorchester Multi-Family Submarket vacancy rate is projected to increase to 10.6% over the next five years, while the Boston market is projected to increase to 6.9%.

CoStar submarket data for the 4-5 Star building type (2,888 units) indicates a 1st Qtr. 2026 vacancy rate of 15.4% and an average asking rent of $3,089, while the submarket data for the subject's 3 Star building type (3,109 units) indicates a 1st Qtr. 2026 vacancy rate of 8.1% at an average asking rent of $2,678 and 1-2 Star buildings (2,831 units) indicates a 1st Qtr. 2026 vacancy rate of 3.9% at an average asking rent of $2,294. The development with its amenities more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Executive Office of Housing and Livable Communities (EOHLC) Chapter 40B Subsidized Housing Inventory (09/30/25), the City of Boston 299,238 year-round housing units, 57,443 (19.2%) of which are subsidized for low/moderate income households.

Boston Housing Authority (BHA) owns and operates 27 family and 36 elderly/disabled developments with a total of 12,501 units. The BHA also administers approximately 16,184 units of Leased Housing, consisting of 14,979 Housing Choice Vouchers, 1,441 Project Based and 198

Moderate Rehab. In addition, the City of Boston's Annual Plan (FY2025) indicated that the BHA maintains the following wait lists: there are 7,724 households on the Leased Housing waiting list. This is broken down by families with children, families with disabilities and elderly families. The BHA also had Single applicants on the waiting list. There were also instances of families that fit into more than one category. This waiting list has been closed since November 2008 and there are no plans to reopen at this time. The BHA also maintains a Public Housing Wait list with 39,220 applicants.

U.S. Census data from the 2020-2024 American Community Survey (ACS) indicates that of the 294,977 households in the City of Boston approximately 81.2% earned less than the HUD published 2025 AMI ($160,900), approximately 43.6% earned less than 50% of 2025AMI, approximately 51.5% earned less than 60% of the 2025 AMI, and approximately 67.4 %earned less than 80% of the 2025 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed does not lead to the undue concentration of low-income housing.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	0	1	2	3
Number of Units	17	56	32	5
Net SF / Unit	453	696	1000	1193
Elevator Y/N	Y	Y	Y	Y
Market Rate Rent (10% Rate 20 Year Term)	$3,584	$4,309	$5,449	$5,835
MHFA Below Market Rent (Cost-Based Rent)	$2,445	$3,170	$4,310	$4,696
MHFA Adjusted Rent	30% of 80% of AMI			
Underwriting Rents				
Market Unrestricted	$2,800	$3,450	$4,800	$5,300
80% AMI		$2,069	$2,346	
70% AMI	$1,535	$1,798	$2,037	$2,282
60% AMI	$1,304	$1,529		
Voucher Set-Aside	$2,060	$2,204	$2,627	

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

EXHIBIT A

Map and Picture

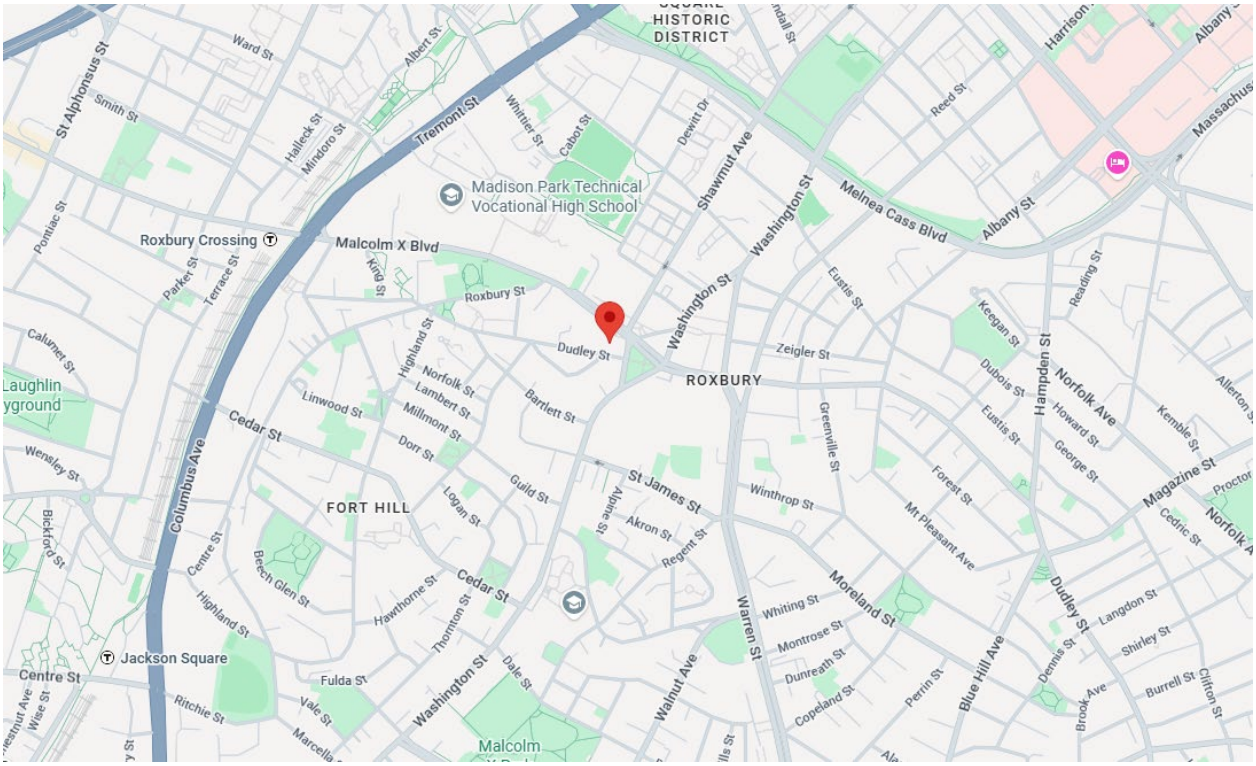


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EXHIBIT B
Priority Screening Criteria

1. **Readiness and Eligibility**
    a. Project Readiness. The Developer secured the necessary local zoning and permitting approvals, completed construction drawings and retained general contractor with preliminary construction bid estimates, identified construction period financing sources and assembled the entire development team. Final construction drawings will be completed at the end of April 2026, and a firm bid proposal with the general contractor by June 2026.
    b. Completeness of Submission. The Developer has provided all requested preliminary due diligence materials related to project information, development plans and related reports, and sponsor/principal information.
    c. Affordability Level Eligibility. Twenty percent of the units (22 units) will be income restricted for households earning up to 80% of the Area Median Income ("AMI").

2. **Project Costs & Investment Efficiency**
    a. Cost Efficiency (Units per Dollar). The total development cost is $65,462,000, which is approximately $595,109 per unit.
    b. Investment Efficiency (Size of Ask) The investment level of Momentum Equity in the project represents 37% of the project's total equity.

3. **Impact and Additionality**
    a. Additionality of Investment ("but for")
    The inclusion of the Momentum Equity investment in the transaction enables the achievement of several programmatic and financial advantages to the project:

    <u>Enhanced Construction Loan Sizing</u>
    The presence of Momentum Equity allows the construction lender to increase the project's construction loan by an amount equal to the equity contribution, resulting in 33% larger loan size ($42,500,000 vs. $32,000,000) based on preliminary construction lender quotes provided by the Sponsor.

    <u>Permanent Loan Take-out option for Construction Lender via the FORGE Loan</u>
    Momentum Equity serves as a critical credit enhancement for the construction lender, providing assurance of a permanent loan take-out for the construction financing. This enhancement also mitigates risk and provides the necessary comfort for the lender to extend a construction loan commitment to the project.

Achievement of Project Investor's Key Investment Metrics

The Momentum Equity investment is essential for achieving the project's target performance metrics:

- *Multiple on Common Equity*: Without the Momentum investment, the projected Common Equity multiple is estimated to be 1.78x over a 13-year term. The inclusion of Momentum Equity and City of Boston Accelerator Fund raises the Sponsors multiple on equity by 7 basis points.

b. Diversity & Inclusion

One of the lead investors in this development is a firm with a diverse senior leadership team.

c. Climate Alignment

The project aligns with the City of Boston's Passive House Energy Code requirements and exceeds the State of Massachusetts' Opt-in Specialized Code Energy Code standards.

EXHIBIT C
Glossary of Terms
Real Estate Investment Metrics

Capitalization Rate - potential rate of return on an income-producing property, calculated by dividing its annual net operating income (NOI) by its current market value.

Common Equity Investment – total equity invested from sponsor and equity investor third parties.

Multiple on Equity ("deal/project multiple") – number of times the common equity gets their equity returned, where a 1.0x multiple is breakeven.

IRR ("deal/project IRR") – the time-weighted average compounded annual rate at which the common equity investment grows.

Momentum Equity IRR – the time-weighted average compounded annual rate at which the Momentum Equity investment grows.

Project Cash-on-Cash – the rate of return that measures how much cash has been earned based on the initial cash investment.

Operating Distributions to Paid-in Capital - Operating cash flows to common equity.

Residual Value to Paid-in Capital - net sale proceeds after debt repayment cash flow to common equity.

Total Value to Paid-in Capital – The sum of the operating and residual distributions to paid-in capital.

EXHIBIT D
Forge Loan Structure

Freddie Mac lending includes a risk sharing element, a concept which is also seen in HUD's Federal Housing Administration ("FHA") and Federal Financing Bank ("FFB") Risk-Sharing Initiatives, in which MassHousing participates extensively. In the Freddie Mac structure, a lending partner purchases a 10% top loss tranche of the loan (generally referred to as the "B Piece"), allows Freddie Mac to structure bonds as Triple-A ("AAA") securities and therefore to offer favorable interest rates to borrowers.

Under the Agency's arrangement with Berkadia, MassHousing plays the role of the B Piece purchaser. However, rather than purchase a tranche of the Freddie Mac loan, the Agency will make a subordinate loan of up to 10% of the total supportable loan amount.

The resulting integrated permanent financing package will then consist of a Freddie Mac first mortgage loan ("First Mortgage Loan") and a coterminous subordinate second mortgage loan from MassHousing (the "Subordinate Loan" and together with the First Mortgage Loan, the "Loans"). The Loans will fund the senior debt obligations at no more than 80% combined Loan-to-Value ("LTV") and no less than a combined 1.25 Debt Service Coverage Ratio ("DSCR").

MassHousing and Berkadia have entered into an Origination and Underwriting Agreement defining the relationship between MassHousing and Berkadia regarding the origination, underwriting, and closing of an integrated debt financing package. The financing package will include the First Mortgage Loan underwritten by Berkadia and funded through Freddie Mac and the Subordinate Loan underwritten and funded by MassHousing.

The First Mortgage Loan will meet a minimum 1.35 DSCR. Together with the Subordinate Loan, the Loans will meet a minimum combined 1.25 DSCR. This structure allows MassHousing to access a low-cost taxable permanent financing execution by committing up to 10% of the overall financing package. Because the Agency's commitment is providing credit enhancement to Freddie Mac in the form of a first loss position, the Agency's involvement allows for more favorable lending terms than Berkadia can offer to borrowers outside of the program, including a more competitive interest rate, up to 80% LTV and a favorably priced 36-month forward commitment, reducing the overall cost of the financing and supporting the development of mixed-income housing.

Berkadia is responsible for ensuring that all applicable Freddie Mac requirements have been satisfied, and that Freddie Mac will determine the new First Mortgage Loan is an acceptable risk. MassHousing will independently underwrite the Subordinate Loan. With Sponsor's acceptance of commitment letters for the Loans, the financing package will advance to closing. There will be a single construction closing with coordination between MassHousing, Berkadia, the Sponsor, and the construction lender. Once the Development achieves stabilization, Freddie Mac and MassHousing will make the Loans to replace the construction loan.

Loan Commitment Proposal | April 14, 2026

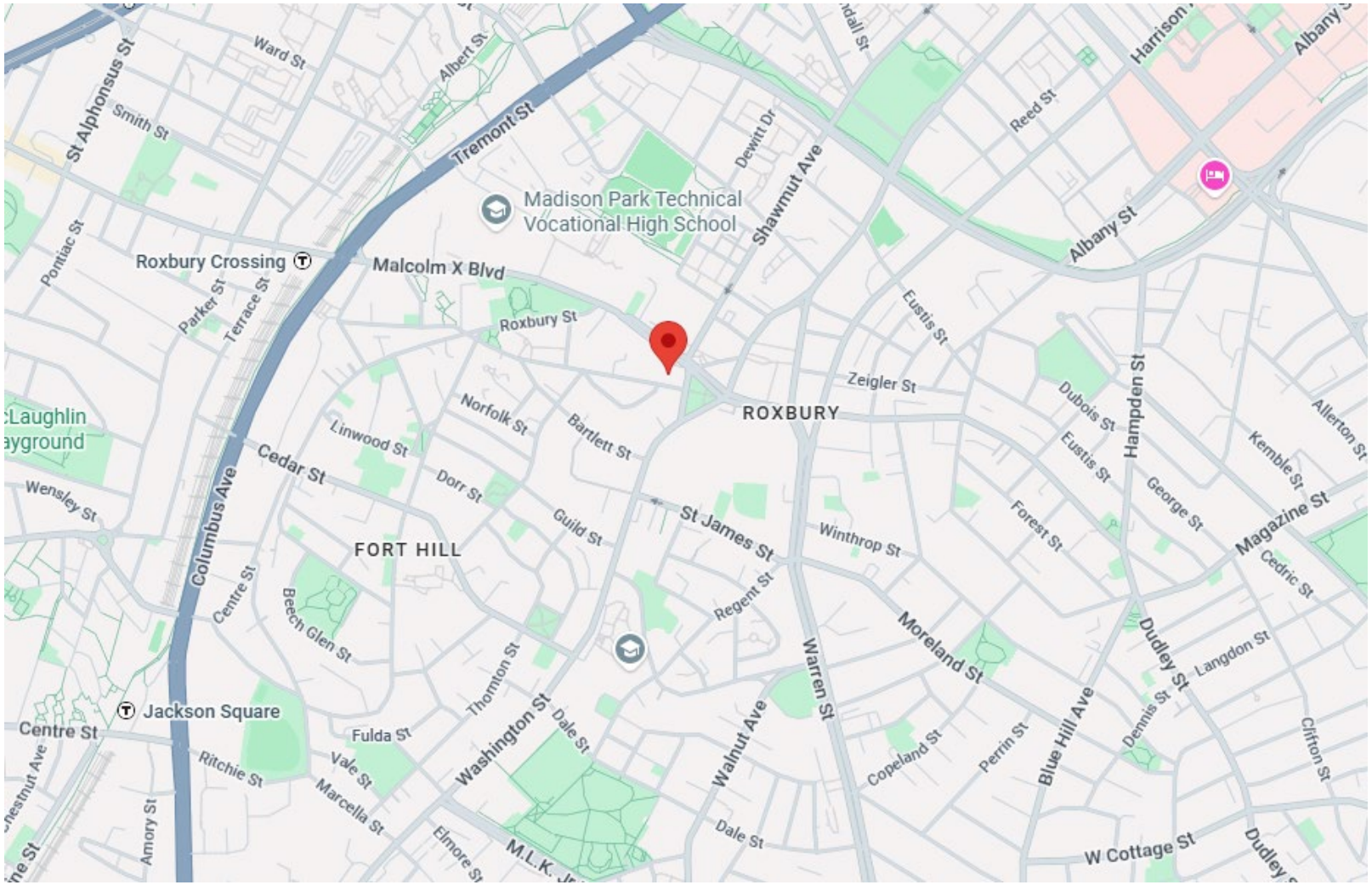
20 Malcolm X Boulevard

Location	20 Malcolm X Boulevard, Boston
Sponsors	SV and Partners RE, LLC Trax Development, LLC
Transaction Type	Production
Funding Type	Commitment of an Equity Investment Commitment of a Subordinate Loan of FORGE First Mortgage
Execution Type	Momentum Equity FORGE Loan (Taxable)
Credit Enhancement	None
Total Rental Units	110
Affordability Mix	22 Affordable 88 Market

Deal Team Members	
Origination	Brian Robinson, Jeff Geller, Matt Deych
Underwriting	Dan Staring, Mitch Printz
Asset Management	Dan Discenza

MassHousing

20 Malcolm X Boulevard | Boston - Roxbury



Borrower Team

Mortgagor Entity	20 MX Owner LLC
Developer / Sponsor	SV and Partners RE, LLC Trax Development, LLC
General Partner / Managing Member	20 MX Investors, LLC
Construction Lender	TBD
Investor	TBD
Management Company	Charlesgate Property Management LLC
Architect	Embarc, Inc.
General Contractor	Metric Corporation

Unit Mix

Unit Size	Avg. Size (SF)	Total Units	60% AMI Boston IDP			70% AMI Boston IDP			80% AMI Boston IDP / MassHousing Statutory			Unrestricted Market Rate		
			Count	*Rent/sf*	*Rent*	*Count*	*Rent/sf*	*Rent*	*Count*	*Rent/sf*	*Rent*	*Count*	*Rent/sf*	*Rent*
0 BR	453	17	1	$2.88	1,304	3	$3.39	$1,535	1	$2.88	$2,060	12	$6.18	$2,800
1 BR	696	56	2	$2.20	1,529	4	$2.58	$1,798	4	$3.07	$2,137	46	$4.96	$3,450
2 BR	1,000	32				4	$2.04	$2,037	2	$2.49	$2,487	26	$4.80	$4,800
3 BR	1,193	5				1	$1.91	$2,282				4	$4.44	$5,300
Total		**110**	**3**			**12**			**7**			**88**		

** Market rents represent projections based on review of materials provided by Sponsor as well as available market comparable information. Based on our internal competitive market data analysis, the proposed rents appear to be 3% below market comparables on average. Underwritten rents will be reviewed and finalized upon receipt of appraisal commissioned by Berkadia and reviewed by both Berkadia and MassHousing.*

Project Costs

Project Construction Costs	
Total Construction Cost	$42,805,000
Gross Square Footage	104,313 GSF
Construction per Gross Square Foot	$410 per GSF
Construction per Unit	$389,136 per unit

Sources and Uses

Sources	Construction		Permanent		
	Total	*Per Unit*	*Total*	*Per SF*	*Per Unit*
Construction Loan	$42,500,000	$386,364			
FORGE Loan			$37,340,000	$346	$339,455
Momentum Equity			$10,500,000	$97	$95,455
Sponsor Equity	$2,296,200	$16,020	$1,762,200	$16	$16,020
Common Equity	$20,665,800	$192,725	$15,859,800	$147	$144,180
Total	$65,462,000	$595,109	$65,462,000	$606	$595,109

Uses			
	Total	*per SF*	*per unit*
Acquisition	$8,000,000	$74	$72,727
Construction	$40,755,000	$377	$370,500
Contingency (5.0%)	$2,050,000	$19	$18,636
General Development	$11,631,000	$108	$105,736
Developer Overhead & Fee	$3,026,000	$28	$27,509
Total	$65,462,000	$606	$595,109

Underwriting Notes

1. Rate Lock Timing
2. Loan Sizing
3. Equity Sizing
4. Commercial Income
5. Other Income
6. Local Preference
7. Third-Party Reports

Momentum Equity Overview

Development Strengths

1. Experienced development team with a track record in the City of Boston.
2. Centrally located with immediate transit access, commuter routes, and major employment hubs.
3. Marketable unit features and competitive standard amenities.

Momentum Equity Overview (Cont.)

- **Risks**
  - Residential Rent Level Risk
  - Commercial Lease Risk
- **Mitigants**
  - 7% vacancy on residential market units in a market with 3.5% average vacancy of comparable properties
  - Commercial rent in line with comparables in this submarket
  - Superior location in a major thoroughfare

Momentum Equity Impact

a) Project Costs and Investment Efficiency

a) Cost Efficiency (Units per Dollar). The total development cost is $65,462,000 which is approximately $595,109 per unit.

b) Investment Efficiency (Size of Ask) The investment level of Momentum Equity in the project represents 37% of the project's total equity.

b) Additionality of Investment ("but for")

a) The inclusion of the Momentum Equity investment in the transaction enables the achievement of several programmatic and financial advantages to the project.

a) Enhanced Construction Loan Sizing

b) Permanent Loan Take-out option for Construction Lender via the FORGE Loan

c) Achievement of Project Investor's Key Investment Metrics

Recommended Votes

- Commitment of Second Mortgage Loan
- Commitment of Momentum Equity Investment

Delinquency Summary Report

Mar 31, 2026

Delinquencies in Excess of: $1,000
Monthly Billed Loans

Program Type	Principal Program Detail	Number of Developments	Project Outstanding Loan Amount	Developments Delinquent	Delinq Outstanding Loan Amount	Pct $ Delinq Loans	Pct # Delinquent Loans
INDEP	Options for Independence	12	$148,368	0	$0	0.00%	0.00%
INDEP - Total		**12**	**$148,368**	**0**	**$0**	**0.00%**	**0.00%**
OTHER	Other Subordinate Only	1	$931,072	0	$0	0.00%	0.00%
OTHER - Total		**1**	**$931,072**	**0**	**$0**	**0.00%**	**0.00%**
SECT8PBCA	Project Based Section 8	176	$3,066,554,831	0	$0	0.00%	0.00%
SECT8PBCA - Total		**176**	**$3,066,554,831**	**0**	**$0**	**0.00%**	**0.00%**
SECT8VOUCH	Project Based Section 8 Vouchers	33	$513,473,857	0	$0	0.00%	0.00%
SECT8VOUCH - Total		**33**	**$513,473,857**	**0**	**$0**	**0.00%**	**0.00%**
SHARP	SHARP/ RDAL	3	$42,891,645	0	$0	0.00%	0.00%
SHARP - Total		**3**	**$42,891,645**	**0**	**$0**	**0.00%**	**0.00%**
TAXCREDIT	Tax Credit (4% and/or 9%)	174	$1,611,388,916	1	$33,825,580	2.10%	0.57%
TAXCREDIT - Total		**174**	**$1,611,388,916**	**1**	**$33,825,580**	**2.10%**	**0.57%**
UNSUB	Un-Subsidized	23	$332,374,714	0	$0	0.00%	0.00%
UNSUB - Total		**23**	**$332,374,714**	**0**	**$0**	**0.00%**	**0.00%**
WORKFORCE	Workforce Housing	10	$142,246,836	0	$0	0.00%	0.00%
WORKFORCE - Total		**10**	**$142,246,836**	**0**	**$0**	**0.00%**	**0.00%**
		3	$43,463,255	0	$0	0.00%	0.00%
- Total		**3**	**$43,463,255**	**0**	**$0**	**0.00%**	**0.00%**
Overall - Total		**435**	**$5,753,473,492**	**1**	**$33,825,580**	**0.59%**	**0.23%**

Delinquency Detail

Mar 31, 2026
Delinquencies in Excess of: $1,000

Tax Credit (4% and/or 9%)

Principal Program Code	Project Id - Development Name	City/ Town	Total Rental Units	Project Outstanding Loan Amount	Total Due & Uncollected	Past Due Installments
TAXCREDIT	16-004 Pac 10 Lofts, Phase One	Lawrence	180	$33,825,580	$19,985,062	39
Overall - Total			**180**	**$33,825,580**	**$19,985,062**	

Delinquency Detail by Investor

Mar 31, 2026
Delinquencies in Excess of: $1,000

Investor Segment	Segment Code	Investor Segment	Investor Pool	Loan Nbr	Project Id - Development Name	Total Rental Units	Original Loan Amt	Outstanding Loan Amt	Total Due & Uncollected - Delinquent	Past Due Installments
Escrow Division/Working Capital Fund	W001	Working Capital Fund	WCF Corporate	16-004-02	16-004 Pac 10 Lofts, Phase One	180	$18,000,000	$16,057,580	$16,105,146	1
Housing Bond Resolution	B001	Housing Bond Resolution	HOUSING BOND RES 2017D	16-004-01	16-004 Pac 10 Lofts, Phase One	180	$11,100,000	$11,100,000	$2,423,855	39
			HOUSING BOND RES 2022A-1	16-004-01	16-004 Pac 10 Lofts, Phase One	180	$6,668,000	$6,668,000	$1,456,060	39
Overall - Total						**180**	**$35,768,000**	**$33,825,580**	**$19,985,062**	

MassHousing

CEO Report

May 12, 2026

1

New Program Updates

MassHousing

Expanded First-Time Homebuyer Assistance

- **April 28** – launched at the Healey-Driscoll Administration's Press Conference featuring MassHousing homeowners.
- Roll-out of the **$25 Million** DPA commitment announced at State of the Commonwealth.
- Helps first-time homebuyers earning up to **135% AMI** boost their buying power with a **$25,000, 0% deferred interest loan**.
- **248 new first-time homebuyers** have already expanded their buying power through this program.

Accessory Dwelling Unit Loan Program (ADULP)

*provides **income-eligible homeowners** with **affordable financing** to add an **additional unit** to their properties.*

Program Details:

- Up to **$250,000** for detached ADUs, and up to **$150,000** for attached ADUs.
- Combine an amortizing, interest-bearing loan with additional **zero-interest**, **deferred-repayment financing**.
- Funds must be used to cover the costs of **construction of an ADU**.

Program Success:

2 **loans in pipeline**

Located in Great Barrington and Brockton

2

Strategic Planning

MassHousing

Strategic Planning (FY2022-2026)

MassHousing set **long-term goals** and created **detailed strategic plans**, mapping out what we want to accomplish as an Agency.

Lending Activity FY 2022-2026

Goal:
Grow 5-year lending and servicing activity by **10%** over the previous 5 years.

Measures:

$7.6 billion

$4 billion multifamily

$3.6 billion homeownership

Working Capital FY 2022-2026

Goal:
Generate at least **$150 million** of excess revenue in the Operating Working Capital Fund (after transfers).

Measures:

$100 million in Opportunity Fund

25% funds from other sources (e.g., interest, grants, etc.)

Future of Work FY 2022-2026

Goal:
Transition to an effective and efficient **Hybrid Work Model** while maintaining and promoting MassHousing's mission and values.

Measures:

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100% data & business apps in the cloud and accessible remotely

3 employee surveys in years 1, 3 and 5 measuring engagement

Diversity and Inclusion FY 2022-2026

Goal:
Affirm MassHousing's longstanding commitment to **diversity and inclusion**.

Measures:

50% loans to people of color

10%/5% multifamily projects/portfolio balances to minority-owned or senior principal borrowers

75% of bonds under ESG

25% of management level (D+ band) reflects diversity of the Commonwealth

15% Agency expenditures to M/WBEs, at least 6% MBEs

Staff Excellence FY 2022-2026

Goal:
Invest in **staff excellence** and transparent staff transitions.

Measures:

#1 Boston Globe's Top Places to Work

D65 Band+ formal succession plan

+25% of staff below D65 have mentors within the Agency

MASSHOUSING

Lending Activity

*Grow 5-year lending and servicing activity by **10% ($7.6 Billion)** over previous 5 years.*

Goal and Results

Grow lending and servicing activity by **$7.6B**

$6.1B | **80% of goal**

Working Capital

*Generate at least **$150 million** of excess revenue in the Working Capital Fund.*

Goals and Results

Generate at least **$150 million** of excess revenue in the Working Capital Fund (after transfers)

$182M | **121% of goal**

Generate **$100M** of excess revenue in Opportunity Fund

$101M | **101% of goal**

25% of Funding from external sources

61% | **244% of goal**

MassHousing

Future of Work

*Transition to an effective and efficient **Hybrid Working Model** while maintaining and promoting MassHousing's mission and values.*

Goals and Results

- **30%** footprint reduction
  - Originally reduced our footprint by **10.5%** but pivoted to repurposing the 3rd floor space for all-staff gatherings and events

- **3** employee surveys measuring engagement

2 Surveys | **66% of goal**

Diversity and Inclusion

*Affirm MassHousing's longstanding commitment to **diversity and inclusion**.*

Goals and Results

- **50%** loans to people of color

52% | **104% of goal**

- **15%** of agency expenditures to M/WBEs

18.9% | **126% of goal**

- At least **6%** of agency expenditures to MBEs

9.7% | **161% of goal**

- **75%** of bonds under ESG

90.2% | **120% of goal**

- **25%** of management level (D+ band) reflects diversity of the Commonwealth

19% | **76% of goal**

- **10%/5%** multifamily pipeline/portfolio balances to minority-owned or senior principal borrowers

24% | **240% of goal**

pipeline

19% | **380% of goal**

portfolio

MassHousing

Staff Excellence

Invest in staff excellence and transparent staff transitions.

Goals and Results

D65 Band+ succession plans

46%

of D65 Band+ have a succession plan

FINANCIAL SERVICES INDUSTRY TOP WORK PLACES 2025

MassHousing named Top Place to Work

3

A New Approach

MassHousing

Plans

prescriptive**, **detailed**, and **harder to adjust

VS.

Frameworks

*focuses on **clear organizational priorities***

Multi-year planning process with specific actions, metrics for success, timelines, owners.

- Detailed
- Time-Bound
- Task-Oriented
- Metrics-Focused
- Specific Owners
- Less Flexible

Sets the direction and priorities of an organization.

- Clear Direction
- Guiding Principles
- Longer-Term
- Navigate Change

Challenges

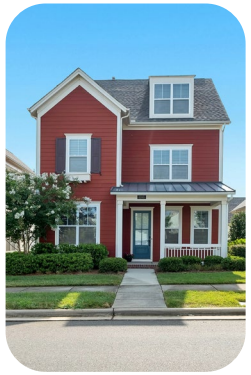
- Setting comprehensive Strategic Plan right before COVID
- Interest rate and broader economic volatility
- Policy shifts at the Federal level impact initiatives and funding streams

Advantages

- Guiding principles don't change, regardless of external environment
- Creates a clear "shared vision" of what you want to focus on
- Provides a consistent guide for what opportunities you pursue and what you pass on

MassHousing

Guiding Principles

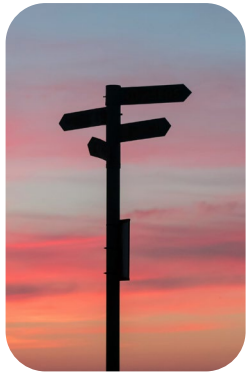


Expand Housing Access Through Responsible Innovation

We will design, launch, and adapt products and programs that directly address the Commonwealth's housing priorities and market realities.

Manage Financial Resources for Long-Term Sustainability

We will balance mission, risk, and returns across our programming to preserve long-term financial strength and meet our fiduciary responsibilities.



Build Organizational Agility and Resilience

We will create agile processes and durable structures that allow us to respond quickly and effectively to change.

Invest in People & Operational Excellence

We will develop staff skills, modernize systems, and strengthen operations to deliver exceptional programs and services.

4 | Annual Priorities

MassHousing

FY2027 Annual Priorities

MassHousing leadership established a focused set of annual priorities aligned with the Agency's mission and guiding principles. Each priority is supported by clear targets, a designated lead, and identified supporters.

1	Lend At Scale to Preserve & Create Affordable Homes
2	Partner with the Administration to Advance the Commonwealth's Housing Priorities
3	Modernize Internal Infrastructure to Support the Agency's Operations
4	Expand Responsible AI Adoption Across the Agency
5	Evaluate the Agency's Forward Commitment Lending Structure

Priority 1

Lend At Scale to Preserve & Create Affordable Homes

Lead

- VP of Multifamily Programs
- VP of Homeownership Programs

Supporters

- Multifamily Division
- Homeownership Division
- Finance Division
- Legal Division

FY2027 Targets	
Multifamily	**Homeownership**
$750M Multifamily Loan Commitments	**$500M** Homeownership Loans Purchased
Progress will be monitored by:	
Volume Cap Committed	**Total Production**
Loan Commitments	**Loans Purchased**

MassHousing

Priority 2

Partner with the Administration to Advance the Commonwealth's Housing Priorities

Lead

- VP of Multifamily Programs
- VP of Homeownership Programs
- VP of Strategic Community Investments

Supporters

- Multifamily Division
- Homeownership Division
- Strategic Community Investments (SCI)
- Finance Division
- Legal Division

FY2027 Targets		
Momentum Fund	**ADU Pilot**	**Homeownership Tax Credit**
$50M Momentum Equity committed by end of 2026 **for 1,000** units (20% income restricted)	**12** ADU loans closed ($2.4M)	**2** Homeownership Tax Credit deals closed
Progress will be monitored by:		
Commitments **Number of Units**	**ADU Loans Closed**	**Commitments** **Closings**

MassHousing

Priority 3

Modernize Internal Infrastructure to Support the Agency's Operations

Lead

- Chief Legal & Operating Officer
- Chief Financial & Administrative Officer

Supporters

- IT
- Legal
- Internal Audit
- Human Resources
- Marketing & Communications
- Homeownership Division
- Multifamily Division

FY2027 Targets	
New Systems	• Human Resources Information System • Grant Management Platform • MCCB Program Management Solution
Improvements	• MyMassHousing • Multifamily Closing Process Improvements
Exploration	• Construction Loan Management Software

MassHousing

Priority 4

Expand Responsible AI Adoption Across the Agency

Lead

- Chief Legal & Operating Officer
- AI Pilot Working Group

Supporters

- IT
- Legal
- Internal Audit
- Human Resources
- Marketing & Communications
- Homeownership Division
- Multifamily Division

FY2027 Targets

Create phased rollout plan for AI adoption

Create training and resource guides for responsible AI use

100%

Staff have access to Co-Pilot Chat

100%

Staff have completed MassHousing AI training

MassHousing

Priority 5

Evaluate the Agency's Forward Commitment Lending Structure

Lead

- Chief Financial & Administrative Officer
- VP of Multifamily Programs

Supporters

- Finance
- Multifamily Division
- Legal

Assess **financial impact** of forward commitment practices and explore alternatives

Identify **mitigation strategies** to protect the Agency's balance sheet & liquidity

Create **implementation plan** to address potential risks

Next Steps

- Incorporating new projects and initiatives into the FY27 Budget
- Integrating the framework and annual priorities into department level meetings

Thank You!

Questions? Comments?

MassHousing

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One Beacon Street Boston, MA 02108

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Fax: 617-854-1091

Relay 711
www.masshousing.com

Posted: May 8, 2026 @ 11:40 a.m.
Secretary of the Commonwealth, Regulations Division
Executive Office for Administration & Finance
masshousing.com

NOTICE
of a Meeting of the Members

The regular meeting of MassHousing will be held:

Date: **Tuesday, May 12, 2026**

Time: **2:00 p.m.**

Location: **See below**

In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, this Meeting will not be conducted in a publicly accessible physical location. This meeting will instead be conducted through remote audio and video participation by the Members of MassHousing.

The public will be able to observe the Meeting online through the Zoom video/audio conference program.

The Zoom meeting link for this Meeting is: https://masshousing.zoom.us/j/83704102096
The Zoom meeting ID is: Meeting ID: 837 0410 2096
The Zoom Passcode is: 485847

Additional instructions for observing the meeting though Zoom are attached to this Notice.

Attention will be given to the following matters:

1. EXECUTIVE ACTIONS

A. Call to Order

B. Vote Approving the Minutes

- Regular Meeting of April 14, 2026

C. Chief Executive Officer's Report

2. LOAN COMMITTEE

A. Nuestra Communidad Development Corp. Portfolio, Boston (Roxbury)

- Approval of a Level One Transfer of Ownership

B. Bartlett Station F5, Boston, Boston (Roxbury)

- Approval of Change of Control of Sponsor and Borrower

C. The Waterhouse 4%, Danvers

- Official Action Status
- Commitment of a Permanent Tax-Exempt Loan
- Commitment of a Tax-Exempt Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

D. The Waterhouse 9%, Danvers

- Commitment of a Permanent Taxable Loan

E. 135 Dudley Street, Boston (Roxbury)

- Official Action Status
- Commitment of a Permanent Tax-Exempt Loan
- Commitment of a Tax-Exempt Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

F. Veterans Home Chelsea Phase I, Chelsea

- Official Action Status
- Commitment of a Permanent Tax-Exempt Loan
- Commitment of a Tax-Exempt Equity Bridge Loan
- Commitment of a Workforce Housing Subordinate Loan
- Approval for the Use of Low-Income Housing Tax Credits

Meeting Notices

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Accessibility

If you need an accommodation to participate in a MassHousing meeting, event, or program, please call 617-854-1000 or email webinfo@masshousing.com. Please request accommodations as soon as possible but no later than 48 hours before a scheduled event so that we can have adequate time to accommodate your needs. Click here to view our Accessibility statement.

Minutes of the Regular Meeting
of the Members of MassHousing
held on
April 14, 2026

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing - was held on April 14, 2026. In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, no Members were physically present and the meetings were conducted remotely through a publicly accessible Zoom meeting.

Participating remotely were the Members (by roll call):

Board Member	Present	Absent
Jeanne Pinado, Chair	x	
Michael Glover, Co-Vice Chair	X	
Juana Matias, *ex officio*	X	
Bran Shim*	X	
Joel Barrera	X	
Herby Duverné	X	
Darnell Dunn	X	
Tom Flynn	X	
Carmen Panacopolous	X	

**Designee of Matthew Gorzkowicz, ex officio*

The Chair convened the meeting to order at 2:00 p.m.

The Chair indicated that the first order of business was the approval of the minutes of the previous meeting. Upon a motion duly made and seconded, by roll call vote, it was, by all Members present (Juana Mattias and Herby Duverné not yet attending, and Carmen Panacopolous abstaining):

VOTED: That the minutes of the Regular Meeting held on March 10, 2026 are hereby approved and placed on record.

Juana Mattia and Herby Duverné joined the meeting.

Chief Executive's Report

Chrystal Kornegay gave a brief informational presentation regarding Chapter 40B. Ms. Kornegay began by giving some background for Chapter 40B, also referred to as the "Comprehensive Permit Law" or the "Anti-Snob Zoning Act." 40B allows a local zoning board of appeals (ZBA) to overrule zoning to approve affordable housing. 40B is applicable in every town in the Commonwealth except Boston. Eligible developers and communities must follow the 40B process

in communities that have not reached the Safe Harbor threshold.

Since 1969 almost all affordable housing has been created under 40B. Over 70,000+ units have been created, and over 35,000 are below 80% AMI. Most communities have not achieved the 10% threshold for affordable housing.

Four state agencies are authorized under 40B to exercise oversight, such as the Executive Office of Housing and Livable Communities and MassHousing. MassHousing as a quasi-public agency does most of the oversight due to its role as administrator of the NEF Program, a financing program organized by the Federal Home Loan Bank of Boston among its member banks.

There was a brief discussion about the 10% SHI thresholds, how frequently they are updated, and how multifamily and homeownership projects are counted in the analysis.

Ms. Kornegay continued her with an overview of MassHousing's roles sharing program oversight with the local Zoning Board of Appeals, where MassHousing ensures that proposals are following the statutory and regulatory requirements. She noted that 40B also generates legislator engagement as the Agency notifies legislators of project submitted in their districts. Since April 2024, the Agency has sent 149 notifications regarding 40B developments, and received a dozen legislative inquiries on 40B proposals last year.

Ms. Kornegay then summarized the 40B process overview. The initial Site Approval process takes 3-5 months on average and concludes with the issuance of a Project Eligibility Letter (PEL). Following the issuance of the PEL, the Developer applies to the local ZBA for a Comprehensive Permit. If the ZBA denies a project or approves it with conditions, then it moves to the Housing Appeals Committee (HAC). If a project is approved it comes back to MassHousing for a Final Approval under the statute and regulations before advancing into construction. Following construction MassHousing is responsible for the statutory Cost Certification for each project and manages ongoing monitoring with respect to the affordability requirements and limited dividend restrictions. The average time span for the entire 40B process from application to Final Approval is 4 years; MassHousing has overseen nearly 700 developments; there are 15 developments currently in pre-approval. The yearly average is 35 site approval applications and 18 final approvals and fluctuate with the real estate market. When rates were low, there were many proposals.

Ms. Kornegay shared a few examples of the projects that came through recently.

Ms. Panacopolous asked how the Agency's oversight role fit with it's role in financing programs like BILD. Ms. Kornegay replied that the statute is designed for the public agency providing financing to play the role of subsidizing agency for purposes of the statutory and regulatory compliance. At MassHousing, there is separation of the functions where different groups have separate responsibilities, the 40B team managements the regulatory process and our rental lending staff manages the financing elements.

Loan Committee

Newburyport Crossing Phase 3, Newburyport

Jeff Geller and Brian Robinson presented a proposal for Commitment of Momentum Equity and Commitment of a Subordinate Loan of the FORGE 1st Mortgage, as presented in the attached Loan Committee package.

Ms. Pinado noted that the project was seen at the BILD Advisory Committee and asked how close is Newburyport to the 10% SHI threshold? Mr. Robinson replied that it presently at 9.4%.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

20 Malcolm X Boulevard – Boston (Roxbury)

Mark Teden introduced the financing as the first project in collaboration with the City of Boston and its Accelerator Fund. He began with a brief overview of the BILD program and summarized the relationship with the City. Under the arrangement, the City is a co-investor with the Agency, where 80% of the equity contribution is funded by the City of Boston and 20% by MassHousing's Momentum Equity. We expect a fairly small but steady flow of deals.

Ms. Pinado asked about the source of funds. Mr. Teden responded that the City is funding its share from its Accelerator Fund and the Agency funds its share of the equity from the Momentum Equity funds provided by the Commonwealth, and it's subordinate FORGE loan form the funds approved from the Opportunity Fund. He noted that the City has designated the Boston Housing Authority (BHA) as the administrator of the Accelerator Fund, and that the City, through the Mayor's Office of Housing, the BHA, and the Agency executed a Memorandum of Agreement describing their roles.

Jeff Geller then presented a proposal for Commitment of Momentum Equity and Commitment of a Subordinate Loan of the FORGE 1st Mortgage, as presented in the attached Loan Committee package.

Ms. Matias asked what was the amount from the Accelerator Fund and if the Agency's portion was $2 million. Mr. Geller replied the City's share is $8,400,000 and the Agency's contribution is just over $2 million at $2.1 million, or 20% of the total $10.5 million equity investment.

Ms. Pinado noted that this deal had been reviewed by the BILD Advisory Committee.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: to approve the votes and findings as presented in the Board package that is attached and incorporated into the minutes of the meeting.

There being no other business to consider, the meeting adjourned at 2:57 p.m.

A true record.

Attest.

_____
Colin M. McNiece
Secretary

Materials:

- Minutes of the Meeting of March 10, 2026
- CEO's Report, April 14, 2026
- Board Package, April 14, 2026

MassHousing

CEO Report

May 12, 2026

1

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MASSHOUSING

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  - Originally reduced our footprint by **10.5%** but pivoted to repurposing the 3rd floor space for all-staff gatherings and events

- **3** employee surveys measuring engagement

2 Surveys | **66% of goal**

Diversity and Inclusion

*Affirm MassHousing's longstanding commitment to **diversity and inclusion**.*

Goals and Results

- **50%** loans to people of color

52% | **104% of goal**

- **15%** of agency expenditures to M/WBEs

18.9% | **126% of goal**

- At least **6%** of agency expenditures to MBEs

9.7% | **161% of goal**

- **75%** of bonds under ESG

90.2% | **120% of goal**

- **25%** of management level (D+ band) reflects diversity of the Commonwealth

19% | **76% of goal**

- **10%/5%** multifamily pipeline/portfolio balances to minority-owned or senior principal borrowers

24% | **240% of goal**

pipeline

19% | **380% of goal**

portfolio

MassHousing

Staff Excellence

Invest in staff excellence and transparent staff transitions.

Goals and Results

D65 Band+ succession plans

46%

of D65 Band+ have a succession plan

FINANCIAL SERVICES INDUSTRY TOP WORK PLACES 2025

MassHousing named Top Place to Work

3

A New Approach

MassHousing

Plans

prescriptive**, **detailed**, and **harder to adjust

VS.

Frameworks

*focuses on **clear organizational priorities***

Multi-year planning process with specific actions, metrics for success, timelines, owners.

- Detailed
- Time-Bound
- Task-Oriented
- Metrics-Focused
- Specific Owners
- Less Flexible

Sets the direction and priorities of an organization.

- Clear Direction
- Guiding Principles
- Longer-Term
- Navigate Change

Challenges

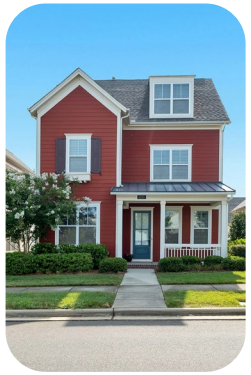
- Setting comprehensive Strategic Plan right before COVID
- Interest rate and broader economic volatility
- Policy shifts at the Federal level impact initiatives and funding streams

Advantages

- Guiding principles don't change, regardless of external environment
- Creates a clear "shared vision" of what you want to focus on
- Provides a consistent guide for what opportunities you pursue and what you pass on

MassHousing

Guiding Principles

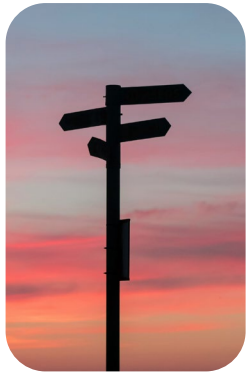


Expand Housing Access Through Responsible Innovation

We will design, launch, and adapt products and programs that directly address the Commonwealth's housing priorities and market realities.

Manage Financial Resources for Long-Term Sustainability

We will balance mission, risk, and returns across our programming to preserve long-term financial strength and meet our fiduciary responsibilities.



Build Organizational Agility and Resilience

We will create agile processes and durable structures that allow us to respond quickly and effectively to change.

Invest in People & Operational Excellence

We will develop staff skills, modernize systems, and strengthen operations to deliver exceptional programs and services.

4 | Annual Priorities

MassHousing

FY2027 Annual Priorities

MassHousing leadership established a focused set of annual priorities aligned with the Agency's mission and guiding principles. Each priority is supported by clear targets, a designated lead, and identified supporters.

1	Lend At Scale to Preserve & Create Affordable Homes
2	Partner with the Administration to Advance the Commonwealth's Housing Priorities
3	Modernize Internal Infrastructure to Support the Agency's Operations
4	Expand Responsible AI Adoption Across the Agency
5	Evaluate the Agency's Forward Commitment Lending Structure

Priority 1

Lend At Scale to Preserve & Create Affordable Homes

Lead

- VP of Multifamily Programs
- VP of Homeownership Programs

Supporters

- Multifamily Division
- Homeownership Division
- Finance Division
- Legal Division

FY2027 Targets	
Multifamily	**Homeownership**
$750M Multifamily Loan Commitments	**$500M** Homeownership Loans Purchased
Progress will be monitored by:	
Volume Cap Committed	**Total Production**
Loan Commitments	**Loans Purchased**

MassHousing

Priority 2

Partner with the Administration to Advance the Commonwealth's Housing Priorities

Lead

- VP of Multifamily Programs
- VP of Homeownership Programs
- VP of Strategic Community Investments

Supporters

- Multifamily Division
- Homeownership Division
- Strategic Community Investments (SCI)
- Finance Division
- Legal Division

FY2027 Targets		
Momentum Fund	**ADU Pilot**	**Homeownership Tax Credit**
$50M Momentum Equity committed by end of 2026 **for 1,000** units (20% income restricted)	**12** ADU loans closed ($2.4M)	**2** Homeownership Tax Credit deals closed
Progress will be monitored by:		
Commitments **Number of Units**	**ADU Loans Closed**	**Commitments** **Closings**

MassHousing

Priority 3

Modernize Internal Infrastructure to Support the Agency's Operations

Lead

- Chief Legal & Operating Officer
- Chief Financial & Administrative Officer

Supporters

- IT
- Legal
- Internal Audit
- Human Resources
- Marketing & Communications
- Homeownership Division
- Multifamily Division

FY2027 Targets	
New Systems	• Human Resources Information System • Grant Management Platform • MCCB Program Management Solution
Improvements	• MyMassHousing • Multifamily Closing Process Improvements
Exploration	• Construction Loan Management Software

MassHousing

Priority 4

Expand Responsible AI Adoption Across the Agency

Lead

- Chief Legal & Operating Officer
- AI Pilot Working Group

Supporters

- IT
- Legal
- Internal Audit
- Human Resources
- Marketing & Communications
- Homeownership Division
- Multifamily Division

FY2027 Targets

Create phased rollout plan for AI adoption

Create training and resource guides for responsible AI use

100%

Staff have access to Co-Pilot Chat

100%

Staff have completed MassHousing AI training

MassHousing

Priority 5

Evaluate the Agency's Forward Commitment Lending Structure

Lead

- Chief Financial & Administrative Officer
- VP of Multifamily Programs

Supporters

- Finance
- Multifamily Division
- Legal

Assess **financial impact** of forward commitment practices and explore alternatives

Identify **mitigation strategies** to protect the Agency's balance sheet & liquidity

Create **implementation plan** to address potential risks

Next Steps

- Incorporating new projects and initiatives into the FY27 Budget
- Integrating the framework and annual priorities into department level meetings

Thank You!

Questions? Comments?

Rental Management Proposal for Level One Transfer of Ownership | May 12, 2026

Nuestra Comunidad Development Corporation Portfolio

A. General Project Information

Development Name	MassHousing #	Location	Total Outstanding MH Debt	Maturity Date
Bartlett Station – Building A (4%)	19-127	Roxbury	$ 4,017,749	11/1/2043
Bartlett Station – Building A (9%)	18-101	Roxbury	$ 6,752,763	1/1/2044
Washington Park	84-062	Roxbury	$ 3,792,556	1/1/2055

B. Recommended Actions

- Approval for Level One Transfer of Ownership

Nuestra Comunidad Development Corporation ("NCDC"), the co-sponsor of Bartlett Station – Building A (4%) and Bartlett Station – Building A (9%) and the sponsor of Washington Park Apartments (collectively the "Developments"), is seeking Agency approval of the conversion of NCDC from an independent non-profit corporation to a single-member non-profit corporation controlled by Urban Edge Housing Corporation ("UEHC"). The transaction will result in the change of control of the owners of the Developments; therefore, the proposed transaction constitutes a Level One Transfer under the Agency's Transfer of Ownership Policy for each Development. The change to the organizational structure of NCDC resulting from the transaction is shown in the attached organizational structure chart(s).

Following the transaction, the current owner entity of each Development will continue to own the Development subject to its MassHousing mortgage loan, and all related loan documents and the current affordability of each Development will remain unchanged.

As a result of the transaction, UEHC will serve as NCDC's sole member, with the power to appoint and remove a majority of NCDC's board of directors. During a transition period of at least two (2) years following the transaction, UEHC and NCDC intend to continue the operation of NCDC as a separate nonprofit entity responsible for meeting its continuing obligations under all of its agreements, and the NCDC board will include two existing members to provide continuity and institutional knowledge.

The new structure will allow NCDC to continue providing affordable housing and related services to low and moderate-income senior adults, individuals and families throughout Roxbury and surrounding areas. It is the intention of the parties to work together for a seamless transition whereby UEHC will assume NCDC's responsibilities managing (or jointly managing) the owners

of the Developments. UEHC will also assume responsibility for all of NCDC's back-office operations, including accounting and asset management of NCDC's properties. NCDC believes that combining its balance sheets and portfolio with UEHC will promote a more sustainable development presence and promote its mission of expanding and preserving affordable housing in Massachusetts.

NOTE: NCDC is also the Sponsor of Bartlett Station F5, MH# 22-015, for which a separate Modification to Loan Commitment Proposal will be presented for approval.

C. Property Description

The three Developments under consideration for this proposal were each financed by MassHousing between 2014 and 2023 with loans insured under the U.S. Department of Housing and Urban Development's ("HUD") Risk-Sharing Program. Each property will remain subject to the Risk Share loan and all existing MassHousing loan documents after the transfer.

The subject properties are current on all MassHousing obligations and are in good physical condition, with passing Asset Management Review (AMR) and HUD's REAC/NSPIRE scores.

Development Name	Total Rental Units	Affordability Mix	Current MH Risk Rating
Bartlett Station – Building A (4%)	16	7 Affordable @ 30% AMI 9 Workforce Housing @ 80% AMI	Financial: D Physical Condition: A Compliance: A
Bartlett Station – Building A (9%)	44	44 Affordable 60% AMI	Financial: A Physical Condition: A Compliance: A
Washington Park Apartments	96	76 Affordable @ 60% AMI 10 Affordable @ 80% AMI 10 Affordable @ 30% AMI	Financial: A Physical Condition: B Compliance: A

Bartlett Station – Building A (4%): The development was underwritten at 1.41 DSCR with per unit operating costs of $12,370. However, expenses have increased at a higher rate than anticipated, and as a result the FYE 2025 audited financial statements indicated a 0.86 DSCR and per unit operating costs of $22,095 with unanticipated increases in taxes. The underwriting did not include the payment of commercial taxes from operations; those were to be the responsibility of NCDC. However, the taxes have been paid from the development's operating account. In addition, NCDC has not paid commercial rent owed to the property since closing. These issues have negatively impacted property operations and staff are working with NCDC to address the issues to stabilize the property.

D. Proposed Owner

The current mortgagor entities will continue to own the Developments subject to the MassHousing loans following the proposed transaction.

Proposed Sponsor: **Urban Edge Housing Corporation (as sole member of Nuestra Comunidad Development Corporation)**

Since 1974, Urban Edge has been working in partnership with residents, businesses, and government institutions committed to developing and sustaining stable, healthy, and diverse communities in Jamaica Plain and Roxbury. Urban Edge has provided over 1,400 families with safe and affordable housing.

Windale Developers will remain a co-sponsor of Bartlett Station – Building A (4%) and Bartlett Station – Building A (9%). Windale Developers was founded in 1999 by Arnold C. Johnson, George Chin and Edward Faria, the owners of Crosswinds Enterprises, Inc.

Management Agent: **Winn Management Company LLC**

Winn Management Company LLC will continue to manage each of the Developments after the transaction. Winn Companies' property management firm is the fifth largest multifamily property manager in the country and the largest manager of affordable housing. The organization manages more than 120,000 units in 825 properties throughout the United States. Winn Residential manages a total of 77 properties with over 9,315 units in MassHousing's portfolio and an additional 22 properties in the Performance Based Contract Administration ("PBCA") portfolio.

E. Summary of MassHousing Relationship with Proposed Sponsor	
Number of Projects with MassHousing Debt	6
Total Units with MassHousing Debt	682
Outstanding MassHousing Principal Debt	$40,566,800
Adverse Actions Against the Borrower Team	None
Current on Obligations with MassHousing	Yes
Property Management Affiliate	No

MassHousing Staff:	
Kelly Condon	Senior Director of Rental Management
Joseph Hughes	Director of Subsidy Administration
Piia DiMeco	Policy and Compliance Manager

F. Notes and Analysis

1. **Transfer of Ownership Policy:** The request is made pursuant to the MassHousing Transfer of Ownership Policy (the "Transfer Policy"), as a "Level One" Transfer, since there is a change in control of the owner of the subject Developments.

VOTES AND SPECIAL CONDITIONS

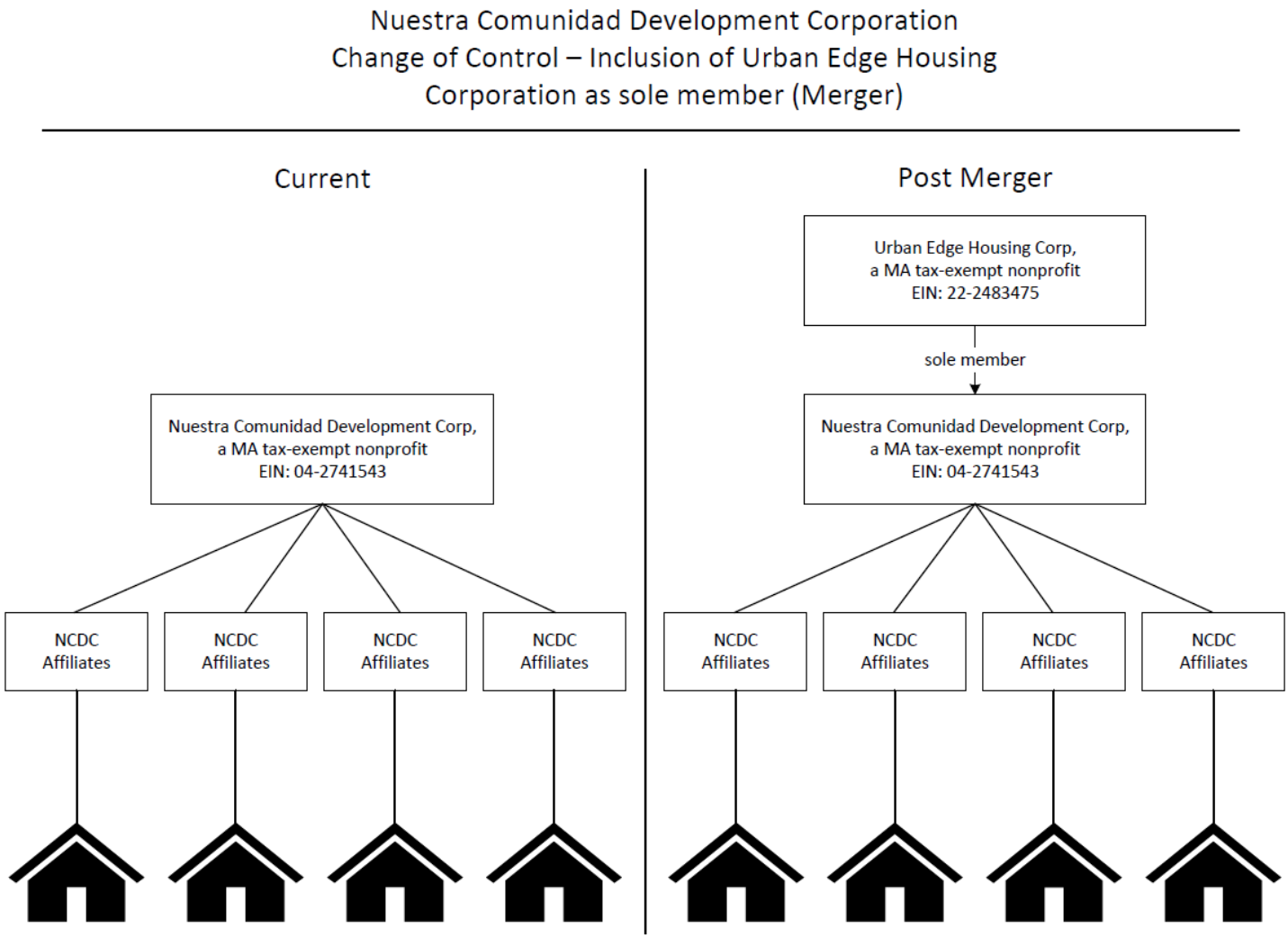
Staff has reviewed the application for a transfers of ownership submitted by Nuestra Comunidad Development Corporation and determined that the proposed transfers described therein will not adversely affect MassHousing's loan security or the residents of the developments. Therefore, staff recommends the below votes for approval.

VOTED: That MassHousing approve the Level One Transfer of Ownership of Bartlett Station – Building A (4%) in Roxbury, Massachusetts resulting from the appointment of Urban Edge Housing Corporation as the sole member of Nuestra Comunidad Development Corporation.

VOTED: That MassHousing approve the Level One Transfer of Ownership of Bartlett Station – Building A (9%) in Roxbury, Massachusetts resulting from the appointment of Urban Edge Housing Corporation as the sole member of Nuestra Comunidad Development Corporation.

VOTED: That MassHousing approve the Level One Transfer of Ownership Washington Park Apartments in Roxbury, Massachusetts resulting from the appointment of Urban Edge Housing Corporation as the sole member of Nuestra Comunidad Development Corporation.

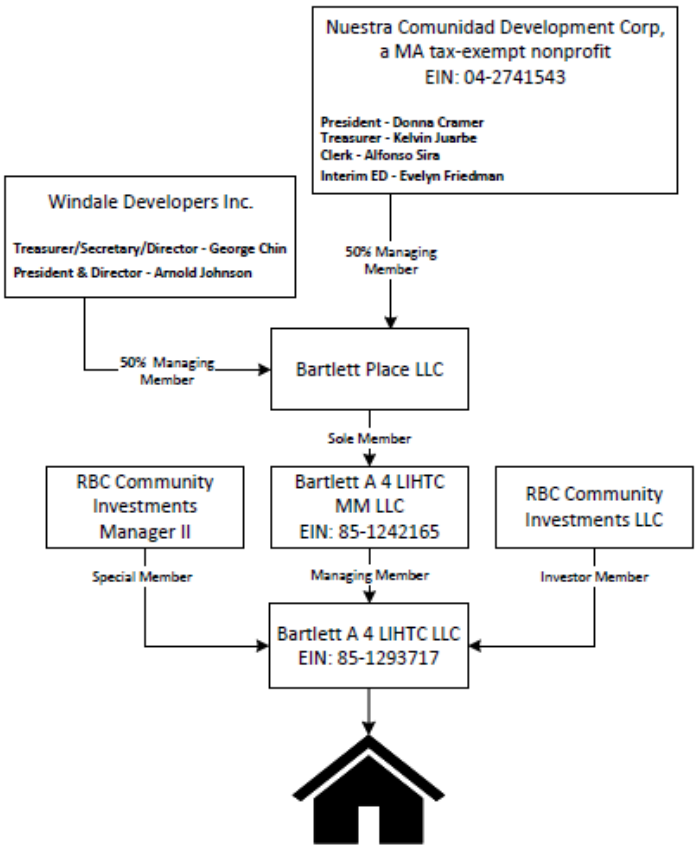
ORGANIZATIONAL STRUCTURE



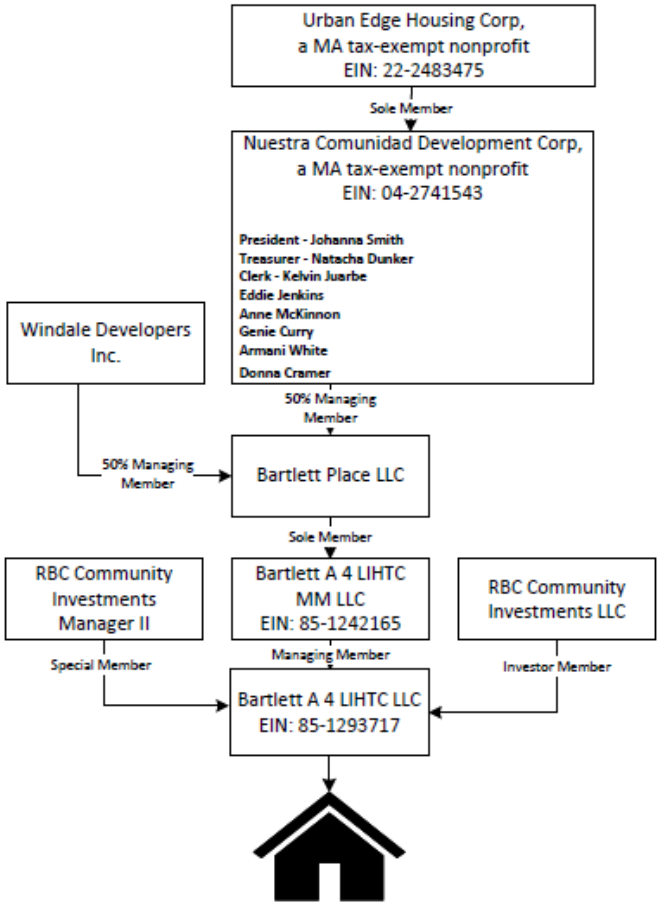
Bartlett A 4

10 Bartlett, 2505-2525 Washington Street, Roxbury

Current

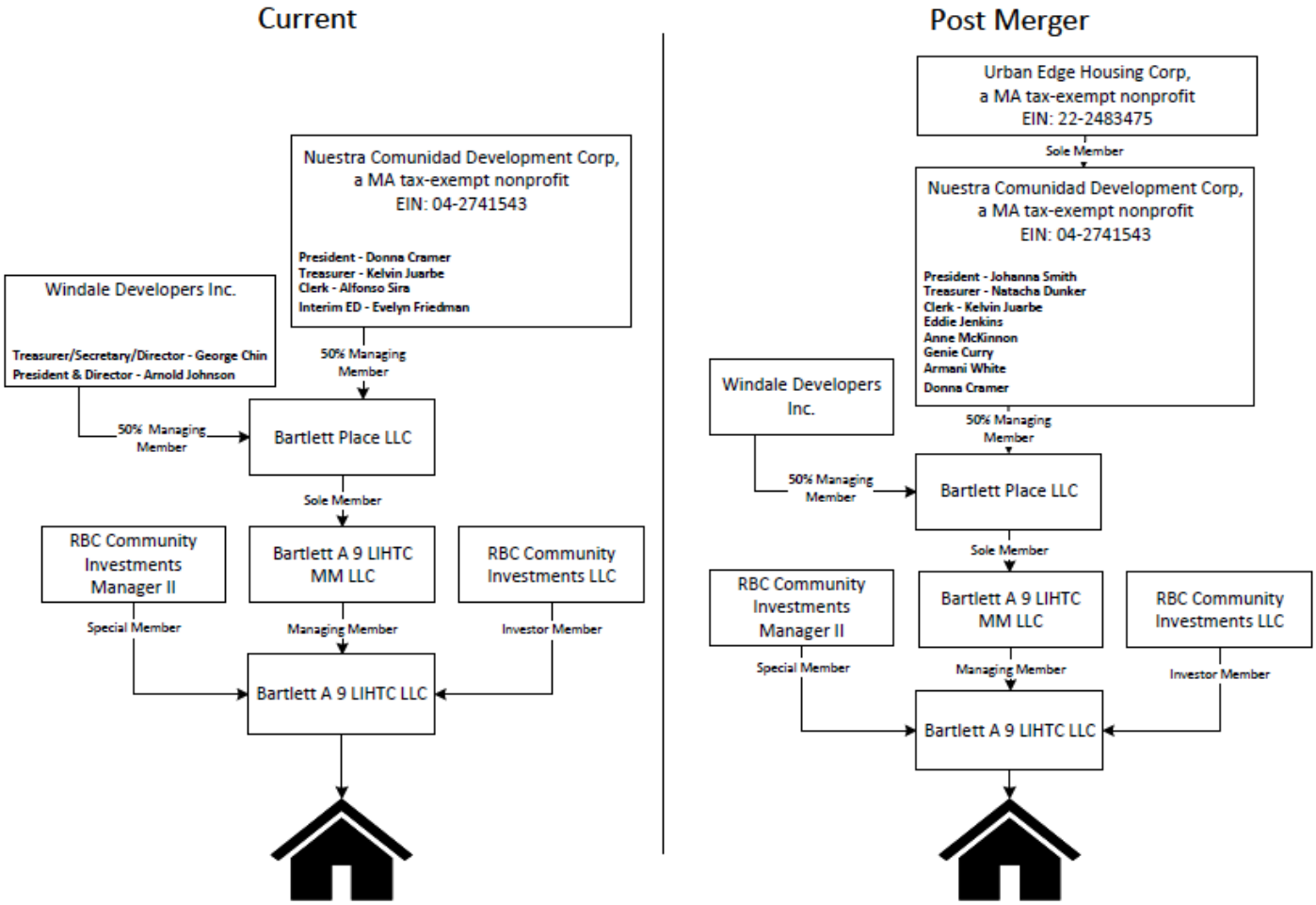


Post Merger



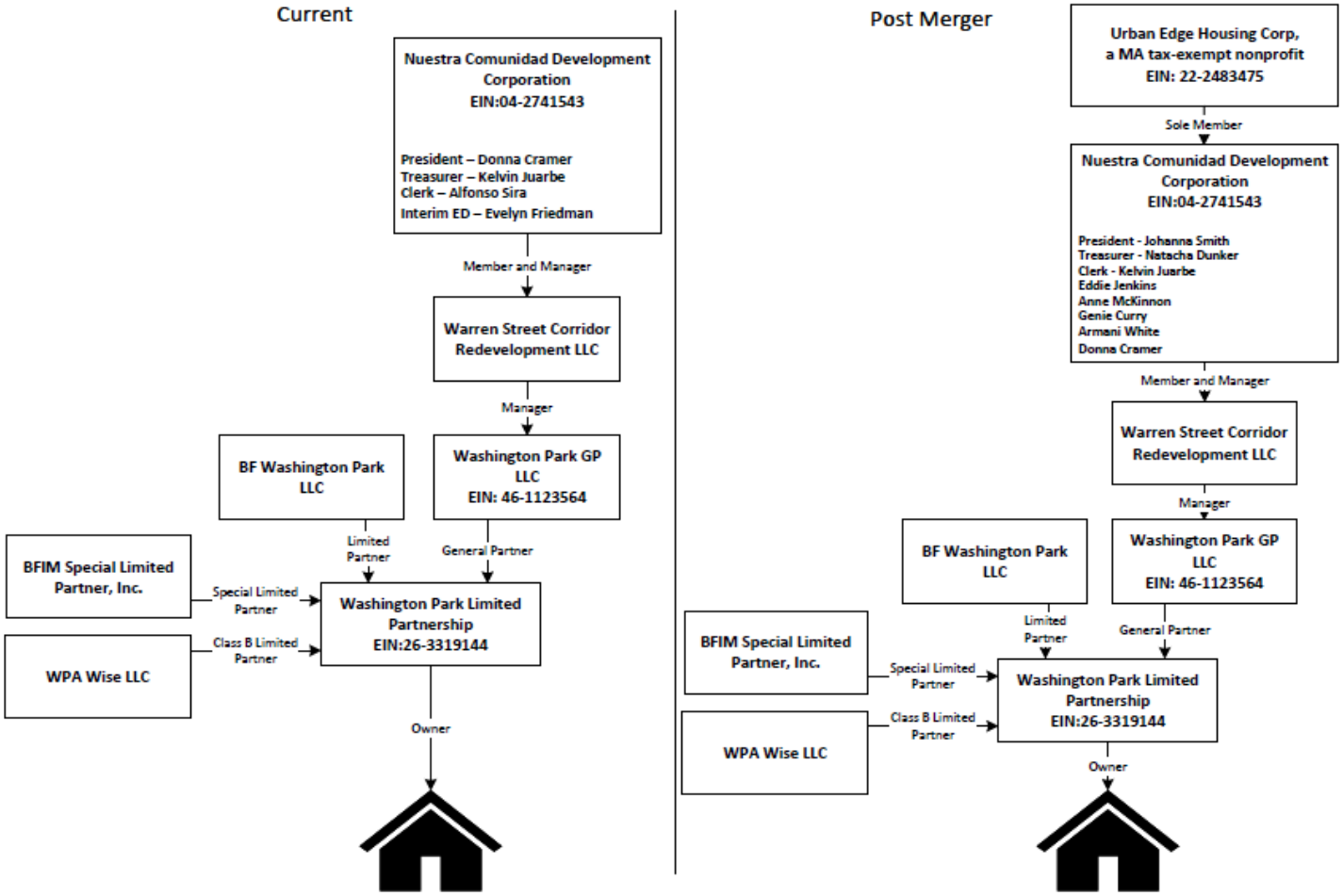
Bartlett A 9

10 Bartlett, 2505-2525 Washington Street, Roxbury



Washington Park

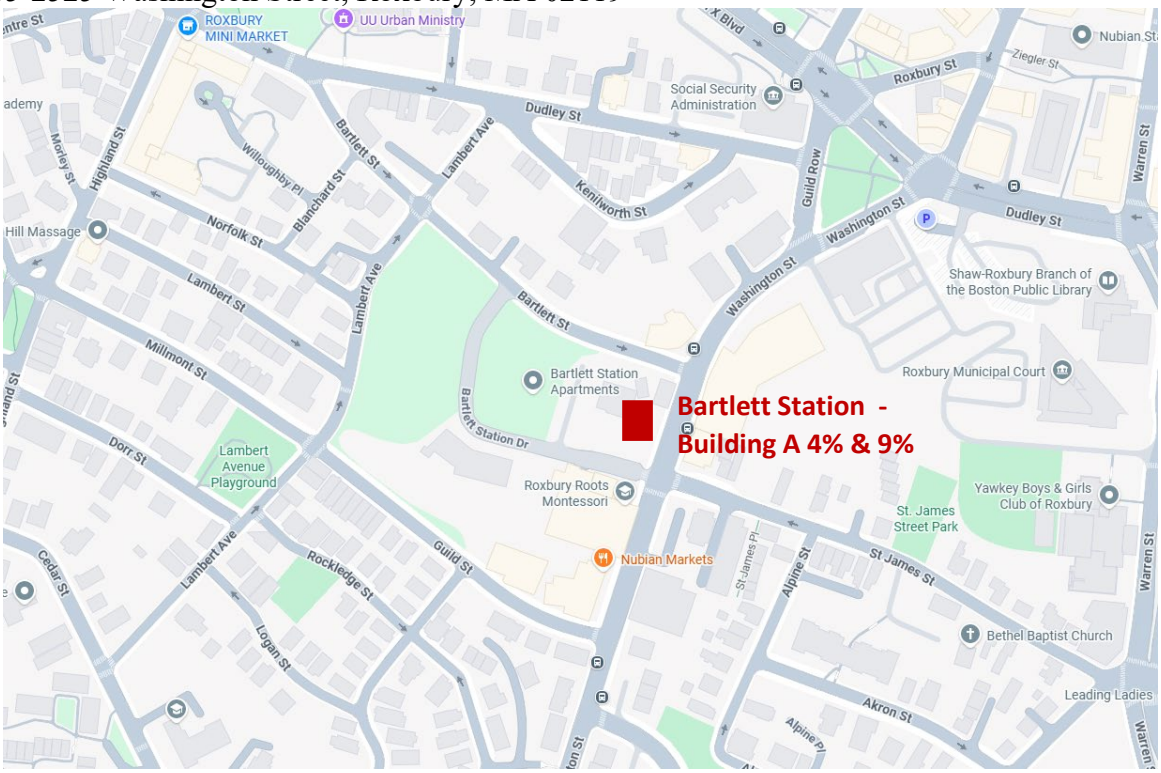
185-187 Walnut Ave, 2049 Columbus Ave, 2029 Columbus Ave, 25 Wyoming Street, 33 Wyoming Street, Roxbury



MAP AND PICTURES

Bartlett Station - Building A 4% & 9%

2505-2525 Washington Street, Roxbury, MA 02119



Washington Park Apartments

25, 29, 33, and 39 Wyoming Street, 85-187 and 189-191 Walnut Avenue, 2029-2037 and 2041-2049 Columbus Avenue, Roxbury, MA 02119

Transfer of Ownership Proposal | May 12, 2026

Nuestra Comunidad Development Corporation Portfolio

Bartlett Station - Building A (4%)
Bartlett Station - Building A (9%)
Washington Park Apartments

Bartlett Station - Building A (4%) &
Bartlett Station - Building A (9%)

MassHousing

Ownership Transfer

Washington Park Apartments

Current Borrower	Current Sponsor	Proposed Sponsor
Bartlett A 4 LIHTC LLC	Nuestra Comunidad Development Corporation	Urban Edge Housing Corporation (as sole member of Nuestra Comunidad Development Corporation)
Bartlett A 9 LIHTC LLC	Nuestra Comunidad Development Corporation	Urban Edge Housing Corporation (as sole member of Nuestra Comunidad Development Corporation)
Washington Park Limited Partnership	Nuestra Comunidad Development Corporation	Urban Edge Housing Corporation (as sole member of Nuestra Comunidad Development Corporation)

MassHousing

Portfolio Overview

Development Name	Current MH Risk Rating	Total Outstanding MH Debt	Total Rental Units
Bartlett Station - Building A (4%)	Financial: D Physical Condition: A Compliance: A	$4,017,749	7 Affordable @ 30% AMI 9 Workforce Housing @ 80% AMI
Bartlett Station - Building A (9%)	Financial: A Physical Condition: A Compliance: A	$6,752,763	44 Affordable @ 60% AMI
Washington Park Apartments	Financial: A Physical Condition: B Compliance: A	$3,792,556	76 Affordable @ 60% AMI 10 Affordable @ 80% AMI 10 Affordable @ 30% AMI

Borrower Team

Mortgagor Entities	Bartlett A 4 LIHTC LLC
	Bartlett A 9 LIHTC LLC
	Washington Park Limited Partnership
Sponsor	Urban Edge Housing Corporation (as sole member of Nuestra Comunidad Development Corporation)
Management Agent	Winn Management Company LLC

Bartlett Station - Building A 4% & 9% | Roxbury

Washington Park Apartments | Roxbury

Recommended Votes

- Level One Transfer of Ownership

Modification to Loan Commitment Proposal | May 12, 2026

Bartlett Station F5

1. General Project Information	
Project Name	Bartletts Station F5
Project ID	22-015
Associated Projects	N/A
Address(es)	59 Barlett Station Drive, Roxbury, MA 02119
Proposed Sponsor	Urban Edge Housing Corporation
Transaction Type	Production (4%)
Funding Type	Forward Commitment of a Permanent Loan
Execution Type	Portfolio (TE)
Credit Enhancement	HUD/HFA Risk-Sharing with 50% credit risk
Approval Type	Board
Total Rental Units	44 Units
Affordability Mix	34 Affordable 10 Workforce

2. Recommended Actions

- Approval of Change of Control of Sponsor and Borrower

Nuestra Comunidad Development Corporation ("NCDC"), the co-sponsor of Bartlett Station F5 (the "Development"), is seeking Agency approval of the conversion of NCDC from an independent non-profit corporation to a single-member non-profit corporation controlled by Urban Edge Housing Corporation ("UEHC"). The transaction will result in the change of control of one of the sponsors and the Development. The change to the organizational structure of Bartlett F5 LLC (the "Borrower") resulting from the transaction is shown in the attached, updated Borrower organizational chart.

Following the transaction, the Borrower will continue to own the Development and will continue to be the borrower when MassHousing closes on its committed financing of the Development later this year or will remain subject to its MassHousing mortgage loans and all related loan documents if the proposed transaction occurs after the financing closes. The current affordability of the Development will remain unchanged.

As a result of the transaction, UEHC will serve as NCDC's sole member, with the power to appoint and remove a majority of NCDC's board of directors. During a transition period of at least two (2) years following the transaction, UEHC and NCDC intend to continue the operation of NCDC as a separate non-profit entity responsible for meeting its continuing obligations under all of its agreements, and the NCDC board will include two (2) existing members to provide continuity and institutional knowledge.

The new structure will allow NCDC to continue providing affordable housing and related services to low- and moderate-income families throughout the greater Boston area. It is the intention of the parties to work together for a seamless transition whereby UEHC will assume NCDC's responsibilities managing (or jointly managing) the owners of the Development. UEHC will also assume responsibility for all of NCDC's back-office operations, including accounting and asset management of NCDC's properties. NCDC believes that combining its balance sheets and portfolio with UEHC will promote a more sustainable development presence and promote its mission of expanding and preserving affordable housing in Massachusetts.

The current ownership structure of the Borrower reflects NCDC as the sole member of the Borrower's managing member, Bartlett F5 MM LLC. Following this transaction, a new tier within the Borrower's organizational ownership structure will be formed showing UEHC as the sole member of NCDC.

Members of the Agency approved a forward commitment of a tax-exempt permanent loan and tax-exempt bridge loan at the November 2023 meeting of Agency Members. Due to construction delays, the Agency is currently targeting substantial completion and certificates of occupancy by the end of June 2026. The Agency intends to close and fund its permanent loan and bridge loan no later than September 30, 2026. Additional details on this transaction can be found below in Section 5. Background.

3. Updated Borrower Team

Proposed Sponsor: Urban Edge Housing Corporation (as sole member of Nuestra Comunidad Development Corporation)

Founded in 1974, UEHC is a community development corporation that works in partnership with residents, businesses and state and local governing institutions committed to development and maintaining high quality affordable housing in the diverse communities of Jamaica Plain, Roxbury and surrounding communities in Massachusetts. UEHC has provided over 1,400 families and/or individuals with safe, stable and high-quality housing in over 15 developments.

Windale Developers will remain a co-sponsor of Bartlett Station F5. Windale Developers was founded in 1999 by Arnold C. Johnson, George Chin and Edward Faria, the owners of Crosswinds Enterprises, Inc.

For all other borrower team members, please refer to Exhibit B, the November 14, 2023 Loan Commitment Proposal.

4. Summary of MassHousing Relationship with Proposed Sponsor	
Number of Projects with MassHousing Debt	6
Total Units with MassHousing Debt	682
Outstanding MassHousing Principal Debt	$40,566,800
Adverse Actions Against the Borrower Team	None
Current on Obligations with MassHousing	Yes
Property Management Affiliate	No

MassHousing Staff	
Origination	Mike Carthas
Underwriting	Doug O'Brien
Asset Management	Xaviera Renrick and Tina Attachi

5. Background

On November 14, 2023, the Agency Members approved a tax-exempt permanent first mortgage of $5,770,000, a tax-exempt bridge loan of $10,052,000, and a junior Workforce Housing Loan of $1,000,000 for the Development, a proposed 44-unit affordable housing community housed in a five-story building. The Development is a component of the fifth phase of the larger Bartlett Station redevelopment. Once completed, the redeveloped Bartlett Station project will consist of a new 10-buidling, 367-unit mixed-use neighborhood of affordable, moderate and market rate rental housing, senior housing, homeownership housing, and commercial and retail spaces.

The Development closed on its construction loan in June 2024, and since that time has experienced extensive construction delays. The Development is 91% complete with MassHousing determining that substantial completion will occur by June 30, 2026. MassHousing is in agreement to amend its stabilized occupancy requirements in order for the MassHousing loans to be funded into the Development in September 2026 for tax-exempt bond compliance reasons.

For a complete description of the Development and the proposed financing, please refer to Exhibit B, the November 14, 2023, Loan Commitment Proposal.

Woodland Cove Phase II

VOTES AND FINDINGS

PROPOSALS AND VOTES

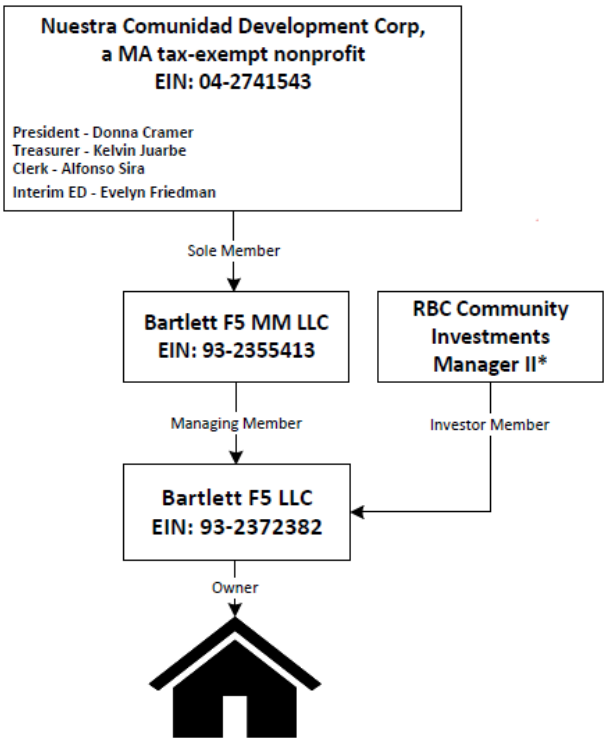
Staff proposes the following votes to modify the approvals previously adopted by the Members at the November 14, 2023 meeting:

VOTED: To approve the change in control of Bartlett F5 LLC resulting from the conversion of Nuestra Comunidad Development Corporation from an independent non-profit corporation to a single-member non-profit corporation controlled by Urban Edge Housing Corporation before or following the closing of the loans authorized by the Members on November 14, 2023 for the multifamily residential development known as "Bartlett Station F5" and located in Boston, Massachusetts (the "Development").

FURTHERVOTED: That the votes of the Members with respect to the Development approved on November 14, 2023, are otherwise ratified and confirmed.

EXHIBIT A

Current and Proposed Organization Chart



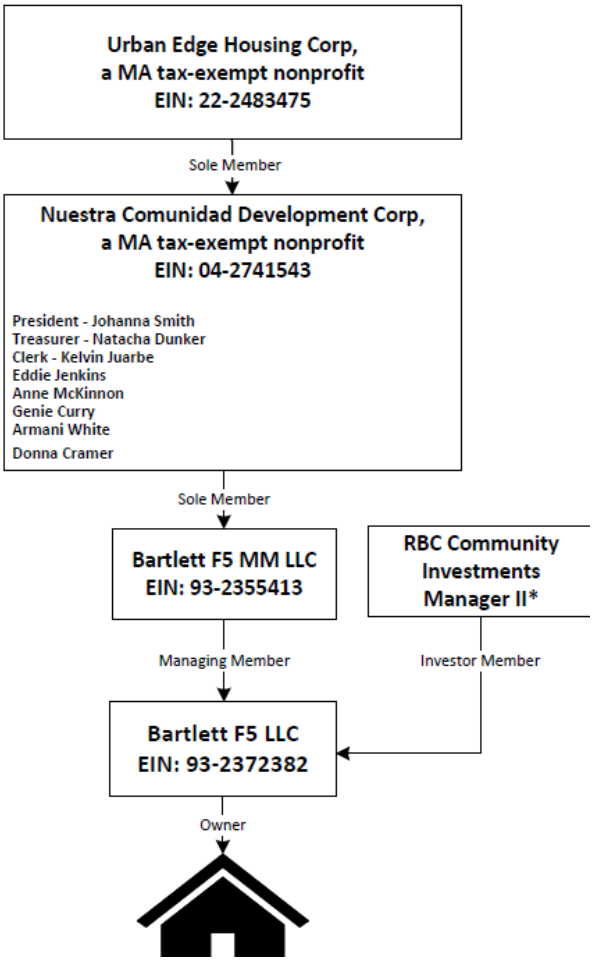


Exhibit B – Original Loan Commitment

Loan Commitment Proposal | November 14, 2023

Bartlett Station F5

1. General Project Information	
Project Name	Bartlett Station F5
Project ID	22-015
Associated Projects	Bartlett Station A 4% (closed) Bartlett Station A 9% (in closing)
Address(es)	59 Bartlett Station, Roxbury, 02119
Sponsor	Bartlett Place LLC (Joint venture with Nuestra CDC and Windale Developers, Inc.)
Transaction Type	Production (4%)
Funding Type	Forward Commitment of Permanent Loan
Execution Type	Portfolio (TE)
Credit Enhancement	HUD/FHA Risk-Sharing with 50% Credit Risk
Approval Type	Board
Total Rental Units	44
Affordability Mix	34 Affordable 10 Workforce

2. Recommended Actions

- Official Action Status
- Commitment of a Permanent Tax-Exempt Loan
- Commitment of a Tax-Exempt Bridge Loan
- Commitment of a Workforce Housing Loan
- Approval for the use of Low-Income Housing Tax Credits

Bartlett Station F5 (the "Development") is a component of the fifth phase of the Bartlett Station redevelopment. The larger Bartlett Station project consists of a new 10-building, 367-unit mixed-use neighborhood of affordable, moderate, and market rate rental housing, senior housing, homeownership housing, and commercial and retail space. The proposed financing of the Development will support the creation of 44 affordable, mixed-income rental units, and a community space for the benefit of all Bartlett Station residents and the greater Roxbury community.

3. MassHousing Financing	
First Loan	
Type	Tax-Exempt Permanent Loan
Loan Amount	$5,770,000
Interest Rate	30-Year MMD plus 248 basis points (bps) to be locked at Construction Loan Closing (processing rate of 7.18% assumed for underwriting)
Loan Term / Amortization	40 y / 40 y
Term of Fwd Commitment	28 mo
Year 1 DSCR	1.14 projected (1.10 minimum)
LTV	79% projected (90% maximum)
Equity Bridge Loan	
Type	Tax-Exempt Equity Bridge Loan
Loan Amount	$10,052,0000
Interest Rate	7.48% projected
Loan Term/Amortization	6 mo / interest only
Junior Loan	
Type	Workforce Housing Loan
Loan Amount	$1,000,000
Interest Rate	0% projected
Loan Term/Amortization	40 y / non-amortizing
Terms of Cash Flow Sharing	To the extent there is cashflow during operations, 50% will be split between MassHousing and the other subordinate lenders on a pari-passu basis, with MassHousing's share being used to service principal on the Workforce Housing Loan

4. Development Plan

Description of Site. The Development is located on Bartlett Station Drive, which connects Washington Street and Bartlett Street in the Dudley (Nubian) Square Economic Development Area in Roxbury. The site is a 27,843-square-foot underutilized parcel of open land within walking distance to restaurants, cafes, shops, a Boston Public Library, and a transit hub at Dudley Station.

Description of Existing or Proposed Building. The Development will include forty-four (44) affordable rental units consisting of eight (8) one-bedroom units, twenty-eight (28) two-bedroom units and eight (8) three-bedroom units. The five-story building will consist of a lobby, two elevators, a multi-purposed community space, garage-covered parking with 33 spaces, and a bicycle storage area.

Bartlett F5's design and scope of work continues to demonstrate the Bartlett Station development team's commitment to green building and sustainability. The building is on track to meet LEED BD+C Multifamily Midrise requirements and is on target to achieve the GOLD level of certifiability. It will contribute to meeting the City of Boston's net-zero carbon goals and incorporates climate mitigation and resilience in the design.

Description of Affordability Mix. All 44 units will be subject to income restrictions with set-asides ranging from 30% of Area Median Income ("AMI") to 80% of AMI.

Twelve units will benefit from project-based rental assistance, of which eight (8) will benefit from a Project-Based Section 8 HAP contract and four (4) will benefit from Project-Based MRVP.

Five (5) units will be restricted at 50% of AMI, seventeen (17) units will be restricted at 60% of AMI, and ten (10) Workforce Housing units will be restricted at 80% of AMI.

Site Control. An affiliate of the sponsor owns a fee simple interest in the Development through a quitclaim deed.

5. Borrower Team

Mortgagor Entity: Bartlett F5 LLC

Bartlett F5 LLC is a sole-asset, single-purpose entity formed for the purposes of owning and operating the Development.

Developer / Sponsor: Bartlett Place LLC (Nuestra CDC & Windale Developers, Inc.)

Nuestra Comunidad has worked in the Roxbury community and nearby Boston neighborhoods since 1981. Nuestra has built and sold over 150 homes to new homeowners in Roxbury, generating $35 million in equity; paid $49 million to MBE construction businesses; created 400 jobs for workers of color; and placed 20 local businesses in our commercial spaces. Over the next few years, Nuestra's transformative Bartlett Station development will pay over $85 million to MBEs and create 600 jobs for worker of color. Over the next ten years, $23 million in equity will be realized for 166 homeowners at Bartlett Station.

Windale Developers was founded in 1999 by Arnold C. Johnson, George Chin and Edward Faria, the owners of Crosswinds Enterprises, Inc. To date, Windale Developers has built over 150 new for-sale homes.

Nuestra CDC and Windale are co-developers in this transaction through stabilization. Once the Development is stabilized and converted, Windale will not be involved in ongoing property operations. Nuestra CDC will have sole decision-making rights.

General Partner / Managing Member: Bartlett F5 MM LLC

Construction Lender: JPMorgan Chase Bank, N.A.

JPMorgan Chase Bank is a financial holding company that offers consumer and commercial banking, investment banking, financial transaction processing, and asset management solutions through its subsidiaries. The company is financing 100,000 affordable rental units through $14 billion and is headquartered in New York City, New York.

Syndicator / Investor: RBC Capital Markets

RBC Capital Markets is recognized by the most significant corporations, institutional investors, asset managers, private equity firms, and governments around the globe as an innovative, trusted partner with an in-depth expertise in capital markets, banking, and finance. They are well-established in the largest, most mature capital markets across North America, Europe, and the Asia-Pacific region, which collectively encompass more than 75% of global investment banking activity each year.

Management Company: Winn Managed Properties, LLC

Winn Managed Properties, LLC is the fifth-largest multifamily property managers in the United States, as well as the largest manager of affordable and privatized military housing. The company manages over 100,000 units at more than 550 properties in 22 states and the District of Columbia, including more than 50,000 units of affordable housing.

Architect: Davis Square Architects

Founded in 1984, Davis Square Architects is a medium-sized, award-winning architectural and planning studio organized into project-specific teams. DSA's values and decades of experience throughout the Northeast have led to a long-standing history of high-quality design, in collaboration with our clients, spanning a wide variety of project types, including affordable and multi-family housing, TOD design, renovation and historic preservation, adaptive reuse, feasibility and needs assessments, and community spaces.

General Contractor: Bald Hill Builders

Bald Hill Builders is a certified WBE general contractor and construction management firm located in Walpole, serving Massachusetts and the surrounding states. In 2021, the Boston Business Journal recognized the firm as one of the largest women-owned businesses in Greater Boston. Services include pre-construction, construction management, general contracting, and design-build construction. The firm has served as general contractor on two MassHousing-financed developments (31 Tufts and 1899 Columbus).

Nuestra CDC and members of the development team have demonstrated track records of outreach and utilization of MBE/WBE participation. This includes their involvement with other MassHousing-financed developments as well as part of their general business practices.

Nuestra CDC reports historically averaging over 60% in MBE contracting in its projects, and over 60% of labor hours filled by workers of color. At Bartlett Station's Building B, 45% of contracting dollars were on MBEs, and at Building E, 75% were on MBEs. At Building B, workers of color filled over 60% of worker hours, and at Building E, minority workers filled over 75% of worker hours.

6. Summary of MassHousing-Sponsor Relationship	
*Number of Projects with MassHousing Debt	3
*Total Units with MassHousing Debt	156
*Outstanding MassHousing Principal Debt	$13,019,170
Adverse Actions Against the Borrower Team	No
Current on Obligations with MassHousing	Yes
Property Management Affiliate	No

* Includes Bartlett Station A 4% and Bartlett Station A 9%

MassHousing Staff	
Origination	Mike Carthas, Originator Dan Maillet, Analyst
Underwriting	Doug O'Brien, Underwriter
Asset Management	Lee Fiorenza, Portfolio Manager Kirti Kyab, Asset Manager

7. Unit Mix

		LIHTC-Eligible										
Unit Size	Total Units	30% of AMI MRVP*		30% of AMI PBV*		50% of AMI*		60% of AMI*		80% of AMI Workforce*		Market Comparison
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Rent*
1 BR	9	2	$2,279	5	$2,516	1	$1,249	1	$1,528	-	-	$2,500
2 BR	27	2	$2,724	1	$3,006	3	$1,489	13	$1,823	8	$2,338	$3,200
3 BR	8	-	-	2	$3,586	1	$1,710	3	$2,096	2	$2,701	$3,600
Total	**44**	**4**		**8**		**5**		**17**		**10**		
* Rents are net of utility allowances												

Project-Based Rental Subsidy	
Type	MRVP
Term	20 y
Administrator	Metro Housing Boston
Lesser of Contract Rents	

Type	HUD S8 PBV
Term	20 y
Administrator	Metro Housing Boston
Lesser of Contract Rents	

8. Operating Overview

Underwritten Operating Expenses	$582,500 (approximately $13,200 per unit)

Basis of Operating Costs. Borrower's submission and review of portfolio comparables.

9. Project Costs

Core Residential Costs	
Base	$23,476,928
Extraordinary	$6,529,038
Total	$30,005,966
Commercial, Site and Other Non-Residential Costs	
Commercial Costs	-
Site and Other Non-residential Costs	$774,648
Total	$774,648
Total Development Cost	
Total	$30,780,614

Project Construction Costs	
Total Construction Cost	$20,874,690
Construction per Square Foot	$456

Background on Extraordinary Costs. The high development costs are driven by two factors. The first relates to the costs related to Passive House material upgrades and design and engineering contracts. The second relates to increases on material costs since this transaction's predevelopment stage.

Background on Site and Other Non-Residential Costs. These costs are associated with the earthwork required for the buildout of the basement. These costs include applicable hard costs, contingency, soft costs, overhead and fee.

10. Sources and Uses

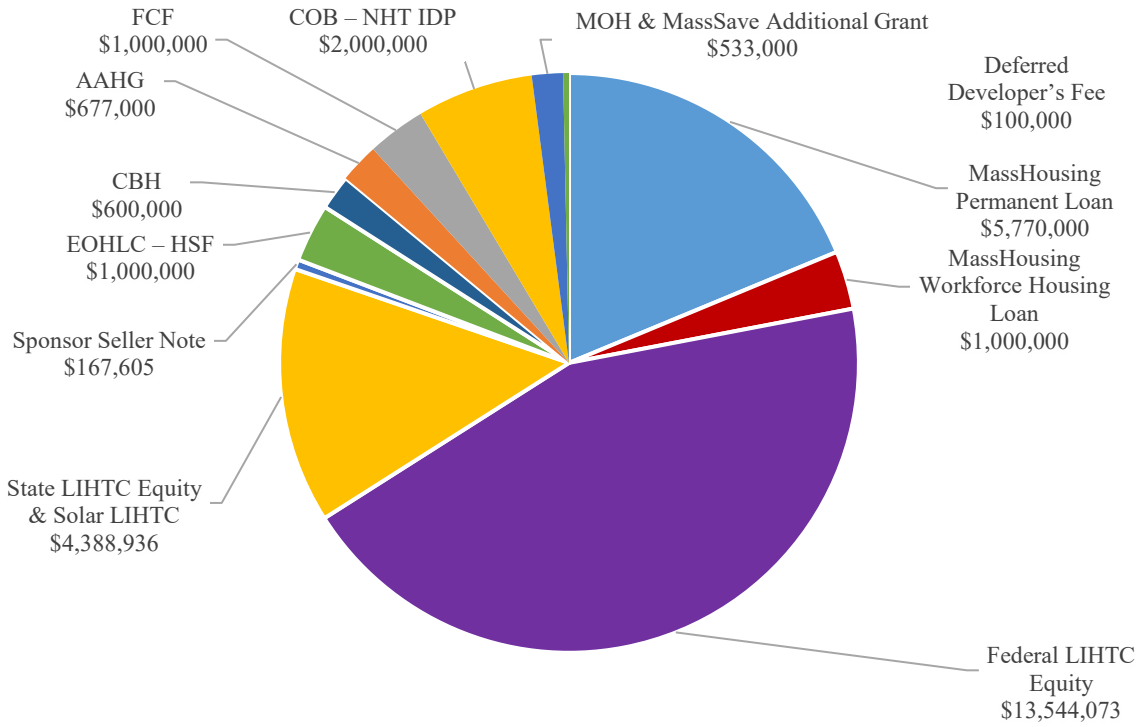
Sources of Funds	Total
MassHousing Permanent Loan	$5,770,000
MassHousing Workforce Housing Loan	$1,000,000
Federal LIHTC Equity	$13,544,073
State LIHTC Equity & Solar LIHTC	$4,388,936
Sponsor Seller Note	$167,605
EOHLC – HSF	$1,000,000
CBH	$600,000
AAHG	$677,000
FCF	$1,000,000
COB – NHT IDP	$2,000,000
MOH & MassSave Additional Grant	$533,000
Deferred Developer's Fee	$100,000
Total Sources	$30,780,614

Core Residential Uses of Funds	Total		Base Costs		Extraordinary Costs	
		Per Unit		*Per Unit*		*Per Unit*
Acquisition	$842,605	$19,150	$842,605	$19,150		-
Construction	$18,820,319	$427,735	$13,601,926	$309,135	$5,218,393	$118,600
Construction Contingency	$1,327,748	$30,176	$736,707	$16,743	$591,041	$13,433
General Development	$6,624,293	$150,552	$6,004,689	$136,470	$619,604	$14,082
Operating Reserves	$346,200	$7,868	$346,200	$7,868		
Overhead	$984,900	$22,384	$984,900	$22,384		
Fee	$1,059,900	$24,089	$959,900	$21,816	$100,000	$2,273
Total Residential Uses	$30,005,966	$681,954	$23,476,928	$533,567	$6,529,038	$148,387

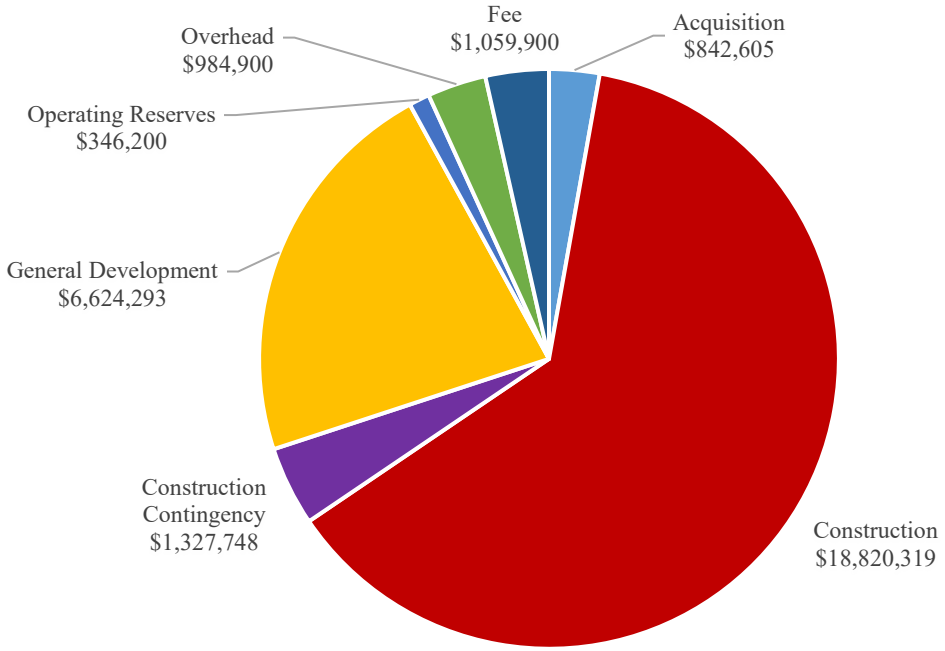
Site and Other Non-Residential Uses*	$774,648

Total Uses	$30,780,614

Total Sources



Total Uses



11. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		$393,168
Rental Income – Non-Rental Subsidy		$733,932
Gross Potential Residential Income		$1,127,100
Vacancy	3.0%	($34,844)
Gross Residential Income		$1,092,257
Other Income – Laundry (net vacancy)		$990
Effective Gross Income		$1,093,247

Expenses	
Residential Operating Expenses	$580,514
Net Operating Income	$512,732
Debt Service	($449,520)
Cash Flow	$63,212

Debt Service Coverage 1.14

Residential Operating Expense Detail			*Per Unit*
Management Fee	4.75%	$51,929	$1,180
Administrative Costs		$135,299	$3,075
Maintenance Costs		$151,690	$3,448
Resident Services		$22,000	$500
Security		$10,000	$227
Utilities (water and sewer, hot water)		$74,743	$1,699
Insurance		$60,588	$1,377
Taxes		$44,000	$1,000
Replacement Reserves		$15,840	$360
Mortgage Insurance Premium		$14,425	$328
Total		$580,514	$13,194

Operating Expenses as a Percent of EGI 53.1%

12. Underwriting

1. **Workforce Housing.** The ten Workforce Housing units will be restricted at incomes at or below 80% of AMI, with rents underwritten at levels affordable to households at 70% of AMI. These rents are based on a borrower commissioned market study and will be confirmed by a MassHousing-commissioned third-party report. The underwritten rents support marketability and absorption of the Workforce Housing units, offer a discount to actual market rents, and further local efforts to create housing options for moderate-income households.

2. **Delayed Investor Admission.** Developer and Investor are contemplating an equity structure where the investor will not be admitted as a limited partnership until construction completion so that the Developer can benefit from a sales tax exemption on materials. MassHousing may permit the use of this structure, provided that the tax credit equity investor is admitted no later than the closing of MassHousing's permanent loan. This structure will be reviewed in conjunction with the underwriting and closing of the construction loan.

3. **Average Income Set-Aside.** The Developer proposes using the average income test option available under the Federal tax code to make all the units in the Development, including the workforce units, potentially eligible for federal low-income housing tax credits. The proposed unit mix provides has an average income restriction of 55.23%, providing a cushion below the required 60% in case individual units do not qualify for any reason after stabilized occupancy. The use of this average income set-aside is subject to EOHLC's approval.

4. **Third-Party Reports.** The MassHousing-commission appraisal and market study are currently underway. To the extent that either report changes the underwritten rents, loan-to-value, or replacement reserve deposit amounts, the loan size may be adjusted accordingly.

Underwriting Criteria and Loan Terms	Bartlett Station F5	Underwriting Standards
1. DSCR	1.14	Minimum of 1.10
2. Term/Amortization	40 y / 40 y	30-40 y, fully-amortizing
3. Loan to Value	79%	Maximum of 90% based on third party "as-proposed" investment value
4. Underwriting Rents	Lesser of PB MRVP or market supported rents. LIHTC & Workforce: Programmatic rent caps.	Lesser of: • PB-Rental Subsidy contract or market supported rents • Programmatic rent cap or rents supported by MassHousing market review.
5. Vacancy Allowance	• 2.5% for PB – Rental Subsidy • 3.0% for LIHTC • 5.0% for workforce housing	Minimum of: • 2.5% for PB – Rental Subsidy • 3.0% for LIHTC • 5.0% for unrestricted or workforce housing
6. Affordability	40% at 60% of AMI	Minimum of: • 20% at 80% of AMI for MassHousing Statute • 40% at 60% or 20% at 50% of AMI for loans with FHA Insurance, HUD/FFB, Tax-Exempt Bond, and/or Federal LIHTC
7. Annual Deposits to Replacement Reserves	$360 unit / year	Minimum of: • $360 unit / year (new construction) • $500 unit / year (rehab)
8. Operating Expenses	Approximately $13,2000 unit / year	Typically, between $11,000 and $15,000 per unit.

13. Low-Income Housing Tax Credits

The Developer has included in its financing proposal a request for the use of 4% Low-Income Housing Tax Credits (the "4% Credits"). The 4% Credits may be utilized as a result of the funding of the Loan with tax-exempt bonds or notes of MassHousing which are to be issued under Section 142 of the Internal Revenue Code of 1986, as amended (the "Code") and are subject to a volume capacity allocation under Section 146 of the Code.

Use of the 4% Credits must be approved by EOHLC as the "housing credit agency" under Section 42 of the Code who must make the determination required under Section 42(m)(1)(D) of the Code that the development and financing proposal meets the requirements of the Commonwealth's Qualified Allocation Plan. In addition, MassHousing, as the issuer of tax-exempt obligations which generate the 4% Credits must determine under Section 42(m)(2)(D) of the Code that the amount of 4% Credits does not exceed the amount necessary for the financial feasibility and long-term viability of the development. Such determination shall be made applying the standards set forth in the proposed Board vote herein, as required by Section 42(m) (2) (B) of the Code.

Bartlett Station F5

VOTES AND FINDINGS

PROPOSALS AND VOTES

Official Action Status

RECOMMENDATION:

Staff has reviewed the development experience and creditworthiness of the mortgagor and sponsor and found them to be acceptable. Staff has also determined that the mortgagor, sponsor, or an affiliate under common control has demonstrated evidence of site control, that the proposed site is acceptable for the intended housing, and that there is a need for the proposed housing in the community where the site is located. Therefore, staff recommends the following votes for approval:

VOTED**:** To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as "Bartlett Station F5" (the "Development") at such time as it is submitted; (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 that such loan (a) be funded with proceeds of tax-exempt debt issued in the future and (b) reimburse, in accordance with Treasury Regulations Section 1.150-2, up to $14,544,000 of costs of the Development paid prior to the issuance of such debt or the making of such loan; provided that this vote does not require the Agency to make any expenditure, incur any indebtedness or proceed with the Development.

Official Action Status Findings

In accordance with the vote of the Members of MassHousing dated October 10, 2023, staff makes the following Official Action Status findings for the Development:

1. The mortgagor or sponsor has acceptable multifamily housing development experience and acceptable credit history.
2. The mortgagor, sponsor or affiliate under common control has demonstrated evidence of site control, which may include a deed, a ground lease, a purchase option, a contract of sale, or designation under a public land disposition process.

3. The site is acceptable for the proposed housing (if the loan would finance new housing).

4. There is a need for the proposed housing in the community where the site is located.

Mortgage Loans

Staff has reviewed the proposal for (i) bridge and permanent loan financing and (ii) the use of Low-Income Housing Tax Credits and proposes the following votes for approval:

VOTED**:** To approve the findings and determinations set forth below and to authorize (a) a permanent first mortgage loan in a principal amount of up to $5,770,,000 such first loan to be insured under the HUD HFA Risk Sharing Program; and (b) a subordinate equity bridge mortgage loan in a principal amount of up to $10,052,000, in each case to be made to Bartlett F5 LLC or another single-purpose entity controlled by Bartlett Place LLC (the "Borrower") as owner of the multifamily residential development known as "Bartlett Station F5" (the "Development") and located in Boston, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None

FURTHER VOTED**:** To approve a subordinate mortgage loan to the Borrower for the Development in an amount not to exceed $1,000,000 (1) to be funded from that portion of the Opportunity Fund approved by the Members of MassHousing on March 8, 2016, designated and reserved for workforce housing programs and (2) subject to the terms and conditions of MassHousing's Workforce Program Guidelines adopted by the Members on July 12, 2016, as amended, and to any applicable delegations of authority previously approved by the Members of MassHousing.

FURTER VOTED: To authorize the Chief Executive Officer and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing's first mortgage loan, and other MassHousing debt as determined by the Chief Executive Officer or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing's requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel or his designee.

4% Low-Income Housing Tax Credits

VOTED**:** That the amount of 4% Credits, as set by the Chief Executive Officer, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the multifamily development located in Boston, Massachusetts and known as "Bartlett Station F5" (the "Development") will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the credit period, having taken into consideration:

(a) the sources and uses of funds and the total financing planned for the Development;
(b) any proceeds or receipts expected to be generated by reason of tax benefit©(c) the percentage of the tax credit amount used for Development costs other than the cost of intermediaries; and
(d) the reasonableness of the developmental and operational costs of the Development, provided, however, that such determination shall not be construed to be a representation or warranty as to the feasibility or viability of the Development.

FURTHER VOTED**:** To authorize the Chief Executive Officer, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Lending, the Director of Rental Management, the General Counsel or the designee of any of the foregoing, each acting singly, to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding vote.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:

34 units (77%) in the Development will be affordable to low-income persons and families, as specified in the Act, at rents that do not exceed the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area

Note: The market needs data reflects market conditions as of the date of collection on September 20, 2023. The data is not subject to unanticipated events and circumstances that may occur after this date. Specifically, the subject's market area remains susceptible to the impacts of local, national, and international events that may include, but are not limited to, the effects of COVID-19, rising interest rates, or Russia's invasion of Ukraine. Further, the reader is cautioned and reminded that the conclusions presented apply only as of the collection date.

In-house data for larger market and mixed-income complexes (approximately 835 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 94.2%, and range between 92% and 100%. One of the comparables reviewed was offering a rental concessions of two months free rent to prospective tenants.

CoStar data for the subject's Roxbury/Dorchester Submarket (8,019 units) has an overall vacancy rate at 10.9% YTD, which is an increase of 5.32% from one year ago. CoStar data for the Boston market (267,995 units) has an overall vacancy rate of 5.1% YTD, which is an increase of .85% from one year ago. The Roxbury/Dorchester Submarket vacancy rate is projected to decrease to 5.4% over the next five years, while the Boston market is projected to increase to 5.4%.

CoStar, submarket data for the 4-5 Star building type (2,377 units) indicat[es] a 3rd Qtr. 2023 vacancy rate of 26.5% and an average asking rent of $2,953, while submarket data for the subject's 3 Star building type (3098 units) indicat[es] a 3rd Qtr. 2023 vacancy rate of 6.1% at an average asking rent of $2,654 and 1-2 Star buildings (2,544 units) indicat[es] a 3rd Qtr. 2023 vacancy rate of 2.1% at an average asking rent of $2,090. The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Executive Office of Housing and Livable Communities' (EOHLC) Chapter 40B Subsidized Housing Inventory (6/29/23), the City of Boston 299,238 year-round housing units, 57,443 (19.2%) of which are subsidized for low/moderate income households.

As of January 2023, the Boston Housing Authority (BHA) owns and operates 27 family and 36 elderly/disabled developments with a total of 12,501 units. The BHA also administers 14,574 units of Leased Housing, consisting of 12,216 Housing Choice Vouchers, 1,441 Project Based and 198

Moderate Rehab. In addition, the City of Boston's Annual Plan (FY2024) indicated that the BHA maintains the following wait lists: There are 7,724 households on the Leased Housing waiting list. This is broken down by families with children, families with disabilities and elderly families. The BHA also had Single applicants on the waiting list. There were also instances of families that fit into more than one category. This waiting list has been closed since November 2008 and there are no plans to reopen at his time. The BHA also maintains a Public Housing Wait list with 28,703 applicants.

U.S. Census data from the 2017-2021 American Community Survey (ACS) indicates that of the 271,250 households in the City of Boston approximately 78.6% earned less than the HUD published 2023 AMI ($149,300), approximately 46.8% earned less than 50% of 2023 AMI, approximately 53.1% earned less than 60% of the 2023 AMI, and approximately 65.6% earned less than 80% of the 2023 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed does not lead to the undue concentration of low-income households.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

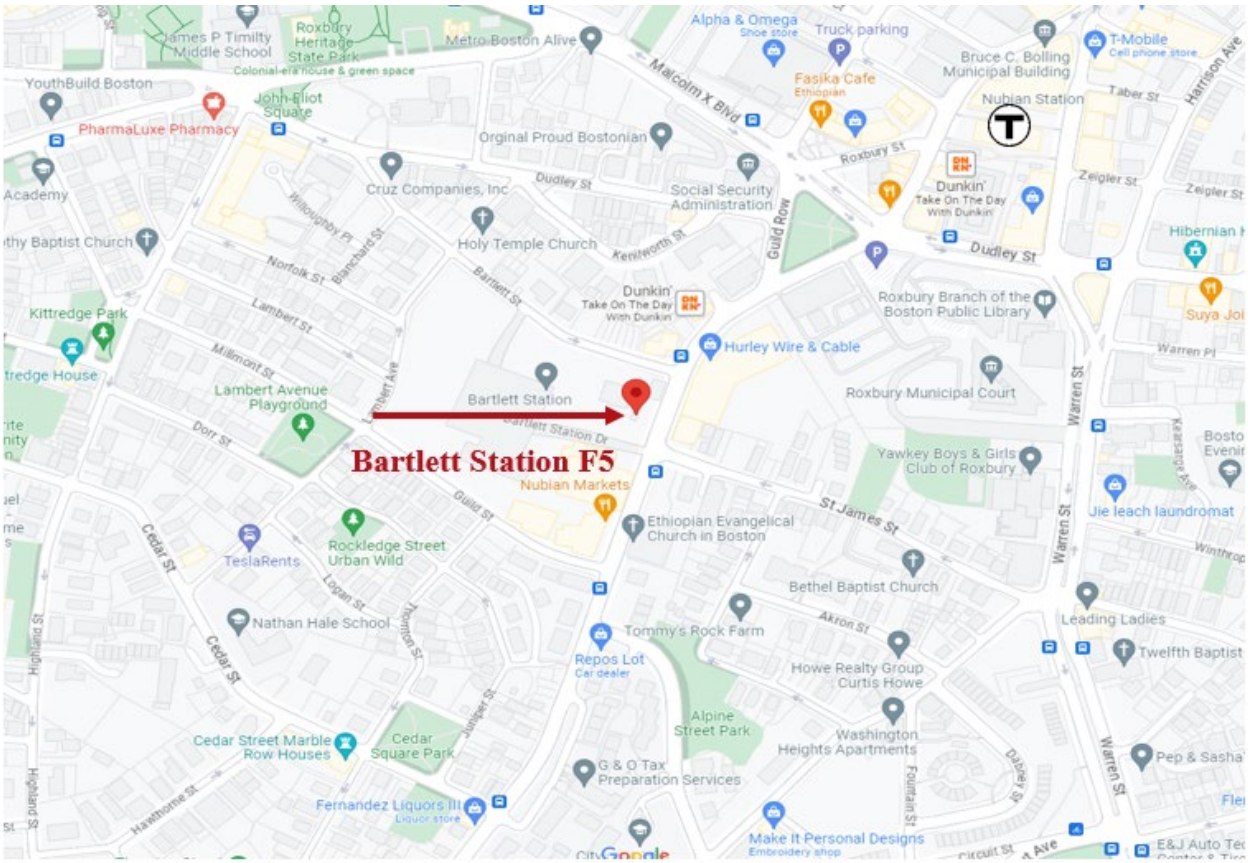
Rent Schedule:

Number of Bedrooms	1	2	3
Number of Units	9	27	8
Net SF/Unit	625	851	974
Elev./Non-Elev.	Y	Y	Y
Market Rate Rent (insert)	$2,627	$2,410	$2,931
MHFA Below Market Rent (Cost-Based Rent)	$2,213	$1,995	$2,517
MHFA Adjusted Rent	30% of 60% AMI		
Underwriting Rents			
MRVP 100% FMR	$2,279	$2,724	-
S8 PBV 110% FMR	$2,516	$3,006	$3,586
LIHTC 50% AMI	$1,249	$1,489	$1,710
LIHTC 60% AMI	$1,528	$1,823	$2,096
Workforce 80% AMI	-	$2,157	$2,482

* UW rents net of utility allowances

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

MAP AND PICTURES



Modification to Loan Commitment Proposal | May 12, 2026

Bartlett Station F5

Location	59 Bartlett Station Drive, Roxbury, MA 02119
Sponsor	Urban Edge Housing Corporation
Transaction Type	Production (4%)
Funding Type	Forward Commitment of a Permanent Loan
Execution Type	Portfolio (TE)
Credit Enhancement	HUD/FHA Risk-Sharing with 50% credit risk
Total Rental Units	44
Affordability Mix	34 Affordable 10 Workforce

MassHousing

Borrower Team

Mortgagor Entity	Bartlett F5 LLC
Developer / Sponsor	Urban Edge Housing Corporation
General Partner / Managing Member	Bartlett F5 MM LLC
Construction Lender	JP Morgan Chase Bank, N.A.
Syndicator / Investor	RBC Capital Markets
Management Company	Winn Managed Properties, LLC
Architect	Davis Square Architects
General Contractor	Bald Hill Builders

Recommended Votes

- Change in Control
- Ratification and confirmation of November 14, 2023 votes

Loan Commitment Proposal | May 12, 2026

The Waterhouse 4%

1. General Project Information	
Project Name	The Waterhouse 4%
Project ID	24-010
Associated Projects	The Waterhouse 9%
Address(es)	164 Water Street Danvers, MA 01923
Sponsor Team	WinnDevelopment Company Limited Partnership and New England Homes for the Deaf, Inc.
Transaction Type	Production (4%)
Funding Type	Forward Commitment of Permanent Loan
Execution Type	Portfolio (TE)
Credit Enhancement	None
Approval Type	Board
Total Rental Units	66
Affordability Mix	66 Affordable

2. Recommended Actions

- Official Action Status
- Commitment of a Permanent Tax-Exempt Loan
- Commitment of a Tax-Exempt Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

3. Background

The proposed financing will support the development of The Waterhouse (the "Building") in Danvers, a 116-unit, three-story building for residents aged 55 years or older with a preference for the deaf, near deaf, and deaf/blind community. The Waterhouse 4% (the "Development"), the subject of this commitment proposal, will be a 66-unit condominium within the Building and will be financed with tax-exempt bonds and 4% Low-Income Housing Tax Credits ("LIHTC"). The Building will also include a so-called "9% twin" condominium that will be financed using the 9% LIHTC program.

The development of the Building is being undertaken by a partnership between the New England Homes for the Deaf, Inc. ("NEHD") and WinnDevelopment Company Limited Partnership ("Winn"), collectively the developer team ("Developer Team"). Winn is leading development, financing, and day-to-day transaction decisions, while NEHD is assisting with local approvals and advocacy, advising on resident needs, and is anticipated to provide services to the Building's residents. The Developer Team has presented NEHD Waterhouse LLC, an affiliate of NEHD, as the lead sponsor, in consideration that the Development serves NEHD's mission and would not

be possible without NEHD's involvement and the land they have made available. For the purpose of this memo, the Developer Team is also referred to as the Sponsor Team.

The Building will be located within the existing 16-acre NEHD campus ("Campus"), a life plan community that includes an independent living facility, an assisted living facility, a skilled nursing unit, a deaf senior center, space for short-term rehabilitation and hospice services, and surplus land. To expand on the successful operation of housing and services on the Campus, NEHD sought a partner to develop the surplus land. The Sponsor Team has been collaborating on the development concept and working to assemble the necessary financing sources since 2022.

4. MassHousing Financing	
First Loan	
Type	Tax-Exempt Permanent Loan
Loan Amount	$5,320,000
Interest Rate	30-Year MMD plus 237 basis points (bps) to be locked at Construction Loan Closing (processing rate of 7.07% assumed for underwriting)
Loan Term / Amortization	41 y / 40 y; interest-only during stabilization period, with amortization commencing upon stabilization
Term of Fwd Commitment	30 months
Year 1 DSCR	1.17 projected (1.10 minimum)
LTV	TBD projected (90% maximum)
Tax-Exempt Equity Bridge Loan	
Type	Tax-Exempt Bridge Loan
Loan Amount	$8,410,000
Interest Rate	4.90% projected
Loan Term/Amortization	12 mo / interest only

5. Development Plan

Description of Site. The Building will be constructed on an approximately six-acre vacant parcel that is part of the existing 16-acre Campus at 154 Water Street in Danvers (the "Site").

The Site overlooks the Crane River. An MBTA bus stop is located at the entrance to the Site and Salem's MBTA Commuter Rail Station is approximately two miles to the south. Nearby amenities include restaurants, retail shops and parks.

Description of Existing or Proposed Building. The Waterhouse includes new construction of 116 units. The three-story building will have a mix of studio, one- and two-bedroom units with 122 parking spaces, indoor and outdoor amenity spaces including a community room, fitness room, lounge, pet wash, outdoor courtyard and bicycle storage.

All common areas and amenities will be shared by both the Development and the 9% Twin, an arrangement to be memorialized through the Master Deed for the Building. To ensure that the Building is fully integrated into the Campus, The Waterhouse will also create a new access road, a turnaround and additional parking spaces serving other portions of the Campus.

The Building will be designed to accommodate the deaf, near deaf and deaf/blind community's unique needs and will include features such as 10-foot-wide corridors with rounded corners, circular furniture, flexible layouts, and strobe light flashers throughout all the units. All units will be accessible for the sensory impaired.

The Development will consist of 66 units, which includes 10 studio, 45 one-bedroom and 11 two-bedroom units. All hallways, stairwells and amenity and operational spaces will be located within the 4% condominium giving the 4% condominium a proportionately larger square footage and share of development costs. This is reflected in the disparity of the Total Development Costs between the 4% and 9% transactions. Development costs will be split pro rata between the 4% and 9% condominiums on a square foot basis and common operating expenses will be split pro rata on a per-unit basis. Condominium documents are subject to MassHousing approval.

The Waterhouse will be all-electric and will be designed to Passive House standards and to accommodate the potential future installation of rooftop solar.

Description of Affordability Mix. All 66 units will be subject to income restrictions with set-asides ranging from 30% of Area Median Income ("AMI") to 60% of AMI.

Fourteen (14) units will benefit from project-based MRVP rental assistance, of which ten (10) units will be restricted at 30% of AMI and four (4) units will be restricted at 60% of AMI.

Site Control. NEHD is the current landowner and entered into a Land Development Agreement ("LDA") with Winn in January 2022.

As part of the proposed transaction, NEHD will ground lease the Site to Riverbank Ground Lease LP, an affiliate of Winn, who will form the leasehold condominium and will deed the leasehold condominium units to the Development and the 9% Twin. At construction closing, there will be an upfront capital payment totaling $1,000,000 paid by the Development and the 9% Twin. For the 99-year term of the ground lease, the Development and the 9% Twin will be responsible for total annual ground rent payments of $58,000, increasing by 2% per year. This payment is included in the operating expenses.

The upfront payment will be split pro rata between the 4% and 9% projects on a square foot basis, and annual payments will be split on a per-unit basis. Any unpaid ground rent will accrue and may be paid from cash flow. The Waterhouse will construct a new access road and bring utilities through the NEHD campus to the Site, which The Waterhouse will maintain. In

connection with this scope, NEHD will enter into an easement agreement with a NEHD-affiliate. Right of access will be assigned through the ground lease and carried forward in the creation of the leasehold condominiums. The ground lease and easement agreement are subject to MassHousing approval.

6. Borrower Team

Mortgagor Entity: Riverbank Water Street Four Limited Partnership

Riverbank Water Street Four Limited Partnership ("Borrower") is a sole-asset, single-purpose limited partnership formed for the purposes of owning and operating the Development.

Developer / Sponsor Team: WinnDevelopment Company Limited Partnership

WinnDevelopment Company Limited Partnership is a Massachusetts limited partnership, the sole general partner of which is WDP Manager Corp., a Massachusetts corporation wholly owned by the partners of the company. Founded in 1971 and comprised of a staff of 3,000, WinnCompanies (the parent company of Winn) is an owner, developer and manager of multifamily communities and mixed-income properties, owning more than 100 properties in 11 states, including 15,600 apartments. The company's development practice focuses on large-scale mixed-use and mixed-income multifamily properties, the acquisition and repositioning of properties, and the acquisition and adaptive reuse of historic structures.

The Agency's most recent experiences with Winn were Newton Gardens, Somerhill and Northern Heights.

New England Homes for the Deaf, Inc.

NEHD is a long-standing non-profit organization based in Danvers founded in 1901 to serve the senior deaf, deaf/blind, and near deaf community. In 1925, through the efforts of Helen Keller, her teacher Ann Sullivan, and others, NEHD established its Danvers campus on Water Street, and continues to provide housing, education, activities and social support for the deaf, near deaf and deaf/blind seniors on its campus.

General Partner / Managing Member: Riverbank Water Street Four GP LLC

Riverbank Water Street Four GP LLC is a single-purpose entity formed for the purpose of being the general partner of the ownership entity. A Winn affiliate is the managing member of the general partner, with a 49% ownership interest. A NEHD affiliate has a 51% ownership interest in the general partner. Winn will be entitled to 100% of developer overhead and fee and 85% of operating cash flow, and NEHD will receive 15% of operating cash flow.

Construction Lender: Bank of America, N.A. ("Bank of America")

Bank of America is one of the world's leading financial institutions, serving individual consumers, small and middle-market businesses, and large corporations with a full range of banking, investing asset management and other financial and risk management products and services.

Bank of America is also one of the largest lenders and investors in affordable, multifamily housing in the United States. Between 2005 and 2025, Bank of America financed over 200,000 affordable housing units in projects serving individuals, families and seniors.

Recent MassHousing financing commitments for developments using Bank of America as the construction lender include, Brooke House at Olmsted Village, Cambridge Blanchard, and Whittier Phase 3. Recently completed developments using Bank of America as the construction lender include Clarendon Hill Building E, Morton Station Village, and 31 Elm Street.

Syndicator / Investor: Bank of America, N.A.

Management Company: Winn Managed Properties, LLC (d/b/a "WinnResidential")

WinnResidential is the fifth largest multifamily property managers in the United States, as well as the largest manager of affordable and privatized military housing. The company manages over 100,000 units at more than 550 properties in 22 states and the District of Columbia, including more than 50,000 units of affordable housing.

Recent transactions with WinnResidential as the management company were Newton Gardens, Jaycee Place, and Stone Mill.

Architect: CUBE 3 Studio, LLC

Headquartered in Lawrence, MA, with over 135 employees, CUBE 3 Studio, LLC provides services in over 26 states including campus, healthcare, retail, residential and corporate office space.

The Agency's most recent experiences with CUBE 3 Studio, LLC were on The Pointe at Hills Farm 4% and 9% in 2023.

General Contractor: Windover Construction, Inc. ("Windover Construction")

Windover Construction is a Beverly, MA-based construction firm with extensive experience in modular construction and senior living projects. Windover has recently completed new construction multifamily projects in Bedford, Hampton, and Beverly.

The Agency's most recent experience with Windover Construction was Water Works II.

7. Summary of MassHousing-Sponsor Relationship (Winn)				(NEHD)
	Recorded	*Committed*	*Total*	
Number of Projects with MassHousing Debt	32	10	42	0
Total Units with MassHousing Debt	5,260	915	6,175	0
Outstanding MassHousing Principal Debt	$770,531,951	$178,707,000	$949,238,951	N/A
Number of Projects with MassHousing Conduit Financing	2			N/A
MassHousing Conduit Loans are Compliant with Program Rules	Yes			N/A
Adverse Actions Against the Borrower Team	No			No
Current on Obligations with MassHousing	Yes			N/A
Property Management Affiliate	Yes, Winn Managed Properties, LLC manages properties in the Sponsor's portfolio and offers management services outside the portfolio			No

MassHousing Staff	
Origination	Tai Pope, Originator Matt Deych, Analyst
Underwriting	Emily Loomis, Underwriter
Asset Management	Tina Attachi, Portfolio Manager Kosal Saren, Asset Manager

8. Unit Mix

Unit Size	Total Units	LIHTC Eligible						Market Comparison
		30% of AMI MRVP		60% of AMI MRVP		60% of AMI LIHTC*		
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Rent*
0 BR	10	4	$2,263	1	$2,263	5	$1,575	$2,360
1 BR	45	4	$2,394	2	$2,394	39	$1,673	$2,800
2 BR	11	2	$2,837	1	$2,837	8	$2,000	$3,620
Total	**66**	**10**		**4**		**52**		

* Rents net of utility allowances

Project-Based Rental Subsidy	
Type	MRVP
Term	15 y
Administrator	Community Teamwork Inc.
Lesser of contract rents or market rents.	

9. Operating Overview

Underwritten Operating Expenses	$970,200 (approximately $14,700 per unit)

Basis of Operating Costs. Operating expense assumptions are based on the review of comparable properties, borrower-proposed budget, and borrower-supporting documentation.

The borrower-proposed budget includes $725 per unit annually for Resident Services while the underwriting assumes $985 per unit annually. This higher amount is based on expenses included in the draft Resident Services Plan, which is subject to further review and negotiation between NEHD and Winn. The final Resident Services agreement, plan and budget must be approved by MassHousing prior to closing.

10. Project Costs

Core Residential Costs	
Base	$40,001,311
Extraordinary	$3,021,403
Total	$43,022,715
Commercial, Site and Other Non-Residential Costs	
Commercial Costs	$0
Site and Other Non-Residential Costs	$7,997,531
Total	$7,997,531
Total Development Cost	
Total	$51,020,247

Project Construction Costs	
Total Construction Cost	$34,914,639
Construction per Square Foot	$375

Background on Extraordinary Residential Costs. Extraordinary costs are primarily attributable to escalated material costs, as well as unique hard costs such as strobe light fire alarms in all units and the incorporation of design elements related to serving the deaf, near deaf, and deaf/blind communities. Additionally, there are soft costs related to extra design services required to compress the building footprint so as to keep the building out of regulated areas, including a riparian zone, coastal bank, wetlands, and flood zone as well as unique designs to the building specific to this special population.

Background on Commercial, Site and Other Non-Residential Costs. Site and non-residential costs are primarily attributable to the construction of a long access road and large parking lot, extensive earth work, exterior bike shelters, an enclosed courtyard and walkways, ramps, and curb cuts.

Background on Building Standards Costs. Building Standards costs are related to insulation, plumbing, HVAC and electrical costs, escalated material costs. These costs are included as Extraordinary Costs and contribute to the total development costs.

11. Sources and Uses

Sources of Funds	
MH Permanent Loan	$5,320,000
Federal 4% LIHTC	$17,023,683
State LIHTC Loan	$14,951,413
EOHLC Subordinate - OTHER	$10,920,496
Danvers Affordable Housing Trust	$303,000
DOER Affordable Housing Decarbonization Grant Program	$1,740,000
Deferred Developer Fee	$761,655
	-
	-
Total Sources	$51,020,247

LIHTC Pricing	
Federal LIHTC	$0.93
State LIHTC	$0.82

Core Residential Use of Funds	Total		Base Costs		Extraordinary Costs	
		Per Unit		*Per Unit*		*Per Unit*
Acquisition	$680,229	$10,307	$680,229	$10,307	-	-
Construction	$28,720,941	$435,166	$26,210,865	$397,134	$2,510,076	$38,031
Construction Contingency	$1,940,193	$29,397	$1,770,629	$26,828	$169,564	$2,569
General Development	$6,814,876	$103,256	$6,337,835	$96,028	$477,041	$7,228
Capitalized Reserves	$802,811	$12,164	$736,394	$11,157	$66,417	$1,006
Overhead	$2,031,833	$30,785	$1,863,739	$28,238	$168,094	$2,547
Fee	$2,031,833	$30,785	$1,863,739	$28,238	$168,094	$2,547
Total Residential Uses	$43,022,531	$651,856	$39,463,429	$597,931	$3,559,287	$53,929

Commercial Uses	-

Site and Other Nonresidential Uses*	$7,997,531

Total Uses	$51,020,247

**Includes applicable hard costs, contingency, soft costs, overhead and fee*

12. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		$410,280
Rental Income – Non-Rental Subsidy		$1,069,423
Gross Potential Residential Income		$1,479,703
Vacancy – Project-Based Rental Subsidy	2.5%	($10,257)
Vacancy – Non-Rental Subsidy	3.0%	($32,083)
Effective Gross Income		$1,437,363

Expenses	
Residential Operating Expenses	$970,212
Net Operating Income	$467,151
Debt Service	($399,972)
Cash Flow	$67,179

Debt Service Coverage	1.17

Residential Operating Expense Detail			*Per Unit*
Management Fee	5.0%	$71,868	$1,089
Administrative Costs		$182,558	$2,766
Maintenance Costs		$205,490	$3,113
Resident Services		$64,980	$985
Security		$14,695	$223
Utilities (electricity, water & sewer)		$127,771	$1,936
Insurance		$86,640	$1,313
Taxes		$156,750	$2,375
Ground Lease Payments		$33,060	$501
Replacement Reserves		$26,400	$400
Total		$970,212	$14,700

Operating Expenses as a Percent of EGI	67.5%

13. Underwriting

1. **Loan Sizing**. The Sources and Uses in this commitment proposal reflect a Projected Loan amount of $5,320,000, and the Votes below allow for an "Up To" Loan amount of $5,545,000. The final loan amount will be set when the interest rate is locked at construction closing, such that MassHousing's debt service coverage ratio and loan to value benchmarks will be met.

   To the extent that the final loan amount is greater or less than $5,320,000, MassHousing will confirm that other sources will be adjusted as necessary to maintain a balanced sources and uses.

2. **Funding of Loans.** This proposal reflects a modification to the Agency's General Multifamily Loan Closing Standard 4.4.2, relating to achievement of stabilization as the threshold for funding of the Agency's loans; the transaction proposed funding of the Loans upon confirmation of construction completion and in advance of stabilized occupancy.

   The Permanent Loan will be funded on an interest-only basis through the remainder of the lease-up and stabilization period. Upon achievement of stabilization, the Permanent Loan will commence amortization. The need for a lease-up reserve will be evaluated prior to the recording and funding of the MassHousing loans.

   Commencement of amortization on the Development's Permanent Loan is projected to coincide with the funding of the permanent loan on the 9% condominium.

3. **EOHLC Confirmations.** Confirmation from the Commonwealth of Massachusetts Executive Office of Housing and Livable Communities ("EOHLC") for how the $10,920,496 in subordinate loans awarded to the Development are allocated is required prior to initial closing. Prior to closing, Sponsor Team will confirm that the amount and allocation of gross and paid developer fee between the 4% and 9% condominium have EOHLC's approval.

4. **Zoning Approvals**. The Town of Danvers zoning approval includes a condition that the proposed local preference remain in place after initial lease-up. The Sponsor Team has requested a modification of the zoning approval to reflect that the local preference will apply only at initial lease-up. Danvers officials have indicated their support of this modification and anticipate the updated zoning approval to be finalized in June 2026.

5. **Third-Party Reports.** MassHousing's appraisal and market study are currently underway. To the extent these reports change underwritten rents and/or loan-to-value, the loan amount may be adjusted accordingly.

Underwriting Criteria and Loan Terms	The Waterhouse 4%	Underwriting Standards
1. DSCR	1.17	Minimum of 1.15
2. Term/Amortization	41 y / 40 y	30-40, fully-amortizing
3. Loan to Value	TBD	Maximum of 90% based on third party "as-proposed" investment value
4. Underwriting Rents	Lesser of programmatic rent cap or rents supported by MassHousing market review.	Lesser of: • PB-Rental Subsidy contract or market supported rents • Programmatic rent cap or rents supported by MassHousing market review.
5. Vacancy Allowance	2.5% for MRVP – Rental Subsidy 3.0% for LIHTC	Minimum of: • 2.5% for PB – Rental Subsidy • 3.0% for LIHTC
6. Affordability	40% at 60% of AMI	Minimum of: • 20% at 80% of AMI for MassHousing Statute • 40% at 60% or 20% at 50% of AMI for loans with FHA Insurance, HUD/FFB, Tax-Exempt Bond, and/or Federal LIHTC
7. Annual Deposits to Replacement Reserves	$400 unit / year	Minimum of: • $360 unit / year (new construction) • $500 unit / year (rehab) Note: Additional initial deposit to reserves may be required by the third-party CNA to fund twenty-year capital needs.
8. Operating Expenses	Approximately $14,700 unit / year	Typically, between $11,000 and $15,000 per unit.

14. Low-Income Housing Tax Credits

The Developer has included in its financing proposal a request for the use of 4% Low-Income Housing Tax Credits (the "4% Credits"). The 4% Credits may be utilized as a result of the funding of the Loan with tax-exempt bonds or notes of MassHousing which are to be issued under Section 142 of the Internal Revenue Code of 1986, as amended (the "Code") and are subject to a volume capacity allocation under Section 146 of the Code.

Use of the 4% Credits must be approved by EOHLC as the "housing credit agency" under Section 42 of the Code who must make the determination required under Section 42(m)(1)(D) of the Code that the development and financing proposal meets the requirements of the Commonwealth's Qualified Allocation Plan. In addition, MassHousing, as the issuer of tax-exempt obligations which generate the 4% Credits must determine under Section 42(m)(2)(D) of the Code that the amount of 4% Credits does not exceed the amount necessary for the financial feasibility and long-term viability of the development. Such determination shall be made applying the standards set forth in the proposed Board vote herein, as required by Section 42(m)(2) (B) of the Code.

Waterhouse 4%

VOTES AND FINDINGS

PROPOSALS AND VOTES

Official Action Status

RECOMMENDATION:

Staff has reviewed the development experience and creditworthiness of the mortgagor and sponsor and found them to be acceptable. Staff has also determined that the mortgagor, sponsor, or an affiliate under common control has demonstrated evidence of site control, that the proposed site is acceptable for the intended housing, and that there is a need for the proposed housing in the community where the site is located. Therefore, staff recommends the following votes for approval:

VOTED: To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as "The Waterhouse 4%" (the "Development") at such time as it is submitted; and (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 that such loan (a) be funded with proceeds of tax-exempt debt issued in the future and (b) reimburse, in accordance with Treasury Regulations Section 1.150-2, up to $17,165,000 of costs of the Development paid prior to the issuance of such debt or the making of such loan; provided that this vote does not require the Agency to make any expenditure, incur any indebtedness or proceed with the Development.

Official Action Status Findings

In accordance with the vote of the Members of MassHousing dated October 10, 2023, staff makes the following Official Action Status findings for the Development:

1. The mortgagor or sponsor has acceptable multifamily housing development experience and acceptable credit history.

2. The mortgagor, sponsor or an affiliate under common control has demonstrated evidence of site control which is a 2022 land development agreement, as amended, between Winn and NEHD.

3. The site is acceptable for the proposed housing.

4. There is a need for the proposed housing in the community where the site is located.

Mortgage Loans

Staff has reviewed the proposal for (i) permanent and equity bridge financing and (ii) the use of Low-Income Housing Tax Credits and proposes the following votes for approval:

VOTED: To approve the findings and determinations set forth below and to authorize (a) a permanent first mortgage loan in a principal amount of up to $5,545,000; and (b) a subordinate equity bridge mortgage loan in a principal amount of up to $10,455,000, in each case to be made to Riverbank Water Street Four Limited Partnership or another single-purpose entity controlled by WinnDevelopment Company Limited Partnership and New England Homes for the Deaf, Inc. or their affiliates (the "Borrower") as owner of the multifamily residential development known as "The Waterhouse 4%" (the "Development") and located in Danvers, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None.

FURTHER VOTED: That the amount of 4% Credits, as set by the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the multifamily development located in Danvers, Massachusetts and known as "The Waterhouse 4%" (the "Development") will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the credit period, having taken into consideration:

(a) the sources and uses of funds and the total financing planned for the Development;
(b) any proceeds or receipts expected to be generated by reason of tax benefits;
(c) the percentage of the tax credit amount used for Development costs other than the cost of intermediaries; and
(d) the reasonableness of the developmental and operational costs of the Development, provided, however, that such determination shall not be construed to be a representation or warranty as to the feasibility or viability of the Development.

FURTHER VOTED: To authorize the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, the General Counsel or the designee of any of the foregoing, each acting singly, to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding vote.

FURTHER VOTED: To authorize the Chief Executive Officer, the Chief Legal and Operating Officer and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing's first mortgage loan, and other MassHousing debt as determined by the Chief Executive Officer, the Chief Legal and Operating Officer or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing's requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel or their designee.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:
All 66 units (100%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area
The market needs data reflects market conditions as of the date of collection on April 6,2026. The data is not subject to unanticipated events and circumstances that may occur after this date. Further, the reader is cautioned and reminded that the conclusions presented apply only as of the collection date.

In-house data for larger market and mixed-income complexes (1,172 approximate units) in the area revealed a strong market, with increasing rental and occupancy rates over that past three years. Current occupancy rates of the five developments reviewed averaged approximately 97.6%, and range between 95% and 100%. Four of the comparables were offering concessions ranging from one month to six weeks free rent.

2nd Qtr. 2026 CoStar data for the subject's North Shore Submarket (15,445 units) have an overall vacancy rate at 5.1% YTD, which is an increase of 2.04% from one year ago. CoStar data for the Boston market (299,721 units) has an overall vacancy rate of 6.8% YTD, which is an increase of 1.01% from one year ago. The North Shore Submarket vacancy rate is projected to decrease to 5.0% over the next five years, while the Boston market is projected to decrease to 6.4%.

CoStar, submarket data for the 4-5 Star building type (4,696 units) indicates a 2nd Qtr. 2026 vacancy rate of 9.0% and an average asking rent of $2,913, while submarket data for the subject's 3 Star building type (6,073 units) indicates a 2nd Qtr. 2026 vacancy rate of 3.1% at an average asking rent of $2,419 and 1-2 Star buildings (4,676 units) indicates a 2nd Qtr. 2026 vacancy rate of 3.2% at an average asking rent of $2,095. The development with its amenities more closely reflects the 3 Star building type and is reflected in both the vacancy rate and market rent potential. Per the Danvers Housing Authority ("DHA") representative, DHA manages 165 state assisted Elderly/disabled units and 40 federally assisted Elderly/Disabled units. They also manage 8 state assisted family units and 36 federally assisted family units. There are 419 family applicants and 453 elderly/disabled applicants on the federal waiting list and 125 family and 813 elderly/disabled on the state waiting list. Danvers Housing Authority also manages approximately 149 Section 8 Housing Choice Vouchers, of which 135 are currently leased. Danvers participates in the Massachusetts Section 8 Housing Choice Voucher Centralized Waiting List. Per the latest information available, there are approximately 194,590 applicants on the centralized waiting list.

According to the Executive Office of Housing and Livable Communities ("EOHLC") Chapter 40B Subsidized Housing Inventory (09/30/25), the Town of Danvers has 11,706 year-round housing units, 1,178 (10.06%) of which are subsidized for low/moderate income households.

U.S. Census data from the 2020-2024 American Community Survey (ACS) indicates that of the 11,105 households in the Town of Danvers, approximately 78% earned less than the HUD published 2025 AMI ($160,900), approximately 32.1% earned less than 50% of 2025 AMI, approximately 41.8% earned less than 60% of the 2025 AMI and approximately 61.2% earned less than 80% of the 2025 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed does not lead to the undue concentration of low-income households.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

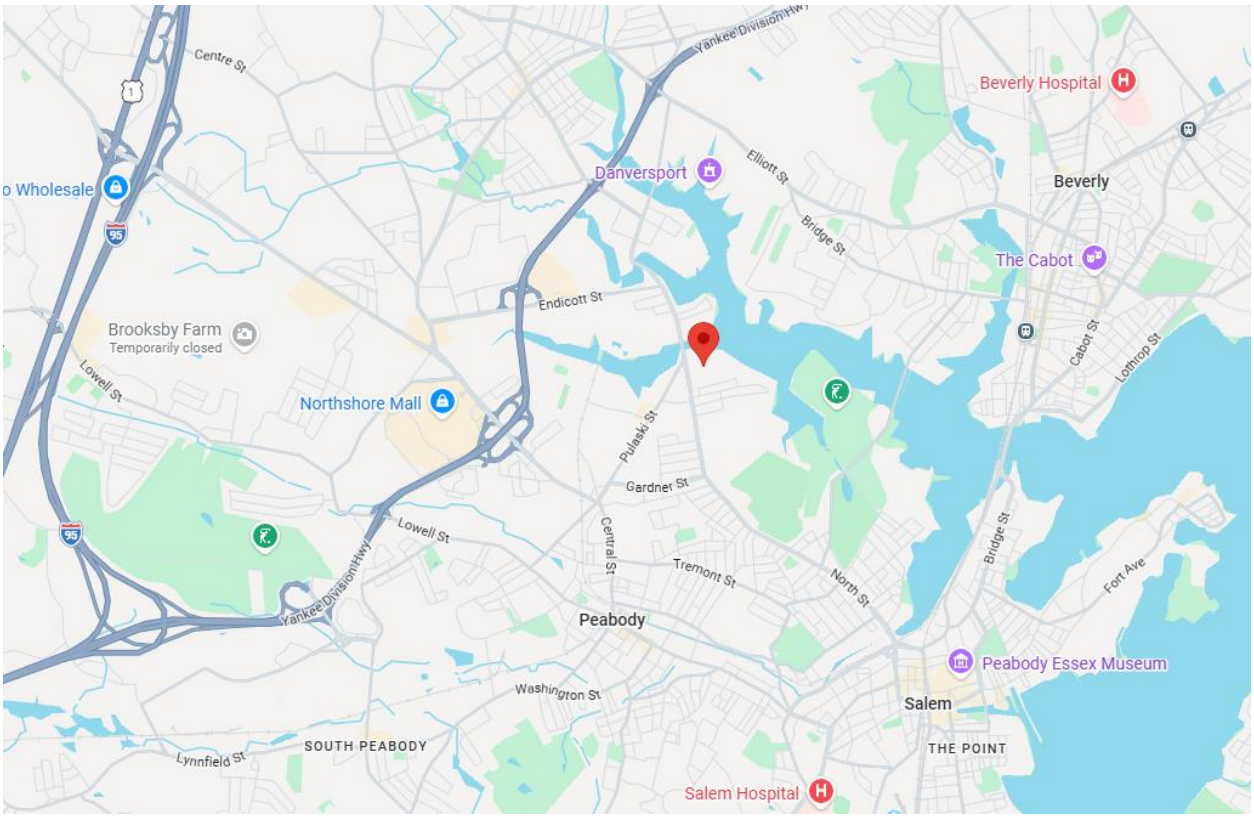
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

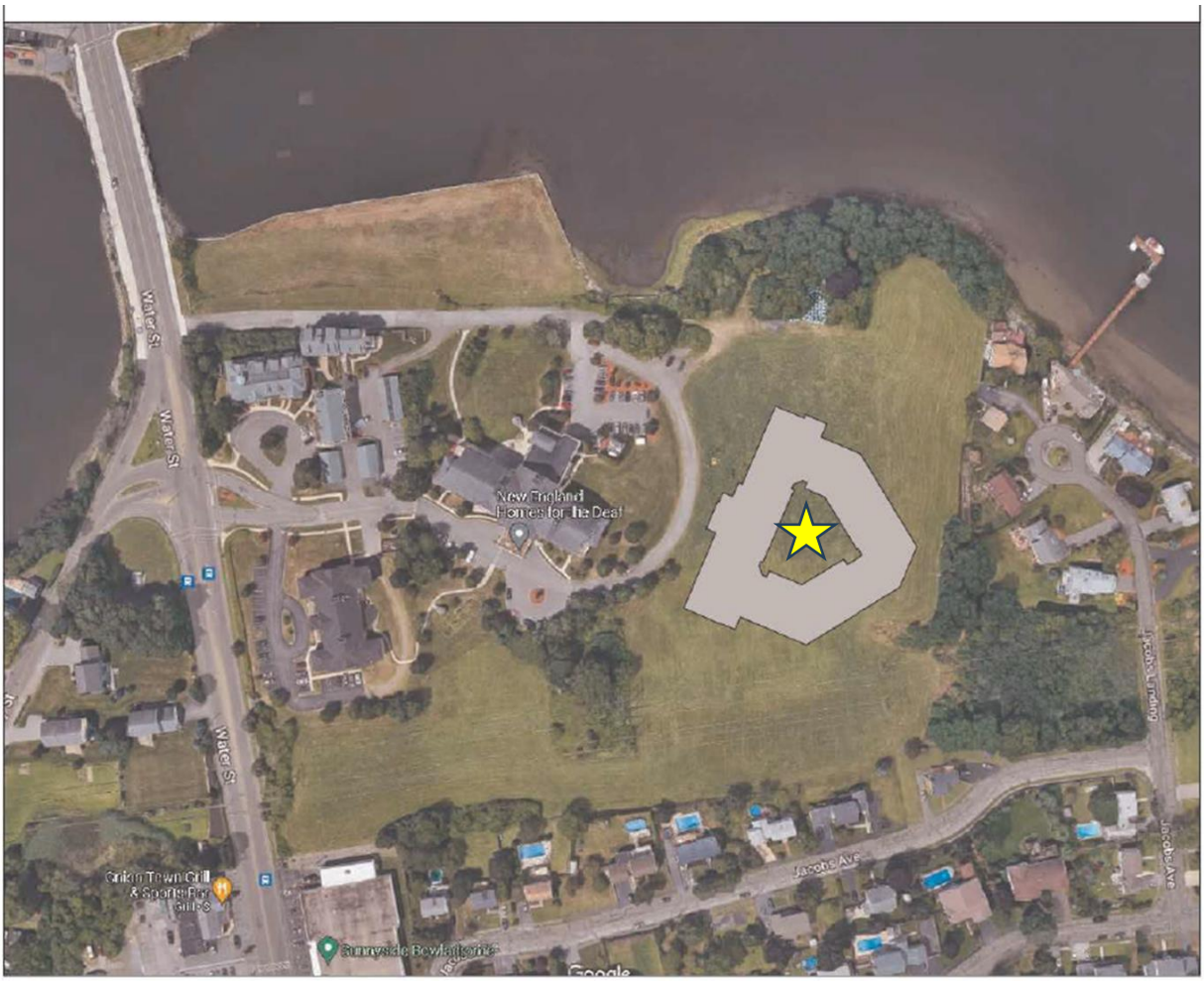
Rent Schedule:

Number of Bedrooms	0	1	2
Number of Units	10	45	11
Net SF / Unit	616	838	1138
Elevator Y/N	Y	Y	Y
Market Rate Rent (10% Rate 20 Year Term)	$4,681	$4,531	$4,990
MHFA Below Market Rent (Cost-Based Rent)	$3,535	$3,385	$3,844
MHFA Adjusted Rent	30% of 60% AMI		
Underwriting Rents			
MRVP 30%	$2,263	$2,394	$2,837
MRVP 60%	$2,263	$2,394	$2,837
LIHTC	$1,575	$1,673	$2,000

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

MAP AND PICTURES

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New England
Homes for the Deaf
Jacobs Landing
Jacobs Ave
Jacobs Ave
Google

Loan Commitment Proposal | May 12, 2026

The Waterhouse 9%

1. General Project Information	
Project Name	The Waterhouse 9%
Project ID	24-011
Associated Projects	The Waterhouse 4%
Address(es)	164 Water Street Danvers, MA 01923
Sponsor Team	WinnDevelopment Company Limited Partnership and New England Homes for the Deaf, Inc.
Transaction Type	Production (9%)
Funding Type	Forward Commitment of Permanent Loan
Execution Type	Taxable with 9% LIHTC
Credit Enhancement	None
Approval Type	Board
Total Rental Units	50
Affordability Mix	27 Affordable 23 Market

2. Recommended Actions

- Commitment of a Permanent Taxable Loan

3. Background

The proposed financing will support the development of The Waterhouse (the "Building") in Danvers, a 116-unit, three-story building for residents aged 55 years or older with a preference for the deaf, near deaf and/or deaf blind community. The Waterhouse 9% (the "Development") is a 50-unit condominium within the Building financed with 9% Low-Income Housing Tax Credits ("LIHTC") and is the subject of this commitment proposal. The Building will also include a so-called "4% twin" condominium that will be financed using tax-exempt bonds and 4% LIHTC.

The development of the Building is being undertaken by a partnership between the New England Homes for the Deaf, Inc. ("NEHD") and WinnDevelopment Company Limited Partnership ("Winn"), collectively the developer team ("Developer Team"). Winn is leading development, financing, and day-to-day transaction decisions, while NEHD is assisting with local approvals and advocacy, advising on resident needs, and is anticipated to provide services to the Building's residents. The Developer Team has presented NEHD Waterhouse LLC, an affiliate of NEHD, as the lead Sponsor, in consideration that the Development serves NEHD's mission and would not be possible without NEHD's involvement and the land they have made available. For the purpose of this memo, the Developer Team is also referred to as the Sponsor Team.

The Building will be located within the existing 16-acre NEHD campus ("Campus"), a life plan community that includes an independent living facility, an assisted living facility, a skilled nursing unit, a deaf senior center, space for short-term rehabilitation and hospice services, and surplus land. To expand on the successful operation of housing and services on the Campus, NEHD sought a partner to develop the surplus land. The Sponsor Team has been collaborating on the development concept and working to assemble the necessary financing sources since 2022.

4. MassHousing Financing	
First Loan	
Type	Taxable Permanent Loan
Loan Amount	$6,000,000
Interest Rate	10-Year U.S. Treasury plus 312 basis points (bps) to be locked at Construction Loan Closing (processing rate of 7.82% assumed for underwriting)
Loan Term / Amortization	40 y / 40 y
Term of Fwd Commitment	36 months
Year 1 DSCR	1.15 projected (1.10 minimum)
LTV	TBD projected (90% maximum)

5. Development Plan

Description of Site. The Building will be constructed on an approximately six-acre vacant parcel that is part of the existing 16-acre Campus at 154 Water Street in Danvers (the "Site").

The Site overlooks the Crane River. An MBTA bus stop is located at the entrance to the Site and Salem's MBTA Commuter Rail Station is approximately two miles to the south. Nearby amenities include restaurants, retail shops and parks.

Description of Existing or Proposed Building. The Waterhouse includes new construction of 116 units. The three-story building will have a mix of studio, one- and two-bedroom units with 122 parking spaces, indoor and outdoor amenity spaces including a community room, fitness room, lounge, pet wash, outdoor courtyard and bicycle storage.

All common areas and amenities will be shared by both the Development and the 4% Twin, an arrangement to be memorialized through the Master Deed for the Building. To ensure that the Building is fully integrated into the Campus, The Waterhouse will also create a new access road, a turnaround and additional parking spaces serving other portions of the Campus.

The Building will be designed to accommodate the deaf, near deaf and deaf/blind community's unique needs and will include features such as 10-foot-wide corridors with rounded corners,

circular furniture, flexible layouts, and strobe light flashers throughout all the units. All units will be accessible for the sensory impaired.

The Development will consist of 50 units, which includes six studio, 34 one-bedroom and 10 two-bedroom units. All hallways, stairwells and amenity and operational spaces will be located within the 4% condominium giving the 4% condominium a proportionately larger square footage and share of development costs. This is reflected in the disparity of the Total Development Costs between the 4% and 9% transactions. Development costs will be split pro rata between the 4% and 9% condominiums on a square foot basis and common operating expenses will be split pro rata on a per-unit basis. Condominium documents are subject to MassHousing approval.

The Waterhouse will be designed to Passive House standards and will be designed to accommodate the potential future installation of rooftop solar.

Description of Affordability Mix. Of the 50 units, 27 will be subject to income restrictions with set-asides ranging from 30% of Area Median Income ("AMI") to 60% of AMI.

Twelve (12) units will benefit from MRVP project-based rental assistance, of which seven (7) units will be restricted at 30% of AMI and five (5) units will be restricted at 60% of AMI.

Site Control. NEHD is the current landowner and entered into a Land Development Agreement ("LDA") with Winn in January 2022.

As part of the proposed transaction, NEHD will ground lease the Site to Riverbank Ground Lease LP, an affiliate of Winn, who will form the leasehold condominium and will deed the leasehold condominium units to the Development and the 4% Twin. At construction closing, there will be an upfront capital payment totaling $1,000,000 paid by the Development and the 4% Twin. For the 99-year term of the ground lease, the Development and the 4% Twin will be responsible for total annual ground rent payments of $58,000, increasing by 2% per year. This payment is included in the operating expenses.

The upfront payment will be split pro rata between the 4% and 9% projects on a square foot basis, and annual payments will be split on a per-unit basis. Any unpaid ground rent will accrue and may be paid from cash flow. The Waterhouse will construct an access road and bring utilities through the NEHD campus to the site, which The Waterhouse will maintain. In connection with this scope, NEHD will enter into an easement agreement with a NEHD-affiliate. Right of access will be assigned through the ground lease and carried forward in the creation of the leasehold condominium. The ground lease and easement agreement are subject to MassHousing approval.

6. Borrower Team

Mortgagor Entity: Riverbank Water Street Nine Limited Partnership

Riverbank Water Street Nine Limited Partnership ("Borrower") is a sole-asset, single-purpose limited partnership formed for the purposes of owning and operating the Development.

Developer / Sponsor Team: WinnDevelopment Company Limited Partnership

WinnDevelopment Company Limited Partnership is a Massachusetts limited partnership, the sole general partner of which is WDP Manager Corp., a Massachusetts corporation wholly owned by the partners of the company. Founded in 1971 and comprised of a staff of 3,000, WinnCompanies (the parent company of Winn) is an owner, developer and manager of multifamily communities and mixed-income properties, owning more than 100 properties in 11 states, including 15,600 apartments. The company's development practice focuses on large-scale mixed-use and mixed-income multifamily properties, the acquisition and repositioning of properties, and the acquisition and adaptive reuse of historic structures.

The Agency's most recent experiences with Winn were Newton Gardens, Somerhill and Northern Heights.

New England Homes for the Deaf, Inc.

NEHD is a long-standing non-profit organization based in Danvers founded in 1901 to serve the senior deaf, deaf/blind, and near deaf community. In 1925, through the efforts of Helen Keller, her teacher Ann Sullivan, and others, NEHD established its Danvers campus on Water Street, and continues to provide housing, education, activities and social support for the deaf, near deaf and deaf/blind seniors on its campus.

General Partner / Managing Member: Riverbank Water Street Nine GP LLC

Riverbank Water Street Four GP LLC is a single-purpose entity formed for the purpose of being the general partner of the ownership entity. A Winn affiliate is the managing member of the general partner, with a 49% ownership interest. A NEHD affiliate has a 51% ownership interest in the general partner. Winn will be entitled to 100% of developer overhead and fee and 85% of operating cash flow, and NEHD will receive 15% of operating cash flow.

Construction Lender: Bank of America, N.A. ("Bank of America")

Bank of America is one of the world's leading financial institutions, serving individual consumers, small and middle-market businesses, and large corporations with a full range of banking, investing asset management and other financial and risk management products and services.

Bank of America is also one of the largest lenders and investors in affordable, multifamily housing in the United States. Between 2005 and 2025, Bank of America financed over 200,000 affordable housing units in projects serving individuals, families and seniors.

Recent MassHousing financing commitments for developments using Bank of America as the construction lender include The Exchange Salem, Brooke House at Olmsted Village, Cambridge Blanchard, and Whittier Phase 3. Recently completed developments using Bank of America as the construction lender include Clarendon Hill Building E, Morton Station Village, and 31 Elm Street.

Syndicator / Investor: Bank of America, N.A.

Management Company: Winn Managed Properties, LLC (d/b/a "WinnResidential")

WinnResidential is the fifth largest multifamily property managers in the United States, as well as the largest manager of affordable and privatized military housing. The company manages over 100,000 units at more than 550 properties in 22 states and the District of Columbia, including more than 50,000 units of affordable housing.

Recent transactions with WinnResidential as the management company were Newton Gardens, Somerhill, and Northern Heights.

Architect: CUBE 3 Studio, LLC

Headquartered in Lawrence, MA, with over 135 employees, CUBE 3 Studio, LLC provides services in over 26 states including campus, healthcare, retail, residential and corporate office space.

The Agency's most recent experiences with CUBE 3 Studio, LLC were on The Pointe at Hills Farm 4% and 9% in 2023.

General Contractor: Windover Construction, Inc. ("Windover Construction")

Windover Construction is a Beverly, MA-based construction firm with extensive experience in modular construction and senior living projects. Windover has recently completed new construction multifamily projects in Bedford, Hampton, and Beverly.

The Agency's most recent experience with Windover Construction was Water Works II.

7. Summary of MassHousing-Sponsor Relationship (Winn)				(NEHD)
	Recorded	*Committed*	*Total*	
Number of Projects with MassHousing Debt	32	10	42	0
Total Units with MassHousing Debt	5,260	915	6,175	0
Outstanding MassHousing Principal Debt	$770,531,951	$178,707,000	$949,238,951	N/A
Number of Projects with MassHousing Conduit Financing	2			N/A
MassHousing Conduit Loans are Compliant with Program Rules	Yes			N/A
Adverse Actions Against the Borrower Team	No			No
Current on Obligations with MassHousing	Yes			N/A
Property Management Affiliate	Yes, Winn Managed Properties, LLC manages properties in the Sponsor's portfolio and offers management services outside the portfolio			No

MassHousing Staff	
Origination	Tai Pope, Originator Matt Deych, Analyst
Underwriting	Emily Loomis, Underwriter
Asset Management	Tina Attachi, Portfolio Manager Kosal Saren, Asset Manager

8. Unit Mix

Unit Size	Total Units	LIHTC Eligible								
		30% of AMI MRVP		60% of AMI MRVP		60% AMI LIHTC*		Market		Market Comparison
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Rent*
0 BR	6	2	$2,263	0	$2,263	3	$1,575	1	$2,160	$2,360
1 BR	34	4	$2,394	4	$2,394	9	$1,673	17	$2,430	$2,800
2 BR	10	1	$2,837	1	$2,837	3	$2,000	5	$2,970	$3,620
Total	**50**	**7**		**5**		**15**		**23**		

* Rents net of utility allowances

Project-Based Rental Subsidy	
Type	MRVP
Term	15 y
Administrator	Community Teamwork Inc.
Lesser of contract rents or market rents.	

9. Operating Overview

Underwritten Operating Expenses	$743,200 (approximately $14,900 per unit)

Basis of Operating Costs. Operating expense assumptions are based on the review of comparable properties, borrower-proposed budget, and borrower-supporting documentation.

The borrower-proposed budget includes $725 per unit annually for Resident Services while the underwriting assumes $980 per unit annually. This higher amount is based on expenses included in the draft Resident Services Plan, which is subject to further review and negotiation between NEHD and Winn. The final Resident Services agreement, plan and budget must be approved by MassHousing prior to closing.

10. Project Costs

Core Residential Costs	
Base	$19,073,420
Extraordinary	$1,748,134
Total	$20,821,553
Commercial, Site and Other Non-Residential Costs	
Commercial Costs	$0
Site and Other Non-Residential Costs	$4,552,593
Total	$4,552,593
Total Development Cost	
Total	$25,374,147

Project Construction Costs	
Total Construction Cost	$16,413,115
Construction per Square Foot	$375

Background on Extraordinary Residential Costs. Extraordinary costs are primarily attributable to escalated material costs, as well as unique hard costs such as strobe light fire alarms in all units and the incorporation of design elements related to serving the deaf, near deaf, and deaf/blind communities. Additionally, there are soft costs related to extra design services required to compress the building footprint so as to keep the building out of regulated areas, including a riparian zone, coastal bank, wetlands, and flood zone as well as unique designs to the building specific to this special population.

Background on Commercial, Site and Other Non-Residential Costs. Site and non-residential costs are primarily attributable to the construction of a long access road and large parking lot, extensive earth work, exterior bike shelters, an enclosed courtyard and walkways, ramps, and curb cuts.

Background on Building Standards Costs. Building Standards costs are related to insulation, plumbing, HVAC and electrical costs, escalated material costs. These costs are included as Extraordinary Costs and contribute to the total development costs.

11. Sources and Uses

Sources of Funds	Total
MH Permanent Loan	$6,000,000
Federal 9% LIHTC	$11,038,896
State LIHTC Loan	$7,557,911
Deferred Developer Fee	$777,340
Total Sources	$25,374,147

LIHTC Pricing	
Federal LIHTC	$0.92
State LIHTC	$0.82

Core Residential Uses of Funds	Total		Base Costs		Extraordinary Costs	
		Per Unit		*Per Unit*		*Per Unit*
Acquisition	$319,771	$6,395	$319,771	$6,395	-	-
Construction	$13,088,866	$261,777	$11,648,942	$232,979	$1,439,923	$28,798
Construction Contingency	$884,196	$17,784	$786,924	$15,738	$97,272	$1,945
General Development	$4,016,287	$80,326	$4,016,287	$80,326	$337,368	$6,747
Capitalized Reserves	$612,973	$12,259	$550,214	$11,004	$62,759	$1,255
Overhead	$949,731	$18,995	$852,494	$17,050	$97,237	$1,945
Fee	$949,731	$18,995	$852,494	$17,050	$97,237	$1,945
Total Residential Uses	$20,821,553	$416,431	$18,689,757	$373,795	$2,131,796	$42,636

Commercial Uses*	$0

Site and Other Nonresidential Uses*	$4,552,593

Total Uses	$25,374,147

**Includes applicable hard costs, contingency, soft costs, overhead and fee*

12. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		$352,224
Rental Income – Non-Rental Subsidy		$1,009,213
Gross Potential Residential Income		$1,361,437
Vacancy – Project-Based Rental Subsidy	2.5%	($8,806)
Vacancy – Non-Rental Subsidy	4.4%	($44,273)
Effective Gross Income		$1,308,358

Expenses	
Residential Operating Expenses	$743,191
Net Operating Income	$565,167
Debt Service	($490,924)
Cash Flow	$74,243

Debt Service Coverage	1.15

Residential Operating Expense Detail			*Per Unit*
Management Fee	5.0%	$65,418	$1,308
Administrative Costs		$137,719	$2,754
Maintenance Costs		$155,019	$3,100
Resident Services		$49,020	$980
Security		$11,085	$222
Utilities (electricity, water & sewer)		$96,380	$1,928
Insurance		$65,360	$1,307
Taxes		$118,250	$2,365
Ground Lease		$24,940	$499
Replacement Reserves		$20,000	$400
Total		$743,191	$14,864

Operating Expenses as a Percent of EGI	56.8%

13. Underwriting

1. **Loan Sizing**. The Sources and Uses in this commitment proposal reflect a Projected Loan amount of $6,000,000, and the Votes below allow for an "Up To" Loan amount of $6,260,000. The final loan amount will be set when the interest rate is locked at construction closing, such that MassHousing's debt service coverage ratio and loan to value benchmarks will be met.

   To the extent that the final loan amount is greater or less than $6,000,000, MassHousing will confirm that other sources will be adjusted as necessary to maintain balanced sources and uses.

2. **Funding of Loans.** Funding of the Loan will be upon stabilization of the Development and is projected to coincide with commencement of amortization of the permanent loan on the 4% condominium.

3. **Market Units.** The Sponsor Team has requested that the market units at the Development be subject to a master lease structure as a means for Winn to guarantee the rents collected on the market units; this proposed structure is under review and shall be subject to MassHousing's approval.

4. **Zoning Approvals.** The Town of Danvers zoning approval includes a condition that the proposed local preference remain in place after initial lease-up. The Sponsor Team has requested a modification of the zoning approval to reflect that the local preference will apply only at initial lease-up. Danvers officials have indicated their support of this modification and anticipate the updated zoning approval to be finalized in June 2026.

5. **Third-Party Reports.** MassHousing's appraisal and market study are currently underway. To the extent these reports change underwritten rents and/or loan-to-value, the loan amount may be adjusted accordingly.

Underwriting Criteria and Loan Terms	The Waterhouse 9%	Underwriting Standards
1. DSCR	1.15	Minimum of 1.15
2. Term/Amortization	40 y / 40 y	30-40, fully-amortizing
3. Loan to Value	TBD	Maximum of 90% based on third party "as-proposed" investment value
4. Underwriting Rents	Lesser of programmatic rent cap or rents supported by MassHousing market review.	Lesser of: • PB-Rental Subsidy contract or market supported rents • Programmatic rent cap or rents supported by MassHousing market review.
5. Vacancy Allowance	2.5% for MRVP – Rental Subsidy 3.0% for LIHTC 5.0% for Market	Minimum of: • 2.5% for PB – Rental Subsidy • 3.0% for LIHTC
6. Affordability	40% at 60% of AMI	Minimum of: • 20% at 80% of AMI for MassHousing Statute • 40% at 60% or 20% at 50% of AMI for loans with FHA Insurance, HUD/FFB, Tax-Exempt Bond, and/or Federal LIHTC
7. Annual Deposits to Replacement Reserves	$400 unit / year	Minimum of: • $360 unit / year (new construction) • $500 unit / year (rehab) Note: Additional initial deposit to reserves may be required by the third-party CNA to fund twenty-year capital needs.
8. Operating Expenses	Approximately $14,864 unit / year	Typically, between $11,000 and $15,000 per unit.

14. Low-Income Housing Tax Credits

This transaction uses 9% low-income housing tax credits, which do not require MassHousing approval.

The Waterhouse 9%

VOTES AND FINDINGS

PROPOSALS AND VOTES

Mortgage Loans

Staff has reviewed the proposal for permanent financing and proposes the following votes for approval:

VOTED: To approve the findings and determinations set forth below and to authorize a permanent first mortgage loan in a principal amount of up to $6,260,000 to be made to Riverbank Water Street Nine Limited Partnership or another single-purpose entity controlled by WinnDevelopment Company Limited Partnership and New England Homes for the Deaf, Inc. or their affiliates (the "Borrower") as owner of the multifamily residential development known as "The Waterhouse 9%" (the "Development") and located in Danvers, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None.

FURTHER VOTED: To authorize the Chief Executive Officer, the Chief Legal and Operating Officer and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing's first mortgage loan, and other MassHousing debt as determined by the Chief Executive Officer, the Chief Legal and Operating Officer or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing's requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel or their designee.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:
27 units (54%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area
The market needs data reflects market conditions as of the date of collection on April 6,2026. The data is not subject to unanticipated events and circumstances that may occur after this date. Further, the reader is cautioned and reminded that the conclusions presented apply only as of the collection date.

In-house data for larger market and mixed-income complexes (1,172 approximate units) in the area revealed a strong market, with increasing rental and occupancy rates over that past three years. Current occupancy rates of the five developments reviewed averaged approximately 97.6%, and range between 95% and 100%. Four of the comparables were offering concessions ranging from one month to six weeks free rent.

2nd Qtr. 2026 CoStar data for the subject's North Shore Submarket (15,445 units) have an overall vacancy rate at 5.1% YTD, which is an increase of 2.04% from one year ago. CoStar data for the Boston market (299,721 units) has an overall vacancy rate of 6.8% YTD, which is an increase of 1.01% from one year ago. The North Shore Submarket vacancy rate is projected to decrease to 5.0% over the next five years, while the Boston market is projected to decrease to 6.4%.

CoStar, submarket data for the 4-5 Star building type (4,696 units) indicates a 2nd Qtr. 2026 vacancy rate of 9.0% and an average asking rent of $2,913, while submarket data for the subject's 3 Star building type (6,073 units) indicates a 2nd Qtr. 2026 vacancy rate of 3.1% at an average asking rent of $2,419 and 1-2 Star buildings(4,676 units) indicates a 2nd Qtr. 2026 vacancy rate of 3.2% at an average asking rent of $2,095. The development with its amenities more closely reflects the 3 Star building type and is reflected in both the vacancy rate and market rent potential. Per the Danvers Housing Authority (DHA) representative, DHA manages 165 state assisted Elderly/disabled units and 40 federally assisted Elderly/Disabled units. They also manage 8 state assisted family units and 36 federally assisted family units. There are 419 family applicants and 453 elderly/disabled applicants on the federal waiting list and 125 family and 813 elderly/disabled on the state waiting list. Danvers Housing Authority also manages approximately 149 Section 8 Housing Choice Vouchers, of which 135 are currently leased. Danvers participates in the Massachusetts Section 8 Housing Choice Voucher Centralized Waiting List. and per the latest information available there are approximately 194,590 applicants are on the centralized waiting list.

According to the Executive Office of Housing and Livable Communities ("EOHLC") Chapter 40B Subsidized Housing Inventory (09/30/25), the Town of Danvers has 11,706 year-round housing units, 1,178 (10.06%) of which are subsidized for low/moderate income households.

U.S. Census data from the 2020-2024 American Community Survey (ACS) indicates that of the 11,105 households in the Town of Danvers, approximately 78% earned less than the HUD published 2025 AMI ($160,900), approximately 32.1% earned less than 50% of 2025 AMI, approximately 41.8% earned less than 60% of the 2025AMI and approximately 61.2% earned less than 80% of the 2025AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed does not lead to the undue concentration of low-income households.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

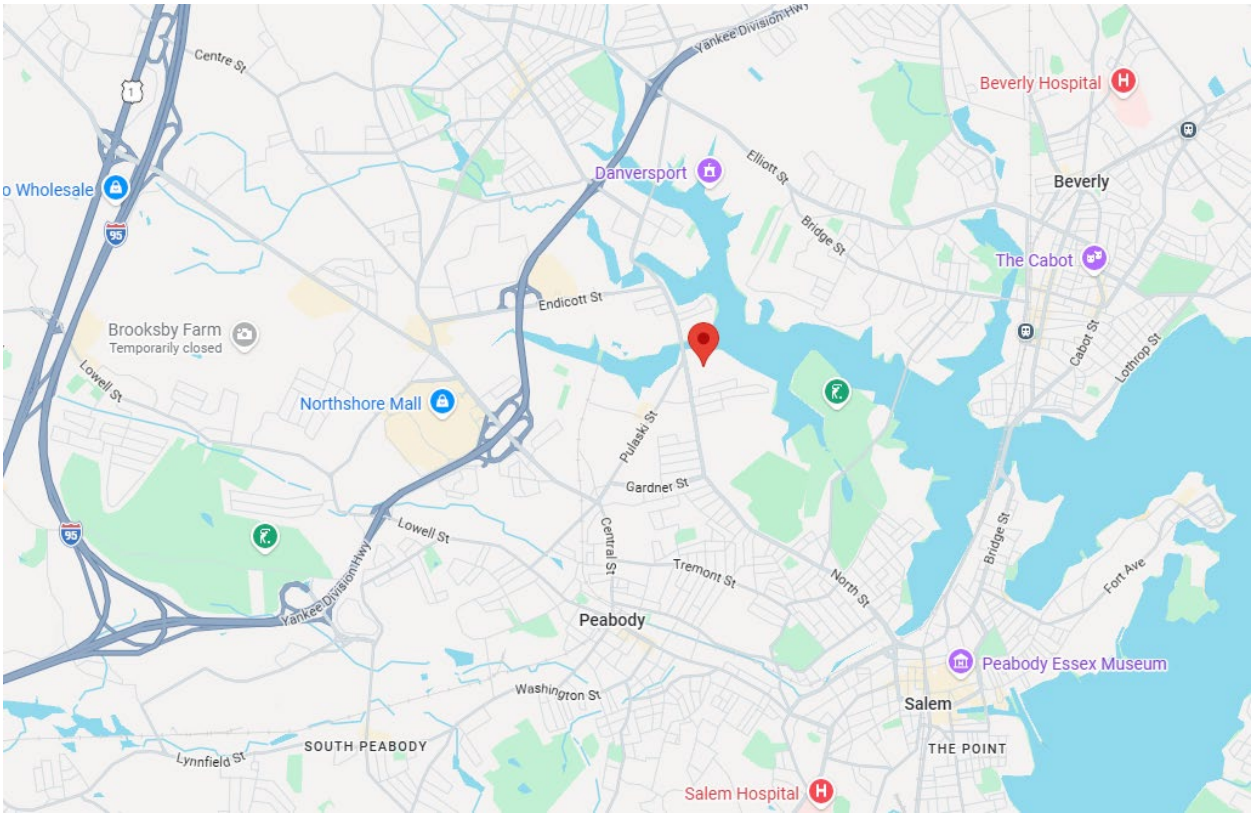
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	0	1	2
Number of Units	6	34	10
Net SF / Unit	590	828	1150
Elevator Y/N	Y	Y	Y
Market Rate Rent (10% Rate 20 Year Term)	$4,372	$4,692	$5,123
MHFA Below Market Rent (Cost-Based Rent)	$3,407	$3,726	$4,158
MHFA Adjusted Rent		30% of 60% AMI	
Underwriting Rents			
MRVP 30%	$2,263	$2,394	$2,837
MRVP 60%		$2,394	$2,837
LIHTC 60%	$1,575	$1,673	$2,000
Market	$2,160	$2,430	$2,970

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

MAP AND PICTURES



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Sunnyside Bowling Lanes
Google

Loan Commitment Proposal | May 12, 2026

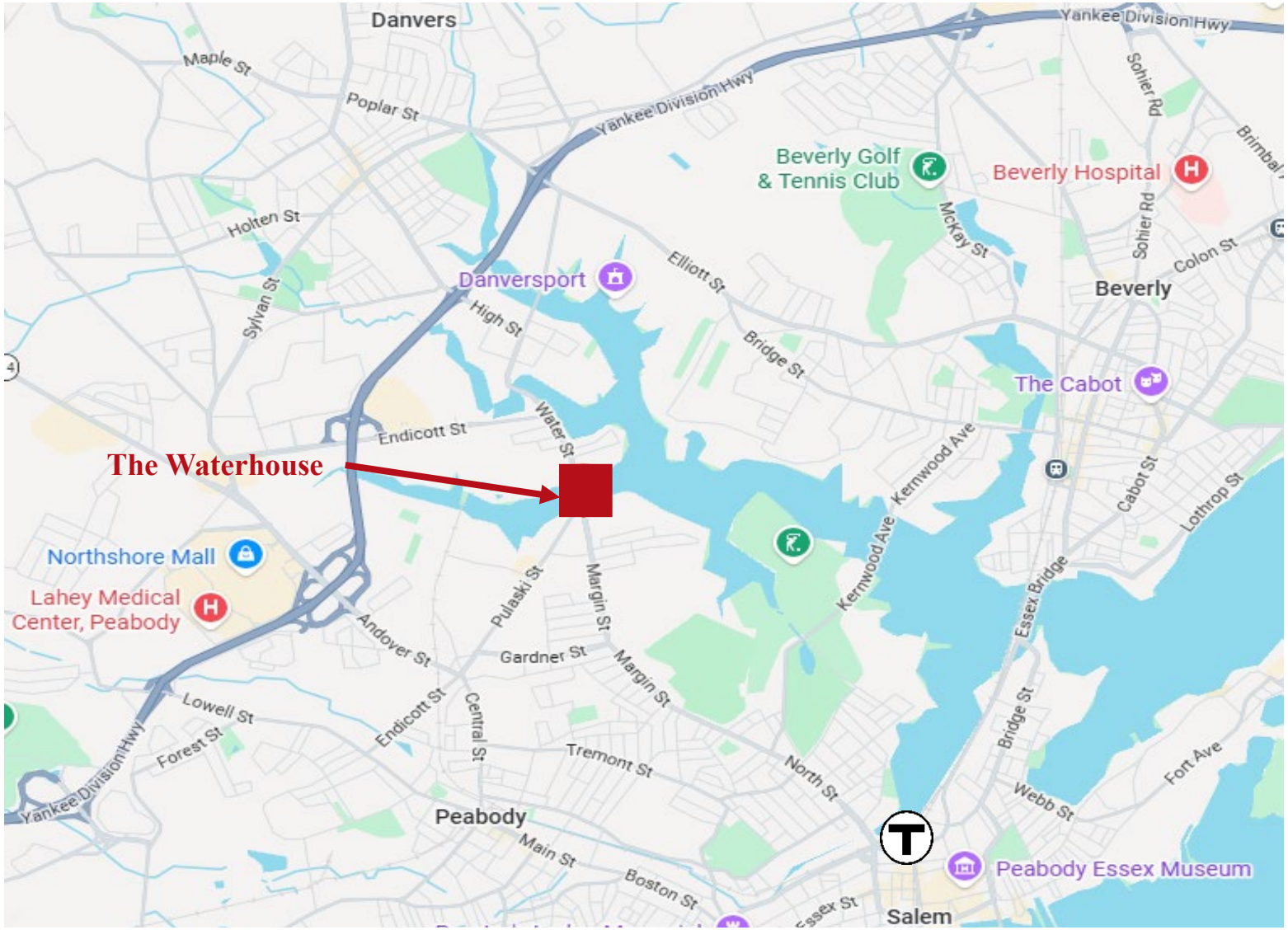
The Waterhouse

Location	164 Water Street, Danvers, MA 01923	
Sponsor Team	Winn Development Company Limited Partnership & NEHD	
	The Waterhouse 4%	**The Waterhouse 9%**
Transaction Type	Production (4%)	Production (9%)
Funding Type	Forward Commitment of Permanent Loan	Forward Commitment of Permanent Loan
Execution Type	Portfolio (TE)	Taxable with 9% LIHTC
Credit Enhancement	None	None
Total Rental Units	66	50
Affordability Mix	66 Affordable	27 Affordable 23 Market

Deal Team Members	
Origination	Tai Pope, Matt Deych
Underwriting	Emily Loomis
Asset Management	Kosal Saren, Tina Attachi

MassHousing

The Waterhouse | Danvers



Borrower Team

	The Waterhouse 4%	The Waterhouse 9%
Mortgagor Entity	Riverbank Water Street Four Limited Partnership	Riverbank Water Street Nine Limited Partnership
Developer / Sponsor Team	WinnDevelopment Company Limited Partnership New England Home for the Deaf	WinnDevelopment Company Limited Partnership New England Home for the Deaf
General Partner / Managing Member	Riverbank Water Street Four GP LLC	Riverbank Water Street Nine GP LLC
Construction Lender	Bank of America, N.A.	Bank of America, N.A.
Syndicator / Investor	Bank of America, N.A.	Bank of America, N.A.
Management Company	Winn Managed Properties, LLC (d/b/a "WinnResidential")	Winn Managed Properties, LLC (d/b/a "WinnResidential")
Architect	Cube3 Studio, LLC	Cube3 Studio, LLC
General Contractor	Windover Construction	Windover Construction

Unit Mix: The Waterhouse 4%

		LIHTC-Eligible						
Unit Size	Total Units	30% AMI MRVP		60% AMI MRVP		60% AMI LIHTC*		Market Comparison
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	
0 BR	10	4	$2,263	1	$2,263	5	$1,575	$2,360
1 BR	45	4	$2,394	2	$2,394	39	$1,673	$2,800
2 BR	11	2	$2,837	1	$2,837	8	$2,000	$3,620
Total	**66**	**10**		**4**		**52**		

** Rents net of utility allowances*

MassHousing

Unit Mix: The Waterhouse 9%

		LIHTC-Eligible								
Unit Size	Total Units	30% AMI MRVP		60% AMI MRVP		60% AMI LIHTC*		Market		Market Comparison
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	
0 BR	6	2	$2,263	-	-	3	$1,575	1	$2,160	$2,360
1 BR	34	4	$2,394	4	$2,394	9	$1,673	17	$2,430	$2,800
2 BR	10	1	$2,837	1	$2,837	3	$2,000	15	$2,970	$3,620
Total	**50**	**7**		**5**		**15**		**23**		

**Rents net of utility allowances*

Project Costs: The Waterhouse 4%

Core Residential Costs	
Base	$40,001,311
Extraordinary	$3,021,403
Total	$43,022,715
Commercial and Non-Residential Costs	
Commercial Costs	$0
Site and Other Non-Residential Costs	$7,997,531
Total	$7,997,531
Total Development Cost	
Total	$51,020,247

Project Construction Costs	
Total Construction Cost	$34,914,639
Construction per Square Foot	$375

Project Costs: The Waterhouse 9%

Core Residential Costs	
Base	$19,073,420
Extraordinary	$1,748,134
Total	$20,821,553
Commercial and Non-Residential Costs	
Commercial Costs	$0
Site and Other Non-Residential Costs	$4,552,593
Total	$4,552,593
Total Development Cost	
Total	$25,374,147

Project Construction Costs	
Total Construction Cost	$16,413,115
Construction per Square Foot	$375

Sources and Uses: The Waterhouse 4%

Sources of Funds			Uses of Funds	
MH Permanent Loan	$5,320,000		Acquisition	$680,229
Federal LIHTC Equity	$17,023,683		Construction	$28,720,941
State LIHTC Loan	$14,951,413		Construction Contingency	$1,940,193
EOHLC Subordinate – Other	$10,920,496		General Development	$6,814,876
Danvers Affordable Housing Trust	$303,000		Developer Overhead	$2,031,833
DOER Affordable Housing Decarbonization Program	$1,740,000		Developer Fee	$2,031,833
Deferred Developer Fee	$761,655		Capitalized Reserves	$802,811
			Site & Non-Residential	$7,997,531
Total Sources	**$51,020,247**		**Total Uses**	**$51,020,247**

MASSHOUSING

Sources and Uses: The Waterhouse 9%

Sources of Funds			Uses of Funds	
MH Permanent Loan	$6,000,000		Acquisition	$319,771
Federal LIHTC	$11,038,869		Construction	$13,088,866
State LIHTC Loan	$7,557,911		Contingency	$884,196
Deferred Developer Fee	$777,340		General Development	$4,016,287
			Developer Overhead	$949,731
			Developer Fee	$949,731
			Capitalized Reserves	$612,973
			Site & Non-Residential	$4,552,593
Total Sources	**$25,374,147**		**Total Uses**	**$25,374,147**

Underwriting Notes

The Waterhouse 4%:

1. Loan Sizing
2. Funding of Loans
3. EOHLC Confirmations
4. Zoning Approvals
5. Third-Party Reports

The Waterhouse 9%:

1. Loan Sizing
2. Funding of Loans
3. Market Units
4. Zoning Approvals
5. Third-Party Reports

Official Action Status (OAS) Findings

1. **Mortgagor**: The mortgagor or sponsor has acceptable multifamily housing development experience and acceptable credit history.
2. **Site Control**: The mortgagor, sponsor or an affiliate under common control has demonstrated evidence of site control, which may include a deed, a ground lease, a purchase option, a contract of sale, or designation under a public land disposition process.
3. **Acceptability of Site**: The site is acceptable for the proposed housing.
4. **Need for Proposed Housing**: There is a need for the proposed housing in the community where the site is located.

Recommended Votes

The Waterhouse 4%:

- Official Action Status
- Commitment of a Permanent Tax-Exempt Loan
- Commitment of a Tax-Exempt Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits
- Permit Borrower to Enter into Third-Party Loans

The Waterhouse 9%:

- Commitment of a Permanent Taxable Loan
- Permit Borrower to Enter into Third-Party Loans

Loan Commitment Proposal | May 12, 2026

135 Dudley Street

1. General Project Information	
Project Name	135 Dudley Street
Project ID	22-106
Associated Projects	145 Dudley Street Ownership
Address(es)	135 Dudley Street, Boston (Roxbury), MA 02119
Sponsor	Cruz Development
Transaction Type	Production (4%)
Funding Type	Forward Commitment of Permanent Loan
Execution Type	Portfolio (TE)
Credit Enhancement	HUD/HFA Risk-Sharing with 50% credit risk
Approval Type	Board
Total Rental Units	60
Affordability Mix	60 Affordable

2. Recommended Actions

- Official Action Status
- Commitment of a Permanent Tax-Exempt Loan
- Commitment of a Tax-Exempt Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

3. Background

The proposed financing will support the development of 135 Dudley Street (the "Development" or the "Rental Building"), a proposed new construction 60-unit affordable rental housing community located in the Roxbury neighborhood of Boston.

In July 2018, the City of Boston Mayor's Office of Housing ("MOH") and Boston Planning & Development Agency ("BPDA") issued a Request for Proposals ("RFP") for the redevelopment of city-owned land in Nubian Square. In summer 2019, Cruz Development Corporation (the "Sponsor" or "Cruz") was designated as the developer of a parcel of land on Dudley Street (the "Dudley St. Redevelopment Parcel" or the "Parcel") across the street from the Nubian MBTA Station. In July 2023, the Development was awarded through the Executive Office of Housing and Livable Communities ("EOHLC") Mini Round, and since that time the Sponsor additionally secured a MassWorks grant ("MassWorks") for infrastructure in October 2025.

The Dudley St. Redevelopment Parcel includes the following components: the Development which is the subject of this commitment proposal, a 110-unit for-sale residential condominium development at 145 Dudley Street (the "Ownership Building") to be financed separately and with a conventional construction mortgage, a 125-space subsurface parking structure (the

"Garage"), a shared building podium (the "Podium"), and a shared outdoor plaza (the "Plaza"). Cruz or affiliates of Cruz Development Corporation will serve as the Sponsor, General Contractor and Management Agent for the Development.

The condominium documents and easement agreements will address the pro-rated development and operating costs of the shared Garage, Podium and Plaza as well as the shared reserves, access, easements, permits, maintenance, and repairs for the Rental Building and the Ownership Building.

4. MassHousing Financing	
First Loan	
Type	Tax-Exempt Permanent Loan
Loan Amount	$6,425,000
Interest Rate	30-Year MMD plus 237 basis points (bps) to be locked at Construction Loan Closing (processing rate of 7.07% assumed for underwriting)
Loan Term / Amortization	40 y / 40 y
Term of Fwd. Commitment	30 months
Year 1 DSCR	1.12 projected (1.10 minimum)
LTV	86.7% projected (90% maximum)
Equity Bridge Loan	
Type	Tax-Exempt Bridge Loan
Loan Amount	$10,000,000
Interest Rate	4.90% projected
Loan Term/Amortization	12 months / interest only

5. Development Plan

Description of Site. The Development will be located on a 22,000 square-foot area at 135 Dudley Street (the "Site"); the Site is a portion of the approximately 70,000 square-foot Dudley St. Redevelopment Parcel. The Parcel is currently being utilized as a municipal parking lot, and borders Dudley Street, the Roxbury branch of the Boston Public Library, the Boston Police Department B-2 station, and Roxbury District Court. The Site is within walking distance of grocery stores, retail shops, and multiple public transit options.

Description of Proposed Building. The Development involves the new construction of an approximately 81,000 square-foot building. There will be 60 one-, two-, and three-bedroom units with a community room, lounge, fitness room, and bicycle storage. The Development will consist of a four-story wood frame atop a two-story concrete structure.

The Development is connected to, and partially atop, the approximately 50,000 square-foot Garage. There are 125 parking spaces, with 15 spaces reserved for residents of the Development

with pro-rated development and operating costs. The remaining parking spaces will eventually be sold to residents of the planned Ownership Building, which will be constructed at a later date; in the interim, these spaces may be rented to commuters, many of whom currently use the surface parking on the Parcel.

The Development will also have 6,500 square feet of commercial space on the ground level for four retail units. Approximately 1,000 square feet will be leased, rent free, to the National Association for the Advancement of Colored People (the "NAACP") to support that organization's work in the Roxbury neighborhood. The remaining commercial space is being marketed. The commercial income is not included in the underwriting.

The Development is designed to be LEED Building Design & Construction v4 Gold certifiable and all HVAC, domestic hot water, and energy systems will be fully electrified.

Description of Affordability Mix. All 60 rental units will be subject to income restrictions with set-asides ranging from 30% of Area Median Income ("AMI") to 60% of AMI. There are eight project-based Section 8 units and ten project-based MRVP units.

Site Control. The Borrower and the City of Boston, or its affiliate (the "City") will enter into a 59-year lease agreement with an option to renew for an additional 40 years for the Rental Building (the "Rental Unit") which will be part of a two-unit condominium (the "Primary Condominium") on the Parcel. The City will maintain fee ownership in the Rental Unit and the Borrower will make an annual nominal payment which is included in the development budget.

6. Borrower Team

Mortgagor Entity: Cruz 135 Dudley Street LLC

Cruz 135 Dudley Street LLC ("Borrower") is a sole-asset, single-purpose limited partnership formed for the purposes of owning and operating the Development.

Developer / Sponsor: Cruz Development Corporation

Cruz Development Corporation is the development arm of the Cruz Companies. Cruz Companies is a vertically integrated construction, development, and management company. Since its founding, Cruz Development Corporation has developed more than 3,400 units of housing.

MassHousing provided tax-exempt bonds for the Michael E. Haynes Arms development, a conduit transaction, with Cruz Development Corporation as the sponsor.

General Partner / Managing Member: Cruz 135 Dudley Street MM LLC

Cruz 135 Dudley Street MM LLC is a single-purpose entity formed for the purpose of being the general partner of the ownership entity.

Construction Lender: Webster Bank

Webster Bank is a commercial bank with more than $70 billion in assets focused on businesses, individuals, and families. With headquarters in Stamford, CT, the bank's lending footprint spans the northeast from New York City to Rhode Island and Massachusetts. The bank offers differentiated lines of business including commercial banking, consumer banking and an HSA bank division.

Recent MassHousing financing commitments for developments with Webster Bank as the construction lender include Phare which is in the lease up phase and The Eastwalk which is still under construction.

Federal LIHTC Syndicator / Investor: Red Stone Equity Partners

Founded in 2002, Red Stone, a privately-owned real estate finance and investment company, structures, underwrites, closes, and manages multifamily debt and equity investments using tax-exempt debt. They have invested more than $4.0 billion nationwide. The company's focus is on providing acquisition, development period, and permanent mortgage capital on properties that are financed utilizing tax-exempt bonds.

Recent MassHousing deals on which Red Stone Equity Partners was the syndicator include as Prospect Place, West Newton Armory and 2147 Washington.

State LIHTC Broker Dorfman Capital

Dorfman Capital, founded in 1990 by President Bob Dorfman, specializes in innovative financing for real estate developments. The company has facilitated over $1 billion in financing for corporations and real estate developers. Dorfman Capital focuses on transforming communities through brownfields development, affordable housing, and historic reuse. The firm offers expertise in brownfields tax credit finance and facilitates investments for Federal and State Tax Credits for various initiatives, including Historic reuse (HTC), Low Income Housing (LIHTC), Housing Development Incentive Program (HDIP), Film, Energy (ITC), and New Market Tax Credits (NMTC).

Dorfman Capital was the state tax credit broker on Singing Bridge Residences, Salem Schools Redevelopment, and Cheney Homes Apartments.

Management Company: Cruz Management Corporation

Cruz Management Corporation, Cruz Development Corporation's related party management company, provides full service real estate property management to property owners in New England. Cruz Management Corporation manages more than 1,200 units that are financed through a variety of programs such as Project Based Section 8 and Low-Income Housing Tax Credits.

MassHousing provided tax-exempt bonds for the Michael E. Haynes Arms development, a conduit transaction, with Cruz Management Corporation as the management company and Cruz Management is the agent for several developments in the MassHousing project-based contract administration ("PBCA") portfolio.

Architect: The Architectural Team, Inc.

The Architectural Team ("TAT") is a master planning, architecture and interior design firm established in 1971. The 95+ person firm has earned awards for design excellence across a broad range of building types and programs.

General Contractor: John B. Cruz Construction Company, Inc.

John B. Cruz Construction Company, Inc. ("Cruz Construction") is the construction arm of Cruz Companies. Cruz Construction provides planning and design, site preparation, and workforce training services and has constructed over 3,400 affordable residential units.

Cruz Construction was the general contractor for Michael E. Haynes Arms development, a conduit transaction, Verdean Gardens and Council Tower, properties currently in the Agency's portfolio were also built by Cruz Construction.

7. Summary of MassHousing-Sponsor Relationship			
	Recorded	*Committed*	*Total*
Number of Projects with MassHousing Debt	1	0	1
Total Units with MassHousing Debt	55	0	55
Outstanding MassHousing Principal Debt	$7,765,140	$0	$0
Number of Projects with MassHousing Conduit Financing	1*		
MassHousing Conduit Loans are Compliant with Program Rules	Yes.		
Adverse Actions Against the Borrower Team	Yes. MassHousing went through the foreclosure process with the Borrower for Verdean Gardens in 2005 and Cass House in 2006. These issues have since been resolved.		
Current on Obligations with MassHousing	Yes.		
Property Management Affiliate	Yes, Cruz Management Corporation manages properties in the Cruz portfolio and offers management services to properties outside of the Cruz portfolio.		

*MassHousing has committed one conduit transaction with Cruz Development as the sponsor, Michael E. Haynes Arms, which has a subordinate Workforce Housing Loan from MassHousing.

MassHousing Staff	
Origination	Jennifer Hudon Hatch, Originator Dan Maillet, Analyst
Underwriting	Douglas O'Brien, Underwriter Brian Hsieh, Analyst
Asset Management	Kate Joyce, Portfolio Manager Maureen Carey, Asset Manager

8. Unit Mix

		LIHTC Eligible						
Unit Size	Total Units	30% of AMI - PBV Section 8*		30% of AMI - MRVP*		60% of AMI - LIHTC*		Market Comparison
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Rent*
1 BR	24	3	$2,340	5	$1,969	16	$1,700	$2,870
2 BR	31	4	$2,773	4	$2,332	23	$2,035	$3,160
3 BR	5	1	$3,325	1	$2,796	3	$2,345	$4,520
Total	**60**	**8**		**10**		**42**		

*** Rents are net of utility allowances.**

Project-Based Rental Subsidy	
Type	Section 8
Term	20 y
Administrator	Metro Housing Boston
Lesser of contract rents	

Type	MRVP
Term	15 y
Administrator	Metro Housing Boston
Lesser of contract rents	

9. Operating Overview

Underwritten Operating Expenses	$939,575 (approximately $15,700 per unit)

Basis of Operating Costs. Operating expense assumptions are based on the review of comparable properties, the proposed borrower budget, and supporting documentation. Payroll, taxes, and benefits exceed typical ranges found in MassHousing portfolio comps and lack a confirmed staffing plan to justify the expenses. Other expenses for garage and common area maintenance ($430/unit) are costs outside normal operational scope. MassHousing is actively working with the Sponsor to align the budget with Underwriting standards.

10. Project Costs

Core Residential Costs	
Base	$33,609,332
Extraordinary	$11,429,610
Total	$45,038,942
Commercial, Site and Other Non-Residential Costs	
Commercial Costs	$7,719,594
Site and Other Non-Residential Costs	$2,628,195
Total	$10,347,788
Total Development Cost	
Total	$55,386,730

Project Construction Costs	
Total Construction Cost	$38,711,171
Construction per Square Foot	$473

Background on Extraordinary Residential Costs. Extraordinary residential costs are largely driven by material price escalation and the constraints of mid-rise construction on a compact site. The complex design also led to escalated legal and design costs.

Background on Commercial, Site and Other Non-Residential Costs. Extraordinary site and non-residential costs are primarily driven by site-specific environmental remediation and earthwork to address contamination. Due to the proximity of neighboring structures, shoring is required along the site boundaries. Additional extraordinary costs include the removal of a buried foundation and sidewalk closure with a police detail. General Development costs are driven by environmental engineering, professional services (A&E, survey, permits), and legal fees.

Background on Building Standards Costs. Costs related to the building materials, installation and insulation required to meet the specialized energy code are included in Core Residential Costs.

11. Sources and Uses

Sources of Funds	
MassHousing Perm Loan	$6,425,000
Federal LIHTC	$23,737,320
State LIHTC Loan	$11,850,000
EOHLC Funds	$3,000,000
Mayor's Office of Housing	$5,997,251
MassWorks	$1,092,631
AHTF	$2,000,000
MassDevelopment Brownfield	$175,397
Deferred Developer Fee	$1,109,031
Total Sources	$55,386,730

LIHTC Pricing	
Federal LIHTC	$0.93
State LIHTC	$0.79

Core Residential Use of Funds	Total		Base Costs		Extraordinary Costs	
		Per Unit		*Per Unit*		*Per Unit*
Construction	$31,468,726	$524,479	$23,468,726	$391,145	$8,000,000	$133,333
Construction Contingency	$1,573,442	$26,224	$1,173,440	$19,557	$400,001	$6,667
General Development	$8,329,498	$138,825	$6,230,541	$103,842	$2,098,957	$34,983
Operating Reserves	$405,790	$6,763	$302,812	$5,047	$102,978	$1,716
Overhead	$1,630,743	$27,179	$1,216,907	$20,282	$413,836	$6,897
Fee	$1,630,743	$27,179	$1,216,907	$20,282	$413,836	$6,897
	-	-	-	-	-	-
Total Residential Uses	$45,038,942	$750,649	$33,609,332	$560,156	$11,429,610	$190,493

Commercial Uses	$7,719,594

Site and Other Nonresidential Uses*	$2,628,195

Total Uses	$55,386,730

**Includes applicable hard costs, contingency, soft costs, overhead and fee*

12. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		$520,872
Rental Income – Non Project-Based Rental Subsidy		$972,480
Gross Potential Residential Income		$1,493,352
Vacancy – Project-Based Rental Subsidy	2.5%	($13,022)
Vacancy – Non- Project-Based Rental Subsidy	3.0%	($29,174)
Gross Residential Income		$1,451,156
Effective Gross Income		$1,451,156

Expenses	
Residential Operating Expenses	$939,575
Net Operating Income	$523,910
Debt Service	($477,444)
Cash Flow	$46,466

Debt Service Coverage	1.10

Residential Operating Expense Detail			*Per Unit*
Management Fee	5.0%	$72,987	$1,216
Administrative Costs		$193,440	$3,224
Maintenance Costs		$277,510	$4,625
Resident Services		$32,000	$533
Security		$33,200	$553
Utilities (water and sewer, hot water, common electrical)		$118,775	$1,980
Insurance		$85,000	$1,417
Taxes		$89,000	$1,483
Replacement Reserves		$21,600	$360
Mortgage Insurance Premium		$16,063	$268
Total		$939,575	$15,660

Operating Expenses as a Percent of EGI	64.2%

13. Underwriting

1. **Loan Sizing**. The Sources and Uses in this commitment proposal reflect a Projected Loan amount of $6,425,000. The MassHousing Financing Summary in Section 4 above and the Votes below allow for an "Up To" Loan amount of $6,650,000. The final loan amount will be set when the interest rate is locked at construction closing, such that MassHousing's debt service coverage ratio and loan to value benchmarks will be met.

   To the extent that the final loan amount is greater or less than $6,500,000, MassHousing will confirm that other sources will be adjusted as necessary to maintain balanced sources and uses.

2. **Condominium Structure**. The condominium documents and easement agreements will address shared costs, reserves, access, easements, permits, maintenance, and repairs prior to construction closing.

   Since there will be shared development and operational costs for the Garage, Plaza, and Podium, MassHousing may also require a condominium reserve to assist in payment of these shared costs. All condominium documents will be reviewed and approved by MassHousing prior to the construction closing.

3. **Joint Development Agreement**. The Sponsor proposes a joint development agreement between the Borrower and the owner entity for the Ownership Unit. MassHousing's review and approval of the joint development agreement will be a condition of closing.

4. **General Contracts and Design Review.** There will be four construction contracts for the Dudley Street Redevelopment Parcel:

   1. Rental Building
   2. Garage and Podium
   3. MassWorks grant work
   4. Ownership Building

   The Sponsor shall ensure, and MassHousing will verify, that the contracts complement one another and conform with the design plans and permitting specifications. The contracts covering shared work will be pro-rated such that the Rental Building and the Ownership Building, or their owner entity outlined in the condominium structure, will be responsible for their portion of the cost by a square footage proportion.

   All four stipulated sum contracts, with the understanding that the Ownership Building will be constructed in the future, will be reviewed and approved by MassHousing prior to the construction closing.

5. **Permitting**. The Sponsor will work with the MassHousing, City of Boston, and other funders to ensure the Rental Building and Ownership Building are permitted in such a way that allows the Development to be constructed, leased, and stabilized independently from any requirements associated with the Ownership Building. Prior to construction closing, MassHousing will receive assurances that the City's Inspectional Services Department will be able to issue a final Certificate of Occupancy for the Rental Building even if construction has not started or is on-going at the Ownership Building.

6. **Commercial Units.** The Sponsor intends to construct approximately 6,500 square feet of commercial spaces on the ground level of the Rental Building. A total of four retail spaces will be fully built as part of the Rental Building scope of work. This financing in this proposal does not rely on commercial income from any of the four spaces; however, underwriting may be adjusted to reflect the terms of leases the Sponsor plans to offer, including provision of utilities and replacement reserve deposits associated with these spaces.

   To date, the Sponsor has one tenant, NAACP, and it will not charge rent for this leased space.

7. **Third-Party Reports.** The MassHousing "as proposed" appraisal, inclusive of a land cost analysis, is currently in progress. To the extent the appraisal changes underwritten residential or commercial rents and loan-to-value, the loan amount will be adjusted accordingly.

Underwriting Criteria and Loan Terms	135 Dudley Street	Underwriting Standards
1. DSCR	1.10	Minimum of 1.10
2. Term/Amortization	40 y / 40 y	30-40 y, fully-amortizing
3. Loan to Value	86.7%	Maximum of 90% based on third party "as-proposed" investment value
4. Underwriting Rents	Lesser of Project-Based Section 8 ("PBS8") contract or market supported rents	Lesser of: • PBV-Rental Subsidy contract or market supported rents • Programmatic rent cap or rents supported by MassHousing market review.
5. Vacancy Allowance	PB Rental Subsidy: 2.5% LIHTC: 3.0%	Minimum of: • 2.5% for PBV – Rental Subsidy • 3.0% for LIHTC • 5.0% for unrestricted or workforce housing
6. Affordability	40% at 60% of AMI	Minimum of: • 20% at 80% of AMI for MassHousing Statute • 40% at 60% or 20% at 50% of AMI for loans with FHA Insurance, HUD/FFB, Tax-Exempt Bond, and/or Federal LIHTC
7. Annual Deposits to Replacement Reserves	$360 unit / year	Minimum of: • $360 unit / year (new construction) • $500 unit / year (rehab) Note: Additional initial deposit to reserves may be required by the third party CNA to fund twenty-year capital needs.
8. Operating Expenses	Approximately $15,700 unit / year	Typically, between $15,000 and $18,500 per unit.

14. Low-Income Housing Tax Credits

The Developer has included in its financing proposal a request for the use of 4% Low-Income Housing Tax Credits (the "4% Credits"). The 4% Credits may be utilized as a result of the funding of the Loan with tax-exempt bonds or notes of MassHousing which are to be issued under Section 142 of the Internal Revenue Code of 1986, as amended (the "Code") and are subject to a volume capacity allocation under Section 146 of the Code.

Use of the 4% Credits must be approved by EOHLC as the "housing credit agency" under Section 42 of the Code who must make the determination required under Section 42(m)(1)(D) of the Code that the development and financing proposal meets the requirements of the Commonwealth's Qualified Allocation Plan. In addition, MassHousing, as the issuer of tax-exempt obligations which generate the 4% Credits must determine under Section 42(m)(2)(D) of the Code that the amount of 4% Credits does not exceed the amount necessary for the financial feasibility and long-term viability of the development. Such determination shall be made applying the standards set forth in the proposed Board vote herein, as required by Section 42(m)(2) (B) of the Code.

135 Dudley Street

VOTES AND FINDINGS

PROPOSALS AND VOTES

Official Action Status

RECOMMENDATION:

Staff has reviewed the development experience and creditworthiness of the mortgagor and sponsor and found them to be acceptable. Staff has also determined that the mortgagor, sponsor, or an affiliate under common control has demonstrated evidence of site control, that the proposed site is acceptable for the intended housing, and that there is a need for the proposed housing in the community where the site is located. Therefore, staff recommends the following votes for approval:

VOTED**:** To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as "135 Dudley Street" (the "Development") at such time as it is submitted; (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 that such loan (a) be funded with proceeds of tax-exempt debt issued in the future and (b) reimburse, in accordance with Treasury Regulations Section 1.150-2, up to $20,535,000 of costs of the Development paid prior to the issuance of such debt or the making of such loan; provided that this vote does not require the Agency to make any expenditure, incur any indebtedness or proceed with the Development.

Official Action Status Findings

In accordance with the vote of the Members of MassHousing dated October 10, 2023, staff makes the following Official Action Status findings for the Development:

1. Cruz Development Corporation (the "Developer") has acceptable multifamily housing development experience and acceptable credit history.

2. The Developer has demonstrated evidence of site control, which may include a deed, a ground lease, a purchase option, a contract of sale, designation under a public land disposition process, or other evidence of site control.

3. The site is acceptable for the proposed housing.

4. There is a need for the proposed housing in the community where the site is located.

Mortgage Loans

Staff has reviewed the proposal for permanent and equity bridge financing and proposed the following votes for approval:

VOTED: To approve the findings and determinations set forth below and to authorize (a) a permanent first mortgage loan in a principal amount of up to $6,650,000, such first loan to be insured under the HUD HFA Risk Sharing Program; and (b) a subordinate equity bridge mortgage loan in a principal amount of up to $10,000,000, in each case to be made to Cruz 135 Dudley Street LLC or another single-purpose entity controlled by Cruz Development Corporation or an affiliate (the "Borrower") as owner of the multifamily residential development known as 135 Dudley Street (the "Development") and located in Boston - Roxbury, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None.

VOTED**:** To authorize the Chief Executive Officer, the Chief Legal and Operating Officer and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing's first mortgage loan, and other MassHousing debt as determined by the Chief Executive Officer, the Chief Legal and Operating Officer or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing's

requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel or their designee.

4% Low-Income Housing Tax Credits

VOTED: That the amount of 4% Credits, as set by the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the multifamily development located in Boston - Roxbury, Massachusetts and known as 135 Dudley Street (the "Development") will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the credit period, having taken into consideration:

(a) the sources and uses of funds and the total financing planned for the Development;

(b) any proceeds or receipts expected to be generated by reason of tax benefits;

(c) the percentage of the tax credit amount used for Development costs other than the cost of intermediaries; and

(d) the reasonableness of the developmental and operational costs of the Development, provided, however, that such determination shall not be construed to be a representation or warranty as to the feasibility or viability of the Development.

FURTHER VOTED: To authorize the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, the General Counsel or the designee of any of the foregoing, each acting singly, to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding vote.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:
60 units (100%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area:
The market needs data reflects the information available to A&M staff as of the date of collection April 10, 2026. Further, the reader is cautioned and reminded that any observations, comparisons, and conclusions are based on the data as of the indicated collection date.

In-house data for larger market and mixed-income complexes (approximately 976 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 98.6%, and range between 95% and 100%. One of the comparable was offering 2 months' free rent as a rental concession.

2nd Qtr. 2026 CoStar data for the subject's Roxbury/Dorchester Family submarket (8,825 units) has an overall vacancy rate at 8.5% YTD, which is a decrease of 2.26% from one year ago. CoStar data for the Boston market (299,736 units) has an overall vacancy rate of 6.7% year-to-date, which is an increase of 0.91% from one year ago. The Roxbury/Dorchester multifamily submarket vacancy rate is projected to increase to 9.7% over the next five years, while the Boston market is projected to decrease to 6.4%.

CoStar submarket data for the 4-5 Star building type (2,876 units) indicates a 2nd Qtr. 2026 vacancy rate of 14.1% and an average asking rent of $3,061, while the submarket data for the subject's 3 Star building type (3,093 units) indicates a 2nd Qtr. 2026 vacancy rate of 7.9% at an average asking rent of $2,654 and 1-2 Star buildings (2,856 units) indicates a 2nd Qtr. 2026 vacancy rate of 3.6% at an average asking rent of $2,283. The development with its amenities more closely reflects the 3 Star building type and is reflected in both the vacancy rate and market rent potential.

According to the Executive Office of Housing and Livable Communities ("EOHLC") Chapter 40B Subsidized Housing Inventory (as of 09/30/25), the City of Boston 299,238 year-round housing units, 57,443 (19.2%) of which are subsidized for low/moderate income households.

Boston Housing Authority ("BHA") owns and operates 24 family and 32 elderly/disabled developments with a total of 12,501 units. The BHA also administers approximately 16,184 units of leased housing, consisting of 14,979 Housing Choice Vouchers, 1,441 Project-Based units, and

198 Moderate Rehab units. In addition, the City of Boston's Annual Plan (FY2025) indicates that the BHA maintains the following waitlists: There are 7,277 households on the Leased Housing waiting list. This is broken down by families with children, families with disabilities and elderly families. The BHA also had Single applicants on the waiting list. There were also instances of families that fit into more than one category. This waiting list has been closed since November 2008 and there are no plans to reopen at this time. The BHA also maintains a Public Housing waitlist with 39,220 applicants.

U.S. Census data from the 2020-2024 American Community Survey (ACS) indicates that of the 294,977 households in the City of Boston approximately 81.2% earned less than the HUD published 2025 AMI ($160,900), approximately 43.6% earned less than 50% of 2025 AMI, approximately 51.5% earned less than 60% of the 2025 AMI, and approximately 67.4 % earned less than 80% of the 2025 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed does not lead to the undue concentration of low-income households.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

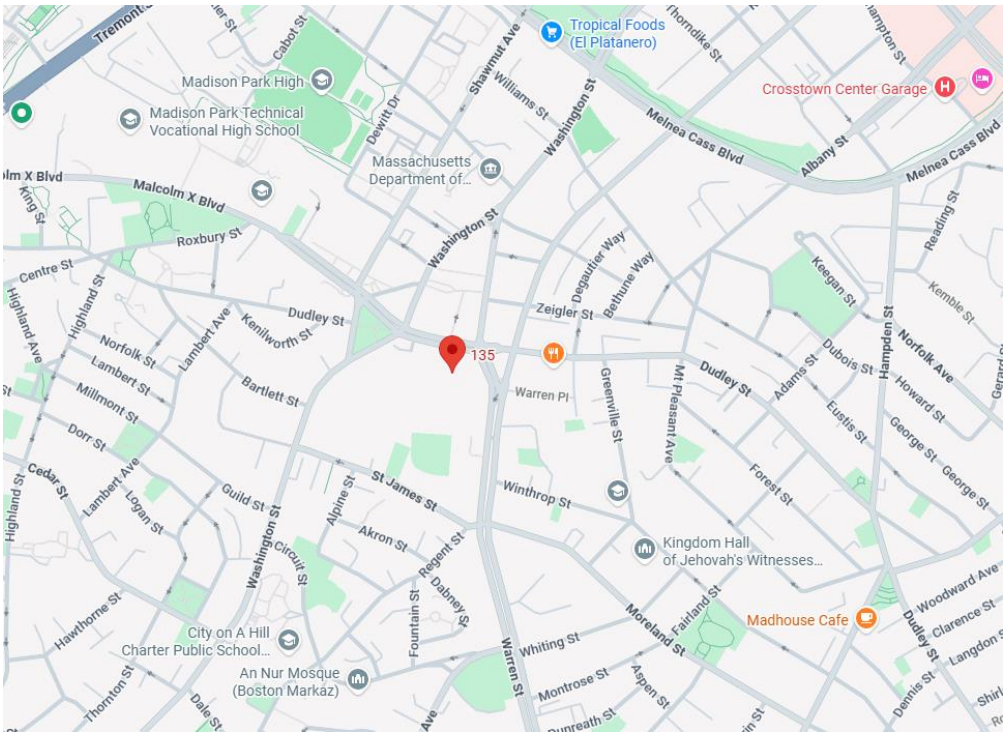
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

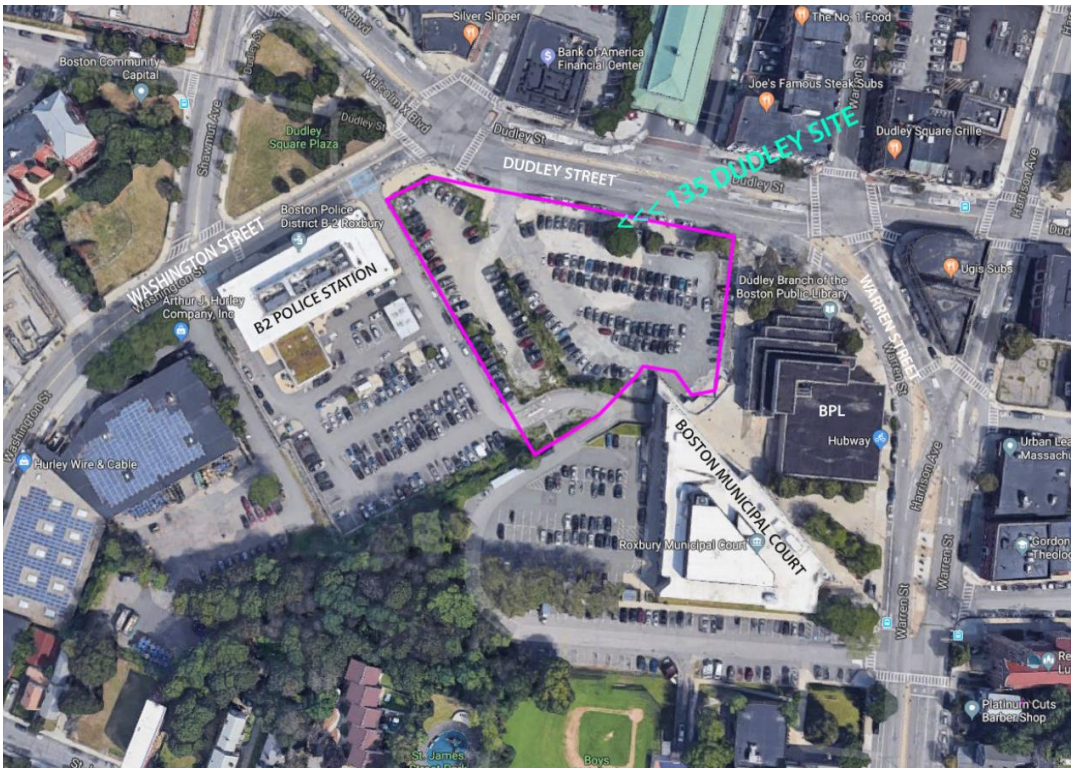
Rent Schedule:

Number of Bedrooms	1	2	3
Number of Units	24	31	5
Net SF/Unit	699	925	1,125
Elev./Non-Elev.	E	E	E
Market Rate Rent (10% Rate 20 Year Term)	$2,870	$3,160	$4,520
MHFA Below Market Rent (Cost-Based Rent)	$1,836	$2,169	$2,631
MHFA Adjusted Rent	30% of 60% of AMI		
Underwriting Rents			
MRVP – 30% of AMI	$1,969	$2,332	$2,796
Section 8 PBV – 30% of AMI	$2,340	$2,773	$3,325
LIHTC – 60% of AMI	$1,700	$2,035	$2,345

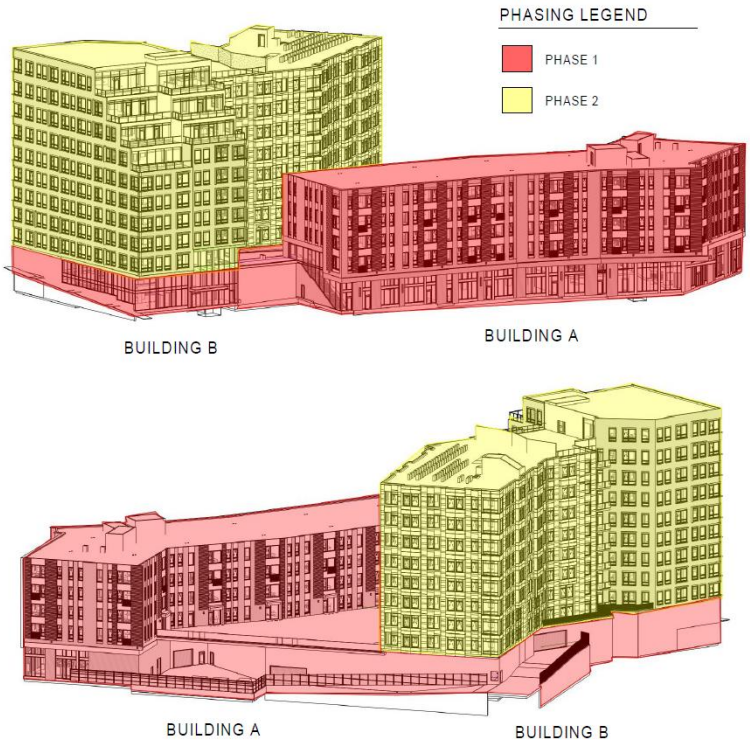
Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

MAP AND PICTURES





Rendering of 135 Dudley Street from The Architecture Team, Inc.



Rendering of Phases from The Architecture Team, Inc.
135 Dudley Street, Phase 1 & Building A (red)

Loan Commitment Proposal | May 12, 2026

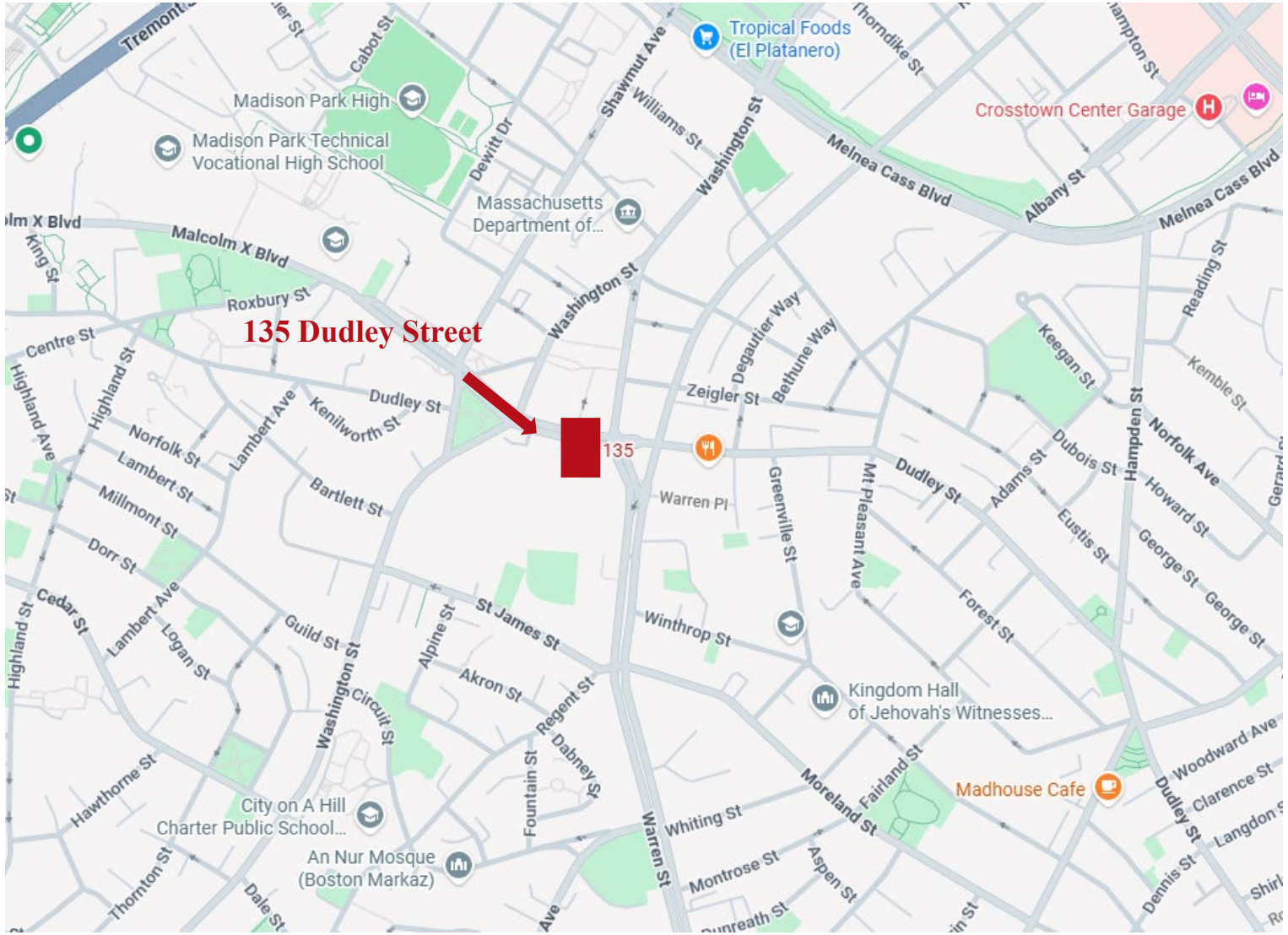
135 Dudley Street

Location	135 Dudley Street, Boston (Roxbury), MA 02119
Sponsor	Cruz Development
Transaction Type	Production (4%)
Funding Type	Forward Commitment of Permanent Loan
Execution Type	Portfolio (TE)
Credit Enhancement	HUD/HFA Risk-Sharing with 50% credit risk
Total Rental Units	60
Affordability Mix	60 Affordable

Deal Team Members	
Origination	Jennifer Hudon Hatch, Dan Maillet
Underwriting	Doug O'Brien, Brian Hsieh
Asset Management	Kate Joyce, Maureen Carey

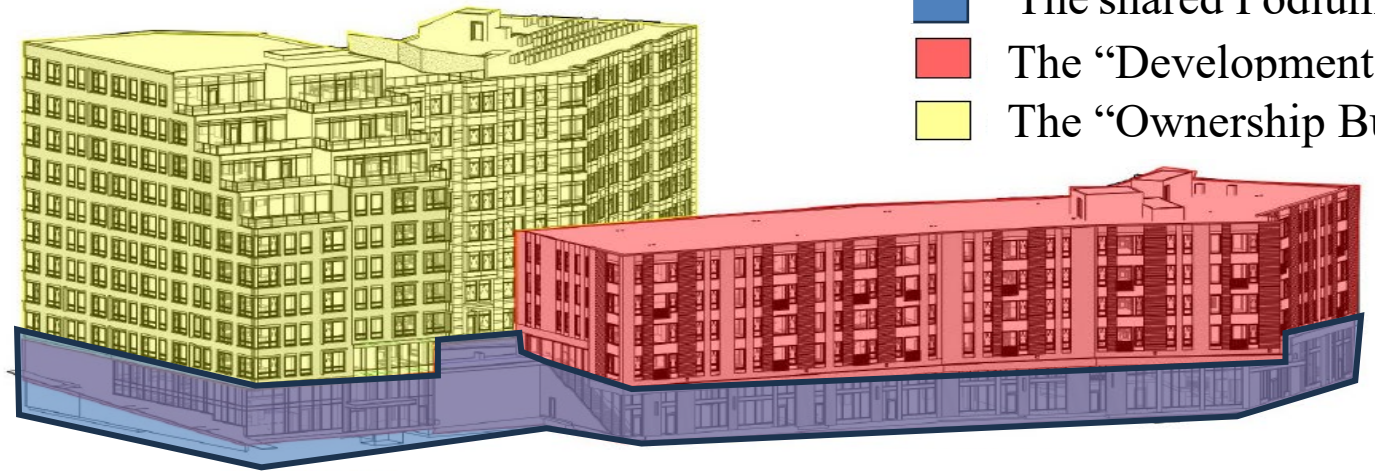
MassHousing

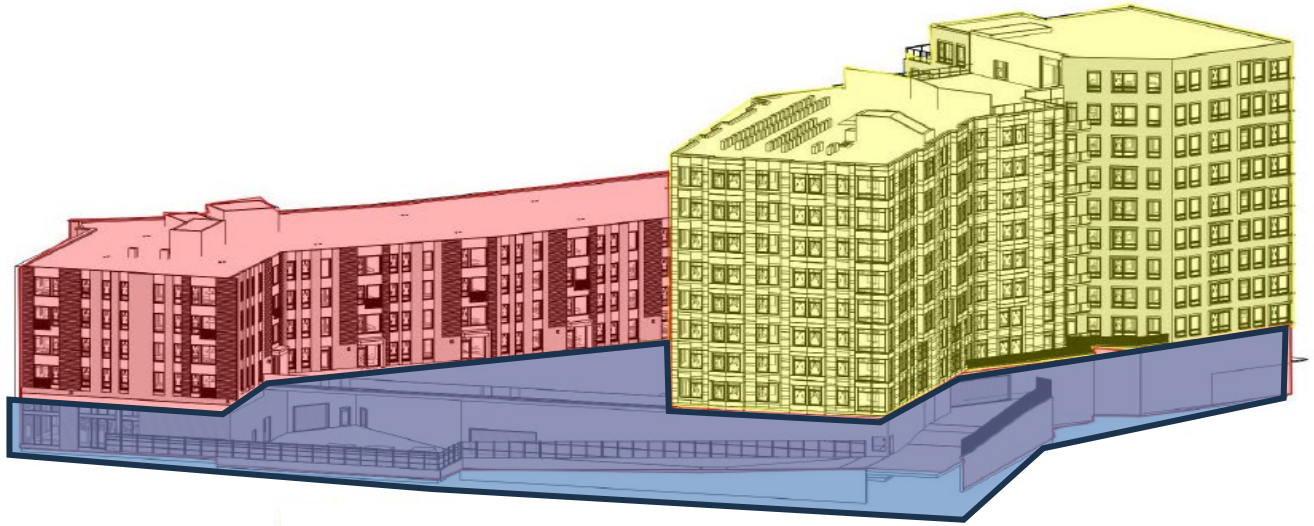
135 Dudley Street | Boston - Roxbury



135 Dudley Street | Boston - Roxbury

The shared Podium, Garage & Plaza
The "Development" or "Rental Building"
The "Ownership Building"





Borrower Team

Mortgagor Entity	Cruz 135 Dudley Street LLC
Developer / Sponsor	Cruz Development Corporation
General Partner / Managing Member	Cruz 135 Dudley Street MM LLC
Construction Lender	Webster Bank
Syndicator / Investor	Red Stone Equity Partners (Federal LIHTC) Dorfman Capital (State LIHTC)
Management Company	Cruz Management Corporation
Architect	The Architectural Team, Inc.
General Contractor	John B. Cruz Construction Company, Inc.

Unit Mix

		LIHTC-Eligible						
Unit Size	Total Units	30% of AMI – PBV Section 8*		30% of AMI - MRVP*		60% of AMI - LIHTC*		Market Comparison
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	
1 BR	24	3	$2,340	5	$1,969	16	$1,700	$2,870
2 BR	31	4	$2,773	4	$2,332	23	$2,035	$3,160
3 BR	5	1	$3,325	1	$2,796	3	$2,345	$4,520
Total	**60**	**8**		**10**		**42**		

** Rents are net of utility allowances.*

Project Costs

Core Residential Costs	
Base	$33,609,332
Extraordinary	$11,429,610
Total	$45,038,942
Commercial and Non-Residential Costs	
Commercial Costs	$7,719,594
Site and Other Non-Residential Costs	$2,628,195
Total	$10,347,788
Total Development Cost	
Total	$55,386,730

Project Construction Costs	
Total Construction Cost	$38,711,171
Construction per Square Foot	$473

Sources and Uses

Sources of Funds			Uses of Funds	
MassHousing Perm Loan	$6,425,000		Construction	$38,711,171
Federal LIHTC	$23,737,320		Construction Contingency	$1,935,656
State LIHTC Loan	$11,850,000		General Development	$10,239,382
EOHLC Funds	$3,000,000		Capitalized Reserves	$498,000
Mayor's Office of Housing	$5,997,251		Overhead	$2,001,306
MassWorks	$1,092,631		Fee	$2,001,306
AHTF	$2,000,000			
MassDevelopment Brownfield	$175,397			
Deferred Developer Fee	$1,109,031			
Total Sources	**$55,386,730**		**Total Uses**	**$55,386,730**

Underwriting Notes

1. Loan Sizing
2. Condominium Structure
3. Joint Development Agreement
4. General Contracts and Design Review
5. Permitting
6. Commercial Units
7. Third-Party Reports

Official Action Status (OAS) Findings

1. **Mortgagor**: Cruz Development Corporation (the "Developer") has acceptable multifamily housing development experience and acceptable credit history.
2. **Site Control**: The Developer has demonstrated evidence of site control, which may include a deed, a ground lease, a purchase option, a contract of sale, designation under a public land disposition process, or other evidence of site control.
3. **Acceptability of Site**: The site is acceptable for the proposed housing.
4. **Need for Proposed Housing**: There is a need for the proposed housing in the community where the site is located.

Recommended Votes

- Official Action Status
- Commitment of a Permanent Tax-Exempt Loan
- Commitment of a Tax-Exempt Bridge Loan
- Approval for the Use of Low-Income Housing Tax Credits

Loan Commitment Proposal | May 12, 2026

Veterans Home at Chelsea Phase I

1. General Project Information	
Project Name	Veterans Home at Chelsea Phase I
Project ID	24-021
Associated Projects	N/A
Address	91 Crest Avenue, Chelsea, MA 02150
Sponsor	Pennrose, LLC
Transaction Type	Production (4%)
Funding Type	Forward Commitment of a Permanent Loan
Execution Type	Portfolio (TE)
Credit Enhancement	HUD/HFA Risk-Sharing with 50% credit risk
Approval Type	Board
Total Rental Units	65
Affordability Mix	60 Affordable 5 Workforce

2. Recommended Actions

- Official Action Status
- Commitment of a Tax-Exempt Permanent Loan
- Commitment of a Tax-Exempt Equity Bridge Loan
- Commitment of a Workforce Housing Subordinate Loan
- Approval for the Use of Low-Income Housing Tax Credits

3. Background

The proposed financing will support the development of Veterans Home at Chelsea Phase I ("Phase I" or the "Development"), a proposed 65-unit development located in Chelsea. In 2021, Pennrose, LLC ("Pennrose" or the "Sponsor") was selected by the Division of Capital Asset Management and Maintenance ("DCAMM") and the Executive Office of Veterans Services ("EOVS") to redevelop the nine-building Veterans Home at Chelsea campus, which has provided housing and services to low-income veterans since 1882. Pennrose entered into a Master Development Agreement ("MDA") with the Commonwealth through DCAMM, which along with redevelopment rights, obligates Pennrose to provide supportive services to the residents.

The redevelopment of the campus will occur in four phases and result in approximately 220 units with individual kitchenettes and private bathrooms, replacing the existing single room occupancy accommodations. The phased approach allows Pennrose to maximize available financing,

efficiently manage construction logistics, and allow all existing residents to remain within the campus throughout the redevelopment process.

The Development will include the historic renovation of three existing buildings and the addition of a fourth building, with a veteran preference for all 65 units. The Sponsor's in-house management company and Soldier On, a nonprofit organization with a mission of ending veteran homelessness, will provide comprehensive supportive services for residents and their families.

To maximize tax credit equity, Pennrose proposes an ownership structure that is atypical for a tax credit project. The owner of the Development will be the borrower but will lease the entire Development to a "master tenant" entity who will operate it. This structure avoids a reduction of federal low-income housing tax credit basis that would otherwise occur due to IRS rules, allowing about $4 million of tax credit equity to remain as a source. Since the historic tax credits will flow through the master tenant entity to the historic tax credit investor, the structure is called a "master lease pass through." See Section 13.3 for a detailed explanation.

4. MassHousing Financing	
First Loan	
Type	Tax-Exempt Permanent Loan
Loan Amount	Up to $5,000,000
Interest Rate	30-Year MMD plus 237 basis points (bps) to be locked at Construction Loan Closing (processing rate of 6.97% assumed for underwriting)
Loan Term / Amortization	41 y / 40 y; interest-only during lease-up, with amortization commencing upon stabilization.
Term of Fwd Commitment	30 mo
Year 1 DSCR	1.32* projected (1.10 minimum)
LTV	80% projected (90% maximum)
Equity Bridge Loan	
Type	Tax-Exempt Equity Bridge Loan
Loan Amount	Up to $24,000,000
Interest Rate	4.90% projected
Loan Term/Amortization	12 mo / interest only
Junior Loan	
Type	Workforce Housing Subordinate Loan
Loan Amount	$900,000
Interest Rate	0% projected
Loan Term/Amortization	41 y / non-amortizing
Terms of Cash Flow Sharing	To the extent there is cashflow during operations, 50% will be split between MassHousing and the other subordinate lenders on a pari-passu basis, with MassHousing's share being used to service principal on the Workforce Housing Loan.

*See Section 13.3 for additional information

5. Development Plan

Description of Site. The Development is located on a 2.3-acre parcel within the 7.8-acre Veterans Home at Chelsea campus (the "Site"). The Site is in a residential area primarily surrounded by detached duplexes, triplexes and single-family homes in the Powder Horn Hill neighborhood of Chelsea.

The Quigley Memorial Hospital, which provides health care to residents of Veterans Home at Chelsea, is adjacent to the west.

The Site is three blocks from Broadway, a well-traveled street with restaurants, retail shops and recreational opportunities. An MBTA bus stop at the edge of the campus provides service to other parts of Chelsea, East Boston, Everett, and the Wellington subway station on the Orange Line.

Description of Existing and Proposed Buildings. Phase I will consist of the rehabilitation of three historic buildings – Sargent Hall, the Laundry Building, and Williams Hall – as well as the new construction of a so-called Connector Building between the Laundry Building and Williams Hall which will add four new units and property management office space and will improve accessibility to the adjacent buildings via new elevators, ramps, and other design features.

The scope of work includes demolition of partitions, non-structural walls, flooring, ceilings, fixtures, and abatement of hazardous materials, followed by the complete replacement of the mechanical, electrical, and plumbing systems, including the installation of a geothermal system for building heating and cooling. All unit interiors will be replaced with new materials, and the buildings will be upgraded with new energy-efficient windows and insulation, centralized energy recovery ventilation, LED lighting, low-flow plumbing fixtures, and air-source heat pumps for hot water as part of the Development's pursuit of Enterprise Green Communities certification.

All buildings in the Development will be solar-ready. EV-ready infrastructure will be installed for 20% (or 18) of the 87 surface parking spaces.

Description of Affordability Mix. All 65 units will be subject to income restrictions with set-asides ranging from 30% of Area Median Income ("AMI") to 80% of AMI.

Forty-nine units will benefit from project-based rental assistance. EOHLC will determine the split of units assisted by Section 8 and MRVP prior to closing (please see Note 6 in Section 13 below).

Site Control. Ground lease. DCAMM selected Pennrose as the designated developer through an RFP process in 2021. The Borrower will lease the Site from DCAMM and undertake the renovations and new construction. Using this structure allows the Borrower to reduce acquisition

basis by the cost of the land, which reduces the amount of volume cap needed while maintaining the same level of LIHTC equity coming into the deal. The Borrower will make a one-time payment of $100,000 for the 99-year ground lease. DCAMM will retain ownership of the remainder of the campus and will lease the land for each future phase to a separate Pennrose entity that will carry out the redevelopment of the buildings included in that phase.

6. Borrower Team

Mortgagor Entity: CSH Phase I LLC

A sole-asset, single-purpose limited liability company formed for the purposes of owning and operating the Development.

Developer / Sponsor: Pennrose, LLC

Pennrose is an experienced national development firm, completing over 350 developments and 27,000 units. While initially focused in the mid-Atlantic region, Pennrose has expanded its footprint over the previous years and now includes offices and developments in Boston, Atlanta, and Texas, as well as Philadelphia, New York, Ohio and the Washington, D.C. region. In addition to development, Pennrose includes an affiliated management company.

Recent Pennrose developments with committed or closed agency financing include Swifts Landing Senior and Family (formerly Littleton Drive), Phare (formerly Cape Cod Five) and 95 Everett.

General Partner / Managing Member: CSH Phase I MM LLC

Master Tenant: CSH Phase I MT LLC

CSH Phase I MT LLC is an entity controlled by the Sponsor that will lease the Development from the Borrower.

Construction Lender: M&T Bank Corporation

Founded in 1856, M&T Bank Corporation ("M&T Bank") is a regional bank headquartered in Buffalo, New York, with operations across the Eastern United States. With 22,000 employees and $200 billion in assets, it provides a range of retail and commercial banking products and services. While this will be its first development with MassHousing, M&T Bank has provided construction financing for more than 10 of Pennrose's developments outside of Massachusetts.

Syndicator / Investor (Federal LIHTC): Hudson Housing Capital

Hudson Housing Capital ("Hudson") is a Delaware limited liability company formed to directly acquire limited partnership interests in partnerships which own apartment complexes qualifying for low-income housing tax credits. Founded in 1998 as a low-income housing tax credit syndicator, Hudson has syndicated more than $6.0 billion in tax credit equity since its inception.

Hudson continues to manage a portfolio with strong performance measures and consistently raises and closes over $500 million annually.

Recent MassHousing financing commitments for developments using Hudson as the syndicator include 95 Everett Street, 15 Temple, and Old Colony Phase Six.

Syndicator / Investor (Federal HTC): JP Morgan Chase & Co.

JPMorgan Chase & Co. is a leading global financial services firm serving millions of consumers, businesses, and institutional clients in over 100 countries, offering services in investment banking, commercial banking, asset management, and consumer banking. The firm has preserved over 100 historic developments through investment of over $1.6 billion in historic tax credit equity. In Phase I, JPMorgan Chase & Co. will be the historic tax credit investor and a member of the master tenant entity.

Syndicator / Investor (State LIHTC and State HTC): U.S. Bank National Association

U.S. Bank National Association ("U.S. Bank"), the fifth-largest commercial bank in the United States, is based in Minneapolis and operates more than 2,000 branches in 26 states. The company employs more than 70,000 people, generates $23 billion in annual revenue, and has over $550 billion in assets.

Management Company: Pennrose Management Company

Established in 1981, Pennrose Management Company is a provider of professional property management, consulting and auxiliary services to property owners including non-profit and public agencies as well as other private sector entities. With a staff of approximately 300 employees, the company manages a portfolio of over 130 properties (8,200 units) in six states.

Recent transactions with Pennrose Management Company as the management agent include Swifts Landing (formerly Littleton Drive).

Architect: DiMella Shaffer

Dimella Shaffer has designed more than 3,500 housing units across a range of project types. Working closely with residents, builders, developers, public agencies and neighborhoods, while using the latest sustainable materials and building technology.

The Agency's most recent experience with DiMella Shaffer was on Grace Apartments and Waterworks II.

General Contractor: Consigli Construction Co., Inc.

Consigli Construction Co., Inc. ("Consigli") is one of the largest employee-owned construction managers in the Northeast and Mid-Atlantic. Staffed by more than 1,600 employees, with ten regional offices across the east coast from Maine to Washington, D.C., and upward of $2.3 billion in annual volume, Consigli has expanded its roots, while maintaining its core competencies with more than 650 skilled carpenters, laborers, and masons on staff.

The Agency's most recent experience with Consigli was on Mildred Hailey Building 1A and Mildred Hailey Building 1B.

7. Summary of MassHousing-Sponsor Relationship			
	Recorded	*Committed*	*Total*
Number of Projects with MassHousing Debt	3	2	5
Total Units with MassHousing Debt	158	150	308
Outstanding MassHousing Principal Debt	$10,215,277	$46,225,000	$56,440,277
Number of Projects with MassHousing Conduit Financing	0		
Adverse Actions Against the Borrower Team	No		
Current on Obligations with MassHousing	Yes		
Property Management Affiliate	Yes, Pennrose Management Company manages properties in its portfolio and offers management services to properties outside of its portfolio.		

MassHousing Staff	
Origination	Jeff Geller, Originator Matt Deych, Analyst
Underwriting	Adam Krings, Underwriter John Collins, Underwriter
Asset Management	Kate Joyce, Portfolio Manager Rosalba Morgese, Asset Manager

8. Unit Mix

		LIHTC Eligible									
Unit Size	Total Units	Section 8 PBV 30% of AMI		Section 8 PBV 50% of AMI		50% of AMI LIHTC		60% of AMI LIHTC		80% of AMI LIHTC / Workforce	
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*
0 BR	39	20	$2,241	14	$2,241			3	$1,534	2	$2,081
1 BR	22			15	$2,316	3	$880	1	$1,604	3	$2,191
2 BR	4					4	$ 968				
Total	**65**	**20**		**29**		**7**		**4**		**5**	

Project-Based Rental Subsidy	
Type	Section 8 PBV*
Term	20 y
Administrator	MetroHousing Boston
Lesser of contract rents	

*See Section 13.5 for additional information.

9. Operating Overview

Underwritten Operating Expenses	$1,122,376 (approximately $17,300 per unit)

Basis of Operating Costs. Operating expense assumptions are based on the review of comparable properties, borrower-proposed budget, and borrower-supporting documentation.

Operating expenses are higher than MassHousing's managed portfolio range of $11,000 to $15,000 per unit. This is primarily due to the high level of resident services the Sponsor will provide. The resident services budget is $140,596, or $2,163 per unit. Pennrose Management Company will employ a full-time community impact coordinator at $65,596 per year ($1,009 per unit) and make an annual contribution of $75,000 ($1,154 per unit) to Soldier On for the provision of its services.

10. Project Costs

Core Residential Costs	
Base	$83,458,998
Extraordinary	$11,170,203
Total	$94,629,201
Commercial, Site and Other Non-Residential Costs	
Commercial Costs	-
Site and Other Non-Residential Costs	$2,267,215
Total	$2,267,215
Total Development Cost	
Total	$96,896,416

Project Construction Costs	
Total Construction Cost	$70,705,484
Construction per Square Foot	$974

Background on Extraordinary Residential Costs. Extraordinary costs are related to several factors. The three buildings to be renovated were built at different times with different structural systems. Safely demolishing the existing structural components inside the historic walls and replacing them with new systems adds costs that would not occur in the renovation of a single building. Similarly, each building requires its own set of materials and assemblies to meet historic requirements. Items such as siding, windows, doors, roofing, and trims visible on the outside of the buildings have a limited number of options that meet historic standards, which reduces the number of cost-saving alternatives. Navigating construction in a congested urban site and escalated material costs are additional factors.

Background on Commercial, Site and Other Non-Residential Costs. The Development will include the construction of a greenhouse and an outdoor Victory Garden that will be available for use by all residents of the campus. Additionally, the majority of the costs for off-street parking for all four phases are included in Phase I.

Background on Building Standards Costs. Building Standards costs are related to Enterprise Green Communities design. These costs are included as Extraordinary Costs and contribute to the total development costs.

11. Sources and Uses

Sources of Funds	Total
Permanent Loan	$4,600,000
Workforce Housing Loan	$900,000
Federal LIHTC	$37,961,479
Federal HTC	$8,195,653
State LIHTC Loan	$20,000,000
State HTC	$3,082,000
UPP Funds + HWIP	$1,000,000
EOHLC HSF+AHTF	$5,750,000
EOVS	$7,900,000
MassSave Rebate	$247,500
Geothermal Investment Tax Credits	$1,511,336
Climate Ready Housing	$2,000,000
Congressionally Directed Spending	$3,150,000
Deferred Dev Fee	$598,448
Total Sources	$96,896,415

LIHTC Pricing	
Federal LIHTC	$0.87
State LIHTC	$0.80
Federal Historic	$0.86
State Historic	$0.92

Core Residential Uses of Funds	Total		Base Costs		Extraordinary Costs	
		Per Unit		*Per Unit*		*Per Unit*
Acquisition	$100,000	$1,538	$100,000	$1,538	-	-
Construction	$62,360,506	$959,392	$57,135,482	$879,007	$5,225,024	$80,385
Construction Contingency	$6,236,051	$95,939	$5,713,548	$87,901	$522,502	$8,038
General Development	$18,701,141	$287,710	$14,132,084	$217,417	$4,569,057	$70,293
Supportive Services Reserve	$366,968	$5,646	$323,650	$4,979	$43,318	$666
Operating Reserve	$725,138	$11,156	$639,541	$9,839	$85,597	$1,317
Overhead	$3,069,699	$47,226	$2,707,346	$41,651	$362,353	$5,575
Fee	$3,069,699	$47,226	$2,707,346	$41,651	$362,353	$5,575
Total Residential Uses	$94,629,201	$1,455,834	$83,458,998	$1,283,985	$11,170,203	$171,849

Site and Other Nonresidential Uses*	$2,267,215

Total Uses	$96,896,415

12. First Year Income and Expenses

Income		
Rental Income – Project-Based Rental Subsidy		$1,331,208
Rental Income – Non-Rental Subsidy		$281,436
Gross Potential Residential Income		$1,612,644
Vacancy – Project-Based Rental Subsidy	2.5%	($33,280)
Vacancy – Non-Rental Subsidy	3-5%	($11,020)
Gross Residential Income		$1,568,344
Other Income – Laundry		$4,800
Effective Gross Income		$1,573,144

Expenses	
Residential Operating Expenses	$1,121,126
Net Operating Income	$452,018
Debt Service	($341,828)
Cash Flow	$110,190

Debt Service Coverage	1.32

Residential Operating Expense Detail			*Per Unit*
Management Fee	6.0%	$94,389	$1,452
Administrative Costs		$253,507	$3,900
Maintenance Costs		$197,457	$3,038
Resident Services		$140,596	$2,163
Security		$11,800	182
Utilities (electricity, water and sewer, geothermal reserve)		$120,493	$1,854
Insurance		$194,452	$2,992
Taxes		$95,584	$1,471
Replacement Reserves		$29,250	$450
Mortgage Insurance Premium		$11,500	$177
Total		$1,122,376	$17,267

Operating Expenses as a Percent of EGI	71.3%

13. Underwriting

1. **Loan Sizing**. The Sources and Uses in this commitment proposal reflect a Projected Loan amount of $4,600,000. The MassHousing Financing Summary in Section 3 above and the Votes below allow for an "up to" Loan amount of $5,000,000. The final loan amount will be set when the interest rate is locked at construction closing, such that MassHousing's debt service coverage ratio and loan to value benchmarks will be met.

   To the extent that the final loan amount is greater or less than $4,600,000, MassHousing will confirm that other sources will be adjusted as necessary to maintain a balanced sources and uses.

2. **Resident Services.** As part of the Master Development Agreement between the Sponsor and DCAMM, a Veterans Resource Center ("VRC") will be constructed on the campus and supportive services will be provided to residents through the VRC. The VRC is planned as part of the fourth phase of the master development plan, which is targeted to come online in 2031.

   As part of Phase I, a conference room and three offices in the Laundry Building will be dedicated for provision of resident services to the residents of the Development. These services are included in the operating budget ($2,163 per unit). Additional resident services will be provided by Soldier On, a non-profit veteran services provider. These additional services and accompanying expenses are not attributable to the Development's operating budget. Solder On will utilize funds it receives from grants and other sources to provide the services.

   Existing residents of the buildings still owned by DCAMM will not be eligible for these services until they move into Sponsor-owned housing; these residents will continue to receive services from the state until such time.

3. **Master Lease Pass Through Structure.** To preserve eligible basis for the federal LIHTC and HTC, the Sponsor proposes use of a master lease pass through structure. Under this structure, the Borrower will lease the entire project to a master tenant controlled by the Sponsor (the "Master Tenant"). The federal LIHTC investor will be a member of the Borrower entity, and the federal HTC investor will be a member of the Master Tenant entity.

   Under the terms of the master lease, the Master Tenant will be responsible for all operating expenses except real estate taxes, insurance, and debt-service, which will be paid by the Borrower.

Monthly rent payable by the Master Tenant to the Borrower will be sized to cover these costs. The master lease, which will be subject to MassHousing's approval, will allow the Borrower to amend the rent schedule to accommodate increases in the cost of real estate taxes and insurance.

The DSCR of 1.32 is based on the overall performance of the property and does not represent the income of the Borrower, but rent payable to the Borrower under the master lease will be subject to resizing to cover Borrower's obligations. The Master Tenant will collect all property income, pay the monthly rent to the Borrower and cover all other operating expenses.

4. **Cashflow Waterfall.** For so long as the master lease structure remains in place, the Master Tenant will collect all rent from residential tenants and pay all expenses aside from those covered by the Borrower.

   Any surplus cash flow available from the Master Tenant's operation of the project will follow the waterfall as defined in the Master Tenant's operating agreement but will be subject to MassHousing's limitation on dividends. If the master lease structure is terminated, available cash flow would be distributed in accordance with the Borrower's operating agreement.

5. **Underwritten Rents.**
   a. The seven units restricted to households at or below 50% of AMI have been underwritten at rents at 30-40% of AMI. These lower underwritten rents are based on income data of the existing campus tenants who are anticipated to relocate to the new 50% AMI units upon completion. Upon turnover these units may be leased at the maximum allowable 50% AMI rent level.

   b. EOHLC will provide 49 project-based vouchers for the Development. The mix of voucher types is still to be determined. As such, the subsidized units are underwritten at the Project-Based Section 8 payment standard of 110% SAFMR, less utility allowances. If MRVP is awarded, the underwritten rents for those units would increase to the payment standard of 100% Area-Wide FMR.

6. **Average Income Set-Aside.** The Sponsor proposes the use of the average income test option available under the Federal tax code to make all the units in the Development, including the workforce housing units, which will be restricted at 80% of AMI, potentially eligible for federal low-income housing tax credits.

7. **Workforce Housing.** MassHousing's Workforce Housing Program Guidelines limit the subordinate loan to $100,000 per workforce unit. The proposed Workforce Housing Loan is $900,000, or $180,000 per unit. Given the project's deep affordability and level of subsidy contributions from various stakeholders, MassHousing staff recommend approval of this higher per unit loan amount.

8. **Boiler Plant Easement.** The boiler plant located across the parking lot from the Laundry Building will remain operational throughout the master redevelopment period. The boiler plant will provide heat and hot water to the existing buildings through pipes located under the parking lot that will cross the Site. Review and approval of any easements or other arrangements documenting continued use of the boiler plant will be a requirement for closing.

9. **Funding of Loans.** This proposal reflects a modification to the Agency's General Multifamily Loan Closing Standard 4.4.2, relating to achievement of stabilization as the threshold for funding of the Agency's loans. Proposed for this transaction is funding of the Loans upon confirmation of construction completion and in advance of stabilized occupancy.

   The permanent loan will be funded on an interest-only basis through the remainder of the lease-up and stabilization period. Upon achievement of stabilization, the permanent loan will commence amortization, and the Agency will obtain final endorsement for HUD Risk Share insurance. The need for a lease-up reserve and/or bridge loan guarantee will be evaluated prior to the recording and funding of the MassHousing loans.

10. **Third-Party Reports.** MassHousing's appraisal and market study are currently under review. To the extent these reports change underwritten rents and/or loan-to-value, the loan amount may be adjusted accordingly.

Underwriting Criteria and Loan Terms	Veterans Home at Chelsea Phase I	Underwriting Standards
1. DSCR	1.32	Minimum of 1.10
2. Term/Amortization	41 y / 40 y 12 mo IO / 40 y amortizing	30-40 y, fully-amortizing
3. Loan to Value	80%	Maximum of 90% based on third party "as-proposed" investment value
4. Underwriting Rents	Lesser of Project-Based Section 8 ("PBS8") contract or market supported rents	Lesser of: • PB-Rental Subsidy contract or market supported rents • Programmatic rent cap or rents supported by MassHousing market review.
5. Vacancy Allowance	2.5% PBS8 3.0% 50% & 60% AMI 5.0% WFH	Minimum of: • 2.5% for PB – Rental Subsidy • 3.0% for LIHTC • 5.0% for unrestricted or workforce housing
6. Affordability	40% at 60% of AMI	Minimum of: • 20% at 80% of AMI for MassHousing Statute • 40% at 60% or 20% at 50% of AMI for loans with FHA Insurance, HUD/FFB, Tax-Exempt Bond, and/or Federal LIHTC
7. Annual Deposits to Replacement Reserves	$450 unit / year	Minimum of: • $360 unit / year (new construction) • $500 unit / year (rehab) Note: Additional initial deposit to reserves may be required by the third-party CNA to fund twenty-year capital needs.
8. Operating Expenses	Approximately $17,300 unit / year	Typically, between $11,000 and $15,000 per unit.

14. Low-Income Housing Tax Credits

The Developer has included in its financing proposal a request for the use of 4% Low-Income Housing Tax Credits (the "4% Credits"). The 4% Credits may be utilized as a result of the funding of the Loan with tax-exempt bonds or notes of MassHousing which are to be issued under Section 142 of the Internal Revenue Code of 1986, as amended (the "Code") and are subject to a volume capacity allocation under Section 146 of the Code.

Use of the 4% Credits must be approved by EOHLC as the "housing credit agency" under Section 42 of the Code who must make the determination required under Section 42(m)(1)(D) of the Code that the development and financing proposal meets the requirements of the Commonwealth's Qualified Allocation Plan. In addition, MassHousing, as the issuer of tax-exempt obligations which generate the 4% Credits must determine under Section 42(m)(2)(D) of the Code that the amount of 4% Credits does not exceed the amount necessary for the financial feasibility and long-term viability of the development. Such determination shall be made applying the standards set forth in the proposed Board vote herein, as required by Section 42(m)(2) (B) of the Code.

Veterans Home at Chelsea Phase I

VOTES AND FINDINGS

PROPOSALS AND VOTES

Official Action Status

RECOMMENDATION:

Staff has reviewed the development experience and creditworthiness of the mortgagor and sponsor and found them to be acceptable. Staff has also determined that the mortgagor, sponsor, or an affiliate under common control has demonstrated evidence of site control, that the proposed site is acceptable for the intended housing, and that there is a need for the proposed housing in the community where the site is located. Therefore, staff recommends the following votes for approval:

VOTED: To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as "Veterans Home at Chelsea Phase I" (the "Development") at such time as it is submitted; and (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 that such loan (a) be funded with proceeds of tax-exempt debt issued in the future and (b) reimburse, in accordance with Treasury Regulations Section 1.150-2, up to $36,250,000 of costs of the Development paid prior to the issuance of such debt or the making of such loan; provided that this vote does not require the Agency to make any expenditure, incur any indebtedness or proceed with the Development.

Official Action Status Findings

In accordance with the vote of the Members of MassHousing dated October 10, 2023, staff makes the following Official Action Status findings for the Development:

1. The mortgagor or sponsor has acceptable multifamily housing development experience and acceptable credit history.
2. The mortgagor, sponsor or an affiliate under common control has demonstrated evidence of site control, which may include a deed, a ground lease, a purchase option, a contract of sale, or designation under a public land disposition process.
3. The site is acceptable for the proposed housing.
4. There is a need for the proposed housing in the community where the site is located.

Mortgage Loans

Staff has reviewed the proposal for (i) permanent, equity bridge and subordinate financing, and (ii) the use of Low-Income Housing Tax Credits and proposes the following votes for approval:

VOTED: To approve the findings and determinations set forth below and to authorize (a) a permanent first mortgage loan in a principal amount of up to $5,000,000, such first loan to be insured under the HUD HFA Risk Sharing Program; and (b) a subordinate equity bridge mortgage loan in a principal amount of up to $24,000,000, in each case to be made to CSH Phase I LLC or another single-purpose entity controlled by Pennrose, LLC (the "Borrower") as owner of the multifamily residential development known as "Veterans Home at Chelsea Phase I" (the "Development") and located in Chelsea, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None.

FURTHER VOTED: To approve a subordinate mortgage loan to the Borrower for the Development in an amount not to exceed $900,000 (1) to be funded from that portion of the Opportunity Fund approved by the Members of MassHousing on March 8, 2016, designated and reserved for workforce housing programs, or from funds appropriated or awarded to MassHousing by the Commonwealth of Massachusetts for workforce or middle-income housing programs, and (2) subject to the terms and conditions of MassHousing's Workforce Program Guidelines adopted by the Members on July 12, 2016, as amended, and to any applicable delegations of authority previously approved by the Members of MassHousing.

FURTHER VOTED: That the amount of 4% Credits, as set by the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the multifamily development located in Chelsea, Massachusetts and known as "Veterans Home at Chelsea Phase I" (the "Development") will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the credit period, having taken into consideration:

(a) the sources and uses of funds and the total financing planned for the Development;

(b) any proceeds or receipts expected to be generated by reason of tax benefits;

(c) the percentage of the tax credit amount used for Development costs other than the cost of intermediaries; and

(d) the reasonableness of the developmental and operational costs of the Development, provided, however, that such determination shall not be construed to be a representation or warranty as to the feasibility or viability of the Development.

FURTHER VOTED: To authorize the Chief Executive Officer, the Chief Legal and Operating Officer, the Vice President of Multifamily Programs, the Senior Director of Capital Deployment, the Director (or Senior Director) of Rental Underwriting, the General Counsel or the designee of any of the foregoing, each acting singly, to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding vote.

FURTHER VOTED: To authorize the Chief Executive Officer, the Chief Legal and Operating Officer and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing's first mortgage loan, and other MassHousing debt as determined by the Chief Executive Officer, the Chief Legal and Operating Officer or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing's requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel or their designee.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:
Sixty units (92%) in the Development will be affordable to low-income persons and families, as specified in the Act, at rents that do not exceed the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area
The market needs data reflects the information available to A&M staff as of the date of collection April 14, 2026. Further, the reader is cautioned and reminded that any observations, comparisons, and/or conclusions are based on the data as of the indicated collection date.

In-house data for larger market and mixed-income complexes (approximately 1,156 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 96.2%, and range between 91% and 100%. Two of the comparable developments reviewed were offering rental concessions ranging from 5 weeks free rent and 2 ½ month's free rent

2nd Qtr. 2026 CoStar data for the subject's East Boston/Chelsea submarket (7,208 units) have an overall vacancy rate at 6.8% YTD, which is a decrease of 4.12% from one year ago. CoStar data for the Boston market (299,786 units) has an overall vacancy rate of 6.7% YTD, which is an increase of .77% from one year ago. The East Boston/Chelsea submarket vacancy rate is projected to decrease to 6.0% over the next five years, while the Boston Market is projected to decrease to 6.0%.

CoStar submarket data for the 4-5 Star building type (4,561 units) indicates a 2nd Qtr. 2026 vacancy rate of 8.1% and an average asking rent of $2,985 while submarket data for the subject's 3 Star building type (1,162 units) indicates a 2nd Qtr. 2026 vacancy rate of 5.1% at an average asking rent of $2,765 and 1-2 Star buildings (1,485 units) indicates a 2nd Qtr. 2026 vacancy rate of 4.0% at an average asking rent of $1,915. The development with its amenities more closely reflects the 3 Star building type and is reflected in both the vacancy rate and market rent potential. According to the Executive Office of Housing and Livable Communities (EOHLC) Chapter 40B Subsidized Housing Inventory (09/30/25), the City of Chelsea has 14,521 year-round housing units, 2,422 (16.68%) of which are subsidized for low/moderate income households.

Per the representative of the Chelsea Housing Authority, (CHA), the authority owns 3 State funded family public housing with 294 housing units comprised of 161 two- bedrooms units, 127 three-bedroom units, and 6 four-bedroom units with a total of 8,437 applicants on the waiting list. CHA

also owns 2 State funded elderly/disabled public housing units with 266 one-bedroom units with a total of 2,900 applicants on the waiting list.

Regarding Federal funded public housing, CHA owns 2 Federal funded family public housing developments with a total of 202 units comprised of 32 one-bedrooms, 85 two-bedrooms, 70 three bedrooms and 15 four bedrooms. There are 527 applicants of the waiting list. CHA also owns 1 Federal funded elderly/disabled public housing units with a total of 152 one-bedroom units with a total of 742 applicants on the waiting list.

CHA also has been allocated 515 housing choice vouchers of which about 498 are being utilized. The total number of applicants on the waiting list is 422 Elderly family applicants and 892 family applicants.

U.S. Census data from the 2020-2024 American Community Survey (ACS) indicates that of the 13,716 households in the City of Chelsea approximately 84.8% earned less than the HUD published 2025 AMI ($160,900), approximately 54.4% earned less than 50% of 2025 AMI, approximately 60.8% earned less than 60% of the 2025 AMI, and approximately 73.7% earned less than 80% of the 2025 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed does not lead to the undue concentration of low-income housing.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

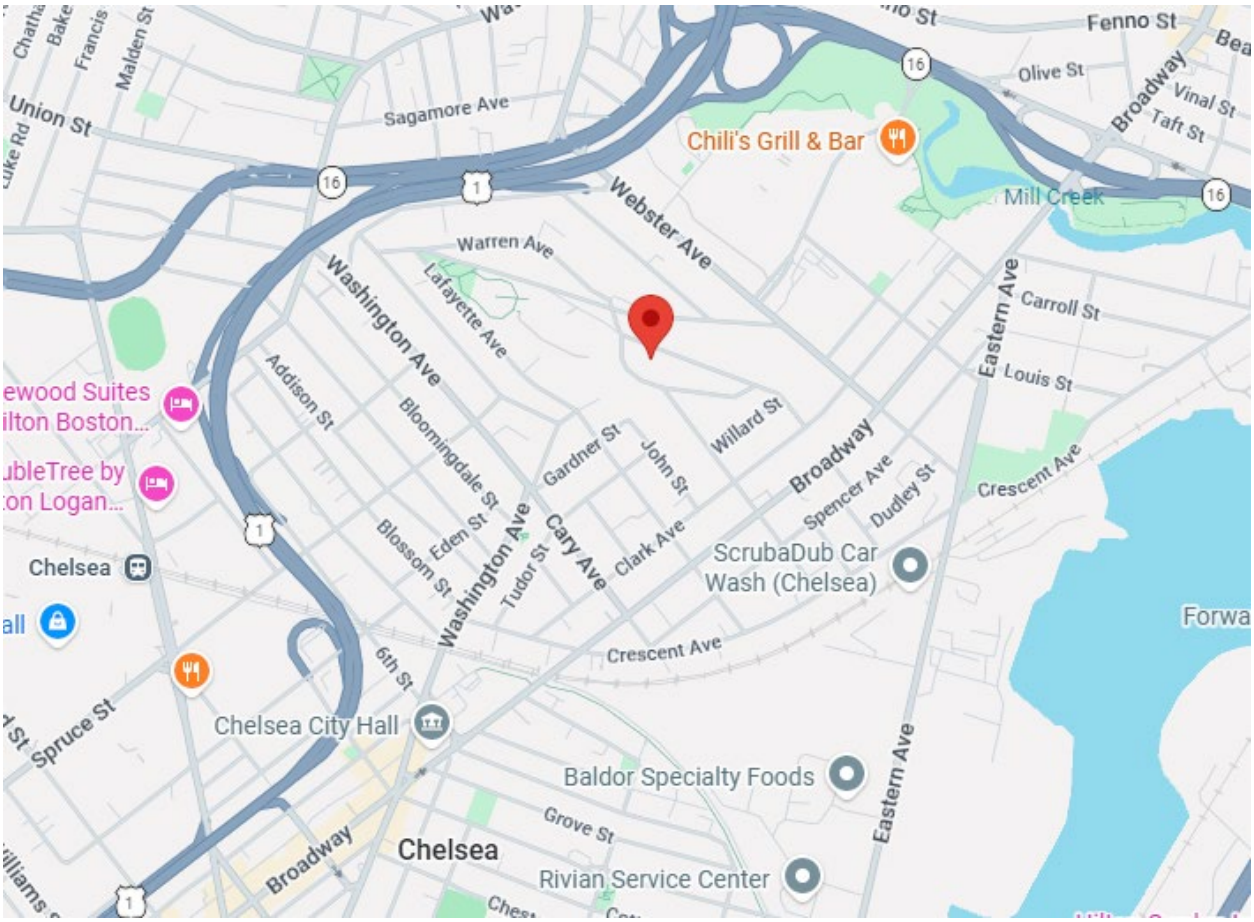
Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	0	1	2
Number of Units	39	22	4
Net SF/Unit	502	636	980
Elev./Non-Elev.	Y	Y	Y
Market Rate Rent	$8,112	$8,462	$8,862
MHFA Below Market Rent (Cost-Based Rent)	$5,855	$6,205	$6,605
MHFA Adjusted Rent	30% of 60% of AMI		
Underwriting Rents			
Contract Rents	$2,241	$2,316	
LIHTC 50% AMI		$880	$968
LIHTC 60% AMI	$1,534	$1,604	
WFH/LIHTC 80% AMI	$2,081	$2,191	

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

MAP AND PICTURES



SUMMIT AVE.
POWER PLANT
PARKING DECK ABOVE
SURFACE PARKING
SARGENT
CAFE
CONNECTOR
WILLIAMS
COMM-ANDANT
GARDEN
CREST AVE.
SULLIVAN
ADAMS
EAST PARCEL
HQ
SULLIVAN COURTYARD
ADAMS COURTYARD
HILLSIDE AVE.
ST. MICHAEL'S CHAPEL
COMMUNITY PLAY AREA
KEVILLE
TOTAL CAMPUS PARKING (PROPOSED): 110
ON SURFACE (NEW): 78

Loan Commitment Proposal | May 12, 2026

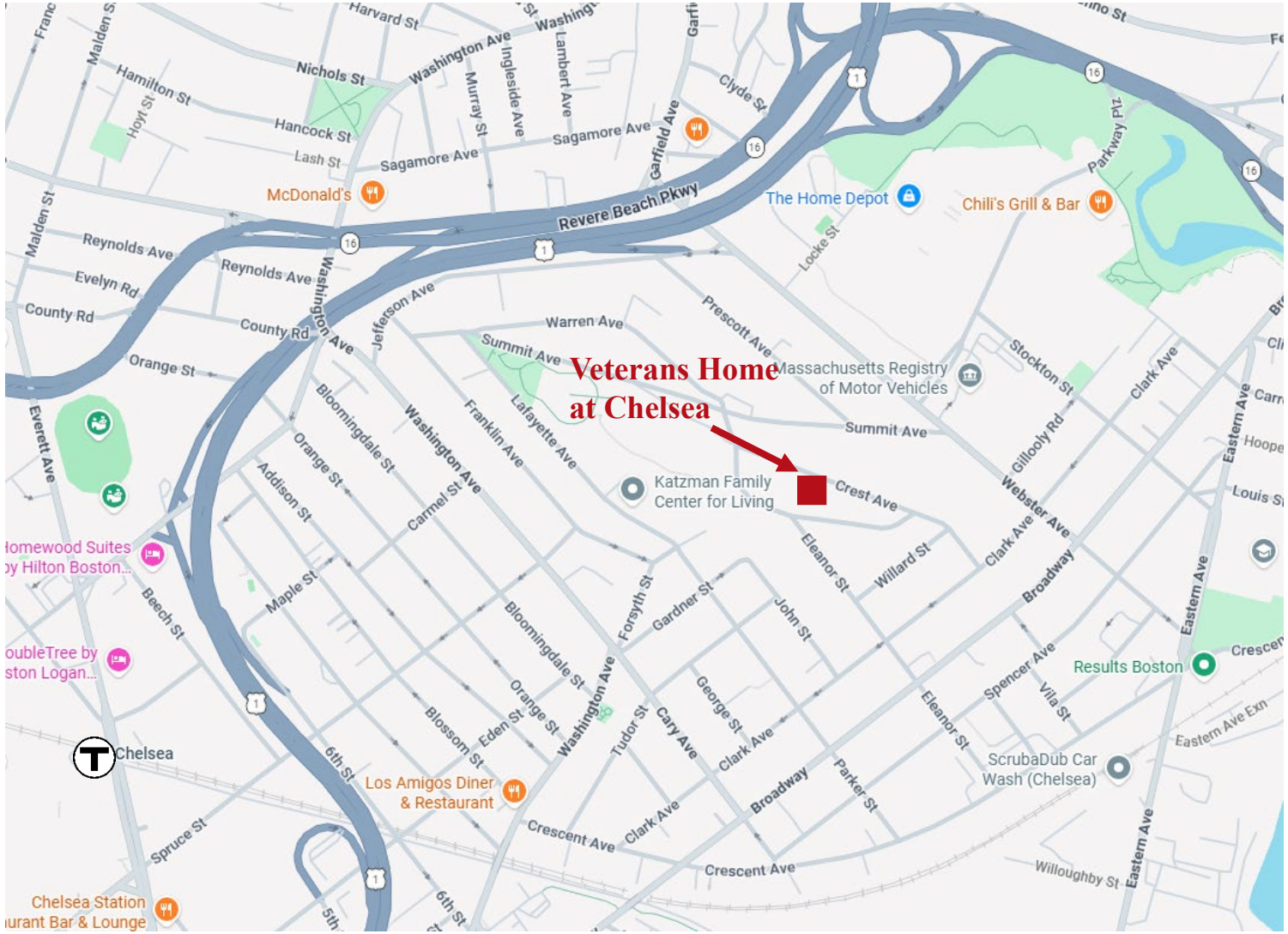
Veterans Home at Chelsea Phase I

Location	91 Crest Avenue, Chelsea, MA 02150
Sponsor	Pennrose, LLC
Transaction Type	Production (4%)
Funding Type	Forward Commitment of a Permanent Loan
Execution Type	Portfolio (TE)
Credit Enhancement	HUD/HFA Risk-Sharing with 50% credit risk
Total Rental Units	65
Affordability Mix	60 Affordable 5 Workforce

Deal Team Members	
Origination	Jeff Geller, Matt Deych
Underwriting	Adam Krings, John Collins
Asset Management	Kate Joyce, Rosalba Morgese

MassHousing

Veterans Home at Chelsea Phase I | Chelsea



Borrower Team

Mortgagor Entity	CSH Phase I LLC
Developer / Sponsor	Pennrose, LLC
General Partner / Managing Member	CSH Phase I MM LLC
Master Tenant	CSH Phase I MT LLC
Construction Lender	M&T Bank Corporation
Federal LIHTC Investor	Hudson Housing Capital
Federal HTC Investor	JP Morgan Chase & Co.
State LIHTC/HTC Investor	U.S. Bank National Association
Management Company	Pennrose Management Company
Architect	DiMella Shaffer
General Contractor	Consigli Construction Co., Inc.

Unit Mix

		LIHTC-Eligible									
Unit Size	Total Units	Section 8 PBV 30% of AMI		Section 8 PBV 50% of AMI		50% of AMI LIHTC		60% of AMI LIHTC		80% of AMI LIIHTC/ Workforce	
		Count	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*	*Count*	*Rent*
0 BR	39	20	$2,241	14	$2,241	-	-	3	$1,534	2	$2,081
1 BR	22	-	-	15	$2,316	3	$880	1	$1,604	3	$2,191
2 BR	4	-	-	-	-	4	$968	-	-		
Total	**65**	**20**		**29**		**7**		**4**		**5**	

Project Costs

Core Residential Costs	
Base	$83,458,998
Extraordinary	$11,170,203
Total	$94,629,201
Commercial and Non-Residential Costs	
Commercial Costs	$0
Site and Other Non-Residential Costs	$2,267,215
Total	$2,267,215
Total Development Cost	
Total	$96,896,416

Project Construction Costs	
Total Construction Cost	$70,705,484
Construction per Square Foot	$974

Sources and Uses

Sources of Funds			Uses of Funds	
Permanent Loan	$4,600,000		Acquisition	$100,000
Workforce Housing Loan	$900,000		Construction	$64,277,714
Federal LIHTC	$37,961,479		Construction Contingency	$6,427,771
Federal HTC	$8,195,653		General Development	$18,701,141
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EOHLC HSF+AHTF	$5,750,000			
EOVS	$7,900,000			
MassSave Rebate	$247,500			
Geothermal Investment TC	$1,511,336			
Climate Ready Housing	$2,000,000			
Congressionally Directed Spending	$3,150,000			
Deferred Dev Fee	$598,448			
Total Sources	**$96,896,416**		**Total Uses**	**$96,896,416**

Underwriting Notes

1. Loan Sizing
2. Resident Services
3. Master Lease Pass Through Structure
4. Cashflow Waterfall
5. Underwritten Rents
6. Average Income Set-Aside
7. Workforce Housing
8. Boiler Plant Easement
9. Funding of Loans
10. Third-Party Reports

Official Action Status (OAS) Findings

1. **Mortgagor**: The mortgagor or sponsor has acceptable multifamily housing development experience and acceptable credit history.
2. **Site Control**: The mortgagor, sponsor or an affiliate under common control has demonstrated evidence of site control, which may include a deed, a ground lease, a purchase option, a contract of sale, or designation under a public land disposition process.
3. **Acceptability of Site**: The site is acceptable for the proposed housing.
4. **Need for Proposed Housing**: There is a need for the proposed housing in the community where the site is located.

Recommended Votes

- Official Action Status
- Commitment of a Tax-Exempt Permanent Loan
- Commitment of a Tax-Exempt Bridge Loan
- Commitment of a Workforce Housing Loan
- Approval for the Use of Low-Income Housing Tax Credits

Delinquency Summary Report

Apr 30, 2026

Delinquencies in Excess of: $1,000
Monthly Billed Loans

Program Type	Principal Program Detail	Number of Developments	Project Outstanding Loan Amount	Developments Delinquent	Delinq Outstanding Loan Amount	Pct $ Delinq Loans	Pct # Delinquent Loans
INDEP	Options for Independence	12	$135,287	0	$0	0.00%	0.00%
INDEP - Total		**12**	**$135,287**	**0**	**$0**	**0.00%**	**0.00%**
OTHER	Other Subordinate Only	1	$926,401	0	$0	0.00%	0.00%
OTHER - Total		**1**	**$926,401**	**0**	**$0**	**0.00%**	**0.00%**
SECT8PBCA	Project Based Section 8	175	$3,074,170,455	0	$0	0.00%	0.00%
SECT8PBCA - Total		**175**	**$3,074,170,455**	**0**	**$0**	**0.00%**	**0.00%**
SECT8VOUCH	Project Based Section 8 Vouchers	33	$512,862,019	0	$0	0.00%	0.00%
SECT8VOUCH - Total		**33**	**$512,862,019**	**0**	**$0**	**0.00%**	**0.00%**
SHARP	SHARP/ RDAL	3	$42,849,376	0	$0	0.00%	0.00%
SHARP - Total		**3**	**$42,849,376**	**0**	**$0**	**0.00%**	**0.00%**
TAXCREDIT	Tax Credit (4% and/or 9%)	175	$1,612,301,848	1	$33,825,580	2.10%	0.57%
TAXCREDIT - Total		**175**	**$1,612,301,848**	**1**	**$33,825,580**	**2.10%**	**0.57%**
UNSUB	Un-Subsidized	23	$331,716,161	0	$0	0.00%	0.00%
UNSUB - Total		**23**	**$331,716,161**	**0**	**$0**	**0.00%**	**0.00%**
WORKFORCE	Workforce Housing	10	$142,184,151	0	$0	0.00%	0.00%
WORKFORCE - Total		**10**	**$142,184,151**	**0**	**$0**	**0.00%**	**0.00%**
		5	$51,466,966	0	$0	0.00%	0.00%
- Total		**5**	**$51,466,966**	**0**	**$0**	**0.00%**	**0.00%**
Overall - Total		**437**	**$5,768,612,662**	**1**	**$33,825,580**	**0.59%**	**0.23%**

Delinquency Detail

Apr 30, 2026
Delinquencies in Excess of: $1,000

Tax Credit (4% and/or 9%)

Principal Program Code	Project Id - Development Name	City/ Town	Total Rental Units	Project Outstanding Loan Amount	Total Due & Uncollected	Past Due Installments
TAXCREDIT	16-004 Pac 10 Lofts, Phase One	Lawrence	180	$33,825,580	$20,086,892	40
Overall - Total			**180**	**$33,825,580**	**$20,086,892**	

Delinquency Detail by Investor

Apr 30, 2026
Delinquencies in Excess of: $1,000

Investor Segment	Segment Code	Investor Segment	Investor Pool	Loan Nbr	Project Id - Development Name	Total Rental Units	Original Loan Amt	Outstanding Loan Amt	Total Due & Uncollected - Delinquent	Past Due Installments
Escrow Division/Working Capital Fund	W001	Working Capital Fund	WCF Corporate	16-004-02	16-004 Pac 10 Lofts, Phase One	180	$18,000,000	$16,057,580	$16,105,146	1
Housing Bond Resolution	B001	Housing Bond Resolution	HOUSING BOND RES 2017D	16-004-01	16-004 Pac 10 Lofts, Phase One	180	$11,100,000	$11,100,000	$2,487,471	40
			HOUSING BOND RES 2022A-1	16-004-01	16-004 Pac 10 Lofts, Phase One	180	$6,668,000	$6,668,000	$1,494,275	40
Overall - Total						**180**	**$35,768,000**	**$33,825,580**	**$20,086,892**	